

Company registration number 00183299 (England and Wales)
Charity registration number 250658 (England and Wales)

MANCHESTER YMCA
A COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

MANCHESTER YMCA
A COMPANY LIMITED BY GUARANTEE

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MANCHESTER YMCA

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISORS

Trustees	C O'Hare - Chair G Tucker - Vice Chair A Birtwistle R Mashiter G Rothwell P Hood S Gatenby C Hamlett
Officers	J Pellowe - President W T Docherty MBE - Vice-President The Lord Mayor of Manchester - Vice President The Bishop of Manchester - vice-President
Company Number	00183299
Charity Number	250658
Registered Office	Liverpool Road Castlefield Manchester M3 4JR
Company Secretary	M Gandy
Chief Executive Officer	P Smith
Auditors	Mitchell Charlesworth (Audit) Limited 3 rd Floor 44 Peter Street Manchester M2 5GP
Bankers	Santander UK plc Bootle Branch Bridle Road Bootle Liverpool Merseyside L30 4GB
Solicitors:	Sharp Cross and Mann 13 York Street Heywood Lancashire OL10 4NN

MANCHESTER YMCA

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees (who are also directors of the company for the purposes of the Companies Act) present their Annual Report together with the audited consolidated financial statements of Manchester YMCA (the Charitable Company or Charity) and its subsidiary (the Group) for the year ended 31 March 2022. The Trustees confirm that the Annual Report and financial statements of the group and the charitable company comply with the current statutory requirements, the requirements of the charity and the group's governing document, and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102, effective 1 January 2019).

Objectives and activities objects

The charity's objects as set out in the Memorandum of Association are:

- to encourage young people to lead a life based on Christian principles
- to set and maintain high standards in social and moral behaviour
- to provide for the spiritual, cultural, intellectual, physical, and social needs of its members
- to provide or assist in the provision, in the interests of social welfare, of facilities for recreation and other leisure time occupation for men and women with the object of improving their conditions of life
- to provide or assist in the provision of education for people of all ages and in particular young people, with the object of developing their physical, mental or spiritual capacities

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance "Public benefit: running a charity (PB2)".

Mission

The Board of Trustees have agreed the following Mission Statement for the Manchester YMCA:

"Through development of mind, body and spirit, we will create a community of all people, inspired to achieve their true potential".

Strategies for achieving objectives

The Charity has in place a range of strategic and operational policies which are reviewed regularly and approved by the Board. Our approach is to focus and develop the following areas:

- High quality provision of physical activities and customer care from our Sports and Fitness Centre (The Y Club).
- Advocating, via our Youth and Community Programmes, the needs of some of the most vulnerable and marginalised individuals within our community and supporting them to live healthy and more fulfilled lives.
- Maximising the return from our investment in our trading subsidiary, the Castlefield Hotel, in order to fund our charitable activities.

Activities undertaken to achieve objectives

The Y Club offers a wide range of individual and group programmes and services including exercise classes, fitness assessments and programmes, sports activities and rehabilitation opportunities all of which are accessible and inclusive for people of all ages and abilities.

Manchester YMCA is committed to the promotion of healthy living and is known and respected for its friendly, welcoming environment and its support for local communities. Within the YMCA, clubs offer opportunities for sports involvement at a social and competitive level and for social interaction with other members.

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TRUSTEES' REPORT^[Continued]

FOR THE YEAR ENDED 31 MARCH 2022

Activities undertaken to achieve objectives (Continued)

Manchester YMCA's Youth and Community programmes include partnership work with Salford schools, sport and fitness activities for children and young people, and projects with vulnerable individuals together with wellbeing and engagement projects for local communities in Salford.

Manchester YMCA is the sole beneficiary of a subsidiary company, the Castlefield Hotel Limited, which operates the Castlefield Hotel on the same site as the Y Club and is led by a Board of Directors to manage business activities and meet Company law requirements.

Main activities undertaken to further the company's purposes for the public benefit

Since re-opening after the final lockdown in April 2021, the Y Club has provided a wide variety of leisure activities to its members, hotel guests, pay-as-you-go users, volunteers, staff, and others. The Y Club facilities include a swimming pool, sauna and steam room, 75-station gym, studio, Rugby Fives courts and a sports hall. Activities range from baby swimming and aqua fit in the pool, badminton to wrestling in the Sports Hall and Body Pump to Yoga in the studio. We began the year with 1,313 members and finished with 1,985.

Some of our sports provide opportunities for competitive play. This includes wrestling, basketball, Rugby Fives and volleyball. We also have YMCA Harriers who are based at the Y Club and also compete in regional and national events.

The Y Club and the YMCA has always been more than a leisure facility though and offers a sense of belonging to its members in the city. Members come from across Manchester and further afield, but we are seeing an increased number from the immediate vicinity, as the city centre continues to become more residential.

In terms of supporting specific groups, this year we have:

- Continued to support the Frank Cohen Centre for recovering alcoholics with members of the Centre visiting the Y Club on a regular basis to participate in leisure activities.
- Champions for Change is a 'social prescribing' programme which supports people with poor health to adopt healthier lifestyles, including physical and mental health and nutrition. We have had 20 individuals referred to us through their GP or other public services and complete the programme. This is financed by a grant of £10,000 from BeWell.
- Mental Health Champions Project is a collaboration with Salford Colleges and other partners such as Moorside High School and Salford University to co-produce and co-deliver mental health campaigns to young people aged 16 – 25. The campaigns have reached over 3,000 people and serve to break the stigma related to mental health, raise awareness of mental health and wellbeing, and provide information on support strategies and services. The programme has also recruited over 60 Youth Ambassadors. This is funded by grants from Booths Charities (£10,000) and the National Lottery (£10,000)

To support the above we have secured grants from the North West Young Peoples Development Fund (£15,000), BeWell (£9,920) and the Booths Charities (£10,000) and we would like to thank them all for their generous support.

We have continued to invest in our facilities and systems in order to compete with market demands and to improve the sports and fitness offering and experience available to our members and the wider community. We have been more cautious with regards to capital investments while we have built membership and occupancy levels back up but we have carried out improvements to lighting in the sports hall.

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TRUSTEES' REPORT^[Continued]

FOR THE YEAR ENDED 31 MARCH 2022

Alternative Education

Our programmes enable young people to compete on par with others, not only through gaining academically but also through becoming confident young people who can take their place in society. This provision is crucial to vulnerable young people and looked after children who require additional support to succeed in education and who otherwise would fall behind. We provide a trauma-informed approach which is delivered through tailor-made education packages aligned to individual education plans. In general, academic sessions are delivered 1-2-1 with sports sessions delivered in small groups.

We had provided support throughout the lockdown, including the provision of remote learning. This was an extremely tough year for the young people we work with as they were essentially required to learn from home like everyone else, with little or no additional support from the school. From September, we were able to re-start the on-site delivery of our services for students from Trafford and Salford. We began the 21/22 academic year with four students which grew gradually during the first term, and we had seven students by March 22 with two teachers delivering the curriculum.

We have installed two classrooms in the hotel lobby area which will be the base for the continuation and expansion of our education provision. These were funded from a Youth Investment Fund grant of £23,300.

Impact of Coronavirus pandemic

We continued to feel the effects of Covid for the first 3 – 4 months of the financial year but since the ending of most legal restrictions to operations in July 2021, the YMCA has benefitted from a considerable upturn in business both for the Y Club and for the Castlefield Hotel:

The Y Club re-opened in mid-April, and we saw an excellent recovery with members rapidly returning. By the end of May we had 1,600 members and this continued to increase over the course of the year. By the end of March 2022, the total membership was at 1,985 and we are well on course to break through the 2,000 barrier which will be the first time we have achieved this for at least 15 years.

Castlefield Hotel – we had continued to provide hotel accommodation in a limited capacity for essential workers throughout the lockdowns. Restrictions were eased from mid-May and lifted in full by the end of June. The return to pre-Covid levels was not immediate but by August we were seeing very high occupancy which continued through to December before returning to normal from January.

As set out above, the impact of Covid was also felt in our Youth and Community work, largely limited to the summer term of the 20/21 academic year with many schools continuing to deliver education through remote learning.

Volunteers

Manchester YMCA encourages and supports the active involvement of its members volunteering to run classes, lead activities and participate in the governance of the Association. There are currently more than 25 individuals who give up their time and resources to further the work of the charity. Volunteering is seen as important as it creates opportunities for individuals to progress and can help develop new skills and confidence.

Manchester YMCA has a team of 7 volunteer chaplains who are on hand to serve members, guests and staff as part of the family of the YMCA.

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TRUSTEES' REPORT^[Continued]

FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

Key financial performance indicators

The Manchester YMCA monitors its key financial performance indicators and compares these against budgets, prior years, and benchmark figures where these are available.

	(Covid affected) 2021/22 £'000	(Covid affected) 2020/21 £'000	2019/20 £'000
KPIs			
Total income	2,318	995	2,279
Overall surplus/(deficit)	383	(346)	110
Staff costs	945	735	922
Hotel room occupancy rate	72%	17%	78%
Hotel revenue per available room (RevPar)	£52.76	£8.00	£52.59
Yearend Y Club members	1,985	1,313	1,817

Review of activities

We can see from the table that it has been a very strong recovery from lockdown. We take confidence from the resilience which has been shown by staff, the Board, and our members in order to do this. We also take confidence that we have a very good value for money offer in both the Y Club and the Castlefield Hotel.

Total income (£2.318m) is comparable to 2019/20 (£2.279m) which given that we had severely restricted trade in April to July, is an excellent achievement.

Despite losing three months to Covid (April to June), the Hotel has achieved occupancy levels comparable to 2019/20. Accommodation revenue from the Hotel was £825k compared to £924k in 19/20. Staff costs were approximately £100k down on 19/20 at £429k. The RevPar rate (Revenue per available room) is also very good at £52.76.

The Y Club has had an excellent year since re-opening. We were delighted that so many of our members returned almost immediately and have seen numbers grow steadily in every month of the year. The total membership of 1,985 is as high as it has been for many years.

In addition to gym memberships, all our sports clubs are performing well with excellent participation levels for wrestling, basketball, volleyball, and Rugby Fives. We have hosted regional and national events for wrestling and Rugby Fives this year.

Financial review overview

The results for the year are set out in the Statement of Financial Activities on page 13. Overall, the group made a surplus of £383k.

Within this, the trading company, Castlefield Hotel Limited, made a trading surplus of £253k (page 22). This is just short of £100k up on 2019/20 – a more meaningful comparison than Covid-hit 20/21 – and is the result of very good levels of occupancy, heightened by the continued international travel restrictions.

The Y Club health and fitness facility generated revenue of £703k (page 22) driven by some very strong membership sales - more than £100k up on 2019/20 – and, also, lower staff costs (£329k compared to £355k). Our community work has generated revenue of £141k from the delivery of alternative education and other programmes.

Our YMCA revenues, which are principally from rental income (see notes 8 and 9) were £60k, in line with last year.

Please note that the sports clubs utilising the facilities of the Manchester YMCA each have their own constitution and are open to any person regardless of race, age, gender, sexual orientation, or ability. The Chair and Deputy Chair of the Board of Trustees and the Company Secretary are ex-officio members of each club committee. The income and expenses of these clubs have not been included in these financial statements as the Trustees consider that the Manchester YMCA does not exercise control of their activities.

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TRUSTEES' REPORT^[Continued]

FOR THE YEAR ENDED 31 MARCH 2022

Fundraising activities

The Manchester YMCA largely funds its activities from grants and via trading revenues generated from the Y Club and by its trading subsidiary, Castlefield Hotel Ltd. Fundraising activities are limited to infrequent sponsored events and legacy/will clinics. No third party or external fundraisers are utilised and there were no major fundraising initiatives during the year.

Going concern

The Trustees have continued to monitor the financial outlook for the organization, initially in terms of recovery from the pandemic and, more latterly, in terms of the impact from the cost-of-living crisis and the rapidly rising utility costs.

All three strands of work have recovered very well from Covid-19 and by almost every measure are in a better place than they were prior to the first lockdown. Each department is increasingly recognized as delivering a really high quality service and there is no indication of decreasing demand heading into 2022/23.

Under all the scenarios reviewed, the Trustees are of the view that the charity has sufficient reserves to enable it to continue as a going concern for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

Note 20 and 21 to the financial statements show the assets and liabilities attributable to the various types of funds and summarise the year's movement on each fund. The Board continues to keep the secured borrowings under review, to ensure that they remain adequate to cover the group's working capital requirements.

The Charity has unrestricted reserves of £4.973m and no free reserves. This level of free reserves is common for many other charities that have significant reserves tied up in property and investments. The Trustees monitor the financial health of the charity by reference to the number of months expenditure that could be covered by the existing bank facilities. The aim is to have 2 months' worth of expenditure covered. At present the organisation has in excess of 6 months available.

Principal uncertainties and financial risk management

The Trustees have assessed and documented the major risks to which the Group and the company is exposed.

Given the adverse impact of and continuing duration of Covid-19, the major risk for both the charity and its subsidiary is financial sustainability. A key element in the management of this financial risk is the preparation and review of monthly management accounts and active management of various cash/income sources and use of the charity's assets to ensure that sufficient working capital is available.

Principal funding

The Charity derives its funding from the following sources: Y Club membership fees, gift aid payments from its subsidiary, legacies, donations, and grants.

Constitution

Manchester YMCA is registered as a charitable company limited by guarantee and constituted under a Memorandum of Association.

Organisational structure and decision making policies

The directors of the company are also charity Trustees for the purposes of charity law. Directors are drawn from a variety of professional backgrounds relevant to the work of the organisation. The charity has a Board and Committee structure, and meetings take place on a regular basis. Following the adoption of new Articles of Association in July 2019, Directors are appointed to serve for an initial term of up to three years and may be re-appointed for two further such terms of up to three years. No director may serve more than nine consecutive years in office without taking leave of at least one year. In the light of the tenure of existing Board Members, the Board have agreed that, unless there are extenuating circumstances, Board members who are up for re-election and who have served more than 9 years will not be re-elected and will be required to take leave of at least one year before being eligible to reapply for a Board position.

Trustees give their time voluntarily and receive no benefits from the charity.

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TRUSTEES' REPORT^[Continued]

FOR THE YEAR ENDED 31 MARCH 2022

Policy for the induction and training of Trustees

Each new Trustee receives an induction to the charity which includes briefings on key responsibilities of new Trustees, the key aims and objectives of the charity, the structure and workings of the charity, the roles of its staff and volunteers, how the Board works, finance and health and safety issues.

Pay policy for key management personnel

The pay of senior staff is reviewed annually and normally increased in line with the prevailing inflation rates. Remuneration is benchmarked against pay levels in similar sized organisations run on a charitable basis.

Trustees' indemnities

The YMCA has in place the Forefront Charities and Non-Profit Organisations insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on organisational business. The policy provides cover of up to £10m.

Post Balance Sheet events

Although we have had a good year and the three strands of the business look robust, there remain a number of large uncertainties which continue to threaten the business. These include the continuing war in Ukraine and its impact upon the energy markets as well as the rise in inflation and the expected cost of living crisis. See below for more information.

Plans for future period

The business is in a relatively good place. We have emerged strongly from Covid and the associated lockdowns and the Castlefield Hotel and the Y Club are both trading at a higher level than they were pre-Covid. We anticipate that this will continue in 22/23.

In the Y Club, the increased revenues will be driven by increased memberships. For the Castlefield Hotel, the revenues will be driven by maintaining occupancy levels and increasing prices linked to better tracking of events in Manchester, as well as increasing F & B and conference revenues.

We are also targeting a significant increase in the number of students participating in our alternative education programme as we are now registered with Manchester City Council as an accredited provider. This work community work will continue to be cost-neutral but does generate revenue for other areas of the business.

We have prepared forecasts for the 22/23 and 23/24 and believe that these are robust and realistic but we acknowledge that there is a significant level of uncertainty, principally as a result of the cost of living and energy crises. The cost-of-living crisis clearly has the potential to impact negatively on demand for both the Y Club and the Castlefield Hotel as well as to push up wage levels. The energy crisis will significantly increase running costs. We have provided for increased costs in our financial forecasts but these costs can clearly increase further.

The main capital costs for 22/23 are:

- Castlefield Hotel – the decoration of all rooms in the hotel, a refresh of the conference rooms and a more significant improvement to the male and female toilets to serve visitors. All these are aligned to the areas of anticipated revenue increases.
- Y Club – adaptation of male and female changing rooms to include provision for cubicles; and the creation of a training room in what is currently an unused space adjacent to the gym. The latter will be used by YMCA Central for the delivery of education for 16 – 18 year olds. Given the ever changing and uncertain environment, the Charity aims to continually review the services it provides to ensure that they reflect the needs of the individuals and communities it seeks to serve.

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TRUSTEES' REPORT^[Continued]

FOR THE YEAR ENDED 31 MARCH 2022

Statement of trustees' responsibilities

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

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

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

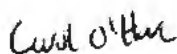
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charitable Company and enable them to ensure that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

Disclosure of information to auditors

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

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

Approved by order of the members of the Board of Trustees on 24/11/22 and signed on their behalf by:



C O'Hare
Chair

Date: 24/11/22

MANCHESTER YMCA

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANCHESTER YMCA

Opinion

We have audited the financial statements of Manchester YMCA (the 'parent charitable company') and its subsidiaries (the 'Group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANCHESTER YMCA

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANCHESTER YMCA

Auditors' responsibilities for the audit of the financial statements

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

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance.
- the company's own assessment of the risks that irregularities may occur either as a result of fraud or error.
- the results of our enquiries of management and members of the Board of Directors of their own identification and assessment of the risks of irregularities.
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
 - identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance.
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud.
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the company for fraud and identified the greatest potential for fraud in the following area:

i) Recording of all cash income received, ii) Loss of stock, iii) Use of grant income. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override and income recognition.

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included Food Hygiene, Safeguarding, Health and Safety regulations and the UK Companies Act and Charities SORP.

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 may be fundamental to the company's ability to operate or to avoid a material penalty, these included client data regulations.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANCHESTER YMCA

Audit response to risks identified

As a result of performing the above, we identified i) Recording of all cash income received and ii) Loss of stock as the key audit matters related to the potential risk of fraud.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations described above as having a direct effect on the financial statements;
- enquiring of management and members of the Board of Directors concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with relevant authorities where matters identified were significant; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Discuss and document procedures in place for the safeguarding of stock.
- Review procedures in place in connection with the counting and reconciliation of physical cash held each day.
- Carried out testing to confirm the use of grant income received in the year.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Use of our report

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

Mitchell Charlesworth

Alison Buckley (Senior Statutory Auditor)
For and on behalf of Mitchell Charlesworth (Audit) Limited
3rd Floor
44 Peter Street
Manchester
M2 5GP

Date: 24/11/2022

MANCHESTER YMCA
A COMPANY LIMITED BY GUARANTEE

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Income							
Grants and donations	5	108,142	-	108,142	171,889	-	171,889
<i>Income from charitable activities:</i>							
Operation of Y Club and Youth and Community programmes	6	702,862	140,637	843,499	232,237	89,461	321,698
<i>Income from other trading activities:</i>							
Commercial trading operations	7	1,306,537	-	1,306,537	441,205	-	441,205
Investment income	8	50,653	-	50,653	50,717	-	50,717
Other income	9	9,357	-	9,357	9,357	-	9,357
Total income		2,177,551	140,637	2,318,188	905,405	89,461	994,866
Expenditure							
<i>Costs of raising funds:</i>							
Commercial trading operations		(964,408)	-	(964,408)	(592,722)	-	(592,722)
<i>Expenditure on charitable activities:</i>							
Operation of Y Club and Youth and Community programmes	10	(848,549)	(121,965)	(970,514)	(658,213)	(89,461)	(747,674)
Total expenditure		(1,812,957)	(121,965)	(1,934,922)	(1,250,935)	(89,461)	(1,340,396)
Net income/(expenditure)		364,594	18,672	383,266	(345,530)	-	(345,530)
Transfers between funds	20	(18,801)	18,801	-	-	-	-
Net movement of funds for the year		345,793	37,473	383,266	(345,530)	-	(345,530)
Reconciliation of funds							
Total funds brought forward		4,627,184	-	4,627,184	4,972,714	-	4,972,714
Total funds carried forward		4,972,977	37,473	5,010,450	4,627,184	-	4,627,184

MANCHESTER YMCA
A COMPANY LIMITED BY GUARANTEE

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	14		5,003,857		5,008,584
Investment property	15		495,209		495,209
			<u>5,499,066</u>		<u>5,503,793</u>
Current assets					
Stocks		10,352		5,149	
Debtors	17	134,828		67,421	
Cash at bank and in hand		<u>274,443</u>		<u>41,889</u>	
		419,623		114,459	
Creditors: amounts falling due within one year	18	<u>(720,691)</u>		<u>(778,499)</u>	
Net current liabilities			<u>(301,068)</u>		<u>(664,040)</u>
Total assets less current liabilities			5,197,998		4,839,753
Creditors: amounts falling due after more than one year	19		<u>(187,548)</u>		<u>(212,569)</u>
Total net assets			<u>5,010,450</u>		<u>4,627,184</u>
Charity funds					
Restricted funds	20		37,473		-
Unrestricted funds	20		<u>4,972,977</u>		<u>4,627,184</u>
Total funds			<u>5,010,450</u>		<u>4,627,184</u>

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

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

C O'Hare

C O'Hare
Chair

Date: 24/11/22

Company Registration No: 00183299

MANCHESTER YMCA
A COMPANY LIMITED BY GUARANTEE

COMPANY BALANCE SHEET
AS AT 31 MARCH 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	14		5,003,857		5,008,584
Investment property	15		495,209		495,209
Investments	16		25,000		25,000
			5,524,066		5,528,793
Current assets					
Stocks		550		550	
Debtors	17	189,446		70,683	
Cash at bank and in hand		316		375	
		190,312		71,608	
Creditors: amounts falling due within one year	18	(578,453)		(734,363)	
Net current liabilities			(388,141)		(662,755)
Total assets less current liabilities			5,135,925		4,866,038
Creditors: amounts falling due after more than one year	19		(187,548)		(212,569)
Total net assets			4,948,377		4,653,469
Charity funds					
Restricted funds	20		37,473		-
Unrestricted funds	20		4,910,904		4,653,469
Total funds			4,948,377		4,653,469

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

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

C O'Hare

C O'Hare
Chair

Date: 24/11/22

Company Registration No: 00183299

MANCHESTER YMCA
A COMPANY LIMITED BY GUARANTEE

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2022

		2022	2021
	Notes	£	£
Cash flows from operating activities			
Net cash received / (used) in operating activities	22	430,415	(222,547)
Cash flows from investing activities			
Dividends, interest, and rents from investments		60,010	32,975
Proceeds from the sale of tangible fixed assets		-	3,861
Purchase of tangible fixed assets		(157,499)	(20,599)
Net cash (used in) / provided by investing activities		(97,489)	16,237
Change in cash and cash equivalents in the year		332,926	(206,310)
Cash and cash equivalents at the beginning of the year		(474,490)	(268,180)
Cash and cash equivalents at the end of the year	23	(141,564)	(474,490)

MANCHESTER YMCA

A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1. General information

The Manchester YMCA is a private company limited by guarantee, incorporated in England & Wales, and a charity registered at the Charity Commission in England & Wales. The principal address is Liverpool Road, Castlefield, Manchester, M3 4JR.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Manchester YMCA meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

2.2 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e., whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. The Trustees consider the charity has sufficient reserves to enable it to continue as a going concern for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

MANCHESTER YMCA

A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies [Continued]

2.3 Income [Continued]

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

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

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs. All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

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

2.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

MANCHESTER YMCA

A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies [Continued]

2.6 Tangible fixed assets and depreciation [Continued]

Depreciation is provided on the following basis:

Long-term leasehold property	- depreciated over the shorter of the useful life of the asset or the length of the lease
Plant and equipment	- 10-33.33%

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Debtors

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

2.9 Cash at bank and in hand

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

2.10 Liabilities and provisions

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

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

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

2.11 Financial instruments

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

MANCHESTER YMCA

A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies [Continued]

2.12 Pensions

The Group operates a defined contribution pension scheme, and the pension charge represents the amounts payable by the Group to the fund in respect of the year. In line with FRS 102 28.11 A, since the pension is included as a liability in the accounts, the resulting expense is recognised in the profit or loss.

The Manchester YMCA 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 the Manchester YMCA; therefore, the scheme is accounted for as a defined contribution scheme.

As described in note 25 The Manchester YMCA has a contractual obligation to make pension deficit payments of £31,258 per annum over the period to April 2029, accordingly this is shown as a liability in the accounts. In addition, the Manchester YMCA is required to contribute £4,824 per annum to the operating expenses of the Pension Plan and these costs are charged to the Statement of Financial Activities as made.

2.13 Fund accounting

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

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

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

3. Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods

MANCHESTER YMCA
A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

4. Financial performance of the charity

The consolidated financial statements include the results of the charity's wholly owned subsidiary which operates the Castlefield Hotel.

The summary financial performance of the charity alone is:

	2022	2021
	£	£
Income	1,070,851	604,901
Amount donated from subsidiary company	164,571	-
	<u>1,235,422</u>	<u>604,901</u>
Expenditure on charitable activities	(940,514)	(747,674)
Net expenditure	294,908	(142,773)
Total funds brought forward	4,653,469	4,796,242
Total funds carried forward	4,948,377	4,653,469
	<u><u>4,948,377</u></u>	<u><u>4,653,469</u></u>
Represented by:		
Restricted income funds	37,473	-
Unrestricted income funds	4,910,904	4,653,469
	<u>4,948,377</u>	<u>4,653,469</u>
	<u><u>4,948,377</u></u>	<u><u>4,653,469</u></u>

5. Income from donations and grants

	Unrestricted Funds	Total Funds	Unrestricted Funds	Total Funds
	£	2022	£	2021
		£		£
<i>Grants</i>				
Corona Virus Job retention Scheme	18,712	18,712	152,193	152,193
Covid restart & support grants	82,000	82,000	-	-
	<u>100,712</u>	<u>100,712</u>	<u>152,193</u>	<u>152,193</u>
<i>Donations</i>				
Donations received	7,430	7,430	19,696	19,696
	<u>108,142</u>	<u>108,142</u>	<u>171,889</u>	<u>171,889</u>
	<u><u>108,142</u></u>	<u><u>108,142</u></u>	<u><u>171,889</u></u>	<u><u>171,889</u></u>

MANCHESTER YMCA
A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

6. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Y Club membership subscriptions	642,966	-	642,966	168,712	-	168,712
Other Y Club income	52,640	-	52,640	35,114	-	35,114
Youth & Community income	-	140,637	140,637	-	89,461	89,461
Other YMCA income	7,256	-	7,256	28,411	-	28,411
	<u>702,862</u>	<u>140,637</u>	<u>843,499</u>	<u>232,237</u>	<u>89,461</u>	<u>321,698</u>

7. Income earned from commercial trading activities

The wholly owned trading subsidiary Castlefield Hotel Limited is incorporated in England & Wales (company number 02357538). The company operates the Castlefield Hotel.

The summary of trading results and financial performance of the subsidiary alone is:

	2022 £	2021 £
Income	1,306,537	441,205
Cost of sales and administration costs	<u>(1,053,608)</u>	<u>(643,962)</u>
Net profit / (loss)	252,929	(202,757)
Amount gifted to the charity	<u>(164,571)</u>	<u>-</u>
Retained in subsidiary	<u>88,358</u>	<u>(202,757)</u>
The assets and liabilities of the subsidiary were:		
Current assets	332,095	84,263
Current liabilities	<u>(245,022)</u>	<u>(85,548)</u>
	<u>87,073</u>	<u>(1,285)</u>
Aggregate share capital and reserves	<u>87,073</u>	<u>(1,285)</u>

MANCHESTER YMCA
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

8. Investment income

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021
	£	£	£	£
Rental income	50,653	50,653	50,717	50,717

9. Other incoming resources

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021
	£	£	£	£
Mobile phone mast	9,357	9,357	9,357	9,357

10. Analysis of charitable expenditure current year

The charity undertakes direct charitable activities only and does not make grant payments.

	Y Club £	YMCA £	Youth & Community £	Total 2022 £
Staff costs	295,133	701	103,871	399,705
Office costs	34,121	9	1,206	35,336
Premises costs	20,119	3,331	299	23,749
Operating costs	20,117	46,108	16,520	82,745
Finance costs	3	(629)	-	(626)
Depreciation	104,029	51,500	69	155,598
Support costs	150,536	117,711	-	268,247
Governance costs	3,720	2,040	-	5,760
Total	627,778	220,771	121,965	970,514

Analysis of charitable expenditure prior year

	Y Club £	YMCA £	Youth & Community £	Total 2021 £
Staff costs	249,699	(4,510)	92,991	338,180
Office costs	22,111	457	775	23,343
Premises costs	11,412	(27,820)	97	(16,311)
Operating costs	28,682	12,265	9,462	50,409
Finance costs	(449)	4,547	-	4,098
Depreciation	121,728	51,500	-	173,228
Support costs	128,605	29,762	10,800	169,167
Governance costs	3,240	2,320	-	5,560
Total	565,028	68,521	114,125	747,674

Expenditure on charitable activities was £970,514 (2021: £747,674) of which £848,549 was unrestricted (2021: £658,213) and £121,965 restricted (2021: £89,461).

MANCHESTER YMCA
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

11. Analysis of support costs current year

The charity allocates its support costs as shown in the table below and then further apportions those costs between the charitable activities undertaken (see note 10). Where practicable any support costs are directly attributed to the activity, where this is not possible it has been apportioned as noted below.

	Basis of allocation	Y Club £	YMCA £	Youth & Community £	Total 2022 £
Support costs					
Staff costs	Staff time	-	115,279	-	115,279
Office costs	Usage	8,011	-	-	8,011
Premises costs	Usage	106,375	-	-	106,375
Operating costs	Usage	23,546	-	-	23,546
Finance costs	Usage	5,976	2,432	-	8,408
Depreciation	Usage	6,628	-	-	6,628
		150,536	117,711	-	268,247
Governance costs					
Audit		3,720	2,040	-	5,760
Total		154,256	119,751	-	274,007

Analysis of support costs prior year

	Basis of allocation	Y Club £	YMCA £	Youth & Community £	Total 2021 £
Support costs					
Staff costs	Staff time	19,800	29,762	10,800	60,362
Office costs	Usage	6,592	-	-	6,592
Premises costs	Usage	65,553	-	-	65,553
Operating costs	Usage	21,059	-	-	21,059
Finance costs	Usage	8,973	-	-	8,973
Depreciation	Usage	6,628	-	-	6,628
		128,605	29,762	10,800	169,167
Governance costs					
Audit		3,240	2,320	-	5,560
Total		131,845	32,082	10,800	174,727

MANCHESTER YMCA
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12. Auditors' remuneration			2022	2021
			£	£
Fees payable to the company's auditor for the audit of the group's annual accounts			8,000	9,550
Fees payable to the company's auditor in respect of all non-audit services not included above			1,750	650
13 Analysis of staff costs, trustee remuneration and expenses	Group	Group	Company	Company
	2022	2021	2022	2021
	£	£	£	£
Wages and salaries	840,281	672,298	442,218	359,506
Social security costs	46,987	38,096	24,978	22,298
Contribution to defined contribution pension schemes	57,290	25,098	47,788	16,738
	944,558	735,492	514,984	398,542
			Group	Group
The average headcount of persons employed by the company during the year was as follows:			2022	2021
			No.	No.
Personal development			14	15
Accommodation			18	13
Food and beverage			8	9
Administration			5	5
			45	42
			Group	Group
The average full time equivalent of persons employed by the company during the year was as follows:			2022	2021
			No.	No.
Personal development			11	11
Accommodation			11	10
Food and beverage			5	6
Administration			4	5
			31	32

No employee received remuneration amounting to more than £60,000 in either year.

The charity's trustees were not paid or received any other benefits from employment with the charity or its subsidiary in the year (2021:£nil) neither were they reimbursed expenses during the year (2021:£nil). No charity trustee received payment for professional or other services supplied to the charity (2021:£nil).

MANCHESTER YMCA
A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

14. Tangible fixed assets	Long-term Leasehold Property £	Plant and Equipment £	Total £
Group and Company			
Cost or valuation			
At 1 April 2021	5,343,100	2,236,715	7,579,815
Additions	-	157,499	157,499
At 31 March 2022	5,343,100	2,394,214	7,737,314
Depreciation			
At 1 April 2021	605,441	1,965,790	2,571,231
Charge for the year	51,500	110,726	162,226
At 31 March 2022	656,941	2,076,516	2,733,457
Net book value			
At 31 March 2022	4,686,159	317,698	5,003,857
At 31 March 2021	4,737,659	270,925	5,008,584
15. Investment property			Freehold Investment Property £
Group			
Valuation			
At 1 April 2021			495,209
At 31 March 2022			495,209
Company			
Valuation			
At 1 April 2021			495,209
At 31 March 2022			495,209

MANCHESTER YMCA
A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

16. Fixed asset investments	Investments in Subsidiary Companies £
Company	
Cost or valuation	
At 1 April 2021	25,000
At 31 March 2022	25,000

The charity holds 25,000 shares of £1 each in its wholly owned trading subsidiary company Castlefield Hotel Limited which is incorporated in England & Wales. These are the only shares allotted, called up and fully paid. The activities and results of this company is summarised in note 7.

17. Debtors	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Due within one year				
Trade debtors	118,140	11,099	88,507	-
Amounts owed by group undertakings	-	-	-	41,949
Other debtors	-	23,576	84,251	23,039
Prepayments and accrued income	16,688	32,746	16,688	5,695
	134,828	67,421	189,446	70,683
18. Creditors: amounts falling due within one year	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank overdrafts	416,007	516,379	416,007	509,852
Trade creditors	45,401	19,242	21,903	13,587
Amounts owed by group undertakings	-	-	18,533	-
Other taxation and social security	33,659	54,036	-	39,538
Other creditors	189,684	89,015	86,070	75,475
Accruals and deferred income	35,940	99,827	35,940	95,911
	720,691	778,499	578,453	734,363

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

18. Creditors: amounts falling due within one year
[Continued]

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Deferred income at 1 April 2021	55,208	95,604	55,208	95,604
Resources deferred during the year	13,186	55,208	13,186	55,208
Amounts released from previous periods	(55,208)	(95,604)	(55,208)	(95,604)
	<u>13,186</u>	<u>55,208</u>	<u>13,186</u>	<u>55,208</u>

The bank overdraft is secured by a fixed charge over the land and buildings on the side east of Potato Wharf.

19. Creditors: amounts falling due after more than one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Pension	187,548	212,569	187,548	212,569
	<u>187,548</u>	<u>212,569</u>	<u>187,548</u>	<u>212,569</u>

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

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Pension	62,516	91,101	62,516	91,101
	<u>62,516</u>	<u>91,101</u>	<u>62,516</u>	<u>91,101</u>

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FOR THE YEAR ENDED 31 MARCH 2022

20. Statement of funds	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
Current year Group					
Unrestricted funds					
General reserves	4,316,541	2,177,551	(1,812,957)	(18,801)	4,662,334
Revaluation reserves	310,643	-	-	-	310,643
	<u>4,627,184</u>	<u>2,177,551</u>	<u>(1,812,957)</u>	<u>(18,801)</u>	<u>4,972,977</u>
Restricted funds					
Magnus Mowat Bursary	-	9,837	(18)		9,819
One to One	-	57,580	(75,054)	17,474	-
Youthwork	-	25,000	(26,327)	1,327	-
Social Prescribing	-	5,000	(3,726)	-	1,274
Mental Health	-	19,920	(16,771)	-	3,149
Classrooms	-	23,300	(69)	-	23,231
	<u>-</u>	<u>140,637</u>	<u>(121,965)</u>	<u>18,801</u>	<u>37,473</u>
Total of funds	<u>4,627,184</u>	<u>2,318,188</u>	<u>(1,934,922)</u>	<u>-</u>	<u>5,010,450</u>

The transfers above represent the support of restricted projects from unrestricted funds when expenditure is in excess of income received in the year.

Current year Company	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
Unrestricted funds					
General reserves	4,342,826	1,094,785	(804,149)	(33,201)	4,600,261
Revaluation reserves	310,643	-	-	-	310,643
	<u>4,653,469</u>	<u>1,094,785</u>	<u>(804,149)</u>	<u>(33,201)</u>	<u>4,910,904</u>
Restricted funds					
Magnus Mowat Bursary	-	9,837	(18)		9,819
One to One	-	57,580	(75,054)	17,474	-
Youthwork	-	25,000	(40,727)	15,727	-
Social Prescribing	-	5,000	(3,726)	-	1,274
Mental Health	-	19,920	(16,771)	-	3,149
Classrooms	-	23,300	(69)	-	23,231
	<u>-</u>	<u>140,637</u>	<u>(136,365)</u>	<u>33,201</u>	<u>37,473</u>
Total of funds	<u>4,653,469</u>	<u>1,235,422</u>	<u>(940,514)</u>	<u>-</u>	<u>4,948,377</u>

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

20. Statement of funds (continued)

Magnus Mowat Bursary

A fund distributed by The Booths Charities for the benefit of young people from Salford.

One to One

Alternative Education enables young people to compete on a par with others, not only through gaining academically but also through becoming confident young people who can take their place in society. Funding is direct from schools and local education authorities.

Youthwork

Funding from Booths Charities (£10,000) and the North West Young Persons Development Trust (£15,000) goes towards supporting the employment costs of our youth workers.

Social Prescribing

Our Social Prescribing programme supports people with poor health to adopt healthier lifestyles, including physical and mental health and nutrition. We have had 20 individuals referred to us through their GP or other public services and complete the programme. This is financed by a grant of £10,000 from BeWell.

Mental Health

This is a collaboration with Salford colleges and other educational partners to co-produce and co-deliver mental health campaigns to young people aged 16-25. The campaigns have reached over 3,000 people and has been funded by grants from Booths Charities (£10,000) and the National Lottery (£10,000).

Classrooms

A grant of £23,300 was obtained from the Youth Investment Fund for the installation of two classrooms in the hotel lobby area as the base for the continuation and expansion of our education provision.

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NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds (continued)	Balance at				Balance at
	1 April				31 March
Prior year Group	2020	Income	Expenditure	Transfers	2021
	£	£	£	£	£
Unrestricted funds					
General reserves	4,662,071	905,405	(1,250,935)	-	4,316,541
Revaluation reserves	310,643	-	-	-	310,643
	<u>4,972,714</u>	<u>905,405</u>	<u>(1,250,935)</u>	<u>-</u>	<u>4,627,184</u>
Restricted funds					
One to One	-	43,237	(43,237)	-	-
Youthwork	-	20,000	(20,000)	-	-
Mental Health	-	26,224	(26,224)	-	-
	<u>-</u>	<u>89,461</u>	<u>(89,461)</u>	<u>-</u>	<u>-</u>
Total of funds	<u>4,972,714</u>	<u>2,318,188</u>	<u>(1,934,922)</u>	<u>-</u>	<u>4,627,184</u>
	Balance at				Balance at
Prior year Company	1 April				31 March
	2020	Income	Expenditure	Transfers	2021
	£	£	£	£	£
Unrestricted funds					
General reserves	4,485,599	515,440	(658,213)	-	4,342,826
Revaluation reserves	310,643	-	-	-	310,643
	<u>4,796,242</u>	<u>515,440</u>	<u>(658,213)</u>	<u>-</u>	<u>4,653,469</u>
Restricted funds					
One to One	-	43,237	(43,237)	-	-
Youthwork	-	20,000	(20,000)	-	-
Mental Health	-	26,224	(26,224)	-	-
	<u>-</u>	<u>89,461</u>	<u>(89,461)</u>	<u>-</u>	<u>-</u>
Total of funds	<u>4,796,242</u>	<u>604,901</u>	<u>(747,674)</u>	<u>-</u>	<u>4,653,469</u>

MANCHESTER YMCA
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

21. Analysis of net assets between funds

Current year Group	Restricted Funds 2022 £	Unrestricted Funds 2022 £	Total Funds 2022 £
Tangible fixed assets	17,366	4,986,491	5,003,857
Investment property	-	495,209	495,209
Current assets	20,107	399,516	419,623
Creditors due within one year	-	(720,691)	(720,691)
Creditors due in more than one year	-	(187,548)	(187,548)
Total	37,473	4,972,977	5,010,450

Current year Company	Restricted Funds 2022 £	Unrestricted Funds 2022 £	Total Funds 2022 £
Tangible fixed assets	17,366	4,986,491	5,003,857
Investment property	-	495,209	495,209
Investments	-	25,000	25,000
Current assets	20,107	170,205	190,312
Creditors due within one year	-	(578,453)	(578,453)
Creditors due in more than one year	-	(187,548)	(187,548)
Total	37,473	4,910,904	4,948,377

Prior year Group	Unrestricted Funds 2021 £	Total Funds 2021 £
Tangible fixed assets	5,008,584	5,008,584
Investment property	495,209	495,209
Current assets	114,459	114,459
Creditors due within one year	(778,499)	(778,499)
Creditors due in more than one year	(212,569)	(212,569)
Total	4,627,184	4,627,184

MANCHESTER YMCA
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

21. Analysis of net assets between funds (continued)

	Unrestricted Funds 2021 £	Total Funds 2021 £
Prior year Company		
Tangible fixed assets	5,008,584	5,008,584
Investment property	495,209	495,209
Investments	25,000	25,000
Current assets	71,608	71,608
Creditors due within one year	(734,363)	(734,363)
Creditors due in more than one year	(212,569)	(212,569)
Total	4,653,469	4,653,469

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

	Group 2022 £	Group 2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	383,266	(345,530)
Adjustments for:		
Depreciation charges	162,226	179,856
Dividends, interests, and rents from investments	(60,010)	(32,975)
Loss/(profit) on the sale of fixed assets	-	(1,600)
(Increase) in stocks	(5,203)	(297)
(Increase) in debtors	(67,407)	(28,127)
Increase in creditors	17,543	6,127
Net cash provided by/(used in) operating activities	430,415	(222,546)

23. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	274,443	41,889
Overdraft and loans	(416,007)	(516,379)
Total cash and cash equivalents	(141,564)	(474,490)

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

24. Analysis of changes in net debt	At 1 April 2021 £	Cash Flows £	At 31 March 2022 £
Cash at bank and in hand	41,889	232,554	274,443
Bank overdrafts repayable on demand	(516,379)	100,372	(416,007)
Debt due after 1 year	(212,569)	25,021	(187,548)
	<u>(687,059)</u>	<u>357,947</u>	<u>(329,112)</u>

25. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £57,290 (2021: £25,098). Contributions totalling £2,011 (2021: £7,187) were payable to the fund at the balance sheet date and are included in creditors.

The Manchester YMCA 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 The Manchester YMCA and at the year-end 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 of 1 May 2020. The assumptions used which have the most significant effect on the results of the valuation are those relating to the assumed rates of return on assets held before and after retirement of 2.59% and 1.09% respectively, the increase in pensions in payment of 2.99% (for RPI capped at 5% p.a.), and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.0 years, female 24.4 years, and 23.7 years for a male pensioner, female 26.1 years, retiring in 20 years' time. The result of the valuation showed that the actuarial value of the assets was £146.1m, which represented 79% of the benefits that had accrued to members.

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

The valuation prepared as 1 May 2020 showed that the YMCA Pension Plan had a deficit of £39 million. Manchester YMCA has been advised it needs to make monthly contributions of £2,605 from 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 1 May 2022.

26. Capital commitments	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Amounts contracted for but not provided in the financial statements:				
Acquisition of tangible fixed assets	3,054	-	3,054	-

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27. Operating lease commitments

The company leases telephone equipment under a formal operating lease. The lease agreement terminates on 03 September 2022. At the reporting end date, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Within one year	980	-	980	-
Between two and five years	-	3,332	-	3,332
	<u>980</u>	<u>3,332</u>	<u>980</u>	<u>3,332</u>

28. Related party transactions

The company has not entered into any related party transactions during the year, nor are there any outstanding balances owing between related parties and the company as at 31 March 2022.

29. Controlling party

The company has no ultimate controlling party.