

CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC)

FINANCIAL STATEMENTS

31 MARCH 2021

Company No 00560870

Registered Charity No 210443
Registered Social Landlord H1720

CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)

FINANCIAL STATEMENTS

for the year ended 31 March 2021

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CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)

COMPANY INFORMATION

31 March 2021

Registered Company Number	00560870	
Registered Charity Number	210443	
Registered Social Landlord	H1720	
President	Rev. Canon Neville Black MBE (Retired 07/09/2020)	
Vice-Presidents	P Hinton	
Directors	M Barker P Shackell I Johnson W Lawlor M Compton-Rickett S Abrams J Price R Spowart D Lucy L Douglas Revd M Montrose B Rouse C White	Chairman (Appointed 07/09/2020) (Retired 07/09/2020) (Resigned 18/01/2021) (Appointed 07/09/2020)
Secretary and Chief Executive	E McNeil	
Registered Office and Principal Place of Business	15 Leeds Street Liverpool L3 6HU	
Bankers	Barclays Bank PLC 48B & 50 Lord Street Liverpool L2 1TD HSBC UK Bank plc 99-101 Lord Street Liverpool L2 6PG	
Solicitors	Weightmans LLP The Plaza 100 Old Hall Street Liverpool L3 9QJ	
Auditors	Cowgill Holloway LLP Regency House 45-53 Chorley New Road Bolton BL1 4QR	

STRATEGIC REPORT

31 March 2021

The directors present the strategic report for the year ended 31 March 2021

Business review

The beginning of the year coincided with the first Coronavirus lockdown, and the entire period has presented the organisation with a series of tremendous challenges. Our staff have risen to those challenges and acted quickly to step in and provide the highest level of service to individuals and families in extreme need.

After the streamlining undertaken last year, the directors are satisfied by the small surplus achieved for the year. This was due, in part, to meeting the increased demand for shelter and support services during the pandemic.

The charity is well placed to build upon its position as a provider of choice for these services, as well as the specialist nursery service that it provides in Southport. The directors are confident that the Association will continue to fulfil its objectives in pursuit of its mission.

Main achievements during the year

All of the services in place at the start of the financial year have seen significant challenges as a result of the pandemic, but the high level of commitment of our staff has ensured that standards have been maintained and all of those services remain in place, some of them with significant growth. In addition, despite the Coronavirus restrictions the Association responded to requests to establish the following new services –

We increased our care offering with the establishment of a 20 bed Mental Health Service, at Nightingale House, in Bootle.

We further expanded our housing provision in the city, enabling homeless persons to move into independent living accommodation, as well as providing the city with Covid emergency accommodation for the homeless.

We completed planning for the opening, in April, 2021 of further homeless accommodation, at Alt Bank House, a 30 bed hostel in Knowsley.

Further details of the Association's performance and achievements are contained within its Value for Money statement and latest Annual Report which are available on request and from our website at ymcatogether.org.uk.

Future developments

YMCA Together remains committed to working with partners, to maintain and improve upon existing service provision to people in need, as well as to develop new services in pursuit of our aims and objectives. In the next twelve months there remains the potential for sustainable growth through contracts in the healthcare and complex needs arena.

The Association aims to keep its accommodation at affordable rents, and we will continue to invest in our properties, so they are kept in a properly maintained condition.

Fixed Assets

Changes in fixed assets are given in note 8 to the financial statements.

Key Policies

The Association has in place a range of key strategic and operational policies which are reviewed regularly and approved by the Board. As part of these we have a strategic risk register which sets out risks and their likelihood of occurrence. The document also covers the process for the monitoring and hence mitigation of risks where possible.

Details of the Association's financial risk management objectives and policies are disclosed in note 21 to the accounts.

CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)

**STRATEGIC REPORT
(continued)**

31 March 2021

Reserve Policy

The City of Liverpool YMCA reserves policy objective is to hold adequate funds to establish an appropriate level of working capital and to maintain the long-term viability of the organisation. Our aim is to retain sufficient free reserves equivalent to approximately six months forward expenditure to cover essential staff and overhead costs.

Revenue reserves represent: -

- a) Funds that have been expended on financing fixed assets.
- b) Funds required to settle liabilities in advance of the receipt of income relating thereto.
- c) Funds arising from the excess of income over expenditure on the revenue account and which are freely available to spend.

The reserve policy adopted by the Board would mean there should be sufficient cash to run the hostel and maintain the small administration and management team for a period of six months. This would give the YMCA sufficient time to restructure in the event of a major change in circumstances. The amount would be about £200k to £250k.

COVID-19

Following the emergence and spread of COVID-19, there have been some notable changes in the charity's operations. In particular the charity has been working in partnership with local authorities to provide emergency accommodation in light of the virus. The charity has received funding to cover the associated costs and has also benefitted from the government's furlough scheme and other grants where appropriate. The trustees expect that the overall effect of the virus on the charity will be an increased turnover with an associated modest increase in surplus.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives (as set out above) and in planning future activities and setting appropriate policies for the year.

By order of the Board



E. McNeil
Secretary

13th September, 2021

CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)

DIRECTORS' REPORT

31 March 2021

The directors present their report and accounts for the year ended 31 March 2021

Principal activities

The City of Liverpool YMCA continues to carry on developing and extending the work of the YMCA in Liverpool and Merseyside on a strictly non-political and non-sectarian basis and generally to provide and assist the advancement of the spiritual, intellectual and physical condition of young people in accordance with and by such means as are consistent with the recognised principles and objectives of the Young Men's Christian Association. YMCA is a Christian Organisation which helps homeless people work through the issues that have made them homeless by providing residential and support services.

Status

The Association is a registered charity (charity number 00210443), is limited by guarantee and does not have a share capital. The company (company number 560870) is also required to comply with accounting requirements for Registered Social Landlords (H1720).

Directors

The directors holding office during the year were:

Phil Shackell	Chairman (Retired 07/09/2020)
Mike Barker	Chairman (Appointed 07/09/2020)
Ian Johnson	
Winnie Lawlor	
Mary Compton-Rickett	
Robert Spowart	
Simon Abrams	
Jayne Price	
Dalite Lucy	(Resigned 18/01/2021)
Louise Douglas	
Revd Michelle Montrose	
Barbara Rouse	
Clare White	(Appointed 07/09/2020)

Corporate Governance and Internal Control

The Association's Directors act on a voluntary basis. The Association has in place a Board and Committee Structure and meetings take place on a regular basis. The Board carries out reviews of its composition and effectiveness to ensure that its members have a broad range of skills to allow the effective discharge of its responsibilities. An independently facilitated review of Board performance has been commissioned and is currently in progress.

The functions of the Board are formally recorded in the Association's rules and standing orders. Responsibility for day-to-day management is delegated by the Board to the executive officers; however, the Board have ultimate responsibility for internal controls. The Board receives regular management information and is responsible for the approval of annual budgets and accounts. Information available indicates that the Association is a going concern.

Internal audit work is undertaken relevant to the nature and scale of operations of the Association. The results of this work are regularly reported to the Board. Each trustee holds their own portfolio of work such as HR, Finance, standards etc. Trustees are appointed when the work of the charity expands giving rise to new portfolio's or when an existing trustee resigns. In these circumstances the resigning trustee recommends a replacement, or the trustees advertise the vacancy through adverts or word of mouth. Applicant trustees are interviewed by the Chair and the Secretary and if suitable are nominated to be co-opted on to the Board of Trustees. At the AGM co-opted trustees may be appointed as trustees.

The ongoing training of trustees is described in the Trustee's Handbook and organised by the CEO. At each November board meeting training needs of trustees are agreed for the following year. The Board of Trustees have established an audit committee with a brief to strengthen and improve systems of

CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)

DIRECTORS' REPORT
(continued)

31 March 2021

internal control, in particular, through closer liaison with internal and external auditors.

The Association's statement on its system of Internal Control under Housing Corporation Circular 25/01 is given on page 7.

The Board has reviewed future forecasts and consider that the Association has adequate resources to continue in operational existence for the foreseeable future and therefore continues to adopt the going concern basis in preparing accounts.

Results

The surplus for the year was £107,467 (2020: £539,762 deficit).

Auditors

The auditors, Cowgill Holloway LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement as to disclosure of information to auditors

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

By order of the Board



E. McNeil
Secretary

13th September, 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with the 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).

Company and registered social landlord legislation requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)

STATEMENT ON THE ASSOCIATION'S SYSTEM OF INTERNAL CONTROL

The Board are responsible for the Association's system of internal controls. They recognise that such a system can provide reasonable, but not absolute, assurance against material mis-statement or loss. The main features of the internal control system are:

- Written standing orders and financial regulations which delineate responsibilities and levels of authorities;
- A rolling three year Business Plan which is reviewed annually at a board planning event in November;
- A Risk Register which is formally reviewed at the annual Board planning day and reported on at each board planning meeting;
- Annual budgets, set in the context of a longer term business plan with clear accountability for control of each part of the budget;
- Formal budgetary control arrangements with a monthly reporting cycle;
- Detailed performance reports to each board meeting which include progress against key objectives and risk exposures.
- Board approval of policies and procedures;
- Board review of their effectiveness;
- The use of an internal audit function working in accordance with a programme established through an Audit Needs Assessment.
- An Audit Committee which liaises with internal and external auditors to review and improve systems of internal control and risk management.

The Board will continue to annually review the effectiveness of its systems of internal control and in the coming year will establish formal systems for the stress testing of Business Plans in keeping with regulatory requirements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

Opinion

We have audited the financial statements of City of Liverpool Young Men's Christian Association for the year ended 31 March 2021 which comprise the Summary Income and Expenditure Accounts, the Balance Sheet, including a summary of significant accounting policies and related notes, and the Cash Flow Statement. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- Have been prepared in accordance with the requirements of the Companies Act 2006.

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 charity 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 directors' 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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

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 materially misstate. 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit. We have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; 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 exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statements, the trustees 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 they determine is necessary to enable the preparation of the 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that act.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

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 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:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussions with the directors (as required by auditing standards) and discussed with the directors the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: Companies Act 2006, Charities Act 2011, Health and Safety at Work Act and Employment Law.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Through these procedures we did not become aware of any actual or suspected non-compliance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Sections 144 of the Charities Act 2011 and the regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 any responsibility to anyone other than the charity or the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Cowgill Holloway LLP.

Cowgill Holloway LLP
Senior Statutory Auditor
Regency House
45-53 Chorley New Road
Bolton
BL1 4QR

13th September, 2021

CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)

INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 March 2021

	Note	2021 £	2020 £
Turnover	2,3	6,422,619	5,471,917
Operating costs	3	(6,315,372)	(6,013,795)
Operating surplus/(deficit)		107,247	(541,878)
Interest receivable and other income	6	220	2,116
Surplus/(deficit) after exceptional and ordinary activities before and after taxation		107,467	(539,762)

All amounts relate to continuing activities.

There are no recognised gains or losses other than the result for the year.

CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)

BALANCE SHEET

at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Housing properties – depreciated cost	8	7,092,650	7,172,438
Less: Social housing grant		(3,100,000)	(3,100,000)
Other grants		(842,931)	(842,931)
		<u>3,149,719</u>	<u>3,229,507</u>
Other fixed assets	8	244,550	268,693
		<u>3,394,269</u>	<u>3,498,200</u>
Current assets			
Debtors	9	355,830	445,617
Cash at bank and in hand		1,968,517	520,375
		<u>2,324,347</u>	<u>965,992</u>
Creditors: amounts falling due within one year	10	(1,684,231)	(517,945)
Net current assets		640,116	448,047
Pension Deficit	11	(93,959)	(113,288)
Net assets		<u>3,940,426</u>	<u>3,832,959</u>
Capital and reserves			
Called up share capital	13	-	-
Revenue reserves	14	3,940,426	3,832,959
Total funds	15	<u>3,940,426</u>	<u>3,832,959</u>

The financial statements on pages 12 to 26 were approved by the Board of Directors and authorised for issue on 13th September 2021 and signed on its behalf by:

M. Barker - Director



R Spowart - Director



Company Registration No. 00560870

CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)

CASH FLOW STATEMENT

for the year ended 31 March 2021

	Note	2021 £	2020 £
Cash generated by/(used in) operating activities	20	1,556,987	(219,925)
Cash flows from investing activities			
Sale of tangible assets		-	-
Purchase of tangible fixed assets		(109,065)	(155,421)
Interest received		<u>220</u>	<u>2,116</u>
Cash (used in) investing activities		<u>(108,845)</u>	<u>(153,305)</u>
Increase/(decrease) in cash and cash equivalents in the year		1,448,142	(373,230)
Cash and cash equivalents at the beginning of the year		520,375	893,605
Total cash and cash equivalents at the end of the year		<u><u>1,968,517</u></u>	<u><u>520,375</u></u>

CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)

NOTES ON FINANCIAL STATEMENTS

31 March 2021

1 Accounting policies

Company information

City of Liverpool Young Men's Christian Association (INC.) is a company limited by guarantee incorporated in England and Wales. The registered office is 15 Leeds Street, Liverpool, L3 6HU.

Basis of accounting

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 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements also comply with Schedule 1 to the Housing Act 1996, the Accounting Requirements for Registered Social Landlords General Determination 2006 and follow the recommendations of the Statements of Recommended Practice for Registered Social Landlords issued in 1999 and updated 2008.

City of Liverpool Young Men's Christian Association (INC.) 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 prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

Turnover

Turnover represents social housing rental income receivable, revenue grants from Local Authorities and donations and other operating income of the Association (excluding VAT).

Gifts in kind and donations

Donations include the value of assets donated to the Association which are readily marketable. Gifts in kind are included at their value to the Association; this includes gifts of land and salary costs borne by third parties.

Other grants

Capital grants are deducted from the cost of capital expenditure and revenue grants included as income in the income and expenditure account.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

NOTES ON FINANCIAL STATEMENTS

31 March 2021
(Continued)

1 Accounting policies (continued)**Pension costs**

The charity makes payments on a money purchase (defined contribution) basis to the individual personal pension schemes of the employees. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets in the individuals own personal pension schemes. The individual employees bear all the risk of future returns on the investment performance of the funds invested in their own individual pension fund.

Value added tax

The Association charged value added tax (VAT) as appropriate on its income and similarly appropriately recovered VAT incurred on expenditure. The balance of VAT payable at year end is included as a current liability.

Fixed assets**Housing land and buildings**

Housing properties are stated at cost. It is the policy only to include costs of construction where the certificate is dated before the period end. No development overheads have been capitalised.

Depreciation**i) Housing properties**

Depreciation of housing properties is effectively recognised by writing down the cost net of grants at rates of 2-4% per annum on the straight-line basis. Land is not depreciated.

ii) Other fixed assets

The following rates apply:

Fixtures and fittings	-	10-33% per annum on cost
Computer equipment	-	33% per annum on cost
Motor vehicle	-	25% per annum on cost

Operating leases

Operating lease rentals are charged in the income and expenditure account on a straight-line basis over the lease term.

Deferred income

Where revenue grants are received covering expenditure planned beyond the current year, the element of grant received in advance is carried forward.

2 Turnover

	2021 £	2020 £
Turnover comprises:		
Residents' charges (see note 3)	2,589,222	2,372,342
Government grants – Supporting People income	871,617	806,838
Sundry income	2,953,197	2,288,347
Appeal donations	8,583	4,390
	<u>6,422,619</u>	<u>5,471,917</u>

CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)

NOTES ON FINANCIAL STATEMENTS

31 March 2021

(Continued)

3 a.

Rent

	2021	2020
	£	£
Rent charges receivable	776,766	711,702
Service charges receivable	1,812,456	1,660,640
	<u>2,589,222</u>	<u>2,372,342</u>

Rental income relates to 52 weeks (2020: 52 weeks).

b. Particulars of turnover, operating costs and operating (deficit)/surplus

	Turnover	Operating costs	Operating surplus/ (deficit)
	£	£	£
2021			
Supported housing	6,422,619	(6,315,372)	107,247
	<u>6,422,619</u>	<u>(6,315,372)</u>	<u>107,247</u>
2020			
Supported housing	5,471,917	(6,013,795)	(541,878)
	<u>5,471,917</u>	<u>(6,013,795)</u>	<u>(541,878)</u>

Operating costs include unpaid rent charges written off of £241,582 (2020: £241,582).

c. Expenditure

	2021	2020
Costs of generating funds	-	-
Cost of charitable activities	(6,315,372)	(6,013,795)
	<u>(6,315,372)</u>	<u>(6,013,795)</u>
Total	<u>(6,315,372)</u>	<u>(6,013,795)</u>

CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)

NOTES ON FINANCIAL STATEMENTS

**31 March 2021
(Continued)**

d. Particulars of income and expenditure from social housing lettings

	2021	2020
	Supported housing £	Supported housing £
Rent receivable net of voids and identifiable service charges	776,766	711,702
Service income	1,812,456	1,660,640
	<hr/>	<hr/>
Turnover from social housing lettings	2,589,222	2,372,342
	<hr/>	<hr/>
Government grants	871,617	806,838
Sundry income	2,953,197	2,288,347
Appeals donations	8,583	4,390
	<hr/>	<hr/>
Total Income	6,422,619	5,471,917
	<hr/>	<hr/>
Expenditure		
Supporting people salaries	(876,722)	(677,222)
General salaries	(2,668,300)	(2,309,700)
Other operating costs	(2,770,350)	(3,026,873)
	<hr/>	<hr/>
Total Expenditure	(6,315,372)	(6,013,795)
	<hr/>	<hr/>
Operating Surplus/(deficit)	107,247	(541,878)
	<hr/>	<hr/>
Voids losses	(116,515)	(94,894)
	<hr/>	<hr/>

Rent receivable, service income, losses from voids, general salaries and other operating costs have all been apportioned on the basis of 267 (2020: 231) bed spaces under management during the year. See note 19.

CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)

NOTES ON FINANCIAL STATEMENTS

**31 March 2021
(Continued)**

4 Operating (deficit)/surplus

	2021	2020
	£	£
This is stated after charging the following:		
Depreciation – Tangible fixed assets	212,996	292,947
Auditor's remuneration – in their capacity as auditors	6,700	6,500
Auditor's remuneration – non audit capacity	-	-
Operating leases – Equipment	28,511	20,258
Operating leases – Property	690,878	162,199

5 Directors and employees

Directors' emoluments

The directors received no remuneration or payments for expenses in the current or prior year.

Staff costs

Aggregate amounts for staff paid in respect of:

Wages and salaries	3,177,646	2,753,172
Social security costs	263,627	233,750
Pension costs	103,749	91,657
	<u>3,545,022</u>	<u>3,078,579</u>

The average monthly number of employees (full-time equivalents) employed during the year was as follows:

	Number	Number
Administration	10	9
Housing	38	37
Support	66	62
Nursery	12	13
	<u>126</u>	<u>121</u>

One employee received emoluments of greater than £60,000 during the year (2020: One).

6 Interest receivable and other income

	2021	2020
	£	£
Bank deposit interest	220	2,116

7 Tax on ordinary activities

There is no liability to corporation tax on the result for the year as the Association claims charitable relief under the Finance Act 2010 in respect of the majority of its activities. Taxation losses arise in respect of activities which may not be classed as charitable for taxation purposes.

CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)

NOTES ON FINANCIAL STATEMENTS

**31 March 2021
(Continued)**

8 Fixed assets - Tangible

	At 1 April 2020	Additions	Disposals	Transfers	At 31 March 2021
Cost or valuation	£	£	£	£	£
Freehold property	7,964,943	12,620	-	-	7,977,563
Fixtures and fittings	1,285,036	78,216	-	-	1,363,252
Computer equipment	91,497	18,229	-	-	109,726
Motor vehicles	10,495	-	-	-	10,495
Total	9,351,971	109,065	-	-	9,461,036

	At 1 April 2020	Additions	Disposals	Transfers	At 31 March 2021
Other grant	£	£	£	£	£
Futures project funding	(228,962)	-	-	-	(228,962)
Empty Homes project funding	(334,081)	-	-	-	(334,081)
Our House property donation	(279,888)	-	-	-	(279,888)
	<u>(842,931)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(842,931)</u>
Social Housing grant					
Leeds Street	(3,100,000)	-	-	-	(3,100,000)

	At 1 April 2020	Charged in year	Disposals	Transfers	At 31 March 2021
Depreciation	£	£	£	£	£
Freehold property	(792,505)	(92,408)	-	-	(884,913)
Fixtures and fittings	(1,030,870)	(110,475)	-	-	(1,141,345)
Computer equipment	(76,970)	(10,113)	-	-	(87,083)
Motor vehicles	(10,495)	-	-	-	(10,495)
Total	(1,910,840)	(212,996)	-	-	(2,123,836)

	At 1 April 2020	At 31 March 2021
Net book value	£	£
Freehold property	3,229,507	3,149,719
Fixtures and fittings	254,166	221,907
Computer equipment	14,527	22,643
Motor vehicles	-	-
Total	3,498,200	3,394,269

Other grants comprise National Lottery Charities Board funding of £165,903 (2020: £165,903), European Regional Development funding of £63,059 (2020: £63,059) and Empty Homes Community Grants funding of £334,081 (2020: £334,081). All these grants are treated as restricted. The Housing Corporation grant of £3,100,000 (2020: £3,100,000) was made in connection with the Leeds Street building. The grant is repayable only in the event of a sale of the property.

CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)

NOTES ON FINANCIAL STATEMENTS

31 March 2021

(Continued)

9 Debtors

	2021	2020
	£	£
Amounts falling due within one year		
Rental debtors	58,182	131,645
Less provision for unpaid rent charges	-	(38,939)
Other debtors	98,503	152,225
Prepayments	138,616	143,482
Amounts falling due after more than one year		
Other debtors	60,529	57,204
	<u>355,830</u>	<u>445,617</u>

10 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	43,899	45,232
Other creditors	36,568	61,236
Accruals and deferred income (see note 12)	1,600,486	410,411
VAT and social security costs	3,278	1,066
	<u>1,684,231</u>	<u>517,945</u>

NOTES ON FINANCIAL STATEMENTS

31 March 2021
(Continued)

11 Pension Deficit

YMCA Liverpool has in the past employed staff who were members of the YMCA Pension and Assurance Plan. This is a multi-employer pension plan for employees of YMCA England and member YMCA's. YMCA Liverpool currently has no members in the pension plan and is classed as a dormant YMCA for pension purposes.

The latest valuation prepared as at 1 May 2014 showed that the YMCA Pension Plan had a deficit of £38.7 million. Liverpool YMCA's share of the deficit amounts to £132,054 (2020: £132,054).

The liability will be payable over a period of 6 years at the rate of £19,329 per annum, commencing 1st May 2021.

The pension deficit has been classified as follows:

	2021 £	2020 £
Amounts due within one year (included within other creditors)	19,329	18,766
Amounts due after one year	93,959	113,288
	<u>113,288</u>	<u>132,054</u>

CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)

NOTES ON FINANCIAL STATEMENTS

31 March 2021

(Continued)

12 Accruals and deferred income

	2021	2020
	£	£
Deferred income at 1 April	291,017	383,526
Grant income received in the year	1,630,771	647,450
Grant expended in the year	(499,239)	(739,959)
Deferred income at 31 March	<u>1,422,549</u>	<u>291,017</u>
Accruals	<u>177,937</u>	<u>119,394</u>
	<u><u>1,600,486</u></u>	<u><u>410,411</u></u>

Deferred Income

	At 1 April 2020	Grant Income Received	Grant Expended	At 31 March 2021
Cost or valuation	£	£	£	£
Mainstay project funding	58,578	186,332	(205,744)	39,166
Merseyside Police funding	-	15,000	-	15,000
Dutch Farm funding	-	41,568	-	41,568
YMCA supporter donation	20,111	-	-	20,111
Rehab service advance funding	-	1,038,588	-	1,038,588
Domestic violence dispersed funding	149,266	306,801	(230,433)	225,634
Southport nursery advance funding	35,808	42,482	(35,808)	42,482
Rough Sleeper Initiative	24,388	-	(24,388)	-
Children in Need	2,866	-	(2,866)	-
Total	<u>291,017</u>	<u>1,630,771</u>	<u>(499,239)</u>	<u>1,422,549</u>

Deferred income relates to grants received in the year in respect of specific projects, which has been deferred to match it against the projects' expenditure in the period to which it relates.

13 Share capital

The Association, which does not have a share capital, is limited by guarantee whereby members contribute up to a maximum of £1 each should there be a deficiency on winding up.

NOTES ON FINANCIAL STATEMENTS

31 March 2021
(Continued)**14 Revenue reserves**

	2021 £	2020 £
At 1 April	3,832,959	4,372,721
Surplus/(deficit) for the year	107,467	(539,762)
At 31 March	<u>3,940,426</u>	<u>3,832,959</u>

15 Reconciliation of movements in members' funds

	2021 £	2020 £
Total funds as at 1 April	3,832,959	4,372,721
Surplus/(deficit) for the year	107,467	(539,762)
Total funds as at 31 March	<u>3,940,426</u>	<u>3,832,959</u>

16 Social Housing and other grants

The cumulative Social Housing Grant received by the Association in respect of property is £3,100,000 (2020: £3,100,000). Other grants comprise £165,903 from the National Lottery Charities Board and £63,059 from the European Regional Development Fund and the Empty Homes Community Grants Project funding towards property acquisition currently amounting to £334,081.

Social Housing Grant received for revenue purposes in the year is £Nil (2020: £Nil).

17 Legislative provisions

The Association is a charitable company (charity number 210443) limited by guarantee. The Association is also required to comply with Registered Social Landlord accounting requirements.

18 Operating leases

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:

	2021 £	2020 £
Expiring within 1 year	30,099	19,329
Expiring between 2 – 5 years	67,541	54,157
	<u>97,640</u>	<u>73,486</u>

Property leases

	2021 £	2020 £
Expiring within 1 year	422,207	321,721
Expiring between 2 – 5 years	937,414	738,129
Over 5 years	413,400	-
	<u>1,773,021</u>	<u>1,059,850</u>

CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)

NOTES ON FINANCIAL STATEMENTS

31 March 2021

(Continued)

19 Bed spaces

	2021	2020
	Number	Number
Under management at the end of the year:		
Temporary move-on accommodation	69	45
Support contract accommodation	121	121
Rehabilitation unit	50	30
Refuge accommodation	21	21
Stepping Stones accommodation	6	14
Total	<u>267</u>	<u>231</u>

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

	2021	2020
	£	£
Net movement in funds	88,138	(539,762)
Depreciation charges	212,996	292,947
Interest receivable	(220)	(2,116)
Decrease in debtors	89,787	197,431
Increase/(Decrease) in creditors	1,166,286	(168,425)
Net cash generated by operating activities	<u>1,556,987</u>	<u>(219,925)</u>

For the purposes of FRS 102 the Association classifies all deposits which can be accessed on demand as cash, rather than liquid resources. Therefore cash includes deposits where immediate access would incur a loss of interest.

CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)

NOTES ON FINANCIAL STATEMENTS

31 March 2021
(Continued)

21 Financial risk management objectives and policies

The association holds or issues financial instruments in order to achieve three main objectives, being:

- (a) to finance its operations;
- (b) to manage its exposure to interest and currency risks arising from its operations and from its sources of finance; and
- (c) for trading purposes.

In addition, various financial instruments (e.g. rental debtors, trade creditors, accruals and prepayments) arise directly from the association's operations.

Transactions in financial instruments result in the association assuming or transferring to another party one or more of the financial risks described below.

Credit Risk

The association monitors credit risk closely and considers that its current policies of credit check meets its objectives of managing exposure to credit risk.

The association has no significant concentrations of credit risk. Amounts shown in the balance sheet best represent the maximum credit risk exposure in the event other parties fail to perform their obligations under financial instruments.