

**MILTON KEYNES YMCA LIMITED**  
**Consolidated Financial Statements**  
**Year Ended 31 March 2022**

Company registration number: 2769788

Charity registration number: 1125743

Regulator of Social Housing registration number: 4870

# Milton Keynes YMCA Limited

## Group Financial Statements

Year Ended 31 March 2022

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**Milton Keynes YMCA Limited**

**Registered Social Housing Provider Information**

**Year Ended 31 March 2022**

<b>Company registration number</b>	2769788
<b>Charity registration number</b>	1125743
<b>Regulator of Social Housing registration number</b>	4870
<b>Members of the board (Trustees)</b>	J Upton MBE – Chair P T Ayres FCA F Akinbusoye Dr V Fernandes Dr A J Holden L Keen FCA – Treasurer C Montgomery Rev J Robertson – resigned 20/12/2021 J Valentine J Walker
<b>Secretary</b>	L Keen FCA
<b>Senior Leadership Team</b>	S Green – Chief Executive A Rhind – Head of Business Development L Harrison – Director of Housing & Support R Freeman – Interim Director of Finance –until 31March 2022
<b>Registered office</b>	1 North Sixth Street Milton Keynes MK9 2NR
<b>Auditor</b>	Hillier Hopkins LLP 249 Silbury Boulevard Milton Keynes MK9 1NA
<b>Bankers</b>	National Westminster Bank Plc 501 Silbury Boulevard Milton Keynes MK9 3ER

# **Milton Keynes YMCA Limited**

## **Board Report**

### **Year Ended 31 March 2022**

#### **Chair's Report**

In December 2021, in our 40<sup>th</sup> year we were delighted to present our new Strategic Plan 'Growing Together' to our stakeholders and supporters. It details our six strategic goals to achieve our vision that every young person has the means and confidence to belong, contribute and thrive.

The year has been one of consolidation and continued development of our activities to achieve our ambitious goals. The staff team have developed a broad but structured programme of support. Our aim is for each resident to be in education, training or work and also to increase their confidence and self esteem. To ensure we deliver a person-centred service, all our young people who come to the YMCA now have one key-worker through all three stages of our accommodation pathway.

Our strategy is also to create a range of opportunities to support more young people beyond the Campus. The Hospital Navigator Project is one such initiative, based within Milton Keynes University Hospital's (MKUH) Emergency Department, and delivered in partnership with Thames Valley Police. Our trained volunteers managed by the Hospital Navigator – our staff member, supports young people who present at MKUH as a result of issues such as assault, serious violence, substance abuse, mental health or self-harm.

The achievements of the Hospital Navigator team were recognised by a National Crimebeat Award in March 2022. In addition, the scheme was awarded the High Sheriff's Association Special Award. Over the last year there have been 110 referrals to the Hospital Navigator scheme, of which 80 are successfully closed cases.

In this year we have recruited new staff with the skills needed to provide our residents with 24 hour specialist support. This is critical in giving the appropriate responses and solutions to some of our vulnerable residents. Our LGBTQ+ Staff Lead holds a fortnightly group, providing support. Our Domestic Abuse Staff Lead works closely with residents, ensuring they are safeguarded to the highest possible level and eventually working with them to address some of the trauma they have experienced.

We launched a Complex Needs Service in response to increasing mental health needs amongst our residents. A range of activities which help with mental well being and socialisation continue to be a great success, from music, art and sport activities. These activities are carefully structured so our residents gain a sense of achievement. A number of our young people have been incrementally increasing their fitness, working to achieve their goal of climbing Snowdon later in 2022.

The development of a new Youth Hub has significantly increased the number of residents gain work and apprenticeships. We are greatly appreciative of the partnership with the business community including MyMiltonKeynes, Holiday Inn and Bridgman and Bridgman who have provided apprenticeships for residents. This strategy of developing partnerships is proving successful and we have supported young people into 100 jobs.

These are just some of the highlights of the year, none of which could have taken place without our Fundraising team applying for money from a range of trusts, foundations and organisations. Over 100 applications were made, of which a third were successful and generated over £1/2M. Some funds contributed to creating our Third Unit so we could increase our activities programme for our residents. We are most grateful to The Wolfson Foundation, MK Community Foundation and SEMLEPs Recovery and Resilience Fund as their grants have enabled us to develop this work.

Whilst £15K of the money was donated by individuals and companies, we know that with more investment we can increase such donations. Therefore in the financial year 2022-23, we are increasing our fundraising team to implement our plans to develop philanthropic giving from the wider community.

I wish to thank my colleagues on the Board, the staff, our funders and our partners for their continued endeavours, support and being so committed to improving the lives of our young people.

Julia Upton MBE DL  
Chair of Trustees

# Milton Keynes YMCA Limited

## Board Report

### Year Ended 31 March 2022

The Board of Trustees presents their report and the audited consolidated financial statements of Milton Keynes YMCA Limited, a Charity and Registered Social Housing Provider, for the year ended 31 March 2022.

#### Legal status

Milton Keynes YMCA Limited ("YMCA MK") is a company limited by shares, incorporated on 2 December 1992. The Company registered as a charity on 8 September 2008 (charity number 1125743) and a Registered Social Housing Provider on 8 March 2019 (Regulator of Social Housing registration number 4870). The Company was established under a Memorandum of Association substantially amended on 18 June 2008 and 24 November 2008 which established the objects and powers of the charitable company. In 2019 it adopted a new set of Articles of Association.

Milton Keynes YMCA Limited has one wholly owned subsidiary, Northamptonshire YMCA which is a charitable company and it has been consolidated within these financial statements.

#### Principal objectives and activities of the Group

The object of the YMCA MK are defined in its Memorandum of Association, allowing the Trustees to provide residential accommodation for people of all ages who are in need, hardship or distress by reason of their social, physical or economic circumstances and to provide or assist in the provision of education for people of all ages with the object of developing their physical, mental or spiritual capacities.

On 16 December 2020 the Board approved a new four year strategic plan.

Our strategic plan states:

**Our Mission** is to support young people to belong, contribute and thrive.

The way we act at YMCA MK is characterized by five strong and distinctive values that flow from our Christian ethos.

- **We Seek Out**

We actively look for opportunities and partnerships to make a transformative impact on young lives in the communities where we work. We are ambitious, collaborative and innovative.

- **We Welcome**

We offer people the space they need to feel secure, respected, heard and valued. We are inclusive, generous and understanding and believe that every person is of equal value. We welcome people of all faiths and none.

- **We Inspire**

We strive to inspire each person we meet to realise their full potential.

- **We Speak Out**

We stand up for young people, speak out on issues that affect their lives, and help them to find confidence in their own voice.

- **We Serve Others**

We are committed to the wellbeing of the communities we serve and believe in the positive benefit of participation locally and in the wider world.

Our strategic goals for the next four years are:

- To make our campus **the best supported housing environment it can be** – an inspiring home for young people in Milton Keynes
- To **expand our accommodation offer** to create better housing options and choice for young people
- To **develop our social enterprises** so that we generate funds to support our work and create career opportunities for young people
- To pursue opportunities to support young people in **areas other than housing**
- To improve and increase our **community engagement** so that everyone in Milton Keynes knows we are here, what we do, and how they can support us

## **Milton Keynes YMCA Limited**

### **Board Report**

#### **Year Ended 31 March 2022**

#### **Activities supporting our Strategic Plan**

##### **Improvements to our new campus development**

Completion of the purchase of our new £18.2m campus at 1 North Sixth Street in Milton Keynes occurred on 16 March 2020; at which point full title to the property and land passed to YMCA MK. Our first residents moved into our new campus on 16 March 2020, and our final residents moved out of our old premises on 19 March 2020. During the year ended 31 March 2022 further changes were made to the campus buildings to improve the way we operate. Space on the ground floor, originally earmarked for retail space, was fitted out to provide a Youth Hub. It can be accessed from outside the Campus making it more versatile than the meeting rooms for certain types of events as well as provide space for events aimed at our tenants and other young people in the MK area. The fit out of the 1,570 sq ft space was made possible by grants from The Wolfson Foundation, MK Community Foundation and SEMLEP totalling £128,585.

##### **Performance in the year of the Registered Social Housing Provider**

Despite restrictions in place as a result of the COVID-19 epidemic, our occupancy rate has been in excess of 91% for the whole of the current year. As of 31 March 2022 our occupancy rate was 99.58%.

With the new campus up and running for the whole year Milton Keynes YMCA Limited returned a trading surplus after the depreciation transfer of £124,159 for the year to 31 March 2022 (2021 - £206,728).

##### **Strengthening the Staff Team**

Our team has grown extensively over recent years, quadrupling from just 14 staff immediately prior to our development project, to 57 staff this year. The additional skills and experience in the team have allowed us to create and maintain a high quality facility for young people and develop and improve our services. We expect to further grow and develop the staff team as our service offer expands and income grows.

During the past year we have changed the structure of the staff team so that more staff work across Milton Keynes and Northamptonshire which has helped to drive efficiencies and better integrate the two organisations.

Our annual staff survey again showed high levels of employment satisfaction and engagement with the work.

##### **Membership of YMCA England and Wales**

On 29 March 2021 YMCA MK and Northamptonshire YMCA reaffirmed their wish to remain part of the YMCA movement by signing the new Membership Agreement. By signing this document we have agreed to meet YMCA England and Wales Quality Assurance Standards. In addition by 2023 we will:

- Achieve Trusted Charity status Level 1
- Achieve Construction Health and Safety Level 1
- Implement the new brand identity

##### **Board of Trustees**

The directors of the company are also the Charity trustees for the purposes of charity law and under the Company's articles are known as members of the Board of Trustees (the Board). Members are elected for three-year terms, or annually for co-opted members. One third of the members of the Board are elected each year. Each member may serve for a maximum nine-year period before stepping down, with the Chair and Treasurer limited to a maximum of six consecutive years in those roles.

Details of our current Board are shown on page 3. Biographies of our Trustees can be found on our website at <https://mkymca.com/who-we-are/our-board>

Trustees are sought in a number of ways including by recommendation from partners, from supporters and business networks. No external persons or bodies are entitled to appoint Trustees. Most Trustees are already familiar with the work of the organisation. New Trustees are required to attend an induction meeting to familiarise themselves with the Charity and the context within which it operates.

## **Milton Keynes YMCA Limited**

### **Board Report**

#### **Year Ended 31 March 2022**

#### **Board of Trustees (continued)**

The Board operates a number of sub committees which are governed by terms of reference agreed by the Board. Each Committee must have at least three trustees, appointed by the Board, as well as the CEO and relevant members of the Senior Leadership Team (SLT). In addition, the Board may approve individuals or organizations with professional expertise in the area to be co-opted. As at 31 March 2022 two Committees were in operation.

#### **Finance Committee**

The responsibilities of the Finance Committee are as follows:

- Monitoring the implementation of the Financial Policies and Procedures
- Monitoring of group financial information
- Monitoring cash flow
- Monitoring Rent receipts, Bad debt and housing voids
- Commercial properties Portfolio issues and all recommendation related to finance and or financial systems.
- Monitoring YMCA group Risk Assessments with particular focus on financial impact.
- Setting and implementing Investment Strategy
- Consideration of investment performance
- Approval of Pay Awards recommended by the Personnel and Training Committee
- Considering the financial viability of special projects

#### **Personnel and Training Committee**

- Set appropriate Human Resource Policies and monitor them for effectiveness
- Ensure compliance with prevailing UK employment legislation and associated legislation eg Data Protection, Equal Opportunities, Anti-bribery.
- Ensure proper, up to date personnel records are kept
- Agreement of Job Evaluation and Grading systems
- Agree new staff structures and new staff roles
- Approval of Training Plans and Budgets
- Setting and monitoring of work review/pay progression standards.

The responsibility for the management of the Charity rests with the Chief Executive Officer. He reports on a regular basis to the Board, which meets at least four times a year.

#### **Group Business Review**

##### Review of the year

Now that we are relocated into our new campus we have begun working on achieving the goals set out in our new four year Strategic Business Plan 2021 - 2025.

We continue to experience high demand for our accommodation, and our supported accommodation remains near full capacity at all times. During the year we were given notice to quit our move on property in Wolverton. It was also decided that we would not renew our lease on the move on accommodation in Fishermead. We successfully found homes for all the young people affected and are now in talks with several organisations to develop new move on accommodation that fits in with our new strategy.

The Business Development team had another successful year, securing income from both existing and new sources. During the year £526,231 was secured in grants. Several new funders were successfully engaged including The Wolfson Foundation and The Gostling Foundation who are two large capital funders. £29,118 was secured from other fundraising streams such as individual, community and corporate fundraising with the team making huge efforts to raise awareness of YMCA within the local community.

# Milton Keynes YMCA Limited

## Board Report

### Year Ended 31 March 2022

#### Group Business Review (continued)

##### Review of the year (continued)

£97,158 was also secured from BLMK Clinical Commissioning Group which is a new income stream for YMCA and an area of great potential for the charity. This brings the total income from the Business Development Team for the year to £652,507 which represents 22% of the total income. This continued success has demonstrated the importance of the Business Development team to the ongoing sustainability and development of the organisation. Whilst rent and housing benefit makes up 73% of our total income, this only accounts for the cost of delivering a basic supported housing service. The additional fundraised income enables us to deliver our comprehensive pathway of support, funding projects such as employment, activities and mental health. It is this work which enables the team to have a lasting impact on the young people we support and why donations from the community, organisations and individuals is so vital.

Northamptonshire YMCA continued to focus its activities on letting its properties in central Northampton. Due to the refurbishment of the rooms in Dergate whilst the building was unoccupied the property is now fully let and has a high level of bookings for next academic year 2022/23.

##### Operational management

During the past 12 months, with the pandemic lifting, we have for the first time been able to operate our campus as we had intended. We have been very successful in creating the culture and environment that we had planned, and the campus is proving to be a vibrant, positive place for young people to live, work, and visit. Our activities team have gone from strength to strength, and we are routinely building the confidence, self-esteem and motivation of young people on campus through fun and rewarding activity. Our complex-needs and mental health work has developed so that we routinely provide effective interventions for our most challenged and demanding residents. This has directly impacted lower eviction levels. Our employment success has been outstanding, with resident supported into 99 jobs during the year, having never even focused on this area of work during our previous 40-year history. We have also seen many young people who are not residents visiting our campus for employment advice at our Youth Hub – commissioned by the Department of Work and Pensions / JobCentre+.

Our Café has continued to operate throughout the pandemic – creating a positive interface with the general public and vibrant onsite location, and our conference facilities have organically grown in use. The cumulative impact of these activities has created a vibrant and positive location for young people to live and visit for support. This has been reflected in our residential occupancy rates which hit 100% for the first time during the past year.

Our work beyond the campus has been developing through our Hospital Navigator project – a volunteer led scheme working with young victims of violent crime. This is an increasingly high-profile issue in Milton Keynes which has seen a spate of fatal knife crimes in recent years. Our project won a prestigious national Crimebeat award during the year, as well as a High Sheriff award and we supported 100+ young people.

Following a short delay post lock-down, in July 2020 Acorn Early Years Foundation opened their nursery on the ground floor of our campus. We are developing with our campus nursery provider Acorn Early Years Foundation a programme to create employment prospects for our residents within their nurseries. At 31 March 2021 two residents were employed by the nursery.

In June 2020 Northamptonshire YMCA renewed its lease on Upton Lodge. An Assured Short Term Tenancy agreement was worked on with Homes England for the rental of Upton Lodge and this agreement was signed on 1 May 2021.

##### Future developments

The need to create better move-on options for young people once they have completed their 3-year stay at the campus is becoming ever more acute and conversations continue in this area. To date a lack of dedicated staff resource, and financial challenges have constrained progress in this area to the level we would have hoped, and this is a challenge that we will focus on overcoming during the coming months.

We have been exploring need around health, housing, and criminal justice as it relates to young people with the intention of developing effective new services in these areas and we have identified a number of future commissioning opportunities for our growth into new and exciting areas of work. We have also been exploring partnerships to significantly grow our support for young people with mental health issues.

Our social enterprises have suffered during the pandemic – we have been unable to effectively launch our conference facilities and café trade has been severely affected. However, as we move into the 2022/3 financial year Café trade is steadily increasing, conferencing is picking up, and our newly converted event space is ready for new activity. A Social Enterprise Manager was appointed on 1 September 2022 to make these areas a success.



## **Milton Keynes YMCA Limited**

### **Board Report**

#### **Year Ended 31 March 2022**

#### **Group Business Review (continued)**

##### Future developments (continued)

Much of our recent success has been enabled by our effective fundraising - mainly from grants and trusts. With the challenges of the economy, we need to continue this success and develop other fundraising avenues such as community and corporate support and philanthropic giving. To this end we are increasing the size of our fundraising team for 2022/23 with new areas of focus and expertise.

In April 2022 work started on an innovative project in partnership with The Green Roof Project to create a garden and vegetable patch on the roof top of our Milton Keynes campus. The cost of this project was met by crowdfunding and also from a generous gift in kind from Bridgman & Bridgman. This will not only provide environmental benefits, but will also offer an enjoyable space for YMCA residents, staff and visitors for many years to come. More excitingly, produce grown on our roof (including lettuce, cucumbers and strawberries) will be used by our social enterprise café, HomeGround, enabling us to provide fresh and healthy menu options. Not only that, but a dedicated area of our rooftop is now home to more than 200,000 bees and we hope to sell their tasty honey through HomeGround soon.

For the past few years we have been exploring social issues affecting young people in Northamptonshire, and particularly in Northampton itself, as we seek to grow and develop our charitable activities and return Northamptonshire YMCA back to a provider of choice for services relating to young people.

Discussions were delayed by the pandemic but during the past 12 months have escalated significantly and we are now in detailed negotiations about the launch of a new service to provide supported housing to care leavers at our town-centre based Derngate property. We hope to see this project go live in September 2023.

In addition, we are at an earlier stage of exploration for a project to take on additional property in Northampton for young people who are in employment, and we are also starting conversations about the delivery of services in the north of the County.

A new agreement with YMCA England and Wales regarding two charity shops in Wellingborough is expected to provide a springboard for further activity in this town.

We are planning to revisit the structural relationship between Northamptonshire and Milton Keynes YMCAs in early 2023, with the aim of managing a merger of the two entities, into a single regional YMCA.

#### **Going concern**

After making appropriate enquiries, the Board believes that the Company and Group have adequate resources to continue in operation for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

#### **Related parties**

Milton Keynes YMCA Limited has a service level agreement with Northamptonshire YMCA to support that YMCA's management. In addition to the service level agreement Milton Keynes YMCA Limited employed a Business Manager on behalf of Northamptonshire YMCA the costs of which are recharged to that YMCA. During the year the a decision was made to distribute the work undertaken on behalf of Northampton across the staff team and individuals time is recharged as appropriate. Both charities are affiliated to The National Council of YMCAs of England & Wales.

#### **Principal funding sources**

The principal source of income for the Group is from the rental of its housing and investment properties; in the year to 31 March 2022 this accounted for 74.5% of total income (2021 – 77.4%).

Other key funding sources of the Group are:

- funding from the local community
- grant income from charitable trusts and statutory bodies
- fund-raising activities and
- investment income

## Milton Keynes YMCA Limited

### Board Report

#### Year Ended 31 March 2022

#### Principal funding sources (continued)

We rely on funding and fundraising for the services we provide our vulnerable young people and to deliver our goal of finding gainful employment for all our residents. Our fundraising team continue to work tirelessly to ensure we can achieve our strategic goals.

#### Analysis using financial and non-financial key performance indicators

The Board monitors financial results and key performance indicators at its Board and sub-committee meetings. The Charity is at the end of a transition period, where it has been focussing available financial resources on the completion of the development project. Following the completion of the campus the Board is engaged in setting a new five-year strategy.

The key financial performance metrics of the YMCA MK, the company, for the years to 31 March are:

	<b>2022</b>	2021
	<b>£</b>	£
Rents receivable including service charges	2,165,245	2,040,520
Operating surplus from social housing activities	1,804,086	1,692,083
Net surplus from social housing activities	123,748	147,816
Void losses	136,306	194,004
Void losses as a percentage of total potential rentals	6%	9%
Closing cash balance	314,152	306,769

#### Investment policies

In addition to its freehold property portfolio the Group has an investment property and money invested in a recognised charity investment fund which is primarily invested in UK equities. The Group also has money in interest bearing accounts which are accessible as required.

The Board's policy is to maintain a balanced investment portfolio. The Finance Committee monitors its investment portfolio on a quarterly basis. All major investment decisions are approved by the Board. Overall, the Board is satisfied with the mix of investments and the returns received in the year.

#### Funds in deficit

There were no funds in deficit at the balance sheet date.

#### Pay policy for senior staff

The Board and the senior leadership team comprise the key management personnel of the Charity and are responsible for the directing and controlling of the Charity. All Trustees give their time freely and no Trustee received remuneration in the year. The pay of the staff is reviewed annually and typically increased in line with the cost of living.

#### Reserves policy

Milton Keynes YMCA Limited has unrestricted general funds at 31 March 2022 of £566,054 (2021 - £441,895) (note 19); this represented almost three month's operating expenses. The Trustees are satisfied that this is acceptable as this general fund is projected to increase now that the move to the campus is complete.

Northamptonshire YMCA has substantially greater unrestricted general reserves the majority of which are invested in property which therefore requires the Charity to continue to monitor and control its expenditure.

The Restricted Property Reserve represents the income from the sale of the freehold property as part of the campus development. The entirety of this reserve has been reinvested in the new freehold campus building.

The New Services Fund acknowledges the aspirational plans of the Charity to expand services for young people of Milton Keynes, Northamptonshire and the surrounding area.

## **Milton Keynes YMCA Limited**

### **Board Report**

**Year Ended 31 March 2022**

#### **Third party indemnity provisions**

A policy of third-party indemnity insurance has been in place during the year for the benefits of the Trustees and officers.

#### **Assessment of how the Registered Social Housing Provider is achieving value for money including performance metrics**

Value for money is considered in all of our activities, including procurement and service delivery and is supported through formalised operational policies and procedures. We have been focused on looking forward to ensure we meet the ever-changing needs and expectations of new and existing residents.

Our Finance Committee reviews and challenges plans, processes and transactions in order to ensure that we can demonstrate effective and efficient use of resources, so that we remain cost effective and keep overheads to a minimum.

#### **Assessment of compliance with the Governance and Financial Viability standard**

The Board has adopted the National Council for Voluntary Organisations Code Of Governance 2017.

#### **Code of governance**

The entity continues to maintain a strong Board which has the skills and confidence to face the many challenges that face housing associations and charities. The committee structure continues to operate effectively with the challenges posed by the operating environment. The Board works to an annual corporate plan and undertakes regular reviews of the entity's finances, its risk map, and its own performance. It has adopted a business plan to include a formal value for money review in its annual work programme. The Board itself has a number of members with private and public sector senior experience of management including procurement to achieve value for money.

#### **Risk management**

Risks that may prevent the Group achieving its objectives are considered and reviewed by the Board on a periodic basis as part of the corporate planning process. The risks are assessed in terms of their impact and probability. Whilst the most significant external risk to the Group comes from a change in the way Housing Benefit is structured the most significant internal risk to the Group relates to the loss of income from void lettings. The Charity actively manages its letting levels with voids monitored weekly and reported to the Board on regular basis.

#### **Fundraising**

YMCA MK does not employ any independent persons or companies to act on their behalf to carry out fundraising activities. YMCA Milton Keynes Limited is registered with the Fundraising Regulator and subscribes to the standards and regulations required. No Fundraising complaints were received by YMCA MK in the year.

#### **Public benefit statement**

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Directors consider how planned activities will contribute to the aims and objectives they have set.

##### How our activities deliver public benefit

Our main activities and who we are trying to help are described below. All our charitable activities are focused on responding to need, improving the living conditions, relieving hardship or distress of young people and aim to support young people to improve life skills and confidence.

##### Who used and benefited from our services?

Our objects and funding are not limited to one geographical area. However, we focus on delivering services to young people in Milton Keynes, Northamptonshire and the surrounding areas, in line with our strategic plan, and complementing services run by other YMCAs in the sub-region. This is done through the provision of housing, youth, welfare and educational programmes.

Services available to the young people have no fee attached and the majority of the service users will be in receipt of statutory benefits.

## **Milton Keynes YMCA Limited**

### **Board Report**

#### **Year Ended 31 March 2022**

#### **Reference to Board's annual review of internal control**

The Board of Trustees acknowledge their ultimate responsibility for ensuring that the Charity has in place a system of controls that is appropriate to the various business environments in which it operates. These controls are designed to give reasonable assurance with respect to:

- the reliability of financial information used within the Association or for publication;
- the maintenance of proper accounting records;
- the safeguarding of assets against unauthorised use or disposition.

It is the responsibility of the Board of Trustees to establish and maintain systems of internal financial control.

Such systems can only provide reasonable and not absolute assurance against material financial misstatement or loss.

Key elements include ensuring that:

- formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Charity's assets;
- the Finance Committee reviews reports from management on a quarterly basis to provide reasonable assurance that control procedures are in place and are being followed. The Finance Committee makes regular reports to the Board of Trustees.

#### **Directors' and Board's responsibilities**

The Board is responsible for preparing the report and financial statements in accordance with applicable law and regulations.

The Companies Act 2006, the Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of its income and expenditure for that period.

In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable 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 Association will continue in business

The Board is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Association and enable it to ensure that the financial statements comply with The Companies Act 2006, The Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing in England 2015. It has general responsibility for taking reasonable steps to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

#### **Disclosure of information to the auditors**

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

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

**Milton Keynes YMCA Limited**

**Board Report**

**Year Ended 31 March 2022**

**Strategic Report**

Included with the Board Report is the Strategic Report as required by the Companies Act 2006; in approving the Board Report the Directors also approve the Strategic Report contained therein.



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By order of the Board  
Julia Upton  
Chair

Date: 27.09.2022

## **Milton Keynes YMCA Limited**

### **Independent Auditor's Report to the Members of Milton Keynes YMCA Limited**

**Year Ended 31 March 2022**

#### **Opinion**

We have audited the financial statements of Milton Keynes YMCA Limited (the 'parent company') and its subsidiary (the 'Group') for the year ended 31 March 2022 which comprise the Group and Company Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group and Company Statement of Changes in Reserves, the Group 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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Association'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 Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 March 2022, and of its Group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing in England 2019.

#### **Basis for opinion**

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

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

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

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

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

#### **Other information**

The Board is 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.

## **Milton Keynes YMCA Limited**

### **Independent Auditor's Report to the Members of Milton Keynes YMCA Limited**

**Year Ended 31 March 2022**

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 this gives rise to a material misstatement in the financial statements themselves 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 Board report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Board report has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Board 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Board were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion a satisfactory system of control over transactions has not been maintained.

#### **Responsibilities of the Board**

As explained more fully in the Board's responsibilities statement set out on page 13, the Board members (who are also the directors of the Association 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 Board 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 Board is responsible for assessing the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the group or the parent company or to cease operations, or has no realistic alternative but to do so.

## Milton Keynes YMCA Limited

### Independent Auditor's Report to the Members of Milton Keynes YMCA Limited

Year Ended 31 March 2022

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

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

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

- we consider the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, the Housing and Regeneration Act 2008, the Accounting Direction for private registered providers of Social Housing in England 2019 and relevant tax legislation.

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

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



**Milton Keynes YMCA Limited**

**Independent Auditor's Report to the Members of Milton Keynes YMCA Limited**

**Year Ended 31 March 2022**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Grant Franklin ACA (Senior Statutory Auditor)  
For and on behalf of  
Hillier Hopkins LLP,  
Chartered Accountants  
Statutory Auditor  
249 Silbury Boulevard  
Milton Keynes  
MK9 1NA

Date: 29/9/2022

**Milton Keynes YMCA Limited****Consolidated Statement of Comprehensive Income (Including Income and Expenditure Account)****Year Ended 31 March 2022**

	Note	Total 2022 £	Total 2021 £
<b>Turnover</b>		3,041,485	2,667,583
Direct costs		(1,218,561)	(1,081,333)
		<hr/>	<hr/>
<b>Gross surplus</b>		1,822,924	1,586,250
Administrative expenditure	6	(1,934,404)	(1,702,893)
Other operating income		9,296	51,204
Fair value movements	10	552,268	71,026
		<hr/>	<hr/>
<b>Operating surplus</b>	5	450,084	5,587
Income from fixed asset investments		18,335	13,404
Interest receivable and similar income	3	104	402
Interest payable and similar expenses	4	(90,200)	(86,879)
		<hr/>	<hr/>
<b>Surplus/(Deficit) for the year before taxation</b>		378,323	(67,486)
		<hr/>	<hr/>
Tax on surplus/(deficit)		-	-
		<hr/>	<hr/>
<b>Surplus/(Deficit) for the year</b>		378,323	(67,486)
		<hr/>	<hr/>
<b>Total comprehensive income for the year</b>		378,323	(67,486)
		<hr/>	<hr/>

**Milton Keynes YMCA Limited****Company Statement of Comprehensive Income (Including Income and Expenditure Account)****Year Ended 31 March 2022**

		<b>Total</b>	<b>Total</b>
	Note	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
<b>Turnover</b>		2,970,161	2,634,932
Direct costs		(1,179,057)	(1,030,309)
		<hr/>	<hr/>
<b>Gross surplus</b>		1,791,104	1,604,623
Administrative expenditure	6	(1,853,828)	(1,647,191)
Other operating income		9,296	51,204
Fair value movements	10	14,776	36,358
		<hr/>	<hr/>
<b>Operating (deficit)/surplus</b>	5	(38,652)	44,994
Income from fixed asset investments		10,328	5,330
Interest receivable and similar income	3	86	318
Interest payable and similar expenses	4	(85,238)	(81,549)
		<hr/>	<hr/>
<b>Deficit for the year before taxation</b>		(113,476)	(30,907)
		<hr/>	<hr/>
Taxation on deficit		-	-
		<hr/>	<hr/>
<b>Deficit for the year</b>		(113,476)	(30,907)
		<hr/>	<hr/>
<b>Total comprehensive income for the year</b>		(113,476)	(30,907)
		<hr/>	<hr/>

**Milton Keynes YMCA Limited**

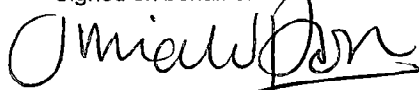
**Consolidated Balance Sheet**

**Year Ended 31 March 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible fixed assets	8	18,985,438	19,319,984
Investment properties	9	1,350,000	825,000
Investments	10	344,349	327,081
		20,679,787	20,472,065
<b>Current assets</b>			
Debtors	11	350,523	152,339
Investments	12	-	60,000
Cash at bank and in hand		336,421	321,010
		686,944	533,349
<b>Creditors: amounts falling due within one year</b>	13	(969,520)	(677,496)
		(282,576)	(144,147)
<b>Net current liabilities</b>			
		20,397,211	20,327,918
<b>Total assets less current liabilities</b>			
<b>Creditors: amounts falling due after more than one year</b>	14	(9,378,873)	(9,717,076)
<b>Defined benefit pension liability</b>	22	(274,765)	(245,591)
		10,743,573	10,365,251
<b>Total net assets</b>			
<b>Reserves</b>			
Called up share capital	18	12	12
Restricted property reserve	19	8,911,313	9,148,948
Income and expenditure reserve:			
General funds	19	1,382,248	766,291
Designated funds	19	450,000	450,000
		10,743,573	10,365,251
<b>Total Reserves</b>			

The financial statements were approved and authorised for issue by the Board on 27/9/2022.

Signed on behalf of the Board



J Upton MBE  
Chair



L Keen FCA  
Treasurer

The notes on pages Page 25 to Page 43 form part of these accounts.

Company registration number 2769788

Milton Keynes YMCA Limited

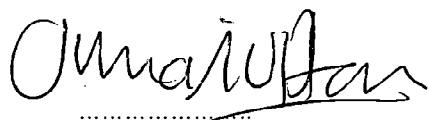
Company Balance Sheet

Year Ended 31 March 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible fixed assets	8	18,944,396	19,275,615
Investments	10	217,538	202,762
		<hr/>	<hr/>
		19,161,934	19,478,377
<b>Current assets</b>			
Debtors	11	338,436	136,043
Cash at bank and in hand		314,152	306,769
		<hr/>	<hr/>
		652,588	442,812
<b>Creditors: amounts falling due within one year</b>	13	(899,320)	(605,379)
		<hr/>	<hr/>
<b>Net current liabilities</b>		(246,732)	(162,567)
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		18,915,202	19,315,810
<b>Creditors: amounts falling due after more than one year</b>	14	(9,144,455)	(9,455,209)
<b>Defined benefit pension liability</b>	22	(143,368)	(119,746)
		<hr/>	<hr/>
<b>Total net assets</b>		9,627,379	9,740,855
		<hr/>	<hr/>
<b>Reserves</b>			
Called up share capital	18	12	12
Restricted property reserve	19	8,911,313	9,148,948
Income and expenditure reserve:			
General funds	19	566,054	441,895
Designated funds	19	150,000	150,000
		<hr/>	<hr/>
<b>Total Reserves</b>		9,627,379	9,740,855
		<hr/>	<hr/>

The financial statements were approved and authorised for issue by the Board on 27/9/2022.

Signed on behalf of the Board



J Upton MBE  
Chair



L Keen FCA  
Treasurer

The notes on pages Page 25 to Page 43 form part of these accounts.

Company registration number 2769788

**Milton Keynes YMCA Limited**

**Consolidated Statement of Changes in Equity**

**Year Ended 31 March 2022**

**Group**

	Called up share capital £	Income and expenditure reserve £	Restricted reserve £	Total £
At 1 April 2020	12	1,046,142	9,386,583	10,432,737
Deficit for the year	-	(67,486)	-	(67,486)
Transfers to/from restricted funds	-	237,635	(237,635)	-
Total comprehensive income for the year	-	170,149	(237,635)	(67,486)
At 1 April 2021	12	1,216,291	9,148,948	10,365,251
Surplus for the year	-	378,323	-	378,323
Transfers to/from restricted funds	-	237,635	(237,635)	-
Total comprehensive income for the year	-	615,958	(237,635)	378,323
As at 31 March 2022	12	1,832,249	8,911,313	10,743,574

**Income and expenditure reserve**

	General funds £	Designated funds £	Total £
At 1 April 2020	596,142	450,000	1,046,142
Deficit for the year	(67,486)	-	(67,486)
Transfers to/from restricted funds	237,365	-	237,365
Total comprehensive income for the year	170,149	-	170,149
At 1 April 2021	766,291	450,000	1,216,291
Surplus for the year	378,323	-	378,323
Transfer to/from restricted reserves	237,635	-	237,635
Total comprehensive income for the year	615,948	-	615,948
At 31 March 2022	1,382,239	450,000	1,832,239

**Milton Keynes YMCA Limited**

**Statement of Changes in Equity**

**Year Ended 31 March 2022**

**Company**

	Called up share capital £	Income and expenditure reserve £	Restricted reserve £	Total £
At 1 April 2020	12	385,167	9,386,583	9,771,762
Deficit for the year	-	(30,907)	-	(30,907)
Transfers to/from restricted reserves	-	237,635	(237,635)	-
Total comprehensive income for the year	-	206,728	(237,635)	(30,907)
At 1 April 2021	12	591,895	9,148,948	9,740,855
Deficit for the year	-	(113,476)	-	(113,476)
Transfer to/from restricted reserves	-	237,635	(237,635)	-
Total comprehensive income for the year	-	124,159	(237,635)	(113,476)
At 31 March 2022	12	716,054	8,911,313	9,627,379

**Income and expenditure reserve**

	General funds £	Designated funds £	Total £
At 1 April 2020	235,167	150,000	385,167
Deficit for the year	(30,907)	-	(30,907)
Transfers	237,635	-	237,635
Total comprehensive income for the year	206,728	-	206,728
At 1 April 2021	441,895	150,000	591,895
Deficit for the year	(113,476)	-	(113,476)
Transfers	237,635	-	237,635
Total comprehensive income for the year	124,159	-	124,159
At 31 March 2022	566,054	150,000	716,054

**Milton Keynes YMCA Limited**

**Consolidated Statement of Cash Flows**

**Year Ended 31 March 2022**

	Note	2022 £	2021 £
<b>Cash flow from operating activities</b>	20	440,144	660,107
Interest paid		(90,200)	(86,879)
		<hr/>	<hr/>
<b>Net cash flow from operating activities</b>		349,944	573,228
		<hr/>	<hr/>
<b>Cash flow from investing activities</b>			
Payments to acquire tangible fixed assets		(283,782)	(482,721)
Payments to acquire investments		-	(120,000)
Interest received		104	402
Income from fixed asset investments		18,335	13,404
		<hr/>	<hr/>
<b>Net cash flow from investing activities</b>		(265,343)	(588,915)
		<hr/>	<hr/>
<b>Cash flow from financing activities</b>			
Repayment of long-term loans		(113,100)	(119,307)
Interest paid		90,200	86,879
Repayments of finance leases		(46,290)	(54,529)
		<hr/>	<hr/>
<b>Net cash flow from financing activities</b>		(69,190)	(86,957)
		<hr/>	<hr/>
<b>Net increase/(decrease) in cash and cash equivalents</b>		15,411	(102,644)
<b>Cash and cash equivalents at 1 April 2021</b>		321,010	423,654
		<hr/>	<hr/>
<b>Cash and cash equivalents at 31 March 2022</b>		336,421	321,010
		<hr/>	<hr/>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		336,421	321,010
		<hr/>	<hr/>
<b>Cash and cash equivalents at 31 March 2022</b>		336,421	321,010
		<hr/>	<hr/>



# Milton Keynes YMCA Limited

## Notes to the Financial Statements

### Year Ended 31 March 2022

#### 1 Summary of significant accounting policies

##### (a) General information and basis of preparation

Milton Keynes YMCA Limited is a private company limited by shares, a registered charity in England and Wales and a private registered provider of social housing in the United Kingdom. The address of the registered office is given in the information on page 3 of these financial statements.

The Registered Social Housing Provider constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2018, and with the Accounting Direction for private registered providers of social housing in England 2019. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the Registered Social Housing Provider, and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

##### (b) Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiary ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the merger method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

##### (c) Tangible fixed assets

Housing properties

Social housing properties are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended such as the cost of acquiring land and buildings, developments costs, interest charges on loans during the development period and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or resulting in a significant extension of the useful economic life of the property.

Major components of housing properties are depreciated at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Structure	60 years
Mechanical & engineering (e.g roofs, lifts)	30 years
Furniture & fittings	10 years
Small/non-integral plant & equipment	6 years

Freehold land is not depreciated. Housing properties under construction are not depreciated until they are in use and the useful economic lives of all tangible fixed assets are reviewed annually.

# Milton Keynes YMCA Limited

## Notes to the Financial Statements

Year Ended 31 March 2022

### 1 Summary of significant accounting policies (continued)

#### (c) Tangible fixed assets (continued)

Other

All assets costing more than £1,000 are capitalised.

Other tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Land	Nil
Fixtures and fittings	6 – 10 years
Computer equipment	3 – 10 years

#### (d) Investment properties

Investment properties have a readily assessable market value and thus the fair value can be measured without undue cost or effort. These properties are therefore measured at fair value at each reporting date with changes in fair value recognised in the statement of comprehensive income. Properties rented to provide social housing are not investment properties.

#### (e) Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in other administrative expenses.

Rights of social landlords to have improvement works carried out to properties by a third party (such as a local authority) are recognised as prepayments where payment has occurred in advance of the works being carried out and receipts in advance from the same third party recognised as liabilities. Assets and liabilities or income and expenditure are not offset.

#### (f) Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value through the statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

#### (g) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date.

If such indication exists, the recoverable amount is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in expenditure through the statement of comprehensive income.

# Milton Keynes YMCA Limited

## Notes to the Financial Statements

Year Ended 31 March 2022

### 1 Summary of significant accounting policies (continued)

#### (h) Provisions

Provisions are recognised when the Registered Social Housing Provider has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

#### (i) Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

#### (j) Tax

No provision has been made for corporation tax or deferred tax as the entity is a registered charity and is therefore exempt.

The activities of the Company are partially exempt from VAT. Expenditure is shown net of VAT and irrecoverable VAT is charged to the Statement Of Comprehensive Income. Irrecoverable VAT which can be attributed to a capital item is added to the cost of the capital item where practicable and material.

#### (k) Turnover and other income

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts. Turnover represents rental and service charges income receivable in the year net of rent and service charge losses from voids, revenue grants from the Government, local authorities, Homes England and other funding bodies.

##### Rendering of services

When the outcome of a transaction can be estimated reliably, turnover from services is recognised by reference to the stage of completion at the balance sheet date. Where the outcome cannot be measured reliably, turnover is recognised only to the extent of the expenses recognised that are recoverable.

##### Interest and dividends receivable

Interest income is recognised using the effective interest method and dividend income is recognised as the Registered Social Housing Provider's right to receive payment is established.

# Milton Keynes YMCA Limited

## Notes to the Financial Statements

Year Ended 31 March 2022

### 1 Summary of significant accounting policies (continued)

#### (l) Grants income

##### Revenue

Grants relating to revenue are recognised in income in the same period as the expenditure when the performance related conditions have been met.

Government grants received as a contribution to revenue expenditure are recognised in the statement of comprehensive income on a systematic basis over the period in which the landlord recognises the related costs for which the grant is intended to compensate. The related expenditure is included under administrative expenses. Grants are recognised in the same period as the related expenditure provided the conditions for receipt have been satisfied and there is reasonable assurance that the grant will be received.

##### Capital

Grants from Homes England Capital Funding and the South East Midlands Local Enterprise Partnership (SEMLEP) have been received in respect of the new building. These grants have been recognised at their fair value of the assets received and receivable. As the related assets are accounted for using the cost model then the government grant is accounted for from first use using the accruals model. The difference between the fair value of the asset and the consideration is recognised as a liability and amortised over the useful economic life of the asset.

#### (m) Employee benefits

The Registered Social Housing Provider operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Milton Keynes YMCA Limited and Northamptonshire YMCA both participated in a multi-employer defined benefit pension plan for employees of YMCAs in England, Scotland and Wales, which was closed to new members and accruals on 30 April 2007. Due to insufficient information, the plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to Milton Keynes YMCA Limited or Northamptonshire YMCA.

As described in note 22 Milton Keynes YMCA Limited and Northamptonshire YMCA have contractual obligations to make pension deficit payments of £22,930 and £21,230 per annum respectively over the period to April 2029, accordingly this is shown as a liability in these accounts. In addition, Milton Keynes YMCA Limited and Northamptonshire YMCA are required to contribute £5,580 and £5,124 per annum respectively to the operating expenses of the pension plan and these costs are charged to the Statement of Comprehensive Income as shown.

#### (n) Restricted Reserves

Restricted reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Restricted reserves include funds raised in response to a specific appeal. Revenue and expenditure cannot be directly set against restricted reserves but is taken through the statement of comprehensive income and then a transfer to restricted reserves is made as appropriate.

#### (o) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs.

Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a financing transaction it is measured at present value.

# Milton Keynes YMCA Limited

## Notes to the Financial Statements

Year Ended 31 March 2022

### 1 Summary of significant accounting policies (continued)

#### (p) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include the company contributions to a multi-employer defined benefit pension scheme and its deficit. Further details can be found in note 22.

### 2 Social housing turnover and costs

Group	2022 £	2021 £
Rents receivable including service charges	2,165,245	2,040,520
Revenue grants receivable	453,082	344,710
Capital grants receivable	160,250	157,847
Other assistance receivable	17,191	24,348
Social housing activity expenditure	(1,038,664)	(875,342)
Operating surplus from social housing activities	1,804,086	1,692,083
Net surplus from social housing activities	123,748	147,816
Void losses	136,306	194,004
Government grants taken to Income	9,296	51,204

### 3 Interest receivable and similar income

	2022 £	Group 2021 £	2022 £	Company 2021 £
Bank interest receivable	104	402	86	318

### 4 Interest payable and similar expenses

	2022 £	Group 2021 £	2022 £	Company 2021 £
Bank loans and overdrafts	90,200	86,879	85,238	81,549

## Milton Keynes YMCA Limited

### Notes to the Financial Statements

#### Year Ended 31 March 2022

#### 5 (Deficit)/surplus

(Deficit)/surplus is stated after (crediting)/charging:

	2022	Group 2021	2022	Company 2021
	£	£	£	£
Auditor's remuneration (including expenses and benefits in kind) for audit	15,796	13,505	12,000	8,905
Auditor's remuneration (including expenses and benefits in kind) for non-audit	4,500	4,090	3,100	2,750
Depreciation of tangible fixed assets	618,328	584,647	615,001	584,647
Operating lease rentals	16,196	9,140	16,196	9,140
(Profit)/loss on fair value movement of investments (note 10)	(552,268)	(71,026)	(14,776)	(36,358)
Government Grants receivable	(9,296)	(51,204)	(9,296)	(51,204)

#### 6 Particulars of administrative expenditure

	2022	Group 2021	2022	Company 2021
	£	£	£	£
Staff salary costs	732,646	568,903	687,762	552,843
Pension costs	131,109	110,613	99,622	77,442
Staff training and welfare	48,744	40,616	48,744	40,616
Hotels, travel & subsistence	2,736	1,618	2,736	1,618
Office costs	128,083	140,345	127,479	139,959
Legal, audit and consultancy costs	66,343	68,870	61,147	62,917
Bad debts and finance charges	33,600	47,080	33,560	46,948
Premises costs	61,123	57,071	61,123	57,071
Depreciation	618,328	584,647	615,001	584,647
Irrecoverable VAT	116,654	83,130	116,654	83,130
	1,939,366	1,702,893	1,853,828	1,647,191

#### 7 Staff costs

The aggregate remuneration of such employees was as follows:

	2022	Group 2021	2022	Company 2021
	£	£	£	£
Wages and salaries	1,125,452	1,010,045	1,125,452	1,010,045
Social security	100,325	87,595	100,325	87,595
Pension costs – defined contributions	48,592	45,878	48,592	45,878
Pension costs – defined benefit	82,517	64,735	51,030	31,564
	1,356,886	1,208,253	1,325,399	1,175,082

## Milton Keynes YMCA Limited

### Notes to the Financial Statements

#### Year Ended 31 March 2022

#### 7 Staff costs (continued)

Both Milton Keynes YMCA and Northamptonshire YMCA participated in the YMCA Pension Plan (Pension Plan) a defined benefit based pension for employees of YMCAs in England. This Pension Plan is now closed to new members however the Charity is still required to contribute their share of the Pension Plan deficit. As a result of the effect of the COVID-19 pandemic on the global economy the valuation of the Pension Plan undertaken on 31 May 2020 showed that the pension deficit had increased from £33.6m to £36M. As a result an increase of £34,284 provision has been made in the accounts of the Group (£27,512 – Company) for their share of the deficit in addition to the annual contribution and administration fee of £58,582 for the Group (£30,451 – Company). The Trustees are optimistic that this situation will be reversed at the next valuation in 2023. By 31 March 2021 the ratio of the value of assets to liabilities of the Pension Fund had increased to 80.0% from 69.0% at the date of the valuation.

The average number of employees, including members of the executive team, calculated on a full time equivalent basis during the year was as follows:

<b>Group and company</b>	2022 Number	2021 Number
Management	3	3
Resident Support	15	12
Fundraising	5	2
Property Services	8	10
Social Enterprise	5	5
Administration	3	3
	<hr/>	<hr/>
	39	35
	<hr/>	<hr/>

The average monthly number of employees, including members of the executive team, during the year was 41 employees (2021 - 35).

No trustee received any remuneration in the year (2021 – £nil).

The number of employees who received more than £60,000 as their employee package (excluding pensions costs) are as follows:

	2022 Number	2021 Number
£70,001 - £80,001	-	1
£80,001 - £90,000	1	-
	<hr/>	<hr/>

The total remuneration for key management personnel amounted to £217,073 (2021 - £224,770).

**Milton Keynes YMCA Limited**

**Notes to the Financial Statements**

**Year Ended 31 March 2022**

**8 Tangible fixed assets**

**Group**

	Housing properties £	Fixtures & fittings £	Computer equipment £	Total £
Cost or valuation:				
At 1 April 2021	18,448,782	1,244,716	221,655	19,915,152
Additions	185,701	68,053	30,028	283,782
	<hr/>			
At 31 March 2022	18,634,483	1,312,769	251,683	20,198,934
	<hr/>			
Depreciation:				
At 1 April 2021	432,751	117,896	44,521	595,168
Charge for the year on owned assets	435,240	137,504	-	572,744
Charge for the year on financial assets	-	-	45,584	45,584
	<hr/>			
At 31 March 2022	867,991	255,400	90,105	1,213,496
	<hr/>			
Net book value:				
At 31 March 2022	17,766,492	1,057,369	161,578	18,985,438
	<hr/>			
At 31 March 2021	18,016,031	1,126,819	177,134	19,319,984

**Land and buildings**

**Group and Company**

The net book value of freehold housing properties land and buildings comprised:

	2022 £	2021 £
Freehold	17,766,492	18,016,031
	<hr/>	<hr/>
Aggregate amount of finance costs included in land and buildings	649,070	649,070
	<hr/>	<hr/>

**Assets held under finance lease**

**Group and company**

The net book value of assets held under finance lease at 31 March 2022 was £97,947 (2021 - £143,531). The depreciation charged on assets held under finance lease in the year to 31 March 2022 was £45,584 (2021 - £27,422).



**Milton Keynes YMCA Limited**

**Notes to the Financial Statements**

**Year Ended 31 March 2022**

**8 Tangible fixed assets (continued)**

**Accumulated social housing grant received or receivable**

**Group and company**

	2022 £	2021 £
At 1 April	3,830,091	3,929,574
Recognised in the Statement of Comprehensive Income	(99,483)	(99,483)
	<hr/>	<hr/>
Held as deferred income at 31 March	3,730,608	3,830,091
	<hr/>	<hr/>

The amount of accumulated social housing grant received or receivable from Homes England Capital Funding recognised in the Statement of Comprehensive Income in the year to 31 March 2022 was £99,483 (2021 - £99,483).

<b>Company</b>	Freehold properties £	Office equipment £	Computer equipment £	Total £
Cost or valuation:				
At 1 April 2021	18,448,782	1,200,346	221,655	19,870,783
Additions	185,701	68,053	30,028	283,782
	<hr/>			
At 31 March 2022	18,634,483	1,268,399	251,683	20,154,565
	<hr/>			
Depreciation:				
At 1 April 2021	432,751	117,896	44,521	595,168
Charge for the year on owned assets	435,240	134,177	-	569,417
Charge for the year on financial assets	-	-	45,584	45,584
	<hr/>			
At 31 March 2022	867,991	252,073	90,105	1,210,169
	<hr/>			
Net book value:				
At 31 March 2022	17,766,492	1,016,326	161,578	18,944,396
	<hr/>			
At 31 March 2021	18,016,031	1,082,450	177,134	19,275,615
	<hr/>			

## Milton Keynes YMCA Limited

### Notes to the Financial Statements

#### Year Ended 31 March 2022

#### 9 Tangible fixed assets – Investment Properties

##### Group

The net book value of freehold investment properties land and buildings comprised:

	Freehold Investment Property £
As at 1 April 2021	825,000
Surplus on revaluation	525,000
	<hr/>
As at 31 March 2022	1,350,000

##### Tangible fixed assets held at valuation at 31 March 2022 Group

The historic cost equivalent of land and buildings included at valuation are as follows:

	Investment properties £	2022 and 2021 Land & buildings £
Cost and net book value	1,416,789	-
	<hr/>	

##### Valuation of Investment properties

The valuation at 31 March 2022 was made by the Trustees on an open market value for existing use basis. The trustees do not believe that the market value at 31 March 2022 of the investment properties is materially different to the valuation at 31 December 2021.

The Northamptonshire YMCA investment properties at Derngate were revalued at 31 December 2021 by professional valuers Kirkby Diamond. This was valued on an open market value basis for existing use.

#### 10 Fixed asset investments

	Group Listed investments £	Company Listed investments £
Cost or valuation		
At 1 April 2021	327,081	202,762
Additions	-	-
Revaluation	17,268	14,776
	<hr/>	<hr/>
At 31 March 2022	344,349	217,538
	<hr/>	<hr/>
Carrying amount:		
At 31 March 2022	344,349	217,538
At 31 March 2021	327,081	202,762
	<hr/>	<hr/>

The fair value of listed investments for the Group and Company is determined by reference to the market value at the balance sheet date. All the fixed asset investments are held in the UK.

## Milton Keynes YMCA Limited

### Notes to the Financial Statements

#### Year Ended 31 March 2022

#### 11 Debtors

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors (gross social housing rent arrears)	154,462	128,119	154,462	128,119
Less provision for doubtful debts	(71,589)	(42,476)	(71,589)	(42,476)
Trade debtors (others)	154,381	4,211	154,066	4,211
Amounts owed by group undertakings	-	-	962	5,201
Other debtors	3,791	3,504	3,791	3,504
Prepayments and accrued income	109,478	58,981	96,744	37,484
	<b>350,523</b>	<b>152,339</b>	<b>338,436</b>	<b>136,043</b>

#### 12 Current asset investments

Group	2022	2021
	£	£
Listed investments	-	60,000

The fair value of listed investments is determined by reference to the market value at the balance sheet date.

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

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	181,932	32,445	154,937	-
Trade creditors	194,804	184,282	184,826	172,143
Rents paid in advance	45,316	48,351	45,316	47,756
Finance lease obligations	-	46,290	-	46,290
Tax and social security	31,271	22,454	31,271	22,454
Pension creditor	44,161	39,059	22,931	19,049
Other creditors	12,000	12,000	12,000	12,000
Accruals and deferred income	460,036	292,615	448,039	285,687
	<b>969,520</b>	<b>677,496</b>	<b>899,320</b>	<b>605,379</b>

The Company and Group have a bank loan of £4.4m from Charities Aid Foundation Bank repayable over 25 years from March 2020 with an initial 24-month repayment holiday. It is repayable at an interest rate of 1.75% above the bank's base rate and is secured with a debenture on 1 North Sixth Street, Milton Keynes.

The Group has three bank loans secured on the property at 47 - 49 Derngate, Northampton.

- A loan of £363,075 with National Westminster Bank is repayable over 25 years from December 2006. It is repayable at an interest rate of 1.5% above the bank's base rate.
- A loan of £125,000 with National Westminster Bank is repayable over 15 years from September 2007. It is repayable at an interest rate of 1.5% above the bank's base rate.
- A loan of £252,000 with National Westminster Bank is repayable over 25 years from May 2010. It is repayable at an interest rate of 1.77% above the bank's base rate.

**Milton Keynes YMCA Limited**

**Notes to the Financial Statements**

**Year Ended 31 March 2022**

**14 Creditors: amounts falling due after more than one year**

	2022	Group	2022	Company
	£	2021	£	2021
		£		£
Bank loans	4,479,481	4,661,867	4,245,063	4,400,000
Finance lease obligations	-	-	-	-
Accruals and deferred income	4,899,392	5,055,209	4,899,392	5,055,209
	<u>9,378,873</u>	<u>9,717,076</u>	<u>9,144,455</u>	<u>9,455,209</u>

Accruals and deferred income includes grants in support of the capital costs of the new campus of £3,730,609 (2021 - £3,830,091) from Homes England and £728,357 (2021 - £747,779) from the South East Midlands Local Enterprise Partnership. These will be released over the useful life of the assets that they relate to.

Included within the above are amounts falling due as follows:

	2022	Group	2022	Company
	£	2021	£	2021
		£		£
Between one and two years:				
Bank loans	190,839	182,483	157,827	154,937
Finance lease obligations	-	-	-	-
Accruals and deferred income	371,472	371,106	371,472	371,106
	<u>562,311</u>	<u>553,589</u>	<u>529,299</u>	<u>526,043</u>

Between two and five years:

	2022	Group	2022	Company
	£	2021	£	2021
		£		£
Bank loans	566,151	554,680	491,371	482,371
Accruals and deferred income	481,336	480,318	481,336	480,318
	<u>1,047,487</u>	<u>1,034,998</u>	<u>972,707</u>	<u>962,689</u>

Over five years:

	2022	Group	2022	Company
	£	2021	£	2021
		£		£
Bank loans	3,722,491	3,924,704	3,595,865	3,762,692
Accruals and deferred income	4,046,586	4,203,785	4,046,586	4,203,785
	<u>7,769,077</u>	<u>8,128,489</u>	<u>7,642,451</u>	<u>7,966,477</u>

# Milton Keynes YMCA Limited

## Notes to the Financial Statements

Year Ended 31 March 2022

### 15 Finance leases

#### Group and Company

Total future minimum lease payments are as follows:

	2022 £	2021 £
Within one year	-	46,290
Between two and five years	-	-
	<hr/>	<hr/>
	-	46,290
	<hr/>	<hr/>

### 16 Commitments under operating leases

The future minimum lease payments under non-cancellable operating leases are as follows:

#### Group

	2022 £	2021 £
Not later than one year	16,120	16,496
Later than one and not later than five years	53,450	57,006
Later than 5 years	12,564	25,128
	<hr/>	<hr/>
	82,134	98,630
	<hr/>	<hr/>

#### Company

	2022 £	2021 £
Not later than one year	15,820	16,196
Later than one and not later than five years	52,550	55,806
Later than 5 years	12,564	25,128
	<hr/>	<hr/>
	80,934	97,130
	<hr/>	<hr/>

## Milton Keynes YMCA Limited

### Notes to the Financial Statements

#### Year Ended 31 March 2022

#### 17 Deferred grant income

##### Group and Company

	2022 £	2021 £
At 1 April 2021	4,606,181	4,725,419
Grants received in the year	29,131	162,983
Released to income during the year	(147,203)	(282,221)
	<hr/>	<hr/>
At 31 March 2022	4,488,109	4,606,181
	<hr/>	<hr/>
Amounts to be released within one year	148,048	147,216
Amounts to be released in more than one year	4,340,061	4,458,965
	<hr/>	<hr/>
	4,488,109	4,606,181
	<hr/>	<hr/>

#### 18 Share capital

Ordinary shares of £1 each

	Number	£
Allotted called up and fully paid At 1 April 2021 and 31 March 2022	12	12
	<hr/>	<hr/>

#### 19 Reserves

##### a) Income and expenditure reserve

The income and expenditure reserve represents cumulative surpluses and deficits net of other adjustments.

##### b) Revaluation reserve

The revaluation reserve represents the cumulative effect of revaluations of investment properties on an annual basis.

##### c) Restricted reserve

The restricted reserves have restrictions on how the reserves can be released.

- The restricted property reserve results from the sale of the original YMCA properties.

##### d) Designated reserves

The designated reserves are where the trustees have set aside amounts for a particular purpose.

- The Cyclical Repairs fund has been set up for the long-term maintenance of property and the refurbishment of certain residential flats
- The New Services fund was formed to set aside monies to expand services for young people of Milton Keynes, Northamptonshire and the surrounding area.

**Milton Keynes YMCA Limited**

**Notes to the Financial Statements**

**Year Ended 31 March 2022**

**19 Reserves (continued)**

**Designated Reserves**

**Group**

	Balance 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance 31 March 2021 £
Cyclical Repairs fund	200,000	-	-	-	200,000
New Services fund	250,000	-	-	-	250,000
<b>Total designated funds</b>	<b>450,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>450,000</b>

	Balance 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance 31 March 2022 £
Cyclical Repairs fund	200,000	-	-	-	200,000
New Services fund	250,000	-	-	-	250,000
<b>Total designated funds</b>	<b>450,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>450,000</b>

**Designated Reserves**

**Company**

	Balance 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance 31 March 2021 £
Cyclical Repairs fund	-	-	-	-	-
New Services fund	150,000	-	-	-	150,000
<b>Total designated funds</b>	<b>150,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>150,000</b>

	Balance 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance 31 March 2022 £
Cyclical Repairs fund	-	-	-	-	-
New Services fund	150,000	-	-	-	150,000
<b>Total designated funds</b>	<b>150,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>150,000</b>

**Milton Keynes YMCA Limited**

**Notes to the Financial Statements**

**Year Ended 31 March 2022**

**20 Reconciliation of operating (deficit)/surplus to cash flow from operating activities**

	2022 £	2021 £
<b>Surplus/(Deficit) for the year</b>	378,323	(67,486)
Interest received	(104)	(402)
Interest payable	90,200	86,879
Income from fixed asset investments	(18,335)	(13,404)
Depreciation and impairment of tangible fixed assets	618,328	584,647
(Gain)/losses on investments	(552,268)	(71,026)
Proceeds of sale of investments	60,000	-
(Increase)/decrease in trade and other debtors	(198,184)	208,332
Increase/(decrease) in trade and other creditors	33,010	(84,995)
Increase/(decrease) in pension deficit	29,174	17,562
	<hr/>	<hr/>
<b>Net cash flow from operating activities</b>	440,144	660,107
	<hr/>	<hr/>

**21 Analysis of changes in net debt**

	Balance at 1 April 2021 £	Cash flows £	Balance at 31 March 2022 £
Long-term borrowings	(4,661,867)	182,386	(4,479,481)
Short-term borrowings	(32,445)	(149,487)	(181,932)
Lease liabilities	(46,290)	46,290	-
	<hr/>	<hr/>	<hr/>
<b>Total liabilities</b>	(4,740,602)	79,189	(4,661,413)
Cash and cash equivalents	321,010	15,411	336,421
	<hr/>	<hr/>	<hr/>
<b>Total net debt</b>	(4,419,592)	94,600	(4,324,992)
	<hr/>	<hr/>	<hr/>

**22 Pensions and other post-retirement benefits**

a) Defined contribution pension plans

Group and company

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £48,592 (2021 - £45,878).

Contributions totalling £nil (2021 - £9) were payable to the fund at the reporting date and are included in creditors.



## Milton Keynes YMCA Limited

### Notes to the Financial Statements

#### Year Ended 31 March 2022

#### 22 Pensions and other post-retirement benefits (continued)

##### b) Defined benefit pension plans

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

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

The valuation prepared as at 1 May 2020 showed that the Pension Plan had a deficit of £36 million. Milton Keynes YMCA Limited and Northamptonshire YMCA have been advised that they will need to make annual contributions of £22,930 and £21,230 respectively from 1 May 2022. This amount is based on the current actuarial assumptions (as outlined above) and may vary in the future as a result of actual performance of the Pension Plan. The current recovery period is 7 years commencing 1st May 2022.

In addition, Milton Keynes YMCA Limited and Northamptonshire YMCA may have over time liabilities in the event of the non-payment by other participating YMCAs of their share of the Pension Plans deficit. It is not possible currently to quantify the potential amount that Milton Keynes YMCA Limited and Northamptonshire YMCA may be called upon to pay in the future.

##### Group

	Within one year	One to two years	Two to five years	After 5 years	After more than one year	Total	Total
					Total	2022	2021
	£	£	£	£	£	£	£
As at 31 March 2022	44,160	44,697	135,234	94,835	274,765	318,925	
As at 31 March 2021	39,050	38,467	112,058	95,066	245,591		284,641

##### Company

	Within one year	One to two years	Two to five years	After 5 years	After more than one year	Total	Total
					Total	2022	2021
	£	£	£	£	£	£	£
As at 31 March 2022	22,930	23,322	70,563	49,483	143,368	166,298	
As at 31 March 2021	19,040	19,040	57,120	43,586	119,746		138,786

## Milton Keynes YMCA Limited

### Notes to the Financial Statements

#### Year Ended 31 March 2022

#### 23 Restricted Grant Funds

YMCA MK gratefully acknowledges the financial support from all the individuals and businesses who helped fund our new campus. Where restrictions were placed on the use of financial contributions these amounts have been allocated against fixtures & fittings purchases and included within restricted deferred capital grants to be released over the life of the assets.

There are too many generous contributions for all of them to be listed in these financial statements. Key grants are as follows:

##### Capital Grants

###### Homes England Capital Funding

YMCA MK received £3,929,574 of capital grant funding towards the provision of the 106 affordable rent self-contained independent living flats at the new campus. The grant was allocated in full against housing properties purchases. The grant is held as a restricted deferred capital grant to be released over the life of the assets. £99,482 (2021 - £99,483) has been released in the year.

###### South East Midlands Local Enterprise Partnership (SEMLEP)

The South East Midlands Local Enterprise Partnership (SEMLEP) awarded the Charity a capital grant of £767,202 towards the construction costs of the social enterprise areas of the campus. The grant was allocated in full against housing properties purchases. The grant is held as a restricted deferred capital grant to be released over the life of the assets. £19,422 (2021 - £19,423) has been released in the year.

###### Garfield Weston Foundation

The Charity received £50,000 from the Garfield Weston Foundation towards the capital costs of the Residents' Lounge. This project was completed in August 2020; The grant is held as a restricted deferred capital grant to be released over the life of the assets. £678 (2021 - £496) has been released in the year.

###### Wolfson Foundation

YMCA MK received £50,000 from the Wolfson Foundation towards capital costs of the internal construction of the Youth Hub. The grant is held as a restricted deferred capital grant to be released over the life of the assets.

###### MK Community Foundation

The charity received £32,263 from the Wolfson Foundation towards capital costs of the internal construction of the Youth Hub. The grant is held as a restricted deferred capital grant to be released over the life of the assets.

###### SEMLEP

SEMLEP gave YMCA MK a £46,322 Recovery and Resilience Grant towards internal construction of the Youth Hub and Conferencing Break out Space. The grant is held as a restricted deferred capital grant to be released over the life of the assets.

##### Revenue Grants

###### The National Lottery Community Fund

YMCA MK has been awarded grant funding from The National Lottery Community Fund of £498,849 over three years commencing in December 2019 towards our 'Under One Roof' project. During the year to 31 March 2022 the Company recognised £152,408 of grant income against expenditure incurred (2021 – £164,394).

###### Garfield Weston Foundation

YMCA MK has been awarded grant funding from Garfield Weston of £20,000 towards core costs

###### NHS BLMK Clinical Commissioning Group

YMCA MK received grant funding from NHS BLMK Clinical Commissioning Group of £97,158 towards employment and activities work as part of their suicide prevention offer

###### NHS Charities Together

YMCA MK received grant funding from NHS Together of £58,650 to fund Complex needs and the Hospital Navigator project

## Milton Keynes YMCA Limited

### Notes to the Financial Statements

#### Year Ended 31 March 2022

#### 24 Capital funding and commitments

	2022	2021
	£	£
Capital expenditure that has been contracted for but has not been provided for in the financial statements	-	37,988

#### 25 Related party transactions

Milton Keynes YMCA Limited has a management service agreement with Northamptonshire YMCA. During the year there were amounts totalling £48,029 (2021 - £19,915) invoiced to Northamptonshire YMCA for accounting and management services. At the year end, there was £962 (2021 - £5,201) owed to Milton Keynes YMCA Limited from Northamptonshire YMCA. These balances are eliminated on consolidation.

#### 26 Financial instruments

The carrying amounts of the Group's financial instruments are as follows:

Group	2022	2021
	£	£
Financial assets		
Measured at fair value through the statement of comprehensive income:		
- Fixed asset listed investments (note 11)	344,349	387,081
Debt instruments measured at amortised cost:		
- Trade debtors (note 12)	237,254	89,854
- Other debtors (note 12)	3,791	3,504
	241,045	93,358
Financial liabilities		
Measured at amortised cost		
- Trade creditors (note 13)	194,804	184,282
- Other creditors (note 13)	58,150	51,059
	252,954	235,341

The income, expenses, net gains and net losses attributable to the Group's financial instruments are summarised as follows:

	2022	2021
	£	£
Net gains and losses (including changes in fair value)		
Financial assets measured at fair value through the statement of comprehensive income	552,268	71,026