

**LEICESTER YOUNG MEN'S CHRISTIAN
ASSOCIATION, (INCORPORATED) (THE)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2022**

**Company Registration No: 00159933
Charities Commission No. 213513
Regulator of Social Housing No. H2381**

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

**FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022**

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**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

The members of the Board

Mrs K Hamylton
Mr P Hawkins
Mr T Moore
Mr I Pearce
Mr C Bolas
Mr R Brannen
Ms E Hollis
Mrs R Tedstone-Woods
Ms E Ling
Ms C Clifton
Mr D Glover
Ms L Capell
Ms F Wong

Company secretary

Mr P Brown

Registered office

7 East Street
Leicester
LE1 6EY

Auditor

Forrester Boyd Chartered Accountants
26 South Saint Mary's Gate
Grimsby
DN31 1LW

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

MEMBERS OF THE BOARD'S REPORT (incorporating STRATEGIC REPORT)

YEAR ENDED 31 MARCH 2022

INTRODUCTION

The Board have pleasure in presenting their annual report, together with the audited financial statements of the group for the year ended 31 March 2022. This report contains a Directors' Report as required by company law.

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered name Leicester Young Men's Christian Association (Incorporated) (The)

Known as Leicester YMCA (The Y)

Charity registration number 213513

Company registration number 00159933

Regulator of Social Housing number H2381

Registered Office and main address 7 East Street, Leicester, LE1 6EY

Auditor Forrester Boyd Chartered Accountants, 26 South Saint Mary's Gate, Grimsby, DN31 1LW

Principal bankers HSBC, 2-6 Gallowtree Gate, Leicester, LE1 1DA

Investment advisors Brewin Dolphin Limited, Waterfront House, 35 Station Street, Nottingham, NG2 3DQ

Board and Committee Members

The following persons have served The Y during the year –

Ms K Hamylton – Chair

Mr P Hawkins – Vice Chair

Mr T Moore - Treasurer

Mr C Bolas

Mr R Brannen

Ms E Hollis

Mrs R Tedstone-Woods

Ms E Ling

Ms C Clifton

Mr I Pearce

Mr D Glover

Ms L Capell

Ms F Wong (appointed 08/12/2021)

The following directors retire by rotation and being eligible offer themselves for re-election:

Ms E Hollis, Mr R Brannen and Mr C Bolas.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

MEMBERS OF THE BOARD'S REPORT (incorporating STRATEGIC REPORT) *(continued)*

YEAR ENDED 31 MARCH 2022

Qualifying third party indemnity insurance

The Association has made qualifying third-party indemnity provisions for the benefit of its board members during the year. These provisions remain in force at the reporting date.

Secretary: Paul Brown

Executive Team (as at 31.3.22):

Paul Brown	Chief Executive
Tom Lin	Deputy Chief Executive/Finance Director
Anna Maudsley	Director of Accommodation, Care and Support
Joanna Fleetwood-Smith	Business Development Director

Management Team (as at 31.3.22):

Lizzie Clark	Executive Assistant
Vicki Corbett	Purchasing and Procurement Officer
Andrea Deacon	HR Manager
Nuala Facey	Housing Support Manager
Donna Pole	Housing Support Manager
Emma Knight	Fundraising and Communications Manager
Michael Harris-Wakelam	Theatre & Events Manager
Sean Langley	Property & Maintenance Manager
Kate Beaumont	Y-Support Manager
Juliet Martin	Heritage Project Manager
Gregoire Nombo	Registered Manager (Children's Home)
Hannah Deignan	Regional Complex Needs Co-Ordinator

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

MEMBERS OF THE BOARD'S REPORT (incorporating STRATEGIC REPORT) *(continued)*

YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Leicester YMCA (The Y) was founded in 1883. It is a charitable company limited by guarantee, incorporated in 1919 and registered as a charity in 1966. The Association was established under a Memorandum of Association which established the objects and powers of Association and is governed under its Articles of Association. In the event of the Association being wound up members are required to contribute an amount not exceeding £0.01 (one penny).

The Association is also a Registered Provider of Social Housing (RP). Therefore, the Association's Accounts must be prepared in accordance with Housing legislation and the Housing Statement of Recommended Practice (SORP) which overrides the requirements of the Charities SORP.

Recruitment and Appointment of Board Members

Board members are the directors of the Association and are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum of Association and Articles of Association Board members are elected to serve on the Board. A proportion of Board members retire at every Annual General meeting (AGM) and are eligible for re-election.

Due to the nature of the Association, elected Board members must sign a form of commitment to the International YMCA's Paris Basis and to the British YMCA's Aims and purposes. This effectively means that elected Board members must be practising Christians. In addition, the Board may co-opt additional directors who are not practising Christians but support the Ethos Statement of The Y.

Recruitment of Board members is through advertising in appropriate media together with approaches to known interested individuals. Consideration is given to achieve a mix of skills amongst its Board members that will complement the individual departments within the Association.

Board Member Induction and Training

Potential new Board members are given an induction pack which provides information on the Association's services, its constitution and financial position, together with their legal obligations.

Potential Board members are then invited to meet existing Board members and subsequently the Management Team. The induction process is tailored to individual needs.

Organisational Structure

The Board meet quarterly and is responsible for overseeing the strategic direction and management of the Association. In addition, there is a Resource Committee (covering Finance, HR and Asset Management / Maintenance which meet quarterly).

The Chief Executive together with his Directorate and Management Team has day to day responsibility for the management and delivery of services.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

MEMBERS OF THE BOARD'S REPORT (incorporating STRATEGIC REPORT) (continued)

YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Related Parties

The Association wholly owns Y Leisure Limited which consists of the trading activities of the charity. The principal activities of Y Leisure are the provision of a bar. The profits of Y Leisure are distributed via gift aid to The Y.

STRATEGIC REPORT

Risk Management

The members of the Board have considered the risks faced by the Association and Group through a risk analysis exercise. Policy and procedural implementation have taken place and a critical analysis of the organisation's management structure completed.

Key risks and uncertainties

The Association have considered the key risks and uncertainties it faces over the coming year and has identified these as;

1. Park House Children's Home fails to achieve an Ofsted standard of 'Good' therefore impacting on future occupancy and placement authority's confidence in the service.
2. Failure to recruit and maintain suitably qualified staff to manage and deliver residential care & Housing Support Services
3. That our newly designed education curriculum does not fully engage the young people living in our accommodation
4. Our ability to make the theatre fully accessible is not realised due to a lack of successful funding applications
5. Failure to invest in the public areas within East Street therefore impacting on theatre audience and community groups experience.
6. Failure to mitigate risks as identified in the business risk register
7. Shine 2 fails to be scaled regionally or nationally therefore a critical piece of work is lost to the wider movement.
8. The City Council Day Centre Review results in closure of Y Advice Centre and HR consequences for staff.
9. Y Heritage fails to attract additional funding therefore impacting on staff and young people.
10. Loss of key staff due to the environment being weighted to the employee not the employer.
11. Inflation and our ability to meet increasing wage demands and operational costs.
12. Increasing cost of utilities, impacting on business finances.
13. Ability for the organisation to grow within the current economic environment.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

MEMBERS OF THE BOARD'S REPORT (incorporating STRATEGIC REPORT) *(continued)*

YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT (continued)

Residential Children's Services

Park House is now in its fourth year of delivery, having received an Ofsted grading of Requires Improvement in August 2021 was a major disappointment for the organisation as this was a down grade from the previous year. However, during this period, we had a change of manager, deputy manager and responsible Individual, there were also issues in relation to recruiting suitably experienced and qualified staff which is a major issue within the industry. Ofsted carried out a mid-term inspection which was positive and clearly identified progress against our inspection action plan. Our aim is to achieve a grading of Good in our next inspection which should be due Summer 2022 rising to outstanding in 2023.

Education

As part of our offer to young people the organisation set up an education task and finish group to assess our education offer and ensure it is appropriate to meet the needs of our residents. The curriculum will be very much focusing of Skills for Life and creating accessible learning spaces. In order to ensure our residents, access this opportunity we need to engage them not only of the design of the curriculum but also the environment it will be delivered from. We will also need to ensure we have the right people delivering the service and that education has a clear management structure and is not delivered within the margins of overstretched staff.

Theatre

The Theatre Feasibility Study version 2 enabled us to focus on three key areas of development, Lighting and electrical infrastructure, access and washroom facilities, During the year we were able to make major improvements to the lighting due to a range of grants, however there are still issues in relation to access and washroom facilities. As part of this we have set up a Capital Purchase & Development / Investment Group consisting of trustees and the executive who are considering a range of potential investment / development projects including washroom facilities and access. However due to the nature of the theatre, capital development in relation to these areas can only be carried out within a relatively small window when the theatre goes Dark (July-August) Although this gives us time to get our thoughts and plans in place the major obstacle will be cost and affordability.

Shine

Shine has developed substantially from a regional project supporting 6 YMCA's to raise their understanding of working with complex needs young people, to the development of a toolkit, training packages, communities of practice and co-production. During the year we also worked with Scale Accelerator to identify how Shine can be scaled and replicated across the YMCA movement. Shine has developed from a project to a product and we are now working with YMCA England & Wales to identify how Shine can be funded and replicated. The major concern is that unless funding is identified key staff will be at risk and a key area of work that makes a real difference to young people may be lost to the wider movement.

Day Centre Review

We are aware that the city council are carrying out a review of day centre services and as part of this there are plans to convert the Dawn Centre into a Multi-Disciplinary Facility, it is unclear what this will mean for our current Day Centre and continued funding both from the city council and health. Should this funding be withdrawn then serious consideration will need to be had in relation to the future of the service.

LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
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MEMBERS OF THE BOARD'S REPORT (incorporating STRATEGIC REPORT) *(continued)*

YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT (continued)

Y Heritage

Our Heritage Project is due to end in September 2022 after 3.5 years of successful delivery and engagement, currently a funding proposal is being developed in partnership with Norfolk Museum Services however should this not be successful we would not only lose a valuable member of staff but an amazing project that engaged young people in an area of work that predominately they do not access will be lost.

Loss of Key Staff

There is a national recruitment crisis especially across the care and social sector, our experience of the last 12 months is that it is becoming more and more challenging to attract and retain good calibre staff. Internally we have carried an extensive salary review and regrading ensuring our salaries are competitive and as part of the organisational business plan we are exploring additional non-pay benefits. However, there is a risk that key staff will look to move on from the business if we are unable to match or better competitors remuneration packages, this is also impacted by the rise in inflation and people's ability to maintain their standard of living.

Increase Cost of Utilities

Although the organisation is fixed into some of its utilities contracts when these ends we will be subject to a major hike in pricing. This will have an impact on organisational finance across the board and be ongoing. We also need to explore better ways of saving energy and address this within the culture of the organisation.

Organisational Growth

Given the economic challenges the country currently face, difficult decisions will need to be made in relation to growth and service development, as a business we cannot stand still or lose our competitive edge, however any decision on growth will need to be underpinned by a clear business case which considers risk against business objectives and financial return.

Multi-employer defined benefit pension scheme

Leicester YMCA recognises possible concern relating to its participation in a defined benefit pension scheme. Appropriate action has been taken: The scheme was closed to new members in 2007, and the link to final salary broken in 2011. Additional contributions continue to be made to reduce the deficit. As part of the YMCA federation, the multi-employer pension scheme is run by an independent Trustee board with employer representation through the Principal Employer, National Council of YMCAs. The pension scheme Trustee obtains an actuarial valuation every three years and we have considered the implications to the charity's finances from the latest available actuarial valuation. We have reviewed the charity's ability to continue to deliver its charitable objectives by ensuring budgets, forecasts and plans are available and include the impact of deficit repayments. The pension scheme Trustee included the impact of pension scheme deficit repayments in considering going concern status, reserves, and the risks and uncertainties that the charity face noted elsewhere in this Report.

Leicester YMCA benefits from the pension scheme Trustee and the Principal Employer seeking suitable specialist professional advice both to manage the scheme and in the continuing effort to explore ways of reducing the overall pension deficit. The notes to the Accounts include an accounting policy and further details in note 18.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
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MEMBERS OF THE BOARD'S REPORT (incorporating STRATEGIC REPORT) *(continued)*

YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT (continued)

STRATEGIC REPORT - Looking Forward (22/23)

Shine

Our plan will be to scale our work with complex needs young people regional and nationally by working in collaboration with YMCA E&W and implement the recommendations from Scale Accelerator as well as developing our Learning Hub. We will also embed complex needs as a core part of our supported housing offer by apply for funds from the CCG and evidencing the positive impact Shine can make on a young person's life as well as that saving on the public purse.

Housing

We will enhance our work with Unaccompanied Asylum-Seeking Children (UASC) by increasing provision from 8 to 15 units and working with the city council on an agreed specification for additional work and free up an additional move on property. We intend to review and upgrade our Housing Management System through the purchase of In-Form Client Management system. We also plan to enhance our housing support by developing a resident resettlement support programme by carrying out a restructure of the housing officer role and appoint an additional team member to support resident resettlement.

Education

We will develop a clear and deliverable education curriculum that is owned by residents, staff and Trustees through the setting up of an Education Task and Finish Group with clear terms of reference and time frame.

Serious Youth Violence

We Will Develop a level of expertise in working with young people involved in serious violent crime through the delivery of a street based mentoring project in partnership with the Violence Reduction Network.

Branding

The organisation will adopt the national YMCA England and Wales brand and rebrand to YMCA Leicestershire. This will include the commissioning of two new websites, new signage and marketing materials. As part of this process the Theatre will retain the brand 'THE Y Theatre'.

Equality & Diversity

The organisation will commit to the development of a Diversity Action Plan which includes staff and trustee recruitment, training and awareness raising across the business, as well as ensuring all senior staff have access to EDI training and EDI training is a core part of all staff induction and ongoing development.

Governance

Ensure our Trustee Board better reflects the local communities we serve in relation to diversity through the implementation of a robust marketing and recruitment process, to include radio, social media and community meetings.

Organisational Management

We will appoint a new director of People, Policy and Culture who will lead our HR team from a strategic perspective and be part of the executive team.

Recruitment, Selection and Retention

We will carry out a full review of our recruitment, selection and retention processes ensuring that we attract the best possible staff and assess non-financial rewards.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

MEMBERS OF THE BOARD'S REPORT (incorporating STRATEGIC REPORT) (continued)

YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT (continued)

Vision	Our vision is for every young person to have a safe place to call home and the support they need to create lasting change in their lives.
Mission	Our mission is to create supportive and inspiring places where young people and communities can belong, contribute and thrive. We do this through accommodation, care, support, advice, skills for life, theatre and cultural activities.
Purpose statement	<i>Everyone should have a fair chance to discover who they are and what they can become.</i>

Values

We welcome	We work with kindness and integrity so that everyone can feel secure, respected and heard
We support	We build trusting relationships and nurture personal strengths to help people find their path to independence
We empower	We work alongside people to grow their skills and self-belief to enable them to thrive
We enrich	We create inspiring activities that give people a sense of connection and wellbeing
We seek out	We look for opportunities to collaborate and make an impact in the communities we serve

Strategic Measures

We will achieve this by:

1. Investing in our buildings, ensuring they are safe, accessible and fit for purpose whilst challenging the general perception of 'supported accommodation'.
2. Being an organisation that has the needs and aspirations of young people at its core.
3. Being a Learning Organisation that is committed to encouraging sharing of information and knowledge, whilst asking challenging questions that will ensure continual reflection and regeneration.
4. Consistently evaluating what we do, how we do it and the impact on the lives and aspirations of our communities.
5. Keeping abreast of the political, economic, social, technological and environmental agenda, ensuring a flexible approach to services in a complex and dynamic environment.
6. Being an organisation that supports the added value and benefits of cultural activities and engagement.
7. Ensuring sustainability through income generation of unrestricted funds.
8. Investing in our people, ensuring they have the necessary skills, knowledge and attitudes, to deliver high quality services.
9. Creating an environment that enables children to grow and thrive.
10. Maintaining and working within clear and prudent financial guidelines.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
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MEMBERS OF THE BOARD'S REPORT (incorporating STRATEGIC REPORT) (continued)

YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT (continued)

ACTIVITIES

The Y is a multi-faceted Association and Group and operates in the following fields:

Housing

The Y provides supported housing for 104 young single homeless people 85 of which is part of Leicester City Councils' commissioned service. The accommodation is split over five sites; East Street (49 bed spaces) and Aylestone (35 bed spaces) providing accommodation to young people aged 16 – 25.

In addition, we have 3 move-on properties providing a total of 15 beds, a 5-bed house accommodating Unaccompanied Asylum-Seeking Children, and an additional property providing residential child care services.

The Housing department works in a holistic way and sees the provision of accommodation as just one element of its role. Other elements include help with claiming benefit, support in accessing community care grants, basic personal hygiene, education, informal counselling, problem solving, accessing appropriate medical support and empowering the young person to move on to semi/independent living.

Many of the young people that live within The Y come from 'difficult' backgrounds, some have recently left care or prison, and others have been in abusive relationships, have special educational needs, suffer from low self-esteem or find themselves isolated from friends and family due to society's expectations and their inability to meet those expectations. For these young people it is essential that the staff form no judgements but work with them on a basis of mutual trust and respect, empowering them to gain the skills necessary to live, work and communicate with others.

The Y Support Project

The Y Support Project (YSP) is a direct access day centre for homeless and vulnerably housed people based in Leicester. The centre provides access to information and advice on housing, benefits advice and access to primary healthcare. In addition, the centre provides practical support with free food and drink.

Community Arts

The Y Theatre is the oldest theatre within Leicester. Opened in 1900 the theatre is the one aspect of our core business that makes The Y truly different from most other YMCAs. The Y Theatre offers a varied programme of live music, comedy, performance and community events. Also, on offer are active art and educational workshops aimed at supporting and encouraging the local community, particularly young people to enjoy their creativity and build confidence and develop communication skills.

Fundraising

Although the fundraising team had a challenging year they were still able to generate substantial income through digital fundraising. The team continued to maintain strong relationships with corporate supporters, and The Big Give Christmas Challenge platform in December made a substantial impact on our fundraising targets.

The Y is committed to adhering to the Code of Fundraising Practice and new GDPR regulations throughout the whole fundraising process. The organisation takes any complaints seriously and does not advocate intrusive, persistent or the application of any undue pressure to donate. This is made clear to all commercial partners, volunteers and new members of the fundraising team. There were no fundraising complaints in the year.

LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
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MEMBERS OF THE BOARD'S REPORT (incorporating STRATEGIC REPORT) *(continued)*

YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT (continued)

Environmental Footprint

As part of our commitment to reducing our environmental footprint we are actively assessing our utility usage, and aim to work with Leicester city council via their sustainability agenda to identify innovative practices to reduce our carbon footprint.

Shop Rental

The Y has seven shop units in the East Street Property all of which are let on leases. In addition, The Y leases land on Belvoir Drive to three telecommunication companies for the siting of communication towers.

General

The Y has core departments of Human Resources, Operations, Finance and Fundraising, Marketing and Communications.

The Human Resources department is responsible for all aspects of HR training and development within the organisation. This year we have enrolled all senior staff on the NSPCC Safer Recruitment Training, Trustees have carried out on line Safeguarding training, 3 managers are completing the ILM Level 5 in management. Looking forward, we have invested in Hays online training and as such have access to a range of training courses via their portal. We are also committed to delivering training on Diversity, Equality, Inclusion and Unconscious Bias to all staff. Additionally, we will formally launch our Menopause Policy and ensure all staff are trained to understand the signs and impact of the menopause on the lives of their colleagues and ensure those staff suffering from the menopause have the relevant support from the organisation.

The Operations Department is responsible for all aspects of asset management, maintenance and health and safety. As part of the Operation department's targets, reduced energy consumption, increased recycling and maintenance planning are an essential part of their overall contribution to business efficiency.

The Finance department is responsible for the overall financial management of income and expenditure as well as the management and implementation of the company's financial procedures. Its approach ensures that the needs of all departments, the organisation as a whole and our funders are met.

The organisation has a comprehensive fraud policy which is managed by the Deputy Chief Executive/ Finance Director.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
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MEMBERS OF THE BOARD'S REPORT (incorporating STRATEGIC REPORT) (continued)

YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT (continued)

Financial Review

The Y has incurred a consolidated surplus of £161,290 (2021: surplus before gains on investment properties £162,157), which includes a surplus from Y Leisure of £13,337 (2021: deficit £11,239).

During 2021/22 The Y received the following large contracts and grants;

Leicester City Council Supporting People	£428,630
Leicester City Council Homelessness	£60,487
Leicester Health	£36,746
Heritage Lottery Fund	£243,739
Arts Council – COVID grant	£54,056
Paul Hamlyn Charity	£30,000

In line with the Reserves policy statement, The Y still needs to maintain its reserves by achieving a surplus of income over expenditure to ensure that it would meet its liabilities if all contracts ceased. The Board considers that The Y is in a healthy financial situation, with two maturing housing initiatives (Children's Home and Unaccompanied Asylum-Seeking Children) that will increase our self-generating income stream. Coupled with the continuation of our robust approach to procurement and gains in efficiency via our IT investment, The Y will aim to generate a surplus to fulfil its commitments.

Reserves Policy

The Y requires an appropriate level of reserves in order to operate effectively. The level is set with regard to our aims, needs and objectives and the risks we face. These are sudden cessation or non-renewal of contracts and grants, delay in receipt of funding, and future essential maintenance of properties. The Board of Trustees is of the opinion that reserves in the order of £646,000 are necessary. Free reserves representing unrestricted funds that are not represented by fixed assets used in the Charity's operations were £957,823 at 31 March 2022 – this is calculated before accounting for the pension deficit funding liability of £380,480 now included in the financial statements under FRS102, which is actually payable over a further 7 years at a monthly rate of £4,665. This policy will be reviewed annually.

Investment Policy

The Board has delegated to independent investment advisors (page 2) the power to invest funds surplus to requirements in stocks and shares quoted on the London Stock Exchange. Such investments are to provide a combination of income and capital growth. The Resource Committee receive half-yearly reports and review the performance with the advisors. Investment performance for the year is in line with the target set in the investment policy.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
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MEMBERS OF THE BOARD'S REPORT (incorporating STRATEGIC REPORT) *(continued)*

YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT (continued)

The Y Value for Money (VFM) Policy

1. Policy Statement

The Y's Mission Statement, Strategic Objectives, Values and Service Delivery are underpinned by a commitment to value for money.

This policy presents our intentions on what we spend and how we deploy our staff and resources directly with the core values and the service standards we deliver. The Y's performance achievements and customer satisfaction are key elements of this policy. Our strategic objectives are:

- To provide high quality support and accommodation that empowers young people to achieve sustainable independence.
- To support young people to develop skills through access to arts education, employment, training and sports.
- To be a community resource that fully reflects the needs of local people, through the provision of community activities, advice information and advocacy.
- To be fully accessible, promote diversity and challenge discrimination in all its forms.
- To develop good quality partnerships that support service design and delivery and are cost effective.
- To be a proactive organisation that takes measured risks in order to keep abreast of changing needs.

2. Value for Money demonstrable expectations

The Regulator of Social Housing (RSH)'s framework for social housing has a specific Value for Money standard. The standard requires that:

- Registered providers articulate and deliver a comprehensive and strategic approach to achieving VFM in meeting organisational objectives.
- Trustees maintain a robust assessment of the performance of all their assets and resources. This will take into account the interest of and commitment to stakeholders. This information should be available to stakeholders in a transparent and accessible format.

This means managing resources economically, efficiently and effectively to provide quality service and homes and planning for and delivering ongoing improvements for value for money.

The Board of Trustees meet on a quarterly basis in conjunction with the Resource Committee. The agenda items that will incorporate VFM considerations will be appropriately deliberated and their costs and benefits considered. This includes the generation of any potential returns commensurate to the risk involved.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

MEMBERS OF THE BOARD'S REPORT (incorporating STRATEGIC REPORT) (continued)

YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT (continued)

2. Value for Money demonstrable expectations (continued)

The Y regularly reviews our contracts for services throughout the organisation and maintains a robust approach to the procurement of goods and services. During 2021/22 The Y's purchase and procurement officer continued to support the organisations' various departments in providing a number of quotes and identifying the most suitable supplier for various single project work throughout the financial year.

It is difficult to assess The Y's performance against its peers within the region as each YMCA is very different. However, the lottery funded Regional Complex Needs project has enabled The Y to measure its understanding and approach to working with complex young people against 6 other YMCAs within the region. This has achieved a degree of benchmarking as described below.

Benchmarking

It is now a requirement to carry out a competitive benchmarking exercise as part of the trustee's annual report. As part of this process trustees have identified 6 regional YMCAs (Heart of England, Burton on Trent, Sutton Coldfield, North Staffordshire, Wellington and District and Lincolnshire). who could be seen as competitors within the Central Region. Each of these YMCAs are delivering a range of similar services to Leicester, all have some form of social housing, community development, sport and support services.

In carrying out the benchmarking exercise the area to be measured is, Working and Engaging Complex Needs young people, work which has been the subject of lottery funding to each of the above YMCAs co-ordinated and managed by Leicester.

Having carried out a desktop exercise it is clear that if one used the following measures:

- Knowledge and Understanding
- Experience
- Training
- Governance
- Staff skills & awareness

Leicester would be in a position to demonstrate that as part of a benchmarking exercise it would be more than able to show a competitive edge in relation to our work with this challenging group and as such set the standard that others would strive to meet.

Within the organisation, the employee appraisal system includes regular performance reviews that include KPIs at an individual and departmental level. This enables the managers of The Y to assess and measure the delivery of the strategic objectives of the organisation.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

MEMBERS OF THE BOARD'S REPORT (incorporating STRATEGIC REPORT) (continued)

YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT (continued)

2. Value for Money demonstrable expectations (continued)

Regulatory reporting on VFM is required by the Regulator of Social Housing from April 2018 and Registered Providers must publish the required evidence in the statutory accounts annually. The required VFM metrics are presented below.

Regulator of Social Housing Metrics 2022		2021-22	2020-21
Metric 1 (Efficiency)	Reinvestment % (Investment in properties, existing & new, as a % of the value of total properties held)	0%	0%
Metric 2 (Effectiveness)	New supply delivered % (No. of new social and non-social housing units, acquired or developed in the year as a proportion of total social and non-social housing units owned at period end.)		
	Calc A For social housing units	0%	0%
	Calc B For non-social housing units	0%	0%
Metric 3 (Efficiency)	Gearing %	4%	5%
Metric 4 (Efficiency)	EBITDA MRI interest cover %	2630%	2082%
Metric 5 (Economy)	Headline social housing cost per unit	£12,868	£13,641
Metric 6 (Efficiency)	Operating Margin %		
	Calc A Operating Margin (social housing only) %	12%	13%
	Calc B Operating Margin (overall) %	4%	3%
Metric 7 (Efficiency)	Return on Capital Employed (ROCE) %	2%	2%

Commentary

There was no reinvestment in social housing property for the year and no new units have been developed. Gearing levels have decreased by 1% from the previous year. Interest cover has continued to remain significantly high due to an increased operating surplus for the year. The social housing cost per unit has decreased by 6% on the previous year due to reduced COVID safety expenditure. The social housing operating margin has fallen by 1%, however, the overall operating margin has increased by 1% when compared with the previous year. The group's return on capital employed has remained at the same level as the year before.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

MEMBERS OF THE BOARD'S REPORT (incorporating STRATEGIC REPORT) *(continued)*

YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT *(continued)*

3. Key Strategic Objectives

The Y will implement a programme to review expenditure and enable scrutiny of initiatives with a view to achieving a minimum of 5% saving year on year for the next four years. These objectives include:

- **Promotion** – embedding of VFM principles within the culture of the organisation.
- **People** – encouraging economic awareness amongst staff and VFM principles within all business operations.
- **Procurement** – creation, maintenance and promotion of economic, efficient and effective purchasing principles and continuous review of contracts and services.
- **Recycling** – to minimise waste and recycle as much as possible
- **Partnerships** – communicate our commitment to VFM and encourage these principles amongst our partners.
- **Improvement** – improving the efficiency of how we support and deliver our services.
- **Green** – implement a programme of energy efficiency, water conservation and waste minimisation across the organisation.

PLANS FOR FUTURE PERIODS

The Association plans to continue its activities as outlined above. In addition, significant activities to be undertaken during the year are as follows:

1. To improve our Ofsted inspection rating of requires Improvement
2. To explore the development of an additional residential care through presentations to the Board and the development of a business case
3. In Partnership with Spring Impact explore the upscaling of the Shine Project regionally and nationally.
4. Implement training for all staff and Trustees on Equality, Diversity Inclusion and Unconscious Bias
5. To adopt the National Brand.
6. To ensure we meet the new Ofsted standards for regulated provision for 16+
7. Carry out investigation into the refurbishment of our wash room facilities at East Street
8. To explore individual legacies as part of our fundraising strategy
9. Implement a capital investment strategy recognising major capital works and its impact on organisational budgets and cash flow
10. To look at funding opportunities in order to continue our work around complex needs
11. For Co-Production to become fundamental to our work with young people and create opportunities for young people to engage in governance
12. To increase the diversity of the Board
13. To assess our environmental footprint and develop plans to reduce the same.
14. To develop and implement an education curriculum
15. To source additional funding for the continuation of our Heritage work.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

MEMBERS OF THE BOARD'S REPORT (incorporating STRATEGIC REPORT) *(continued)*
YEAR ENDED 31 MARCH 2022

STATEMENT OF THE MEMBERS OF THE BOARD'S RESPONSIBILITIES

The Board is responsible for preparing the Members of the Board's Report, including Directors' Report and Strategic Report, and financial statements in accordance with applicable law and regulations.

Company and Registered Social Housing legislation require the Board to prepare financial statements for each financial year. Under that law the Board have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. Under that law the Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and surplus and deficit of the group for that period. In preparing these financial statements the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice (SORP) Accounting by Registered Housing Providers 2019, 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 company and group will continue in operation.

The Board is responsible for keeping adequate accounting records, that are sufficient to show and explain the company's and group's transactions and disclose with reasonable accuracy at any time the financial position of the company and group and enable them to ensure that the financial statements comply with Companies Act 2006, the Housing and Regeneration Act 2008 and the accounting requirements of the Accounting Direction for private registered providers of social housing 2019. The Board is also responsible for safeguarding the assets of the company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RSH GOVERNANCE & FINANCIAL VIABILITY STANDARD

The Board recognises and confirms the compliance with the Regulator of Social Housing's Governance & Financial Viability Standard. The Y has also retained its continued qualification as a Homes England Investment partner for future housing programmes.

PUBLIC BENEFIT

The Board of Trustees has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Association aims and objectives and in planning future activities.

The focus of our work is:

- the provision of supported housing to vulnerable young homeless people
- facilitating our resources to offer a varied programme of community and educational events
- working in partnership with other agencies to secure the widest range of services available to match the needs of clients
- provision of sport, health and fitness facilities to members of the community
- provide residents with education, training and skills to secure employment or their own tenancies.

The Board of Trustees has complied with section 17 of the Charities Act 2011, and in setting a programme each year has had regard to both the Charity Commission's general guidance on public benefit and provision of services for the client population. The Board of Trustees always ensures that the services provided are in line with the charitable objects and aims of the Association.

The Board feels the aforementioned Strategic Report and principal activity support this conclusion.

AUDITOR

In accordance with the Companies Act 2006 a resolution proposing the appointment of Forrester Boyd Chartered Accountants as Auditor will be put to the members.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

MEMBERS OF THE BOARD'S REPORT (incorporating STRATEGIC REPORT) *(continued)*

YEAR ENDED 31 MARCH 2022

DIRECTORS' REPORT

STATEMENT OF INTERNAL FINANCIAL CONTROL

The Board is responsible for maintaining a sound system of internal control which:

- focuses on the significant risks that threaten the Association's ability to meet its objectives; and
- provides reasonable assurance of the safeguarding of assets.

The Board is also responsible for reviewing the effectiveness of the system of internal control.

The internal control system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable, and not absolute, assurance against material misstatement or loss.

The process for identifying, evaluating and managing the significant risks faced by the Association is ongoing. This process has been in place for the year ended 31 March 2022 and up to the date of approval of the annual report and financial statements and is regularly reviewed by the Board.

The process which the Board has adopted in reviewing the effectiveness of the Association's system of internal control is reviewed through the Resource Committee. The key elements in exercising financial control include:

- Formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow monitoring of controls and restrict the unauthorised use of the Association's assets.
- The employment of suitably qualified staff to take responsibility for key areas of the business. This is supported by an annual appraisal system to maintain standards of performance.
- The preparation of forecasts and budgets which allow the Board and management to monitor the key business risks and financial objectives, and progress towards financial plans set for the year and the medium term; regular management accounts are prepared promptly, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate.
- All significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through relevant sub-committees comprising Board members and others.
- The Resource Committee reviews reports from management and external auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a general review of the major risks facing the Association. The Resource Committee make regular reports to the Board
- Formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

MEMBERS OF THE BOARD'S REPORT (incorporating STRATEGIC REPORT) (continued)

YEAR ENDED 31 MARCH 2022

DIRECTORS' REPORT (continued)

STATEMENT OF INTERNAL FINANCIAL CONTROL (continued)

FRAUD

It is the policy of the The Y to identify and promptly investigate any possibility of fraudulent or related dishonest activities against the organisation. The Y aims to promote an organisation culture which encourages the prevention of fraud by raising awareness of the need for high standards of personal conduct.

Any act of fraud ascertained upon investigation, or pursuant to a criminal conviction, or through written acknowledgment by the employee concerned, shall result in the appropriate disciplinary and legal actions against the employee.

Prevention of Fraud

Executives, managers and employees at all levels are responsible for exercising due diligence and control to prevent, detect and report acts of fraud. Those who fail to carry out these responsibilities will be subject to disciplinary action up to and including termination of employment.

Responsibility of Management

It is the responsibility of Executives and managers to be familiar with the types of improprieties that might occur in their area and be alert for any indication that improper activity, misappropriation or dishonest activity is or was in existence in his or her area and put in place controls to avoid such occurrences.

Responsibility of Employees

It is the responsibility of all employees to conduct their work schedule in such a way as to prevent fraud occurring in the workplace. Employees must also be alert to the possibilities for fraud and be on guard for any indications that improper or dishonest activity is taking place.

Reporting Fraud

It is the responsibility of all executives, managers and employees to report any suspicions of fraud without delay according to the procedure laid out below.

A person who suspects that fraudulent practice may be operating should, in the first instance, report the matter to his/her manager or immediate superior. Should it be inappropriate to make such a report to an immediate superior, the report should be made to that person's manager or directly to the Chief Executive.

Once a report of suspected fraud is made to supervisor/manager that person should report the suspicion to either the Chief Executive or Finance Director.

A Fraud Incident Report should be completed by the person reporting suspected fraud. The Finance Director will report any incidents to the Resource Committee. This policy is read in conjunction with the whistle blowing policy. The fraud policy is reviewed annually by the Finance Director.

LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)

MEMBERS OF THE BOARD'S REPORT (incorporating STRATEGIC REPORT) *(continued)*

YEAR ENDED 31 MARCH 2022

DIRECTORS' REPORT *(continued)*

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

We, the Board members of the Group, who held office at the date of approval of these Financial Statements set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the group's auditors are unaware; and
- we have taken all the steps that we ought to have taken as Board members in order to make ourselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Members of the Board's Report which is prepared under the Charities Act 2011, which also contains all information required in a directors' report by the Companies Act 2006, and the incorporated Strategic Report prepared under the Companies Act 2006, were approved by the Board of Trustees on 13/9/22 and signed:

by order of the Members of the Board

MR P BROWN
Chief Executive



Date: 13/9/22.....

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION (INCORPORATED) (THE)**

Opinion

We have audited the financial statements of Leicester Young Men's Christian Association (Incorporated) (The) (the 'parent company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Income and Expenditure Account and Statement of Comprehensive Income, Consolidated and Association Balance Sheets, Consolidated and Association Statements of Changes in Reserves, Consolidated Statement of Cash Flows and notes to the financial statements, 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 FRS 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 parent company's affairs as at 31 March 2022 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been properly 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 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 board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. 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. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions 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 Members of the Board's Report (incorporating Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Members of the Board's Report (incorporating Strategic Report) has been prepared in accordance with applicable legal requirements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION (INCORPORATED) (THE) (CONTINUED)**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Members of the Board's Report (incorporating Strategic Report).

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

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

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

- a satisfactory system of control over transactions has not been maintained.

Respective responsibilities of Trustees

As explained more fully in the Statement of the Members of the Board's Responsibilities set out on page 18, the Trustees (who are also the directors of the 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 parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- Discussions with management, including consideration of known or suspected instances of non-compliance held.
- Challenging assumptions and judgements made within significant accounting estimates and judgements such as depreciation, bad debt and voids.
- Identification of key laws and regulations central to the associations operations and review of compliance with such laws including a review of the Charities Commission website and the Housing and Regeneration Act 2008.
- Testing of journal entries and potential override of systems.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery collusion, omission or misrepresentation.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION (INCORPORATED) (THE) (CONTINUED)**

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

Use of our report

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

C Jensen

Carrie Anne Jensen ACA (Senior Statutory Auditor)
For and on behalf of Forrester Boyd, Statutory Auditor
Chartered Accountants
26 South Saint Mary's Gate
Grimsby
DN31 1LW

Date:
13th September 2022

LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION (INCORPORATED) (THE)

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT AND
STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2022

	Note	Year ended 31 March 2022 £	Year ended 31 March 2021 £
TURNOVER	3	3,629,971	3,674,604
Operating costs	3	(3,483,652)	(3,574,978)
OPERATING SURPLUS	3	146,319	99,626
Interest receivable and similar income	6	13,550	12,199
Interest payable and similar charges	7	(20,879)	(18,229)
Change in fair value of investment properties	12	-	264,328
Change in fair value of investments	13	22,300	68,561
SURPLUS FOR THE YEAR BEFORE TAX		161,290	426,485
Taxation		-	-
SURPLUS FOR THE YEAR AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		161,290	426,485

The results relate wholly to continuing activities.

The financial statements were approved by the board on 13/9/22


Mr T Moore (Treasurer)


Ms K Hamylton (Chair)

The annexed notes form part of these financial statements.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

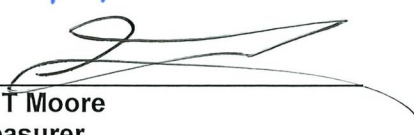
CONSOLIDATED AND ASSOCIATION BALANCE SHEETS


AS AT 31 MARCH 2022

		Group		Association	
		2022	2021	2022	2021
		£	£	£	£
FIXED ASSETS					
Intangible assets	10	-	2,444	-	2,444
Housing properties	11	3,366,593	3,618,825	3,366,593	3,618,825
Other tangible assets	11	350,005	325,881	325,081	311,299
Investment properties	12	1,570,000	1,570,000	1,570,000	1,570,000
		<u>5,286,598</u>	<u>5,517,150</u>	<u>5,261,674</u>	<u>5,502,568</u>
Other investments	13	465,457	444,265	465,457	444,266
		<u>5,752,055</u>	<u>5,961,415</u>	<u>5,727,131</u>	<u>5,946,834</u>
CURRENT ASSETS					
Stocks	14	4,781	1,050	-	-
Debtors	15	353,262	144,974	433,097	205,029
Cash and cash equivalents	23	959,032	1,022,406	919,327	1,013,416
		<u>1,317,075</u>	<u>1,168,430</u>	<u>1,352,424</u>	<u>1,218,445</u>
CURRENT LIABILITIES					
Creditors: Amounts falling due within one year	16	871,799	927,776	861,885	929,534
		<u>445,276</u>	<u>240,654</u>	<u>490,539</u>	<u>288,911</u>
NET CURRENT ASSETS /(LIABILITIES)					
		<u>6,197,331</u>	<u>6,202,069</u>	<u>6,217,670</u>	<u>6,235,745</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
Creditors: Amounts falling due after one year	17	2,491,868	2,676,059	2,491,868	2,676,059
Provisions for liabilities	18	380,480	362,317	380,480	362,317
		<u>3,324,983</u>	<u>3,163,693</u>	<u>3,345,322</u>	<u>3,197,369</u>
TOTAL NET ASSETS					
RESERVES					
UNRESTRICTED FUNDS					
Designated & general reserves	19	3,341,285	3,193,332	3,341,285	3,193,332
Non-charitable trading reserves	19	(20,339)	(33,676)	-	-
Joint venture reserve	19	-	-	-	-
		<u>3,320,946</u>	<u>3,159,656</u>	<u>3,341,285</u>	<u>3,193,332</u>
RESTRICTED FUNDS	19	4,037	4,037	4,037	4,037
		<u>3,324,983</u>	<u>3,163,693</u>	<u>3,345,322</u>	<u>3,197,369</u>
TOTAL RESERVES					

The Association's surplus is £151,532 (2021: £437,814).

These financial statements on pages 24 to 49 were approved by the board and authorised for issue on 13/9/22 and were signed on its behalf by:


Mr T Moore
Treasurer
Company Registration Number 00159933


Ms K Hamylton
Chair

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

CONSOLIDATED STATEMENT OF CHANGES IN RESERVES

YEAR ENDED 31 MARCH 2022

	General reserves £	Designated reserves £	Fair value reserve £	Sub total £	Non- charitable trading reserves £	Total Unrestricted £	Restricted funds £	Total £
Balance at 1 April 2020	2,531,599	112,385	111,534	2,755,518	(22,347)	2,733,171	4,037	2,737,208
Surplus/(Deficit) for the year	300,837	(138,781)	332,889	494,945	(11,329)	483,616	(57,131)	426,485
Transfers	(198,912)	141,781	-	(57,131)	-	(57,131)	57,131	-
Balance at 31 March 2021	2,633,524	115,385	444,423	3,193,332	(33,676)	3,159,656	4,037	3,163,693
Surplus/(Deficit) for the year	348,484	(151,988)	22,300	218,796	13,337	232,133	(70,843)	161,290
Transfers	(263,031)	192,188	-	(70,843)	-	(70,843)	70,843	-
Balance at 31 March 2022	2,718,977	155,585	466,723	3,341,285	(20,339)	3,320,946	4,037	3,324,983

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

ASSOCIATION STATEMENT OF CHANGES IN RESERVES

YEAR ENDED 31 MARCH 2022

	General reserves £	Designated reserves £	Fair value reserve £	Total Unrestricted £	Restricted funds £	Total £
Balance at 1 April 2020	2,531,599	112,385	111,534	2,755,518	4,037	2,759,555
Surplus/(Deficit) for the year	300,837	(138,781)	332,889	494,945	(57,131)	437,814
Transfers	(198,912)	141,781	-	(57,131)	57,131	-
Balance at 31 March 2021	<u>2,633,524</u>	<u>115,385</u>	<u>444,423</u>	<u>3,193,332</u>	<u>4,037</u>	<u>3,197,369</u>
Surplus/(Deficit) for the year	348,484	(151,988)	22,300	218,796	(70,843)	147,953
Transfers	(263,031)	192,188	-	(70,843)	70,843	-
Balance at 31 March 2022	<u>2,718,977</u>	<u>155,585</u>	<u>466,723</u>	<u>3,341,285</u>	<u>4,037</u>	<u>3,345,322</u>

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
OPERATING ACTIVITIES			
Net cash generated from operations	22	59,276	488,743
		<hr/>	<hr/>
NET CASH GENERATED FROM OPERATING ACTIVITIES		59,276	488,743
		<hr/>	<hr/>
CASH FLOW FROM INVESTING ACTIVITIES			
Interest and dividends received		13,550	12,199
Payments to acquire tangible fixed assets		(85,596)	(72,063)
Proceeds on disposal of Joint Venture		-	-
		<hr/>	<hr/>
NET CASH USED IN INVESTING ACTIVITIES		(72,046)	(59,864)
CASH FLOW FROM FINANCING ACTIVITIES			
Payments to acquire fixed asset investments		(64,933)	(101,305)
Receipts on sale of fixed asset investments		66,041	107,879
Interest paid		(20,879)	(18,229)
Repayment of borrowings		(30,833)	(31,799)
		<hr/>	<hr/>
NET CASH (USED IN)/FROM FINANCING ACTIVITIES		(50,604)	(43,454)
		<hr/>	<hr/>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(63,374)	385,425
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		1,022,406	636,981
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT END OF YEAR	23	959,032	1,022,406
		<hr/> <hr/>	<hr/> <hr/>

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

1. LEGAL STATUS AND PRINCIPAL ACCOUNTING POLICIES

The Company is a private company limited by guarantee and is an English registered social housing provider. Each member undertakes to contribute an amount not exceeding 1p in the event of the Association being wound up. There were 13 members during the year (2021:13 members)

The address of the Company's registered office and principal place of business is 7 East Street, Leicester, LE1 6EY.

The Company is a registered charity and a public benefit entity.

The principal activities are disclosed in the Members of the Board's Report.

The Company is incorporated under the Companies Act 2006, Charities Act 2011 and is a private Registered Provider of Social Housing (RP).

Basis of Accounting

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

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

2. PRINCIPAL ACCOUNTING POLICIES

REDUCED DISCLOSURES

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirement in the individual financial statements of Leicester Young Men's Christian Association.

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flows and related notes and disclosures.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches; and details of hedges and hedging fair value changes recognised in income or expenditure and in other comprehensive income.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the Company are included within these financial statements.

Going Concern

The Group and Company have prepared detailed budgets and cash flow forecasts for the period of a minimum of 12 months from the date of approval of these financial statements. To mitigate the economic fallout of the COVID-19 pandemic, the detailed budgets and cash flow forecasts have been subjected to a degree of sensitivity analysis for the same period. On that basis, the members of the Board are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2022

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Amortisation is revised prospectively for any significant change in useful life or residual value.

On disposal, the difference between the net disposal proceeds and the carrying amount of the intangible asset is recognised in income or expenditure.

Fixed Assets and Depreciation

Tangible fixed assets, are stated at cost, less accumulated depreciation. Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following annual rates:

Freehold buildings (non-housing)	-	over 25 years
Furniture, fixtures and fittings, IT equipment	-	over 3 to 10 years (dependent on the expected economic life)
Leasehold improvements	-	over 25 years or the life of the lease if less
Motor vehicles	-	over 3 years
Lifts	-	over 25 years

Major components of housing properties have been accounted for and depreciated separately from the connected housing property at the following rates:

Structure	-	over 10 to 25 years
Kitchens and Bathrooms	-	over 5 years
Electrical equipment	-	over 3 years
Lifts	-	over 25 years

Freehold land is not depreciated.

The useful economic lives of all tangible fixed assets are reviewed annually.

Housing properties are principally properties available for rent and are stated at cost less and provision for any impairment (representing a diminution in the recoverable service potential of the asset below its carrying value in the balance sheet) less depreciation. Cost includes the cost of acquiring land and buildings, development costs and expenditure incurred in the respect of improvements.

Development costs of properties are capitalised to the extent that they are directly attributable to bringing the properties into working condition for their intended use. Directly attributable costs include the labour costs of own employees (including development staff, in-house architects and surveyors) arising directly from the construction or acquisition of the property, and the incremental costs that would have been avoided only if the property had not been constructed.

Impairment

An assessment is made at each reporting date of whether there are indications that a fixed asset (including housing properties) may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Group estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets net of any associated Social Housing Grant and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use of the asset based on its service potential, are recognised as impairment losses in the Income and Expenditure Account.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in income and expenditure. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2022

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Investment Properties

Investment properties (including properties held under an operating lease) consist of commercial properties and properties not held for social benefit. These properties are initially measured at cost and subsequently measured at fair value whilst a reliable measure of fair value is available without undue cost or effort. Changes in fair value are recognised in income and expenditure.

The Companies Act 2006 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in FRS 102. The Board considers that, because investment properties are not held for consumption, but for their investment potential, to depreciate them would not give a true and fair view.

If this departure from the Companies Act 2006 had not been made in order to give a true and fair view, the profit for the financial year would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified because depreciation is only one of many factors reflected in the annual valuation and the amount relating to the depreciation of the property cannot be separately identified.

Investments and investment income

Investments are carried at fair value. Changes in fair value are included in the Income and Expenditure Account.

Investment income is accounted for in the period in which the Group is entitled to receipt.

Stocks

Stocks are included at the lower of cost and net realisable value.

Taxation

The Association has charitable status and is registered with the Charity Commission and is therefore exempt from paying Corporation Tax on charitable activities.

Value Added Tax

Irrecoverable VAT which can be attributed to a capital item or expenditure is added to the cost of the capital item or expenses where practicable and material.

Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Government Grants

Government grants include grants receivable from Homes England, local authorities and other government bodies.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met, and the grants will be received.

Government grants received for housing properties are recognised in income over the useful economic life of the structure of the asset and, where applicable, the individual components of the structure (excluding land) under the accruals model.

Government grants relating to revenue are recognised as income over the periods when the related costs are incurred once reasonable assurance has been gained that the Company will comply with the conditions and the funds will be received.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2022**

2. PRINCIPAL ACCOUNTING POLICES *(continued)*

Other Grants

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

Leased Assets

Rentals payable under operating leases are charged to the Income and Expenditure Account on a straight line basis over the lease term.

Pension Costs

Defined benefit plans

The Company participated in a multi-employer defined benefit 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 Leicester Young Men's Christian Association.

As described in note 18 Leicester Young Men's Christian Association has a contractual obligation to make pension deficit payments of £55,985 pa over the period to April 2029 (2021: £46,648 pa), accordingly this is shown as a liability in these accounts. In addition, Leicester Young Men's Christian Association is required to contribute £12,515 pa (2021: £11,040 pa) to the operating expenses of the Pension Plan and these costs are charged to the Statement of Comprehensive Income as made.

Defined contribution plans

The Group also operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Group. The annual contributions payable are charged to the Income and Expenditure Account. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Financial instruments

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

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

Financial assets

Debtors

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

Where the arrangement with a debtor constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

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

LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2022

2. PRINCIPAL ACCOUNTING POLICES *(continued)*

Financial liabilities

Creditors

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

Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Derecognition of financial assets and liabilities

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

Provisions

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

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Pension Deficit Liability

In calculating the value of the contractual liability (detailed in Note 18), a discount rate of 3% has been applied to the payments due in future years in order to determine their present value.

Expected Economic Useful Life of Fixed Assets

The useful economic life of fixed assets (detailed in Note 11) is a key accounting estimate.

Investment Properties

The valuation of the investment properties (detailed in Note 12) is reviewed annually by the Board to assess whether there is a diminution in the carrying value of the assets. The percentage of 'mixed use' properties deemed as 'investment property' was calculated based on size of area as per the completed valuation survey by Innes England.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2022

3. GROUP TURNOVER AND OPERATING SURPLUS/(DEFICIT)

Year to 31 March 2022			
	Turnover £	Operating costs £	Operating surplus/ (deficit) £
Social Housing	2,107,232	(1,855,547)	251,685
Non Social Housing activities	1,522,739	(1,628,105)	(105,366)
	<hr/>	<hr/>	<hr/>
Total	3,629,971	(3,483,652)	146,319
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Year to 31 March 2021			
	Turnover £	Operating costs £	Operating surplus/ (deficit) £
Social Housing	2,228,900	(1,937,110)	291,790
Non Social Housing activities	1,445,704	(1,637,868)	(192,164)
	<hr/>	<hr/>	<hr/>
Total	3,674,604	(3,574,978)	99,626
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Non-social housing turnover includes amounts of £36,714 (2021: £250,686) received under the Governments Covid Job Retention Scheme and the business rates relief scheme.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2022

4. TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS

Particulars of Group income and expenditure from social housing lettings

	General Housing 2022 £	General Housing 2021 £
TURNOVER FROM SOCIAL HOUSING LETTINGS		
Rent receivable net of voids	1005,086	925,927
Service charges receivable	458,891	445,224
	1,463,977	1,371,151
NET RENTAL INCOME	1,463,977	1,371,151
Supporting people contract income	428,630	428,630
Other revenue grants	639	170,379
Grant amortisation	213,986	258,740
	2,107,232	2,228,900
TURNOVER FROM SOCIAL HOUSING LETTINGS		
	2,107,232	2,228,900
EXPENDITURE ON SOCIAL HOUSING LETTINGS		
Direct costs	-	6,487
Staffing	990,999	1,023,851
Administration	173,384	175,053
Depreciation and amortisation	194,641	237,920
Maintenance	20,761	25,583
Services	49,929	43,829
Service charge costs	425,833	424,387
	(1,855,547)	(1,937,110)
OPERATING COSTS ON SOCIAL HOUSING LETTINGS	(1,855,547)	(1,937,110)
	251,685	291,790
OPERATING SURPLUS ON SOCIAL HOUSING LETTINGS	251,685	291,790
	77,417	41,862
Rent losses on voids	77,417	41,862

Supported Housing Accommodation owned and managed

	2022 No. of units	2021 No. of units
Let at social rent	104	103

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2022

5. OPERATING (DEFICIT)/SURPLUS

The operating surplus is stated after charging/(crediting):

	Group	
	2022	2021
	£	£
Depreciation of housing properties	252,232	296,857
Depreciation of other tangible fixed assets	61,472	58,688
Amortisation of intangible fixed assets	2,444	2,440
Amortisation of grants	(213,986)	(258,740)
Auditor's remuneration (audit services)	12,500	12,500
Auditor's remuneration (non-audit work)	1,000	1,000
Operating lease rentals	76,611	59,073
Cost of stocks recognised as an expense	19,108	98
	252,232	296,857

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	Group	
	2022	2021
	£	£
Interest on bank deposits	12	-
Income from listed investments	13,538	12,199
	13,550	12,199

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2022

7. INTEREST PAYABLE AND SIMILAR CHARGES

	Group	
	2022	2021
	£	£
YMCA pension notional finance charge (Note 18)	10,870	9,234
Interest on bank loan	10,009	8,995
	20,879	18,229

8. DIRECTORS' EMOLUMENTS

The Directors are defined as the members of the Board, the Chief Executive and other senior executives. None of the members of the Board received any emoluments. Details of the Chief Executive's and other senior Executives' emoluments in respect of services to the Company are as follows:

	2022	2021
	£	£
Basic salary	260,584	246,801
Pension contributions	13,040	12,790
	273,624	259,591

	2022	2021
Number of Directors accruing benefits in the pension scheme	4	4

Emoluments disclosed above include the following amounts paid to the highest paid director:

	2022	2021
	£	£
Emoluments for qualifying services	113,700	107,260
Pension contributions	6,642	6,598
	120,342	113,858

The Chief Executive is a member of the Company's pension scheme. He is an ordinary member of the pension scheme and no enhanced or special terms apply. The Company does not make any further contributions to an individual pension arrangement for the Chief Executive.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2022

9. EMPLOYEE INFORMATION

	2022	2021
	No.	No.
Average number of persons (including part-time employees and the Chief Executive but excludes Casual Staff) employed during the year	74	79
Full time equivalent (40 hours per week)	65	66

The Group also holds a bank of casual staff (sessional) who can be called on to cover short term unexpected absences. During the year the Group had 21 casual staff on its books (2021: 23).

	2022	2021
	£	£
Staff costs (for the above persons)		
Wages and salaries	1,858,826	1,898,856
Social security costs	158,149	155,031
Other pension costs	42,533	43,051
	<u>2,059,508</u>	<u>2,096,938</u>

There were two employees whose income exceeded £60,000 (2021: two) and one fell within the £110,001 - £120,000 bracket during the year (2021: one £100,001 - £110,000 bracket). The total compensation of employees who are considered to be the key management personnel of the Group was £304,602 (2021: £288,703).

There were no expenses reclaimed by Board members in 2022 or 2021.

10. INTANGIBLE FIXED ASSETS

Group and Association	Website costs
	£
Cost	
At 1 April 2021	12,204
Additions	-
	<u>12,204</u>
At 31 March 2022	<u>12,204</u>
Amortisation	
At 1 April 2021	9,760
Charge for the year	2,444
	<u>12,204</u>
At 31 March 2022	<u>12,204</u>
Net Book Value	
At 31 March 2022	-
	<u>2,444</u>
At 31 March 2021	<u>2,444</u>

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2022

11. TANGIBLE FIXED ASSETS

Group and Association	Social Housing Properties held for letting £
Cost	
At 1 April 2021	7,486,285
Properties acquired	-
Works to existing properties	-
Disposals – component write-off	-
	<hr/>
At 31 March 2022	7,486,285
	<hr/> <hr/>
Depreciation	
At 1 April 2021	3,867,460
Charge for the year	252,232
Eliminated on disposals – component write-off	-
	<hr/>
At 31 March 2022	4,119,692
	<hr/> <hr/>
Net Book Value	
At 31 March 2022	3,366,593
	<hr/> <hr/>
At 31 March 2021	3,618,825
	<hr/> <hr/>

In accordance with the accounting policy, included within Housing Properties (historical cost), the Group and Association have capitalised in the year £nil (2021: £23,840) of expenditure on works to existing properties. No capital expenditure has been included in the Income & Expenditure Account (2021: £nil).

Depreciation charge for the year	2022 £	2021 £
Annual depreciation charge	252,232	296,857
Accelerated depreciation on component write off	-	-
	<hr/>	<hr/>
	252,232	296,857
	<hr/> <hr/>	<hr/> <hr/>

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2022

11. TANGIBLE FIXED ASSETS (continued)

Group	Freehold Land & Buildings £	Furniture Fixtures & Fittings £	Lift £	TOTAL £
COST				
At 1 April 2021	918,914	556,162	299,936	1,775,012
Additions	-	85,596	-	85,596
Disposals	-	-	-	-
At 31 March 2022	918,914	641,758	299,936	1,860,608
DEPRECIATION				
At 1 April 2021	770,963	386,961	291,207	1,449,131
Charge for the year	18,764	33,979	8,729	61,472
Disposals	-	-	-	-
At 31 March 2022	789,727	420,940	299,936	1,510,603
NET BOOK VALUE				
At 31 March 2022	129,187	220,818	-	350,005
At 31 March 2021	147,951	169,201	8,729	325,881
Association				
Association	Freehold Land & Buildings £	Furniture Fixtures & Fittings £	Lift £	TOTAL £
COST				
At 1 April 2021	918,914	530,048	299,936	1,748,898
Additions	-	71,986	-	71,986
Disposals	-	-	-	-
At 31 March 2022	918,914	602,034	299,936	1,820,884
DEPRECIATION				
At 1 April 2021	770,963	375,429	291,207	1,437,599
Charge for the year	18,764	30,711	8,729	58,204
Disposals	-	-	-	-
At 31 March 2022	789,727	406,140	299,936	1,495,803
NET BOOK VALUE				
At 31 March 2022	129,187	195,894	-	325,081
At 31 March 2021	147,951	154,619	8,729	311,299

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)
NOTES TO THE FINANCIAL STATEMENTS (continued)**

YEAR ENDED 31 MARCH 2022

12. INVESTMENT PROPERTIES

Group and Association	2022 £	2021 £
At 1 April	1,570,000	1,305,672
Increase in fair value	-	264,328
At 31 March	<u>1,570,000</u>	<u>1,570,000</u>

Investment properties were valued as at 31 March 2021 by Innes England. The valuation of the group's properties was carried out in accordance with the Royal Institute of Chartered Surveyors ("RICS") Professional Standards UK January 2014 and with particular regard to Financial Reporting Standard 102 and the Social Housing Statement of Recommended Practice. The increase in fair value of £264,328 for the investment properties as at 31 March 2021 was accepted by the Board of Trustees.

13. FIXED ASSET INVESTMENTS

Association

Investment in subsidiary company

The company owns the whole of the ordinary share capital (1 ordinary share of £1) of Y Leisure Limited. The company is incorporated in Great Britain and registered in England and Wales and has been established to carry on trading activities on the Association's behalf. Its registered office is set out on page 1.

Y Leisure Limited operates a bar for the use of patrons of the Association and members of the public. The company will gift aid any taxable profits to Leicester YMCA. A summary of its trading results is shown below:

	2022 £	2021 £
Profit and loss account		
Turnover	53,100	-
Cost of sales	(31,000)	(6,227)
	<u>22,100</u>	<u>(6,227)</u>
Gross profit/(loss)	22,100	(6,227)
Administrative expenses	(8,763)	(5,102)
	<u>13,337</u>	<u>(11,329)</u>
Profit/(Loss) on ordinary activities before and after tax and retained	<u>13,337</u>	<u>(11,329)</u>
Capital and reserves	<u>(20,339)</u>	<u>(33,676)</u>

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2022

13. FIXED ASSET INVESTMENTS (continued)

	2022	2021
	£	£
Group and Association		
Other investments – listed at fair value		
At 1 April	444,265	382,278
Additions	64,933	101,305
Disposals	(66,041)	(107,879)
Realised gain on disposal	20,841	7,700
Unrealised gain/(deficit)	1,459	60,861
	<u>465,457</u>	<u>444,265</u>
At 31 March	<u>465,457</u>	<u>444,265</u>
Historical cost	<u>376,027</u>	<u>377,216</u>

14. STOCKS

	Group		Association	
	2022	2021	2022	2021
	£	£	£	£
Goods for resale	4,781	1,050	-	-
	<u>4,781</u>	<u>1,050</u>	<u>-</u>	<u>-</u>

15. DEBTORS

	Group		Association	
	2022	2021	2022	2021
	£	£	£	£
Housing debtors	158,897	98,438	158,897	98,438
Other trade debtors	151,593	23,369	151,593	23,369
Bad debt provision	(18,940)	(18,940)	(18,940)	(18,940)
Amount owed from subsidiary company	-	-	79,835	60,055
Other debtors	6,659	350	6,659	350
Prepayments & accrued income	55,053	41,757	55,053	41,757
	<u>353,262</u>	<u>144,974</u>	<u>433,097</u>	<u>205,029</u>

Amounts written off housing debtors in the year amounted to £5,314 (2021: £25,269).

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2022

16. CREDITORS Amounts falling due within one year

	Group		Association	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	285,541	325,690	281,363	325,690
Bank loan	30,270	30,930	30,270	30,930
Taxation & Social Security	54,319	40,316	52,064	43,220
Accruals	78,154	70,903	76,904	70,903
Deferred income	223,418	195,305	223,418	195,305
Other creditors	2,241	6,808	10	5,662
Deferred capital grant (see note 17)	197,856	257,824	197,856	257,824
	<u>871,799</u>	<u>927,776</u>	<u>861,885</u>	<u>929,534</u>

17. CREDITORS Amounts falling due after one year

	Group		Association	
	2022	2021	2022	2021
	£	£	£	£
Bank loan	291,864	322,037	291,864	322,037
Deferred capital grant	2,200,004	2,354,022	2,200,004	2,354,022
	<u>2,491,868</u>	<u>2,676,059</u>	<u>2,491,868</u>	<u>2,676,059</u>

The bank loan is secured by a legal charge over 7 East Street Leicester, LE1 6EY.

Deferred capital grant	Group and Association	
	2022	2021
	£	£
As at 1 April	2,611,846	2,870,586
Amortisation	(213,986)	(258,740)
As at 31 March	<u>2,397,860</u>	<u>2,611,846</u>
Less: due in less than one year	(197,856)	(257,824)
Due after more than one year	<u>2,200,004</u>	<u>2,354,022</u>

Bank Loan	Group and Association	
	2022	2021
	£	£
Amounts falling due by instalments after more than five years	<u>142,516</u>	<u>179,810</u>

Repayment terms being monthly over a 15-year term at an interest rate of 2.98% pa (2021: 2.48%). Loan terms to be reviewed after 10 years in February 2026.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2022

18. PENSION PROVISION

Group and Association

	YMCA Pension	
	2022	2021
	£	£
1 April	362,317	307,794
Paid in the year	(46,648)	(45,290)
Unwinding of discount (Note 7)	10,870	9,234
Change in funding deficit arrangements	53,941	90,579
31 March	380,480	362,317

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

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

The valuation prepared as at 1 May 2020 showed that the YMCA Pension Plan had a deficit of £39 million. The Association has been advised that it will need to make monthly contributions of £4,665 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. The current recovery period is 7 years commencing 1st May 2022.

	Repayable				After more than one year	Total
	Within one year	One to two years	Two to five years	After five years		
As at	£	£	£	£	£	£
31 March 2022	54,354	54,354	163,063	108,709	326,126	380,480
31 March 2021	45,290	45,290	135,868	135,869	317,027	362,317

In addition, Leicester Young Men's Christian Association 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 Leicester Young Men's Christian Association may be called upon to pay in the future.

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2022

19. RESERVES: movements in the year	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Group					
Unrestricted funds:					
General reserve	2,633,524	3,065,935	(2,717,451)	(263,031)	2,718,977
Non-charitable reserve	(33,676)	53,099	(39,762)	-	(20,339)
Other reserves					
Fair value	444,423	22,300	-	-	466,723
Designated reserves					
New opportunities fund	4,385	-	-	-	4,385
Property repair & replacement	81,000	-	(80,002)	79,002	80,000
Fixed assets	30,000	-	(71,986)	113,186	71,200
Total unrestricted funds	<u>3,159,656</u>	<u>3,141,334</u>	<u>(2,907,951)</u>	<u>(70,843)</u>	<u>3,320,946</u>
Restricted funds:					
Y – Support Project	-	101,378	(95,334)	(6,044)	-
Y – Support (Ralph Hale)	314	-	-	-	314
Cold Weather Cafe	2,238	-	-	-	2,238
NOF (sports equipment)	1,485	-	-	-	1,485
Heritage Lottery	-	250,211	(236,219)	(13,992)	-
Arts Council – Cultural Relief Fund	-	54,056	(91,233)	37,177	-
Paul Hamlyn Foundation	-	35,035	(49,723)	14,688	-
Leicestershire OPCC	-	14,717	(4,481)	(10,236)	-
Safe & Sound – Homeless Link	-	43,946	(49,700)	5,754	-
Big Lottery Regional Complex Needs	-	25,144	(68,640)	43,496	-
Total restricted funds	<u>4,037</u>	<u>524,487</u>	<u>(595,330)</u>	<u>70,843</u>	<u>4,037</u>
TOTAL FUNDS	<u>3,163,693</u>	<u>3,665,821</u>	<u>(3,504,531)</u>	<u>-</u>	<u>3,324,983</u>

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2022

19. RESERVES: movements in the year *(continued)*

Transfers

The transfer from restricted funds amounting to £70,843 to non-housing activities general reserve is to reflect a notional rental charge for the use of premises for the activities support by these restricted funds.

The Board members have reviewed the designated funds at the year-end which are separate to general reserves of the Group within the unrestricted funds. Accordingly, the appropriate transfers have been made to represent the decision made with respect to designated funds.

Restricted reserves relate to monies received, only to be expensed against the specific project that the monies were intended for. Below is a brief description of each restricted reserve;

- Y-Support Project – Local Authority grant for a day centre drop-in service for vulnerable and street homeless people. The Ralph Hale reserve was a donation to the project for equipment. The Cold Weather Café donation is for the provision of hot meals during the winter months.
- The New Opportunities Foundation (NOF) grant was used for the sports hall lighting which is now classed as investment property.
- Heritage Lottery – Grant funding for a 3 year project to engage vulnerable and disadvantaged young people to the arts and heritage sector.
- Arts Council (Cultural Relief Fund) – COVID relief grant to ensure that the theatre can re-open post national lockdown.
- Paul Hamlyn Foundation – to develop a 'Youth Panel' to engage with the regional 'Shine' project.
- Leicestershire OPCC – to develop and research an educational scheme to combat knife crime and gang violence.
- Safe & Sound (Homeless Link) – a pilot project offering accommodation and additional services to highly complex and vulnerable young females.
- Big Lottery (Regional Complex Needs) - Grant funding for a regional project (Shine) involving 6 other YMCAs to support the needs of highly complex residents.

20. CAPITAL COMMITMENTS

Capital expenditure approved by the Board of Directors amounted to:

	Group		Association	
	2022	2021	2022	2021
	£	£	£	£
Contracted	16,934	10,000	16,934	10,000
	<u>16,934</u>	<u>10,000</u>	<u>16,934</u>	<u>10,000</u>

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2022

21. COMMITMENTS UNDER OPERATING LEASES

The operating leases include a car for the Children's Home, Laundry equipment for the Aylestone site and new photocopying and printing equipment across the multi-sited organisation. At 31 March 2022 the total future commitments under non-cancellable operating leases were as follows:

Group and Association

	Other	
	2022	2021
	£	£
Within one year	72,103	77,693
Within 2 to 5 years	141,939	276,672
	<u>214,042</u>	<u>354,365</u>

22. RECONCILIATION OF SURPLUS AFTER TAX TO NET CASH GENERATED FROM OPERATIONS

	2022	2021
	£	£
Surplus for the year	161,290	426,485
Adjustments for:		
Depreciation of tangible fixed assets	313,704	355,545
Amortisation of intangible fixed assets	2,444	2,440
Grant amortisation	(213,986)	(258,740)
Interest and dividends receivable	(13,550)	(12,199)
Interest payable	20,879	18,229
Accelerated depreciation	-	-
Fair value (gain)/deficit on investments	(22,300)	(68,561)
Fair value (gain)/deficit on investment properties	-	(264,328)
	<u>248,481</u>	<u>198,871</u>
Operating cash flow before movements in working capital	248,481	198,871
(Increase)/decrease in stocks	(3,731)	603
(Increase)/decrease in debtors	(208,288)	142,875
Increase in creditors	4,651	91,871
Increase in provisions	18,163	54,523
	<u>59,276</u>	<u>488,743</u>
Cash generated from operations	<u>59,276</u>	<u>488,743</u>

23. CASH AND CASH EQUIVALENTS

	Group		Association	
	2022	2021	2022	2021
	£	£	£	£
Cash and cash equivalents represent:				
Cash at bank	959,032	1,022,406	919,327	1,013,416
	<u>959,032</u>	<u>1,022,406</u>	<u>919,327</u>	<u>1,013,416</u>

**LEICESTER YOUNG MEN'S CHRISTIAN ASSOCIATION
(INCORPORATED) (THE)**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2022

24. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2021 £	Cash flows £	Other non-cash changes £	At 31 March 2022 £
Cash and cash equivalents				
Cash	1,022,406	(63,374)	-	959,032
	<u>1,022,406</u>	<u>(63,374)</u>	<u>-</u>	<u>959,032</u>
Borrowings				
Bank loan				
Debt due within 1 year	(30,930)	660	-	(30,270)
Debt due after 1 year	(322,037)	30,173	-	(291,864)
	<u>(352,967)</u>	<u>30,833</u>	<u>-</u>	<u>(322,134)</u>
Total	<u>669,439</u>	<u>(32,541)</u>	<u>-</u>	<u>636,898</u>

25. RELATED PARTY TRANSACTIONS

There were no related party transactions to disclose for the year ended 31 March 2022 or in the previous year.

