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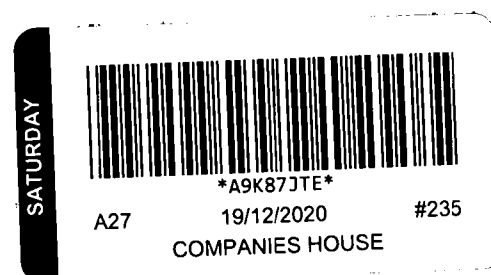
Company number: 02512960  
Registered Charity number: 803529 (England & Wales)  
ESFA URN 147613  
DfE No 886/7915

**YMCA West Kent**

(A company limited by guarantee)

TRUSTEES' REPORT AND  
FINANCIAL STATEMENTS

FOR THE YEAR ENDED  
31 MARCH 2020



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# **YMCA West Kent**

## **CHAIRMAN'S REPORT for the year ended 31 March 2020**

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2019-2020 brought many positive changes to YMCA West Kent and as a result has been both a challenging and productive year for the charity.

During the year an external review was undertaken of the charity to understand its current position and ability to withstand future risks. The outcome of the review was that whilst the charity is a good ongoing concern its ability to absorb unexpected changes in fortune was limited by the nature of its relatively small size. As such the Trustees decided to explore the option of joining with a large local YMCA. After discussions with a number of suitable local associations it was decided that we would work with YMCA Thames Gateway with a view to exploring the possibility of formally joining or even merging. As such a management agreement was entered into in January 2020 whereby YMCA West Kent could utilise YMCA Thames Gateway support functions and expertise such as HR, Quality, Finance, Housing etc. whilst giving Thames Gateway exclusivity to explore the appropriateness, methodology, structure and timing of a future joining. This collaborative arrangement has been particularly beneficial when dealing with the complexities of working through the challenges presented by a global pandemic

Last year contained a number of positives. Fundraising and donations realised over £122k in voluntary income. A new education contract of £240k enabled the continuation of our service delivery in this area. This funding is specifically for SEN YP aged 16-25. We are grateful to the Kent County Council for their financial support to achieve this. The funding and donations have also enabled us to develop our "trauma informed work" particularly with young people at risk.

We were also very excited that prior to lockdown we developed our Youthwork, which increased locations served by two to eleven separate youth clubs. This increased both the number of young people and breadth of communities served.

Supported Housing continued to be challenging in terms of occupancy in the first half, but the excellent efforts of the housing team realised minimal void rates in the second half. The development of our move on accommodation which opened just before the start of the year was excellent with full occupancy achieved in the financial year and maintained throughout the period. Trading was delivering around budgeted levels when lockdown occurred. This was therefore a good year for this department.

The Covid-19 pandemic effect and the unprecedented lock down which commenced in March did have a slight negative impact in the financial year as our Trading operation was shut and both shops therefore temporarily ceased trading. The diversity of sectors in which our charity operates did however minimise the in year and ongoing impact. This is because Housing services, Education and Youth Work funding all continued as normal. We are very grateful to the Big Lottery whose funding of our Youth Work continued seamlessly, despite us not being able to operate youth clubs as normal due to the village and church halls from which we operate being closed. This meant our contact and Youth Work moved to a virtual offering, which while better than no Youth Work at all has limits to its effectiveness. This effectiveness is often limited by the willingness of young people to attend virtual gatherings when they have already spent the day in front of a screen while home schooling.

Lockdown has given us an opportunity to re-think how we do trading and a plan has subsequently been implemented to move the Tonbridge store in to an UpCycle centre. This UpCycle centre will refurbish furniture and bikes for selling through the Tynbridge Wells store. It will also set up as a social enterprise employing 4-5 young people in paid internships who, as well as hands on craft and mechanical skills, will be taught how to run a business and entrepreneurship.

The external review also led to a restructure. This led to the reduction of head count from 42 to 39 as well as some structural changes which included the streamlining of the Head Office team. A further significant change was that the Board thanked Rob Marsh for his service as he retired from being CEO and Company Secretary in February 2020.

# **YMCA West Kent**

## **CHAIRMAN'S REPORT for the year ended 31 March 2020**

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Our new link with YMCA Thames Gateway has and continues to be of particular value during the pandemic. We would like to thank the YMCA Thames Gateway executive team for their support during this unprecedented period and look forward to working closely with them in the future.

We remain steadfastly committed to supporting our local communities in West Kent and are determined to make a greater impact on the lives we serve and support. We are grateful to all our partners and stakeholders who help make this possible and the hundreds of YMCA friends who join us on the journey.

**Ann Furminger**  
Chair

**Steve Osborne**  
Interim Chief Executive

# **YMCA West Kent**

## **REPORT OF THE TRUSTEES for the year ended 31 March 2020**

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The trustees (who are also directors of the company for the purposes of the Companies Act) present their report and audited consolidated financial statements of YMCA West Kent and its subsidiary company for the year ended 31 March 2020. The trustees confirm the report & financial statements of the charity comply with current statutory requirements, requirements of the company's governing document, and provisions of "Accounting & Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019) (Charities SORP (FRS 102)).

### **REFERENCE AND ADMINISTRATIVE DETAILS**

**YMCA West Kent**, is a company limited by guarantee (No 2512960) and registered charity (No 803529 England & Wales) with a wholly owned subsidiary company, West Kent YMCA Trading Limited (Company No 3742102). The charity name was changed from West Kent YMCA to **YMCA West Kent** by special resolution on 18 September 2019.

#### **TRUSTEES**

The following Trustees served during the year:

Lady (Jackie) Evans	re-elected 18 October 2016
Mrs Heather Evernden	re-elected 18 October 2016
Mr Mark Farrar	elected 19 September 2017
Mrs Ann Furminger	elected 22 May 2018, Chair from 16 April 2019
Mr Jonathan Lineker	re-elected 19 September 2017, resigned as chair on 16 April 2019
Mr Jan Smith	re-elected 19 September 2017
Mrs Geraldine E Wenham	re-elected 19 September 2017

#### **SECRETARY & CHIEF EXECUTIVE OFFICER**

Rob J Marsh               retired 7 February 2020  
Steven Osborne       from 8 February 2020

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **GOVERNING DOCUMENT**

The charity is governed by its memorandum & articles dated 18 June 1990, amended by special resolutions 20 January 2004, 29 November 2005, 19 September 2017, and 18 September 2019.

#### **GOVERNANCE**

Recruiting for all voluntary posts, including trustees, advisors, trading company directors is by adverts, volunteer centres, websites as well as by networking with previous clients, supporters, charity, business, statutory and faith communities. Trustees are recruited to enhance board skill mix/diversity, or bring valuable experience of governance, strategic management, youth work, education, housing or business development. Potential trustees attend several board meetings, meet staff & clients and visit projects, before being invited to apply including enhanced DBS disclosure. Potential trustees are vetted to confirm they are not barred from company directorship. Trustees are encouraged to take up learning, training & development opportunities; including a professionally facilitated, strategic management workshop/away day to critically review charitable objects, resources, strategic vision and governance. A quorum of 3 or 1/3 of the trustees is required for any decision except for appointing new trustees. There is no constitutional maximum. Qualifying third party indemnity provisions are in place for the trustees.

# **YMCA West Kent**

## **REPORT OF THE TRUSTEES for the year ended 31 March 2020**

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The wholly owned trading subsidiary **West Kent YMCA Trading Ltd** [Company Limited by Guarantee No.3742102] has 2 directors [R Marsh - resigned 19 January 2020, M Farrar appointed 19 November 2020, S Osborne] runs social enterprise to achieve charity objects and deliver 'added value' by: [1] creating real jobs, work experience & volunteer placements for clients, [2] retailing items made by trainees & [3] providing low cost furniture to residents as they move in / move on. This added community value & recycling achievement is widely recognised.

For a Free School bid **West Kent YMCA Academy Trust Ltd** [Company Limited by Guarantee No.9030996] was formed 8 May 2014 [corporate director YMCA West Kent] but remains dormant.

### **ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The Board meets at least four times a year to review progress reports and recommendations from the Senior Management Team [SMT] including the Chief Executive. The Chair is in frequent contact with the Chief Executive to review on-going development, staff / resource issues and risks. Detailed management accounts and updated forecasts are circulated to the Treasurer and SMT monthly. The Chief Executive reports to the Board with recommendations for consideration at each meeting. A Finance sub-committee [Treasurer, Head of Operations] develop budgets, review progress & risk. A Property sub-committee reviews property related risk, liabilities & opportunities. Working groups also monitor, review and report: HR, education, retail, H&S. The Board and SMT work as required with external experts to ensure compliance, and strive for excellence & continuous improvement, so our work, procedures & structure meet local need in the most cost- and operationally-effective manner.

The charity was a Local Housing Partner and managing agent of Ryder House delivering supported housing, for National Council of YMCAs [trading as 'YMCA England & Wales' 10-11 Charterhouse Square, London, EC1M 6EH, Company No73749, Charity No212810,]. On 27 April 2018, YMCA England & Wales sold the lease of Ryder House to another RP, YMCA Blackburn [trading as **Y Housing** 5 Wellington Street, St Johns, Blackburn, BB1 8AF, Company No5194135, Charity No1106198, RP No4639] [YMCA Blackburn companies house register shows Triodos Bank charge]. The Y Housing board includes the CEO of YMCA West Kent. Thus YMCA West Kent remains managing agent of YMCA Ryder House and still owns the land [freehold] on which Ryder House was built.

YMCA West Kent are also managing agent for Stepping Stones affordable housing, 9 HMO flats developed in Tunbridge Wells Quaker Meeting House, by Habitat for Humanity GB Homes Ltd, Charity No 1043641, Company No 3012626, with some Tunbridge Wells Borough Council grant support.

By affiliation to YMCA England & Wales, working with other YMCAs & charities, the Board draws on advice in areas of governance, safeguarding, management, housing & development, regional matters, fundraising, PR, HR, training & standards. The board is committed to implementing Charity Commission guidance and seeks to achieve, maintain and develop best practice in quality assurance, self-evaluation, external peer review and continuous improvement for all activities and management including governance, safeguarding and risk management.

### **RISK MANAGEMENT**

The strategic risk register is reviewed at every board meeting. Risks are assessed in all business areas considering potential risks in terms of significance/impact and probability; identifying mitigation, ownership and any further actions required.

The major risk during the year was the imbalance between expenditure and income. This was caused by unexpected losses and delays in the areas where commissioned services or contracts were not fully funded as planned and budgeted. If the charity had not drawn on unrestricted reserves, the impact could have been more severe. Even with reserves, the board were left with no choice but to rapidly

# YMCA West Kent

## REPORT OF THE TRUSTEES for the year ended 31 March 2020

make painful cuts to services & staffing in all areas and reassess reserves, risk, growth plans & resilience.

Our education offering in particular was a significant in year risk which was successfully mitigated as follows. KCC referred a number of learners with Special Educational Needs to us. However, there was a disconnect in the referral process and a number of learners were then not funded after having received between 3-6 months of education, leaving us facing large, unplanned losses in delivering statutory education of c£90,000. This led to the closure of two centres and formal redundancy consultation for the third and final centre. At the 11<sup>th</sup> hour we were able to retain the last centre, and have now got a clear, guaranteed income funding arrangement in place for the next 2 academic years from September 2019.

### OBJECTIVES AND ACTIVITIES

The primary strategic objective for the next 3-5 years is to increase impact, turnover and reserves. In particular, the objective is to increase services for those in most need by 200%: supported housing, supported vocational training: with smaller but still significant 100% increases in more universal services like our counselling, youth work / informal education and social enterprise.

YMCA West Kent is a Christian charity delivering housing, education, training, youth work, counselling, support & welfare on an unconditional basis: supporting people of any, or no, faith. Staff & volunteers reflect our ethos of diversity and inclusion representing many nationalities, ages, ability/ disability, background. The trustees prayerfully give strategic direction to ensure the charity can identify & meet local needs in the most effective, holistic, professional manner [in line with the FaithWorks Charter].

To use resources effectively, work is targeted for more vulnerable, disengaged young men & women – those in greatest need – regardless of gender, sexuality, race, faith, physical or mental ability or background. The trustees have paid due regard to the Charity Commission's guidance on public benefit, and all who make decisions about the activities undertaken are concerned to ensure real benefit is provided. The trustees consider the achievements, performance and plans of the Charity demonstrate this commitment as expressed in our Vision, Mission & Values.



# **YMCA West Kent**

## **REPORT OF THE TRUSTEES for the year ended 31 March 2020**

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The objectives from our Articles of Association being, to advance the Christian faith, including by:

- (a) promoting a Christian environment inspired and motivated by the life, example and teaching of Jesus Christ, where people of faith and people of none can work together for the transformation of communities; and
- (b) enabling young people to flourish through experiencing and responding to the love of God demonstrated by the life, example and teaching of Jesus Christ;
  - i. To provide or assist in the provision in the interests of social welfare of facilities for recreation and other leisure time occupation for men and women with the object of improving their conditions of life;
  - ii. To advance education and relieve need, to develop the physical, mental and spiritual capacities of persons of all ages by providing
  - iii. To relieve or assist in the relief of people, and particularly young people, who are in conditions of need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances; and
  - iv. To manage or provide residential accommodation, including Social Housing, for people, and particularly young people, who are in need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances.

### **ACHIEVEMENTS, PERFORMANCE AND IMPACT**

The charity made the following decisions to protect and sustain core work and bring its finances back to a balanced budget. Actions through 2019 include:

- Two housing support worker posts were removed
- Several youth work posts were removed
- Several training & education posts were removed after closure of 2 horizon centres to consolidate in a single centre [once a new funding agreement was in place for SEN provision]
- Some retail posts / costs were cut
- Counselling service placed on hold pending sustainable funding
- Head Office costs were reduced considerably including staff posts and external fundraising.

Despite the cash flow challenges and the initial impact of significant in-year cuts we achieved some excellent results.

In summary we:

- We have a home to 68 young people who may otherwise have been homeless
  - It costs over £300 a week to provide a safe, secure home for a resident
- 37 students gained a qualification through our Education and Training programme
- Almost 300 young people attended one of our Youth Groups
- Over 250 pieces of furniture were transformed by our Upcycling workshop
- Volunteers gave over 80 hours per week supporting our work with young people

### **VOLUNTEERS**

A big thank you is extended to all those who have given up time to volunteer to help YMCA West Kent deliver services by sharing their passion, experience and skills. Volunteers not only help deliver services within budget, bringing experience and skills to share but offer great added value to all projects, clients and staff. All staff have current / previous volunteer experience; and we encourage all clients to get involved as a volunteer to learn new life skills, to belong, contribute and thrive.

Sadly with Covid-19 Lockdown volunteering opportunities ceased for a period. Even with this during the year we estimate volunteers donated 6000 hours of time to us. We are truly grateful.



# **YMCA West Kent**

## **REPORT OF THE TRUSTEES for the year ended 31 March 2020**

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We are also pleased that many volunteers gain significant work experience improving their skills or self-esteem in our projects, often supported by our staff. We are delighted so many volunteers [usually in retail, upcycling or youth work] go on to secure paid work with us or other employers.

Lastly, we must give credit to the young people who serve our community in a voluntary capacity – often as part of their Duke of Edinburgh Award volunteering or NCS.

### **FINANCIAL REVIEW**

The group had net expenditure for the year ended 31 March 2020 of £59,964 [2019: loss £215,518] which represents 5.5% loss [2019: 18.5% loss] in balance sheet value over the period (or 4.4% loss [2019: 16.5% loss] on incoming resources). This result was entirely due to exceptional, unbudgeted losses in as disclosed in RISK MANAGEMENT. Fortunately reserves accrued allowed the charity to weather the storm; and time to cut expenditure to levels covered by current income & cash flow. Budget & performance so far in 2020/21 show that the significant actions taken, whilst painful, are successfully balancing the books.

The board are committed to improved social enterprise and confirmed the loan to the trading company will not be called in and is recoverable. Trustees are pursuing long-term charitable activity, since the activity includes vocational training for beneficiaries, therapeutic work [upcycling furniture and the bike project] plus building longer-term financial sustainability of the charity. Trustees completed a detailed cash flow forecast for 2 financial years and confirm there are no material uncertainties; and these accounts are correctly prepared on the going concern basis.

### **RESERVES**

Trustees review the level of reserves, based on risk profile, business needs and cash flow forecast. From this analysis, trustees consider that funds sufficient to meet at least 4 months full operating costs could be justified to meet moral and legal obligations to clients, funders and staff; in the event of one or more of the following:

- Cash flow issues due to late contract renewals / contract payments, or
- Major contingencies, disaster or unforeseen contract loss; or
- Project closure/run down, staff redundancy while maintaining full staff cover and client support.

The level of general unrestricted reserves for the charity at 31 March 2020 was £261,213 (2019: £324,746); which comprises some 4.1 months of unrestricted operating costs based on 2020/2021 budget.

At 31 March 2020, the Trustees designated unrestricted funds of the charity for the following purposes (note 12):

- o £998,126 [2019: £1,014,462] of unrestricted funds was designated as a property reserve and represents property which is essential to core service delivery.
- o £154,620 [2019: £176,448] of unrestricted funds was designated as a pensions reserve and represents funds required over the next 7 [2019: 8] years to meet YMCA pension fund liabilities to previous employees (notes 1, 11, 12 and 16).

Total charity reserves at the end of the year were £1,099,953.

**Restricted funds for the charity** at 31 March 2020 were £nil [2019: £8,620 held to meet the obligations set out in the notes to the financial statements] (note 13).

# **YMCA West Kent**

## **REPORT OF THE TRUSTEES for the year ended 31 March 2020**

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### **List of Funders**

We would like to say a big thank you to all of our supporters and donors who gave so generously to us in the year. We particularly note the support given to us by the following funders:

- Kent County Council
- Big Lottery Fund
- Kent Community Foundation
- Naylor Accountancy Services
- NetVector
- Soroptimists – Tunbridge Wells
- Tonbridge Philharmonic Society
- Town & Country Foundation
- Tunbridge Wells Borough Council

The charity has declined to pay the Fundraising Regulator levy, for several reasons, including that most donations are unsolicited or generated by social enterprise. However, we follow the Code of Fundraising Practice as well as GDPR, DPA2018 and guidance from the Institute of Fundraising - IoF and the Information Commissioner's Office - ICO [DP Reg NoZ8357622].

### **PLANS FOR FUTURE PERIODS**

Following the challenges of last year, the board are reviewing options to improve sustainability and resilience of the charity, including working with a larger local YMCA. This is seen as a good way to ensure our work grows to meet ever increasing demand in a post Covid 19 lock down world. Supported housing, affordable housing, education & training, youth work, have never been more needed. Indeed the demand for our services and help has never been higher. Now we have balanced finances we have access to the resources required to develop and even increase the provision of our services in the West Kent area.

### **TRUSTEES' RESPONSIBILITIES**

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the Trustees' Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP FRS 102;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards 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 charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial

# **YMCA West Kent**

## **REPORT OF THE TRUSTEES for the year ended 31 March 2020**

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statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity's website and financial information included thereon. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from the legislation in other jurisdictions.

### **OTHER INFORMATION**

**AUDITORS:** A resolution to reappoint Lindeyer Francis Ferguson Limited, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

#### **Statement of disclosure to auditors**

So far as each trustee is aware, there is no relevant audit information (information needed by the charity's auditors in connection with preparing their report) of which the charity's auditors are unaware. Each trustee has taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This report has been prepared in accordance with the provisions applicable to small companies subject to the small companies' regime in Part 15 of the Companies Act 2006.

Approved by the board of trustees on **24<sup>th</sup> November 2020** and signed on its behalf by:



M Farrar  
Trustee and Director

# **YMCA West Kent**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YMCA WEST KENT**

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### **Qualified opinion**

We have audited the consolidated financial statements of YMCA West Kent (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2020 which comprise the consolidated statement of financial activities, consolidated and parent charitable company balance sheets, 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section: the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2020 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for qualified opinion**

For the year ended 31 March 2019, we were unable to obtain sufficient and appropriate audit evidence concerning the completeness of the charitable company's income for the Horizon project. There was a lack of sufficient and appropriate audit evidence as in many cases only verbal agreements had been made on the amounts payable by users with no available written documentation of the fees negotiated. We were therefore unable to conclude whether the income was materially complete and therefore our audit opinion was modified accordingly.

Our audit opinion on the current year's financial statements is also modified because of the possible effect of the above matter on the opening position and the comparability of the current year and prior year figures.

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

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the

# **YMCA West Kent**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YMCA WEST KENT**

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going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **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 trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

# **YMCA West Kent**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YMCA WEST KENT**

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### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

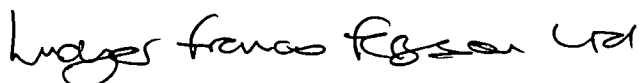
### **Auditor's responsibilities for the audit of the financial statements**

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

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

### **Use of our report**

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



**Jonathan Healey FCA (Senior Statutory Auditor)**  
**For and on behalf of Lindey Francis Ferguson Limited**  
Chartered Accountants  
Statutory Auditors

North House  
198 High Street  
Tonbridge  
Kent TN9 1BE

Date: 17 December 2020

# YMCA West Kent

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(including income and expenditure account)

For the year ended 31 March 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>					
Donations and legacies	2	122,627	-	122,627	47,413
Charitable activities	2	558,214	441,176	999,390	1,024,971
Other trading activities	2	226,670	-	226,670	231,294
Investments	3	199	-	199	409
<b>Total income</b>		<b>907,710</b>	<b>441,176</b>	<b>1,348,886</b>	<b>1,304,087</b>
<b>Expenditure on:</b>					
Raising funds	5	214,409	-	214,409	195,928
Charitable activities	6	692,184	502,257	1,194,441	1,323,677
<b>Total expenditure</b>		<b>906,593</b>	<b>502,257</b>	<b>1,408,850</b>	<b>1,519,605</b>
<b>Net expenditure</b>	8	<b>1,117</b>	<b>( 61,081)</b>	<b>( 59,964)</b>	<b>( 215,518)</b>
Transfers between funds	13	( 52,461)	52,461	-	-
<b>Net movement in funds</b>		<b>( 51,344)</b>	<b>( 8,620)</b>	<b>( 59,964)</b>	<b>( 215,518)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		1,151,297	8,620	1,159,917	1,375,435
Total funds carried forward	13	<b>1,099,953</b>	<b>-</b>	<b>1,099,953</b>	<b>1,159,917</b>

# **YMCA West Kent**

## **CONSOLIDATED BALANCE SHEET at 31 March 2020**

		2020	2019
	Notes	£	£
<b>Fixed assets</b>			
Tangible assets	9	1,044,790	1,096,183
		<u>1,044,790</u>	<u>1,096,183</u>
<b>Current assets</b>			
Debtors	10	230,536	159,164
Cash at bank and in hand		85,669	135,072
		<u>316,205</u>	<u>294,236</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>( 128,250)</u>	<u>( 75,882)</u>
<b>Net current assets</b>		<u>187,955</u>	<u>218,354</u>
<b>Total assets less current liabilities</b>		<u>1,232,745</u>	<u>1,314,537</u>
<b>Creditors: amounts falling due after more than one year</b>	12	<u>( 132,792)</u>	<u>( 154,620)</u>
<b>Net assets</b>		<u><u>1,099,953</u></u>	<u><u>1,159,917</u></u>
<b>Charity funds</b>			
Unrestricted funds		1,099,953	1,151,297
Restricted funds		-	8,620
<b>Total funds</b>	13	<u><u>1,099,953</u></u>	<u><u>1,159,917</u></u>

These financial statements were approved and authorised for issue by the trustees on 24 November 2020 and are signed on their behalf by:



M Farrar  
Trustee

Company registration number: 2512960



# YMCA West Kent

## CHARITY BALANCE SHEET at 31 March 2020

		2020	2019
	Notes	£	£
<b>Fixed assets</b>			
Tangible assets	9	1,020,846	1,061,906
Investment in subsidiary		2	2
		<u>1,020,848</u>	<u>1,061,908</u>
<b>Current assets</b>			
Debtors	10	247,968	209,027
Cash at bank and in hand		82,750	129,702
		<u>330,718</u>	<u>338,729</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>( 124,054)</u>	<u>( 74,637)</u>
<b>Net current assets</b>		<u>206,664</u>	<u>264,092</u>
<b>Total assets less current liabilities</b>		<u>1,227,512</u>	<u>1,326,000</u>
<b>Creditors: amounts falling due after more than one year</b>	12	<u>( 132,792)</u>	<u>( 154,620)</u>
<b>Net assets</b>		<u><u>1,094,720</u></u>	<u><u>1,171,380</u></u>
<b>Charity funds</b>			
Unrestricted funds		1,094,720	1,162,760
Restricted funds		-	8,620
<b>Total funds</b>	13	<u><u>1,094,720</u></u>	<u><u>1,171,380</u></u>

These financial statements were approved and authorised for issue by the trustees on 24 November 2020 and are signed on their behalf by:

m. Farrar

M Farrar  
Trustee

Company registration number: 2512960

# **YMCA West Kent**

## **CONSOLIDATED STATEMENT OF CASH FLOWS** For the year ended 31 March 2020

	Notes	2020 £	2019 £
<b>Reconciliation of net income to net cash flow from operating activities</b>			
<b>Net (expenditure)/ income for the year</b>			
<i>As per statement of financial activities</i>		( 59,964)	( 215,518)
<b>Adjustments for:</b>			
Depreciation charges		52,149	51,381
Profit on sale of tangible asset		( 7,759)	-
Interest receivable		( 199)	( 409)
(Increase)/decrease in debtors		( 71,372)	204,196
Increase/(decrease) in creditors		52,368	( 236,083)
(Decrease) in provisions		( 21,828)	( 21,829)
<b>Net cash used in operating activities</b>		( 56,605)	( 218,262)
<b>Cash flows from investing activities:</b>			
Purchase of tangible assets		( 756)	( 36,076)
Proceeds from disposal		7,759	-
Interest receivable		199	409
<b>Net cash used in investing activities</b>		7,202	( 35,667)
<b>Change in cash and cash equivalents for the year</b>		( 49,403)	( 253,929)
<b>Cash and cash equivalents at the beginning of the year</b>		135,072	389,001
<b>Cash and cash equivalents at the end of the year</b>		85,669	135,072
<b>Analysis of cash and cash equivalents</b>			
Cash at bank and in hand		85,669	135,072

# **YMCA West Kent**

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2020

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### **1 Accounting policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### **1.1 Legal status of the charity and company information**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

The company is domiciled and incorporated in England & Wales, and the registered office is YMCA Ryder House, 1-23 Belgrave Road, Tunbridge Wells, Kent, TN1 2BP. The SAIL [Single Alternative Inspection Location] is YMCA West Kent Head Office, YMCA Tower House, Vale Rise, Tonbridge, Kent, TN9 1TB. The charity's objectives and aims are disclosed in the Trustees' Report. The Charity changed its name from West Kent YMCA to YMCA West Kent on 18 September 2019.

#### **1.2 Basis of preparation**

The financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

YMCA West Kent meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are presented in pounds sterling and rounded to the nearest pound.

#### **1.3 Group accounts**

These financial statements consolidate the results of the charity and its wholly owned subsidiary West Kent YMCA Trading Limited, on a line by line basis. A separate Statement of Financial Activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. The Charity's deficit for the year was £92,982 (2019: £249,068).

#### **1.4 Going concern**

The financial statements have been prepared on the going concern basis for both the charity and the trading company. Since the end of the financial year, the global pandemic Covid-19 has inevitably impacted the operation of the charity. However, YMCA West Kent have benefited from the additional funding received from the local authorities. The charity has also retained tenants during the lockdown period, helping occupancy rates. Therefore, although the shops were forced to close, the Trustees believe that the charity has not been impacted in a way that would bring into doubt its going concern status, so the going concern basis of accounting continues to be adopted.

# **YMCA West Kent**

## **NOTES TO THE FINANCIAL STATEMENTS** **For the year ended 31 March 2020**

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### **1 Accounting policies (continued)**

#### **1.5 Income**

*Donations and legacies* – This includes gifts, donations, legacies and grants for core funding. Income from gifts, donations and grants is shown gross and accounted for when receivable. Legacies are recognised when receipt becomes probable.

*Other trading activities* – Activities include the trading and other fundraising activities carried out by the charity, which are recognised when the charity is entitled to receipt. Also included within other trading activities is the value of donated goods income. Donated goods are furniture for the furniture shop, and also bikes for the the bike project. The income is net of gift aid claims.

*Investment income* – Investment income is recognised when the charity is entitled to receipt. Rental income is recognised over the period of occupancy.

*Charitable activities* – This is income from charitable activities in furtherance of the charity's objects. Activities are grouped under the following headings:

Housing	including rent, services and fees for housing related support at YMCA Ryder House and rent an service charges at the Quaker meeting House
Training and education	including the Horizon Project and training schemes
Youth Work	Including Vehicle 4 Change

#### **1.6 Expenditure**

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT if it cannot be recovered. Liabilities are included as provisions once the charity has a legal or constructive obligation to make future payments.

Other expenditure includes those costs associated with income from all sources other than from charitable activities.

Charitable activities are the resources applied by the charity in undertaking its work to meet its charitable objectives.

Governance costs are the costs of governance arrangements relating to the general running of the charity. These costs are included within the charity's charitable activities.

#### **1.7 Donated assets**

These are recognised in the accounts at the value in use if the trustees believe them to be material to the charity and its circumstances. Depreciation is provided on these assets in accordance with the charity's accounting policy.

# **YMCA West Kent**

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2020

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### **1 Accounting policies (continued)**

#### **1.8 Operating leases**

Rentals payable under operating leases, including any lease incentives received, are charged to the Statement of Financial Activities on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### **1.9 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets, except freehold land, on a straight-line basis so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follow:

Freehold buildings	-	100 years
Leasehold properties	-	Shorter of 100 years or lease term
Activity equipment	-	5 years
Office furniture	-	10 years
Office equipment	-	5 years
Motor vehicles	-	4 years

A review for impairment of fixed assets is carried out if events or changes in circumstances indicate that the carrying value of fixed assets may not be recoverable.

#### **1.10 Financial instruments**

The charity only has financial instruments which are classified as basic financial instruments.

Short-term debtors and creditors are measured at the settlement value. Any losses from impairment are recognised in profit and loss.

#### **1.11 Pension scheme**

YMCA West Kent participates in a multi-employer defined benefit pension plan for employees of YMCAs in England, Scotland & Wales, which was closed to new members and accruals on 30 April 2007. The plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to YMCA West Kent for the purposes of FRS 102 Section 28 disclosure. (See notes 12 and 17). Consequently the plan is accounted for as a defined contribution plan.

YMCA West Kent has a contractual obligation to make annual pension deficit payments over the period to April 2027, accordingly the charity recognises a liability for this obligation. The amount recognised is the net present value of the contributions payable under the agreement that relate to the deficit. This amount is expensed in the Statement of Financial Activities. In addition, YMCA West Kent is required to contribute to the operating expenses of the Pension Plan and these costs are charged to the Statement of Financial Activities as made.

# YMCA West Kent

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2020

### 1 Accounting policies (continued)

#### 1.12 Fund accounting

Funds held by the charity are either:

*Unrestricted general funds* - are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

*Designated funds* - set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

#### 1.13 Taxation

The Company is a registered charity and as such its income and gains falling within Sections 371 to 489 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

### 2 Income by activity

	<i>Donations and legacies</i>	<i>Charitable activities</i>	<i>Other trading activities</i>	<i>Total 2020</i>	<i>Total 2019</i>
	£	£	£	£	£
Housing	-	558,214	-	558,214	501,652
Training and education	-	351,839	-	351,839	383,298
Youth Work	-	89,337	-	89,337	140,021
Furniture stores	466	-	225,370	225,836	231,294
Other income	122,161	-	1,300	123,461	47,413
	<u>122,627</u>	<u>999,390</u>	<u>226,670</u>	<u>1,348,687</u>	<u>1,303,678</u>

Income from restricted funds in relation to charitable activities in the comparative period was £523,319.

# YMCA West Kent

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2020

### 3 Income from investments

	2020 £	2019 £
Dividends	98	112
Interest	101	297
	<u>199</u>	<u>409</u>

All investment income for the year ended 31 March 2019 was attributable to unrestricted funds.

### 4 Commercial trading operations and investments in trading subsidiary

The wholly-owned trading subsidiary, West Kent YMCA Trading Limited (03742102) which is incorporated in the United Kingdom, pays any taxable profits to the charity by Gift Aid. The registered office is Head Office, YMCA West Kent, Ryder House, 1-23 Belgrave Road, Tunbridge Wells, Kent, TN1 2BP; with the business address being YMCA Tower House, Vale Rise, Tonbridge, Kent, TN9 1TB. West Kent YMCA Trading Limited sells second-hand, donated goods. The charity owns the entire issued share capital of 2 ordinary shares of £1 each. A summary of the trading results is shown below:

<i>Summary profit and loss account</i>	2020 £	2019 £
Turnover	225,835	231,356
Administrative expenses	<u>( 209,138)</u>	<u>( 197,805)</u>
Net profit for the year	<u>16,697</u>	<u>33,551</u>
<i>The assets and liabilities</i>		
Tangible fixed assets	23,943	34,277
Net current assets/ (liabilities)	8,555	25,104
Long term liabilities	<u>( 27,261)</u>	<u>( 70,841)</u>
Net liabilities	<u>5,237</u>	<u>( 11,460)</u>
Aggregate share capital and reserves	<u>5,237</u>	<u>( 11,460)</u>

The wholly-owned subsidiary, West Kent YMCA Academy Trust Ltd, a Company Limited by Guarantee which is incorporated in the United Kingdom, remained dormant for the year under review and as such has not been included above.

# YMCA West Kent

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2020

### 5 Expenditure on raising funds

	2020 £	2019 £
Fundraising expenses	66	623
Other trading costs		
Furniture stores costs	214,343	195,305
	<u>214,409</u>	<u>195,928</u>

### 6 Expenditure on charitable activities

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Total 2019 £
<i>Direct costs by activity</i>				
Housing	562,463	-	562,463	544,886
Y Housing/YMCA fee	112,335	-	112,335	139,042
	<u>674,798</u>	<u>-</u>	<u>674,798</u>	<u>683,928</u>
Housing activities total	674,798	-	674,798	683,928
Training and education	-	383,055	383,055	406,019
Youth work	-	119,202	119,202	205,583
Health and wellbeing	350	-	350	10,676
Affiliation to national YMCA fees	6,736	-	6,736	7,471
Governance costs - audit and accounts	10,300	-	10,300	10,000
	<u>692,184</u>	<u>502,257</u>	<u>1,194,441</u>	<u>1,323,677</u>

Of the total expenditure on charitable activities for the year to 31 March 2019, £592,837 is attributable to restricted funds.

### 7 Staff costs

	2020 £	2019 £
Wages and salaries	739,975	777,872
Social security costs	52,669	60,383
Pension costs	28,946	24,263
	<u>821,590</u>	<u>862,518</u>

One employee earned more than £60,000 per annum (2019: nil). During the year ended 31 March 2020 the trustees did not receive any remuneration (2019: nil). No trustees were reimbursed expenses during the year ended 31 March 2020 (2019: nil).



# **YMCA West Kent**

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2020

### **7 Staff costs (continued)**

The Charity considers the Board of Trustees (unpaid) and all members of the Senior Management Team (head office and project managers) as their key management personnel. The total employment benefits, including employer's contributions of national insurance and pension, of the key management personnel was £284,200 (2019: £294,229).

The charity operates 2 alternative stakeholder pension schemes for employees. The assets of the scheme are held separately from those of the charity. The pension cost charge represents employer contributions payable by the charity to the scheme. These are recognised in the period they become due.

The total amount payable for redundancy and termination benefits was £33,795 (2019 - £nil). There were no amounts outstanding at 31 March 2020.

<i>Employees</i>	<i>2020</i>	<i>2019</i>
	<i>No.</i>	<i>No.</i>
Functional staff	36	39
Support staff and publicity	2	2
Finance	1	1
	<u>39</u>	<u>42</u>

### **8 Net expenditure**

	<i>2020</i>	<i>2019</i>
	<i>£</i>	<i>£</i>
This is stated after charging:		
Depreciation of tangible fixed assets	52,149	51,381
Operating lease expense	121,453	57,968
Auditors' remuneration - group	7,725	7,500
Auditors' remuneration - non-audit	<u>2,575</u>	<u>2,500</u>

# YMCA West Kent

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2020

### 9 Tangible fixed assets

Group	Freehold land and buildings	Leasehold properties	Furniture & equipment	Motor Vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2019	1,095,321	310,484	292,884	123,640	1,822,329
Additions	-	-	756	-	756
Disposals	-	-	-	(32,862)	(32,862)
At 31 March 2020	1,095,321	310,484	293,640	90,778	1,790,223
<b>Depreciation</b>					
At 1 April 2019	269,811	95,973	236,722	123,640	726,146
Charge for the year	10,303	23,081	18,765	-	52,149
On disposals	-	-	-	(32,862)	(32,862)
At 31 March 2020	280,114	119,054	255,487	90,778	745,433
<b>Net book value</b>					
At 31 March 2020	815,207	191,430	38,153	-	1,044,790
At 31 March 2019	825,510	214,511	56,162	-	1,096,183

# YMCA West Kent

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2020

### 9 Tangible fixed assets (continued)

#### Charity

	<i>Freehold land and buildings</i>	<i>Leasehold properties</i>	<i>Furniture &amp; equipment</i>	<i>Motor Vehicles</i>	<i>Total</i>
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2019	1,095,321	233,282	231,748	81,528	1,641,879
Additions	-	-	756	-	756
At 31 March 2020	1,095,321	233,282	232,504	81,528	1,642,635
<b>Depreciation</b>					
At 1 April 2019	269,811	44,330	184,304	81,528	579,973
Charge for the year	10,303	16,033	15,480	-	41,816
At 31 March 2020	280,114	60,363	199,784	81,528	621,789
<b>Net book value</b>					
At 31 March 2020	815,207	172,919	32,720	-	1,020,846
At 31 March 2019	825,510	188,952	47,444	-	1,061,906

### 10 Debtors

	<i>Group</i>		<i>Charity</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	£	£	£	£
Trade debtors	37,991	69,733	37,516	69,393
Amounts owed by group undertakings	-	-	27,261	70,841
Other debtors	26,184	4,223	18,161	760
Prepayments and accrued income	166,361	85,208	165,030	68,033
	230,536	159,164	247,968	209,027

# YMCA West Kent

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2020

### 11 Creditors: amounts falling due within one year

	<i>Group</i>		<i>Charity</i>	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	69,517	24,008	67,822	25,264
Other taxation and social security	13,496	18,550	13,496	18,550
Pension liability (See Note 12)	21,828	21,828	21,828	21,828
Other creditors	9,733	1	9,732	-
Accruals and deferred income	13,676	11,495	11,176	8,995
	<u>128,250</u>	<u>75,882</u>	<u>124,054</u>	<u>74,637</u>

<i>Deferred income - charity</i>	<i>2020</i>	<i>2019</i>
	£	£
At 1 April 2019	-	93,584
Income received requiring deferment	-	-
Release of incoming resources during the year	-	( 93,584)
At 31 March 2020	<u>-</u>	<u>-</u>

### 12 Creditors: amounts falling due after one year

	<i>Group and Charity</i>	
	2020	2019
	£	£
Pension liability	<u>132,792</u>	<u>154,620</u>
<b>Pension liability</b>		
At 1 April 2019	176,448	196,506
Payments made	( 21,828)	( 20,058)
Actuarial losses	-	-
At 31 March 2020	<u>154,620</u>	<u>176,448</u>
Due within one year	21,828	21,828
Due in more than one year	<u>132,792</u>	<u>154,620</u>

In 2008 YMCA West Kent were notified by the YMCA Pension Plan Trustee of their allocation of the overall YMCA Pension Plan deficit (note 17). Future payments are provided in full in accordance with FRS 102 Section 21 "Provisions and Contingencies". The amount recognised is the net present value of the contributions payable. The discount rate used is 3%.

# YMCA West Kent

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2020

### 13 Statement of movement in funds

Group	As at 1 April 2019 £	Income £	Expenditure £	Transfers £	As at 31 March 2020 £
<b>Unrestricted funds</b>					
<i>General funds</i>	287,724	907,710	( 873,209)	( 74,289)	247,936
<i>Designated funds</i>					
Property fund	1,040,021	-	( 33,384)	-	1,006,637
Pensions fund	( 176,448)	-	-	21,828	( 154,620)
<b>Total unrestricted funds</b>	<b>1,151,297</b>	<b>907,710</b>	<b>( 906,593)</b>	<b>( 52,461)</b>	<b>1,099,953</b>
<b>Restricted funds</b>					
Horizon fund	-	344,874	( 367,344)	22,470	-
Bike project	8,620	6,965	( 15,711)	126	-
Vehicle 4 Change	( 4,200)	87,916	( 110,188)	26,472	-
Youth Work	4,200	1,421	( 9,014)	3,393	-
<b>Total restricted funds</b>	<b>8,620</b>	<b>441,176</b>	<b>( 502,257)</b>	<b>52,461</b>	<b>-</b>
<b>Total funds</b>	<b>1,159,917</b>	<b>1,348,886</b>	<b>( 1,408,850)</b>	<b>-</b>	<b>1,099,953</b>

# YMCA West Kent

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2020

### 13 Statement of movement in funds (continued)

Group	As at 1 April 2018 £	Income £	Expenditure £	Transfers £	As at 31 March 2019 £
<b>Unrestricted funds</b>					
<i>General funds</i>	241,561	780,768	( 894,379)	159,774	287,724
<i>Designated funds</i>					
Property fund	1,052,242	-	( 32,389)	20,168	1,040,021
Property development fund	200,000	-	-	( 200,000)	-
Pensions fund	( 196,506)	-	-	20,058	( 176,448)
<b>Total unrestricted funds</b>	<b>1,297,297</b>	<b>780,768</b>	<b>( 926,768)</b>	<b>-</b>	<b>1,151,297</b>
<b>Restricted funds</b>					
Horizon fund	21,562	370,148	( 391,710)	-	-
Bike project	-	13,150	( 4,530)	-	8,620
Vehicle 4 Change	-	111,536	( 115,736)	-	( 4,200)
Youth Work	56,576	28,485	( 80,861)	-	4,200
<b>Total restricted funds</b>	<b>78,138</b>	<b>523,319</b>	<b>( 592,837)</b>	<b>-</b>	<b>8,620</b>
<b>Total funds</b>	<b>1,375,435</b>	<b>1,304,087</b>	<b>( 1,519,605)</b>	<b>-</b>	<b>1,159,917</b>

# YMCA West Kent

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2020

### 13 Statement of movement in funds (continued)

Charity	As at 1 April 2019 £	Income £	Expenditure £	Transfers £	As at 31 March 2020 £
<b>Unrestricted funds</b>					
<i>General funds</i>	324,746	682,341	( 671,584)	( 74,289)	261,214
<i>Designated funds</i>					
Property fund	1,014,462	-	( 26,336)	-	988,126
Pensions fund	( 176,448)	-	-	21,828	( 154,620)
<b>Total unrestricted funds</b>	<b>1,162,760</b>	<b>682,341</b>	<b>( 697,920)</b>	<b>( 52,461)</b>	<b>1,094,720</b>
<b>Restricted funds</b>					
Horizon fund	-	344,874	( 367,344)	22,470	-
Bike project	8,620	6,965	( 15,711)	126	-
Vehicle 4 Change	( 4,200)	87,916	( 110,188)	26,472	-
Youth Work	4,200	1,421	( 9,014)	3,393	-
<b>Total restricted funds</b>	<b>8,620</b>	<b>441,176</b>	<b>( 502,257)</b>	<b>52,461</b>	<b>-</b>
<b>Total Charity funds</b>	<b>1,171,380</b>	<b>1,123,517</b>	<b>( 1,200,177)</b>	<b>-</b>	<b>1,094,720</b>

# YMCA West Kent

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2020

### 13 Statement of movement in funds (continued)

Charity	As at 1 April 2018 £	Income £	Expenditure £	Transfers £	As at 31 March 2019 £
<b>Unrestricted funds</b>					
<i>General funds</i>	301,612	549,475	( 702,937)	176,596	324,746
<i>Designated funds</i>					
Property fund	1,037,204	-	( 26,088)	3,346	1,014,462
Property development fund	200,000	-	-	( 200,000)	-
Pensions fund	( 196,506)	-	-	20,058	( 176,448)
<b>Total unrestricted funds</b>	<b>1,342,310</b>	<b>549,475</b>	<b>( 729,025)</b>	<b>-</b>	<b>1,162,760</b>
<b>Restricted funds</b>					
Horizon fund	21,562	370,148	( 391,710)	-	-
Bike project	-	13,150	( 4,530)	-	8,620
Vehicle 4 Change	-	111,536	( 115,736)	-	( 4,200)
Youth Work	56,576	28,485	( 80,861)	-	4,200
<b>Total restricted funds</b>	<b>78,138</b>	<b>523,319</b>	<b>( 592,837)</b>	<b>-</b>	<b>8,620</b>
<b>Total Charity funds</b>	<b>1,420,448</b>	<b>1,072,794</b>	<b>( 1,321,862)</b>	<b>-</b>	<b>1,171,380</b>

#### *Designated funds*

The designated property fund represents the amount of unrestricted funds attributable to the charity's freehold and leasehold property.

The designated pensions fund represents the charity's future commitment to make payments in respect of the YMCA Pension Plan deficit (note 17).

The designated property development fund represented amounts set aside by the Trustees in prior years for future improvements to the properties and any capital development. This fund is no longer required and has been transferred to general funds.

#### *Restricted funds*

The Horizon fund represents grants and donations, which are restricted to starting and sustaining Horizon projects. Horizon projects deliver supported vocational training and the charity has sufficient resources to meet these obligations.

Vehicle 4 Change represents grants in support of the Vehicle 4 Change [V4C] youth outreach project; received from: The National Lottery COMMUNITY FUND (but does not include Big Lottery Fund grants under their Awards 4 All programme); the Henry Smith Charitable Trust and the Garfield Weston Foundation.



# YMCA West Kent

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2020

### 13 Statement of movement in funds (continued)

Youth Work project was set up to support children & young people aged 8 to 19 and also those aged 8 to 25 with Special Educational Needs or Disabilities (SEND). The project has been funded by Kent County Council.

Bike Project was set up to help the health and wellbeing of young people, the project takes old bikes, refurbishes them to resale in the shop. The Project is funded by Schools who wish to enrol their students on the course.

Transfers represent restricted expenditure incurred by other projects / head office / cost centres in meeting the purpose of the restricted fund.

### 14 Analysis of net assets between funds

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	1,044,790	-	1,044,790	1,096,183
Net current assets	187,955	-	187,955	218,354
Creditors: due in more than one year	( 132,792)	-	( 132,792)	( 154,620)
	<u>1,099,953</u>	<u>-</u>	<u>1,099,953</u>	<u>1,159,917</u>

### 15 Operating lease commitments

Operating lease payments represent payables by the company for certain equipment and property. Property leases are negotiated for a term of 15 years but with tenant only break clauses at 5 years, and any time after 10 years on giving 6 months' notice. At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<i>Group 2020 £</i>	<i>2019 £</i>	<i>Charity 2020 £</i>	<i>2019 £</i>
Amounts due:				
Within one year	72,500	72,500	72,500	72,500
Between one and five years	40,417	95,417	40,417	95,417
	<u>112,917</u>	<u>167,917</u>	<u>112,917</u>	<u>167,917</u>

# **YMCA West Kent**

## **NOTES TO THE FINANCIAL STATEMENTS** **For the year ended 31 March 2020**

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### **16 Contingencies**

The charity is entitled to the freehold reversion in respect of land over which it granted a 70-year lease to National Council of YMCAs [YMCA England & Wales] at peppercorn rent from 7 February 1994. They constructed a residential hostel for young people on site, which was operated by the charity as their managing agent and local housing partner. The premises were refurbished and extended with capital funds from Homes England (formerly Homes & Communities Agency [HCA]). Prior to this redevelopment the original lease was extended to 74 years. On 27 April 2018, YMCA England & Wales sold their lease of Ryder House to YMCA Blackburn. The total Homes England grant value in the building of £1.8m is accounted for by the Leaseholder, YMCA Blackburn as the Registered Provider of Social Housing.

### **17 Pension scheme**

YMCA West Kent participated in a contributory pension plan providing defined benefits based on final pensionable pay for employees of YMCAs in England, Scotland and Wales. The assets of the YMCA Pension Plan are held separately from those of YMCA West Kent and at the year-end these were invested in the Mercer Dynamic De-risking Solution, 40% matching portfolio and 60% in the growth portfolio and Schroder (property units only).

The most recent three year valuation was completed as at 1 May 2017. 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 3.75% and 2.25% respectively, the increase in pensions in payment of 3.35% (for RPI capped at 5% p.a.), and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.2 years, female 24.1 years, and 24.0 years for a male pensioner, female 26.0 years, retiring in 20 years' time. The result of the valuation showed that the actuarial value of the assets was £141.2m. This represented 81% of the benefits that had accrued to members.

The plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to YMCA West Kent for the purposes of FRS 102 Section 28 disclosure and accordingly the FRS 102 Section 28 deficit is not shown on the balance sheet. Consequently the plan is accounted for as a defined contribution plan.

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 2017 showed that the YMCA Pension Plan had a deficit of £33.6 million. YMCA West Kent has been advised that it will need to make annual contributions of £21,828 from 1 May 2020. 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 1 May 2020.

# **YMCA West Kent**

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2020

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### **17 Pension scheme (continued)**

In addition, YMCA West Kent may have over time liabilities in the event of the non-payment by other participating YMCAs of their share of the YMCA Pension Plan's deficit. It is not possible currently to quantify the potential amount that YMCA West Kent may be called upon to pay in the future.

YMCA West Kent contributed £4,446 (2019: £3,798) to the operating expenses of the Pension Plan and these costs were charged to the Statement of Financial Activities.

### **18 Related party disclosures**

Included within debtors in the Charity Balance Sheet is an amount of £27,261 (2019: £70,841) owed by West Kent YMCA Trading Limited, a wholly owned subsidiary of YMCA West Kent. This balance was eliminated on consolidation.