

YMCA

Here for young people
Here for communities
Here for you

Annual Report *and* Accounts

2023-24



EVERYONE
SHOULD
HAVE A
FAIR CHANCE
TO DISCOVER
WHO THEY
ARE AND
WHAT THEY
CAN BECOME.

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Welcome

to the Annual Report for the National Council of YMCAs

2023-24 has been a year of challenge, celebration and of change. It has seen communities battling with a cost of living crisis so severe that many have been unable to meet the cost of essentials like food and energy; combined with an ongoing short supply of affordable homes and spiralling rental costs that have left far too many people struggling to keep a roof over their heads. Young people have been particularly and disproportionately affected by the impact of these issues.

All of this has led to a marked increase in demand for YMCA services; a challenge that YMCAs have risen to across our communities in England and Wales. Every day, through our services and projects, YMCA staff and volunteers work tirelessly to be part of the solution; helping people to escape homelessness, tackle mental health issues; offering financial advice and support; and providing the education and training to help people back into meaningful work.

Beyond these direct services, YMCA also extended its support by launching ahead of the General Election in 2024, its manifesto to call for and enact real change on many of these critical issues. Developed alongside the people YMCA serves, our manifesto sets the key areas of focus for the new Government with tangible and evidenced asks that would make a significant positive difference to the lives of many in our communities.

Alongside this external facing work, we have also continued developing and implementing through our Federation Strategy, our own bold blueprint for how we all want YMCA to **collaborate** between now and 2030, **and integrating this with that of the Global Vision 2030**. So much has been achieved in the past year across our four key themes of Leadership & Influence, Excellence and Impact, Growth & Reach, and Awareness and Support, as we forge forward to deliver this collective vision for our Federation, but recognising there remains much to do.

It must also be acknowledged, however, that the additional demand placed on our services at a time when funding has increasingly reduced or disappeared, has created a significant challenge for many YMCAs during 2023-24. YMCA England & Wales as the National Council is committed to 'support, represent and develop' the Federation as we work through these challenges and meet the impact of wider economic, political and societal difficulties.

This support must come from a base of financial sustainability, and National Council has been successful over the past year to continue to improve its reserves position - increasing from £8.5m in at the end of 2022/23 to £11.8m as of 31 March 2024. This rise is attributed to tight budgetary control leading to an operating surplus of £0.04m, gains on market value of investments of £0.6m, and a decrease in future pension scheme commitments of £2.8m.

Total income has increased from £21.7m in 2023 to £22.6m, and though expenditure has also increased for 2023-24 (to £22.5m), this is in part due to a rise in retail spend as part of a strategic approach and investment in securing quality retail units, with average weekly income for shops continuing to increase.

Our collective focus for the future remains as ever on maintaining and growing these results so that YMCA England & Wales can continue to support the reach and impact of local YMCAs. As we navigate a new financial year, with a new Government in place and a clear vision and strategy for the future, it feels a unique opportunity for us to look back at what has been achieved and overcome, while also looking ahead to our ambitions for YMCA. Let us learn from 2023-24, and use that learning to do more and better into the next 180 years.

Roy O'Shaughnessy
Chair
YMCA England & Wales

Denise Hatton
National Secretary & Chief Executive
YMCA England & Wales

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YMCAs

**PROVIDE
SERVICES
THROUGHOUT
ENGLAND
AND WALES**

**YMCA IMPACTS
UPON THE LIVES
OF MORE THAN**

375,000

**YOUNG
PEOPLE**

EACH YEAR

688

**DIFFERENT
COMMUNITIES**

**NATIONWIDE
ARE SERVED BY
YMCA**

YMCA IS THE LARGEST VOLUNTARY SECTOR PROVIDER OF SUPPORTED HOUSING FOR YOUNG PEOPLE IN ENGLAND AND WALES, PROVIDING 9,466 BEDS EACH NIGHT AND COLLECTIVELY HOUSING 20,357 PEOPLE AS THEY BUILD THEIR LIVES FROM A STABLE BASE

YMCA COLLECTIVELY WORKS WITH 166,039

YOUNG PEOPLE, CHILDREN, PARENTS AND CARERS TO PROVIDE THE BEST POSSIBLE START IN LIFE, PROVIDING A SAFE SPACE FOR 34,698 YOUNG PEOPLE THROUGH OUR EXTENSIVE YOUTH SERVICES OFFERING

WELLBEING IS A CRUCIAL FOUNDATION THAT ENABLES PEOPLE TO DEVELOP IN ALL AREAS OF THEIR LIVES. YMCA WELCOME 63,205 PEOPLE THROUGH OUR DOORS TO FORM COMMUNITY CONNECTIONS AND TAKE PART IN HEALTHY LIVING ACTIVITIES

YMCA BREAKS DOWN BARRIERS TO EDUCATIONAL SUCCESS AND EMPLOYMENT OPPORTUNITIES SO THAT PEOPLE CAN FULFIL THEIR POTENTIAL AND GAIN MEANINGFUL EMPLOYMENT, ENGAGING 20,391 PEOPLE THROUGH OUR TRAINING AND LEARNING PROGRAMMES

YMCA CONNECTS MORE THAN 36,000 YOUNG PEOPLE WITH SOMEONE TO TALK TO OR A HELPING HAND, OFFERING SPECIALIST GUIDANCE AND PRACTICAL SKILLS TO BEST EQUIP THEM TO OVERCOME WHATEVER CHALLENGES THEY MAY FACE

31

YOUTH AMBASSADORS RECRUITED AND ENGAGED WITH THE PROGRAMME

17

REFERENCES TO YMCA WORK IN PARLIAMENT

1,000

MORE THAN 1,000 NEW CAMPAIGNERS

1,913

PETITION SIGNATURES IN SUPPORT OF MORE AFFORDABLE HOUSING

1,318

YOUNG PEOPLE INVOLVED IN OUR POLICY AND RESEARCH WORK

YMCA England & Wales

YMCA is the oldest and largest youth charity in the world, with our foundations first rooted in England in 1844. With its origins in London, across the globe YMCA passionately helps more than 58 million people across 119 different countries. YMCA England & Wales (the National Council of YMCAs) provides support, representation and development on behalf of 83 local YMCAs working in almost 740 different communities to intensively support young people and communities so that they have an opportunity to truly belong, contribute and thrive in today's society. YMCAs provide services across five core areas, namely the provision of accommodation, training and education, family work, health and wellbeing and support and advice. Few organisations can claim to have the 'reach' of the YMCA, with international, national and local services tailored to meet the different needs of communities across the globe.

YMCA England & Wales is **committed to supporting YMCAs** and promoting high standards of work. We achieve this by sharing practices, implementing core requirements through membership agreements, providing expert intervention and support whenever needed but also through risk management. Our fundraising efforts, including operating retail shops in local communities, not only generating financial but also non-financial benefits in the form of local employment and connecting people with essential services. In addition to our support, we collaborate with YMCAs to explore new opportunities. This includes funded initiatives like Y-Girls and Girls Move, corporate partnerships such as Sidley, Cadent, and Vestey Holdings, as well as training and knowledge sharing for staff and volunteers. Our support extends beyond the UK, as we distributed funding to provide direct assistance to YMCA Europe to aid with the challenges in Ukraine. Depending on need, our support can take many forms including financial, human resources, press and communications, business modelling or governance support. We also support YMCAs in acting in the role of Principal Employer for pensions matters – and where requested provide direct services such as payroll and HR.

YMCA England & Wales **represents YMCAs** by advocating for the needs of the most vulnerable individuals. We engage with government, key policymakers, and national media to influence and shape the future agenda. Throughout the year, we have campaigned on various important issues, including accommodation challenges for young people, the impact of living costs on households, and the underfunding of the early years sector. We strive to influence the outcome of government funding decisions and targeted funding allocations such as the Youth Investment Fund and levelling up funding. While driving our national flagship campaigns, we also ensure that our local YMCAs maintain connections with our European and International movements, connecting with World Vision 2030 and the drive to connect our work and demonstrate the global impact of YMCA.

To **develop YMCAs**, we encourage collaborative efforts on joint opportunities. Our Federation Strategy reflects our collective ambition, with priority areas relating to brand amplification, housing growth, business models and viability, and strengthening our own ethos and culture. This work builds upon local efforts and enables YMCAs to expand together and reach more beneficiaries in diverse communities. Additionally, we foster partnerships that generate opportunity and develop collective tools for better articulating our impact that demonstrate the value of YMCAs in our society, engaging in wider opportunity that will further the work that we do.

Strategic Report

Public Benefit

We have no doubt that our activities provide significant public benefit with nearly 600,000 people reached by the services that YMCA provides. The work of YMCA makes a tangible difference in the lives of young people and communities every day. This is recognised in numerous inspiring stories from beneficiaries whose lives have been transformed by the support and services provided by YMCA. We acknowledge that the success of YMCA is thanks to the dedication of our staff and volunteers, as well as the generosity of our supporters which provide the foundations for our work.

Role of the National Council of YMCAs (YMCA England & Wales)

The role of National Council is to **support, represent and develop** and can be best summarised in the table below:

Uphold membership standards

To oversee and monitor the implementation of the Membership Agreement to deliver a common approach to standards across the YMCA Federation.

Heritage

As the stewards of YMCA’s heritage, to protect, enhance and enrich our history.

Assurance, risk and compliance

To deliver a high level of confidence across the Federation in relation to agreed compliance levels being achieved and identifying potential areas of concern.

Strategy and growth

To facilitate and promote strategies within the YMCA movement that provide for growth, innovation and collaboration across the Federation.

Intervention and support

To ensure potential risks are mitigated through intervention and support.

Impact measurement

To establish a number of coherent key impact measurement indicators across the main work areas to show the overall impact of YMCA work throughout England and Wales.

Policy, research and advocacy

To effect positive change on key policy areas impacting upon the work that matters most to the YMCA Federation and our beneficiaries.

International, democracy and engagement

To represent YMCAs across England and Wales on the international stage, and to facilitate opportunities for all member YMCAs to engage and contribute to the future direction of the Federation.

Press, campaigns, brand and communications

To promote the work of YMCA, its positive impact upon the lives of our beneficiaries, and ensuring a high level of recognition of YMCA’s brand.

Financial sustainability

There are four components to financial sustainability covering pensions management; fundraising, including business development; retail; and value for money

Faith

To ensure the Federation has the resources, thinking and strategy to hold its Christian identity and apply that in the 21st century; enabling the Federation to deepen bonds of unity; and for faith to find its place in our local, regional, and national identity

Strategic Objectives

2022-2030 Federation Strategy

The Federation Strategy sets out the collective ambition for all YMCAs across England and Wales, highlighting the areas where, by working together, we can have greatest impact. This sets out an ambitious agenda of change and a copy of the 2022-2030 Federation Strategy can be accessed [here](#).

During 2023-24 a number of priority areas have been progress including furthering our agenda to progress activity in relation to housing growth to meet beneficiaries needs commissioning work on a theory of change in relation to supported housing and developed of growth strategy, concluding an independent study in relation to business models, viability and risk (with a nested study looking at the challenges in Wales), tools to deliver a YMCA ethos and culture with programmes in relation to induction and leadership development, as well as tools to embed culture as well as ensuring that our contribution, is recognised through brand amplification. By pursuing the Federation Strategy of collective ambition, it is planned that YMCAs will be able to deliver more work, which in turn will further fulfil the ambition set out in the international YMCA 2030 Vision with priorities for: a just world; a sustainable planet, a meaningful work and community wellbeing. Further information on World Vision 2030 for all YMCAs across the globe can be accessed [here](#).

National Council of YMCA: 2022-2030 Strategy

Whilst recognising that the National Council has a key role to play in the delivery of the Federation Strategy's collective ambition, we are also mindful of our day-to-day role in relation to support, represent and develop, as set out in our Governing documents and indeed our need to be exemplary in all that we do. To reflect the different aspects of our work the National Council Strategy reflects this with three pillars:

- **Pillar 1:** Recognising our role in contributing to the Federation Strategy.
- **Pillar 2:** Recognising our foundational role in relation support, develop and represent to member YMCAs.
- **Pillar 3:** Recognising our own charity in our own right and being exemplary in everything that we do.

In relation to our contribution to the Federation Strategy, the Board determined that the National Council should adopt the Federation goals, strategies and objectives in full, and in this way recognise our part in driving forward this collective ambition. A copy of the National Council's Strategy 2022-2030 can be accessed [here](#).

The goals set out in the National Council Strategy are underpinned by strategies and objectives that take forward each of these goal areas. The priorities for action are then reflected in our Business Plan, which ensures that the strategy is taken forward and resources allocated. Progress against the 2023-24 Business Plan is reported in the section 'Review of Achievements'.

Review of Achievements

2023-24 has been mixed in many ways with activities with progression both in terms of joining up activity and in pursuing the collective ambition in the Federation Strategy, but also a year of challenge with no single organisation immune from higher interest rates, higher costs, increased staffing challenge and an increasingly difficult funding environment. This has required periodic intervention and support to aid YMCAs to navigate difficult times. Overall, however 2023-24 has been positive with increased income growth, and increased services into communities with YMCAs continuing to demonstrate resilience. As such, YMCA continues to do more in communities.



In relation to the National Council of YMCAs we have continued to progress the tri-partite aims of increasing distributions to the Federation, building our own capacity and yet ensuring our own solvency. In this regard 2023-24 provided for distributions to YMCAs of £1.2m (with the Federation agreeing to invest more into RoomSponsor fundraising for greater future return), investment in capacity to further the Federation Strategy and yet with the balance sheet position strengthening further due to the outcomes of the triennial review. In relation to Board investment decisions these have included work on leadership development, induction, theory of change, aligning activity to Vision 2030 and impact measurement, housing growth and the development of strategy alongside additional networks and increased intervention and support. These investments were in addition to that which has seen the implementation of Y-Hub (an internal app-based tool providing for connectivity), strategy development and commissioned expertise to review the viability of YMCAs and advise on change, as well as furthering our own work on impact measurement. This was achieved in the face of a difficult fundraising environment, but with our retail shops performing exceptionally well and improvements in both the pension position and our investments, it has meant that these could be absorbed whilst still increasing net reserves.

2023-24 Business Plan Performance

An assessment against the 2023-24 Business Plan priorities external in focus is set out below:

PILLAR 1

Contribution to the Federation Strategy

GOAL A | Leadership and Influence: Lead change that brings about a more just, inclusive, and equitable future

- ▶ Establish the Reputation Amplification Project Group to deliver priorities of Federation Strategy: Established
- ▶ Finalise development of Y-Hub and launch at National Conference and across wider Federation: Y-Hub was launched at National Conference in July
- ▶ Policy Briefs to be fully implemented by the end of June 2023: Policy briefs have been completed and are available on Y-Hub
- ▶ Produce three reports and associated campaigns, building on the previous year's campaigns and pillar 1 of the Federation Strategy: Early Years Funding, Breaking Barriers to Work, and Winning Hearts & Minds reports published.
- ▶ Increase our Parliamentary presence and activity through the recruitment of an additional ten Parliamentary Patrons, including increased questions and mentions in Parliament and Westminster Hall: on-going, reviewing our Parliamentary Patrons to identify key potential and looking longer.
- ▶ Deliver a perceptions survey report on attitudes to YMCA within local authorities: Results trialled at the National Conference and being converted into a fuller report.
- ▶ Recruit and train more Youth Ambassadors and continue participation in the All-Party Parliamentary Group on Youth Affairs: Completed with new Youth Ambassadors recruited. Training schedule for the year is in place with one on public speaking already having taken place.
- ▶ Facilitate establishment of the Ethos Working Group and representation in the group: Working group established and meeting and considering where to focus - ethos, culture or tools to embed culture. New leadership development and induction programmes commissioned.
- ▶ Ensure the current work on EDI and heritage are connected to the work of the Ethos Group: Work on EDI and heritage connected into the Ethos Group with work on-going.
- ▶ Facilitate an action plan from the Ethos Project Group and look to implement actions: see above (with many actions implemented).

Goal B | Excellence and Impact Transform lives with programmes that are second to none in quality.

- ▶ Launch the third dashboard on Family & Youth Work and begin the work around the fourth dashboard on Support & Advice: third dashboard on Family & Youth Work is complete but its launch has been delayed to enable more data from YMCAs to be incorporated into the figures. Fourth dashboard on Support & Advice underway.
- ▶ Increase YMCAs engaged in the impact measurement dashboards: Trust Impact attending National Conference to speak to YMCAs (particularly those not yet engaged).
- ▶ Launch Y-Hub in July 2023: Y-Hub launched at National Conference in July 23.
- ▶ Engage Youth Ambassadors and those with lived experiences in the Federation strategy priorities for programme development that affect them: Youth Ambassadors engaged with much of our work, contributing to it and drawing on their own life experiences. They remain a focal point in our representation on and work for the APPG on Youth Affairs with two supporting the MPs inquiry into young people and the skills gap.
- ▶ Hold appropriate Federation facing forums to enable inclusive conversations: on-going. Meetings on matters of interest to the Federation remain a core focus of what we do with events on early years funding, 16/17 regulations in supported housing, National Citizen Service, Renters Reform Bill and Youth Investment Fund.

Goal C | Growth and Reach: Provide more support in more places, to more people, where there is unmet need

- ▶ Establish the Housing Development Project Group to deliver priorities of the Federation Strategy: meetings held with a high-level draft strategy document developed based on the initiatives framework. Now undertaken analysis to identify a partner to support the development of an overarching Growth Strategy, with milestones and operational delivery objectives. Review of current Supported Housing delivery models and development of a theory of change to enable best practice and impact measurement within a common framework commissioned.
- ▶ To facilitate the development of an action plan and support implementation of the plan deliver the priorities of the Federation Strategy (commissioned theory of change for housing support): as above.
- ▶ Establish the Business Models Project Group to deliver priorities of the Federation Strategy: Group established, and work programme developed, with findings from an external review (Bayes) recently shared with the Federation.
- ▶ To facilitate the development of an action plan and support implementation of the plan to deliver the priorities of the Federation Strategy: Consultants commissioned, and work having now concluded. Outcomes in the process of being shared with YMCAs.



Goal D | Awareness and Support: Achieve high levels of public understanding of the issues people and communities face, driving urgency, support, and empathy for others so that the public shares and supports our goal

- ▶ Establish the Reputation Amplification Project Group: Completed
- ▶ To facilitate the development of an action plan and support implementation of the plan to deliver the priorities of the Federation Strategy: Work on-going
- ▶ Launch Y-Hub in July 2023 to provide the basis for collaboration on communication: Y-Hub was launched in July.
- ▶ To facilitate the development of an action plan and support implementation of the plan to deliver the priorities of the Federation Strategy: Work on-going, with a review of Federation Strategy progress and priorities planned for September 2024.



PILLAR 2

Foundational Activity

GOAL A | Improving Democratic Coherence To represent YMCAs on the international and national stage and to facilitate opportunities for all member YMCAs to engage and contribute to the future direction of the federation

- ▶ Ensure representation and participation at YMCA Europe General Assembly/50th anniversary event in Berlin in June 2023: Completed
- ▶ Continue to integrate and align strategies at World, Area, National and Local: Work developed understanding the link between World Vision, Federation Strategy, National Council Strategy and Business Plan. Sessions held with staff to inform how work all contributes to World Vision and clarified thinking. Video developed and shared that explains how strategies and plans align.
- ▶ Produce three research reports that build on the previous priorities identified with the federation and pillar 1 (hold three policy sessions a year with Chairs and Chief Executives).
- ▶ Annual National Conference.
- ▶ Implement Y-Hub from July 2023 which will enable all YMCA staff and volunteers to access and contribute to policy and influencing work.
- ▶ Implement a Trustees network and refresh the Chairs Network. Continue the Chief Executive virtual meetings: Chief Executive virtual calls are continuing. Work on the Trustee network has not yet begun but a number of sessions held with Chairs during the year.

GOAL B | Facilitate the delivery of the Federation Strategy and Population of Future Plans

- ▶ Set up and resource Project Groups that are able to take forward Federation Strategy priorities: Groups established and resourced.
- ▶ Deliver Y-Hub and other communication deemed necessary to ensure YMCA wide engagement in the Federation Strategy.
- ▶ Identify priorities beyond 23-24 that further the Federation Strategy: Work plans developed that inform 24-25 work priorities but with Bayes review of risk and viability concluding (and with a number of further recommendations identified), options for further work are to be considered in the Federation Strategy process planned for September 2024.
- ▶ Communicate the intervention and support offer to YMCAs: To be set out, although working with a number of YMCAs on individual intervention and support challenges. More predictive information now available through the health-check).
- ▶ Support the Federation to complete the Trusted Charity Standard and any other policies that need support: On-going support being provided to enable YMCAs to meet the standard with much progress across YMCAs (and now targeted support to the few that have yet to make the standard).
- ▶ Further develop the health-check to identify key areas of risk and inform intervention: Developed and issued for 2023 (and reported back to the Federation with a number of individual YMCA sessions) and with a further enhanced version for 2024.
- ▶ Identify the gaps in intervention and support and develop an action plan to respond: Board agreed to additional resourcing to help promote more proactive intervention and support activity. On-going intervention support provided to a number of YMCAs.
- ▶ Identify and support YMCAs at risk of brand non-compliance by December 23: on-going with a number of YMCAs supported in implementing the national brand.
- ▶ Introduce an annual presentation on health-check themes to YMCA Trustees and CEOs: Delivered in January 2024 to CEOs and National Board in February 2024. Further enhancements on the health-check built into 2024 issue.
- ▶ Report compliance on the membership agreement to the AGM 2023: Update provided. Will need to consider reporting to 2024 AGM, which will be an objective in 2024/25 Business Plan.



GOAL C | Support All YMCAs in Becoming Financially Sustainable

- ▶ Deliver the Fundraising Strategy: identified pilots, RoomSponsor investment model, increasing corporate and trust relationship, on-going funding for current national, support for Federation Strategy priorities. Corporate partnerships continue to develop with local YMCA Partners and with both Vestey Holdings and Cadent Gas.
- ▶ Deliver Retail Growth Strategy and vision that all YMCA will benefit from the partnership: Retail continues to trade well and deliver on our growth strategy. We are also looking at ways to develop new Retail area's where we currently have no, or very little presence to support continued growth.
- ▶ Represent YMCAs in pension end game conversations and 2023 triennial: Concluded and outcomes shared.

PILLAR 3

Be Exemplary in All That We Do

GOAL A | Be an Employer of Choice

- ▶ Identify future organisation needs and develop a three-year training and development plan: some delay due to capacity but implemented organisation wide Safeguarding; Health & Safety; EDI; Cyber Data training. Work to be taken forward in 24-25 business planning process with the aim of developing a training plan to include career development and succession planning.
- ▶ Review and extend opportunities for staff and volunteers to engage in the YMCA globally and locally: A light touch review has been done although there is good representation and attendance at events and on forums/groups. This work is on-going.
- ▶ To develop the action plan to embed our ethos: to be aligned to the Federation Strategy group work on ethos and culture (and to cover all staff and volunteers).
- ▶ Undertake a review of pay frameworks and terms and conditions including Retail resourcing model: Draft TOR scoped but to be agreed internally before progressing. This will be a focus in 24-25.

GOAL B | Define, Articulate and Evidence Our Value to Members

- ▶ Identify impact and other evidence to measure our role of support, representation and development: To meet with Trust Impact to hold an initial discussion on possible approach to include financial and non-financial benefits to members from the National Council (some work on financial measures completed and initial outline of non-financial measures in the process of being worked up).
- ▶ Further develop KPIs for internal and external reporting (including social responsibility): Measures identified for Balanced Scorecard approach and shared with Finance and Audit Committee. Work continues to evolve.

GOAL C | Ensure We Are Exemplary in Our Approach to Governance

- ▶ Deliver Trusted Charity in advance of the 2023 AGM: self-assessment completed in advance of the AGM and full accreditation achieved in February 24. Action plan being developed.
- ▶ Conduct on-going reviews of charity governance standards and ensure that we achieve them: On-going. To be considered post Trusted charity and to ensure that the Board are abreast of best governance practice.

GOAL D | Build an Infrastructure That Supports Our Strategic Ambitions and Increases Our Capacity for Growth

- ▶ Review agile working arrangement and consider any changes - Initial conversations held. Formal review to be held later in the year with a proposal developed for Board approval if permanent terms and conditions require change.
- ▶ Consider an environment group to identify further actions needed to reduce our impact on the environment - Baseline review commissioned (Energy Savings Opportunities Scheme report submitted). Internal working group to be established.
- ▶ Define digital strategy needs - To be taken forward in 24/25.
- ▶ Implement IT cyber action plan - Action plan developed with many actions implemented during 2023-24 and into 2024-25.
- ▶ Ensure that IT infrastructure supports the implementation of the internal communications review: Much of the IT infrastructure now moved to the cloud, and with further hosted servers to be decommissioned following a 'full' move to SharePoint.
- ▶ Implement and launch an updated YMCA website: New website will be launched by the Autumn.
- ▶ Implement a core messaging grid for National Council and the Federation: Work has already begun on this from a Communications perspective.
- ▶ Deliver Retail migration to the cloud: We are currently working with Nisyst, our supplier to develop the reporting structure linked to Chariot Webb, the Cloud based system. This will also reduce our risk of over relying on a single supplier.
- ▶ Implementation of EPOS system: Completed.
- ▶ Deliver the 23-24 Budget: Delivered.
- ▶ Improve Management Reporting (budgeting and forecasting tools): Steps taken forward in relation to KPIs but much work to do to join up information and provide 'management packs' to key audiences.
- ▶ To maintain the level of funds to meet the pension: On-track with balance sheet position improving and pension deficit falling (due to rising gilt prices).
- ▶ Identify and review a number of to drive VFM areas including procurement: Work taken forward on copiers, phones, cars and utilities during 23-24.

2024-25 Performance to Date



The Board have agreed new business plan objectives for 2024-25 which further the ambition in the National Council strategy, continue the investment in both capacity and fundraising potential and alongside this an agreed break-even budget position (before pension costs and investment returns). This has allowed for continued investment in key areas. In doing so this has included an ambitious but achievable net return from our Retail operation, with continued planned growth to fund the additional capacity in the charity work. Early signs at the start of the year are that the environment is challenging (particularly for Retail) with plans being considered to ensure that the growth is achievable (or steps taken where now considered not achievable).

Risk Management and Internal Controls



YMCA England & Wales operates a comprehensive corporate risk management process to manage and mitigate risk. The Board of Trustees has overall responsibility for ensuring that we operate an appropriate system of controls, financial and otherwise, to provide assurance that:

- ▶ Our resources are used in a way that maximise impact for our beneficiaries and the Federation.
- ▶ We are operating efficiently and effectively within a climate of value for money.
- ▶ Our assets are safeguarded against unauthorised use.
- ▶ Proper records are maintained, and financial information used within YMCA England & Wales and for publication is reliable and accurate.
- ▶ We comply with relevant laws and regulations.

The systems of internal control are designed to provide assurance against material misstatement or loss. These include:

- ▶ An overarching strategy that links to the needs of our membership.
- ▶ A clarity over the role undertaken, and the resources available to ensure 'expectations are managed'.
- ▶ A Business Plan and budget approved by the Board following a thorough business planning process that allocates resources to priorities (and in line with strategy).
- ▶ Ensuring that the Board, Committees and Senior Leadership Team are appraised of financial results, variances from budgets and non-financial performance indicators.
- ▶ A Committee structure with appropriate skills mix to be able to inform and challenge.
- ▶ Effective management information systems, which continue to develop with the provision of monthly management accounts to a range of audiences.
- ▶ Delegation of authority and appropriate segregation of duties ensuring controls on expenditures (an update was finalised in 2023-24).
- ▶ Appropriate financial policies, processes and systems as detailed in a Finance Manual (with updates in 2023-24) and an on-going process of policy review.
- ▶ Identification and management of financial and other risks by the Board and Senior Leadership Team including frequent review of the Risk Register by the Board and Finance and Audit Committee.
- ▶ Processes to ensure that conflicts of interest are identified and recorded (and identified in advance of meetings).
- ▶ Regular checks and review through internal, joined up budget/outturn conversations.
- ▶ Updates from investment managers and provision of information to Committees.
- ▶ Accountability to members through an Annual General Meeting.

The Finance and Audit Committee monitors the effectiveness of audit and reviews our risk management processes. The Committee has provided the following statement:

The Finance and Audit Committee has reviewed the reports from the senior management, audit and other reports on areas of operation. The Committee confirm that the above systems have been applied and are confident that systems of internal control and risk management are working effectively (noting that there is always scope for improvement).

In relation to risk, the Board operates a formal risk management process to assess risk and implement mitigating strategies. This involves identifying the types of risks faced, prioritising them in terms of impact and likelihood (with velocity recently added), and identifying a means of management. This has also informed the Reserves Policy that is set by the Board. As part of this process, the Board review a report at every meeting that details major risks, approves plans for the implementation or enhancement of procedures and policies where these are required, and otherwise ensures that appropriate steps are being taken to manage the key risks. Approved actions are implemented by senior managers who are accountable to the Board.

A number of risks have been managed in 2023-24 specifically those which relate to viability and staffing changes across the YMCA Federation – recognising the role that the National Council has in relation to not only our own charity but the wider federation. The below summarises the key risks at May 2024:

| Risk | Latest Action |
|---|---|
| 1 Loss of key IT system, loss of data, legacy systems unsupported | IT review completed with many actions implemented. Work on reviewing the Business Continuity Plan has allowed processes to be put in place regarding loss of servers, key IT suppliers and access to systems. Further migration to the cloud and office 365 environment will further significantly reduce risk. IT actions continuing within identified list. Cyber Essentials is scheduled to be completed by June 2024. |
| 2 Cyber Security (Ransomware attack) | Action plan developed with many actions implemented (including 365, standardised use of share-point, improved firewalls, back-up arrangements, outsourced support, training and development and other securities to manage access). IT actions continuing within identified list. Cyber Essentials is scheduled to be completed by June 2024. |
| 3 Loss of key staff across the Federation | CEO development programme concluded in December 22, board have agreed budget for proposed repeat, conversation on commissioning in progress. Increasing pressures to meet living wage with financial implications. |
| 4 Specific member YMCA sustainability and viability risk | Intervention and support provided to a number of YMCAs. Consultants commissioned to review business models - with recent session in Wales receiving positive response. |
| 5 Interest rates increase leads to inability of YMCAs to make repayments on loans and borrowing, with impact on individual YMCA viability. | Viability and risk sessions held in late 2022 with a menu of actions identified. Feedback from sessions shared with individual YMCA Chairs and Trustees. Terms of reference have been drafted and consultants commissioned, work underway, looking to report in April/May 2025. |
| 6 Reputational impact for YMCA Federation due to issue within a YMCA | Continue to work with YMCAs to manage reputational risk. |
| 7 Impact of inflation and rising energy prices with consequent viability and risk challenges for all YMCAs | Work underway to identify challenges with sessions on risk held with YMCAs. Analysis to be fed back and follow up work on actions planned. Increased energy price and cost of living is still high and having an impact, noting inflation is due to reduce as the year progresses. |

The full risk register is considered by the Finance and Audit Committee at every meeting. The Board review the key (red) risks that have been highlighted through appraisal of cause / consequence. The Trustees believe that the system of internal controls has been adequate to provide assurance against material misstatement or loss.

Fundraising Statements

Approach to Fundraising Activity

YMCA England & Wales fundraises for two core reasons:

1. To distribute money to local partnering YMCAs enabling them to support more young people and their communities through direct service delivery.
2. To provide member services to YMCAs, leveraging our unique position to centrally represent, develop and resource YMCAs. This includes changing young people's lives through national campaigning and lobbying.

Our fundraising activity falls under two broad headings:

Public Fundraising

- ▶ Our Acquisition activity seeks to recruit donors to make a cash gift or to commit to a programme of regular giving. We recruit donors through online marketing via social media and digital adverts, through offline marketing by the insertion of recruitment flyers in magazines and newspapers, through Cold Direct Marketing using purchased, fully GDPR compliant mailing lists, through door drops – unaddressed mailings using Royal Mail's services, through Telephone Marketing using the services of a professional telemarketing agency, and through Private Sites face-to-face fundraising – using the services of a fully trained, professional fundraising agency.
- ▶ Our Appeals programme is focussed on individuals who have previously made charitable gifts to YMCA England & Wales and is delivered via direct mail and email. In addition, the services of a professional telephone marketing agency may be used to ask donors to reinstate lapsed regular giving or to increase the value of their regular gifts.
- ▶ High Net Worth individuals are approached on a personal basis to encourage their continued support, by post, telephone and email. Our Legacy programme seeks to encourage already engaged donors to consider leaving a gift in their Will. Our partnership with National Free Wills Network has also enabled us to engage with a cold audience via local partnership campaigns using channels such as social media, door drops, press adverts, radio and digital billboards.

Strategic Partnerships

- ▶ Approaches to and relationships with Charitable Trusts are conducted via post, email and telephone.
- ▶ Approaches to and relationships with corporate donors and prospective donors are conducted via email and telephone.
- ▶ Participants in challenge events, such as the London Marathon, are recruited via focused social media advertising.

Compliance with Fundraising and Data Protection standards

In all our fundraising, we adhere fully to the Fundraising Code of Practice, in respect of both the legal rules that apply to fundraising and the standards designed to ensure that fundraising is open, honest and respectful.

- ▶ We are registered with and regulated by the Fundraising Regulator (Membership Number: 000206).
- ▶ We are members of and adhere to the standards of the Institute of Fundraising (Membership Number: Z2043125).
- ▶ We require others acting on our behalf to adhere to the same standards and will take appropriate action promptly if we find any failure to do so.

Our full compliance with GDPR legislation ensures the protection of personal details and the privacy of our fundraising audience. Our capturing, management and application of communication consents is robust and subject to strict vigilance.

Neither YMCA England & Wales nor any person acting on behalf of YMCA England & Wales was subject to an undertaking to be bound by any voluntary scheme for regulating fund-raising, or any voluntary standard of fund-raising, in respect of activities on behalf of the charity.

Monitoring of fundraising activities

Telephone marketing and Private Sites face-to-face fundraising was carried by professional agencies on behalf of YMCA England & Wales for the purpose of fundraising.

The audience for telephone marketing was individuals who have an existing financial relationship with YMCA England & Wales, who had provided their telephone number and have not opted out of telephone contact for fundraising purposes. We also comply with the Telephone Preference Service.

The audience for face-to-face fundraising was members of the public within the private sites (railway stations, events venues and supermarkets) that had been secured by the fundraising agency.

All the agency staff involved in these activities receive regular training directly from YMCA on our brand and our compliance policies.

This is in addition to the training that our partnering professional fundraising agencies provides on data protection, compliance and maintaining quality. We listened to randomly selected calls (approximately 5% of all calls) to ensure the highest of standards, and that we are complying with all relevant regulations and legislation. We also regularly undertake supplier tenders to ensure value for money.

Protecting vulnerable people

The agencies who acted as our agent each have a comprehensive policy in respect of Safeguarding Vulnerable People, which is taken seriously and owned at all levels within their organisation. All their employees are required to undergo vulnerable persons training upon joining the organisation, utilising an adapted version of the 'Caring for the Vulnerable' training as compiled by the Direct Marketing Association, and the 'Treating Donors Fairly' training as compiled by the Institute of Fundraising. All their employees must agree to abide by this Policy.

In compliance with Institute of Fundraising guidance on protecting supporters, YMCA England & Wales will:

- ▶ Never pressure someone into making a donation.
- ▶ Be alert to signs that someone may be confused or vulnerable and need additional support.
- ▶ Take care not to take advantage of mistakes by donors or to exploit their lack of knowledge or need for care.
- ▶ Not accept a donation from an individual if we believe he/she lacks the capacity to make the decision to donate.

We actively look for indicators that a donor might be vulnerable, such as:

- ▶ Making repeated telephone calls to make a donation or check a donation
- ▶ Sending weekly donations in post
- ▶ Mention of low income or relying on benefits
- ▶ Communication covering unrelated topics e.g. aliens, blue moon, death, self-harming
- ▶ Communication indicating that a person is deeply affected by a mailing sent e.g. legacy mailing triggering deep concerns about death
- ▶ People who inform they have health issue e.g. Dementia, Alzheimer's, mental health issues, and cancer

Each individual is dealt with, respectfully, on a case-by-case basis and we are careful when recording sensitive information. For example, if a person informs us, they have Dementia in its early stages but is still capable of making rational decisions/donations, we will continue to send mailings but will log on their record that they need Special Consideration and take note that the supporter has dementia. If we start to see a different behaviour pattern, we will upgrade our action and consider reducing mailings or remove the supporter from our mailing lists.

Complaints

We closely monitor any complaints that we receive. During the reported year we received just thirteen complaints:

- ▶ Two complaints related to the supporter newsletter’s article “Pride in being queer” which celebrated the support YMCA provides to young people in the LGBTQ+ community. Responses were issued explaining that YMCA is an inclusive organisation and proud to support those who are more likely to experience discrimination, prejudice and exclusion from society.
- ▶ One complaint was related to the volume of marketing appeals that had been received: the supporter was disappointed to have received a reminder mailing following the Christmas appeal and felt ‘frustrated’. An apology was issued and an offer to reduce marketing was offered, but the supporter decided that they would like their details to be removed from the mailing file, so this was actioned.
- ▶ Three complaints related to contacting supporters who had previously asked to be removed from the mailing list: one had been caught in the email quarantine system and not been received, one had been removed from the mailing list, but a final communication had been issued and could not be recalled from the mailing house, and one had been missed. All were issued with an apology and suppressed from the database. The IT system was also reviewed to ensure that emails from supporters would not be held in quarantine moving forwards.
- ▶ One complaint related to the sending of marketing appeals to a supporter who had passed away. An apology was issued, condolences shared, and the supporter was removed from the mailing list.
- ▶ Six complaints related to Private Sites face-to-face fundraising activity. Two complainants felt they had been pressured into signing up to a direct debit, one of which gave incorrect bank details as they did not feel they could say no, one complainant was disappointed that they had not received a confirmation call following their sign up and subsequently had changed their mind about giving, one complainant said that they could not give because they could not afford to and had explained this when signing up, two complainants wanted to cancel their gift as they had not realised that by giving bank details they would be signing up to a monthly gift. One of which felt ‘angry’ as they thought that they were signing up for updates. In each case, we have offered a full apology, thanked the individuals for their feedback and passed the complaint on to the Agency responsible for the activity so that it can be addressed directly with the individual fundraisers concerned.

Trustees Report

Financial Review

Format of accounts

As a Registered Social Landlord, YMCA England & Wales is governed by the regulations of the Statement of Recommended Practice issued by the National Federation of Housing Associations (the Housing SORP) and the Accounting Direction for Private Registered Providers of Social Housing from January 2022 (the Accounting Direction). We are currently working through a process to ensure we retain this status recognising that our housing units have now been sold but there is a need to preserve this status in order to access national funding contract opportunities in the interests of our member YMCAs.



The Board of Trustees follow the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102) (effective 1 January 2015) issued by the Charity Commission (the Charities SORP), so long as it does not conflict with the Housing SORP. As a company limited by guarantee, we follow the Companies Act 2006 and applicable accounting standards. To meet the terms of this Act, we have prepared a separate income and expenditure account. To comply with the Housing SORP and the Accounting Requirements of Private Registered Providers of Social Housing, the accounts would have been configured to separate the performance of housing and non-housing activities in order to retain registered provider status.

Consolidation

In these accounts we have brought together the results of YMCA England & Wales with:

1 | Our three connected subsidiary charities

- ▶ Dunford House Trust: which previously owned Dunford House but with the proceeds held as a restricted fund subject to a covenant.
- ▶ Douglas Wood Charity: which provides funding for agricultural and horticultural training activities.
- ▶ The YMCA Trust Fund (known as The Movement Trust Fund): which provides grants and loans to YMCAs.

2 | Our subsidiary trading company (described in note 8 to the accounts)

To prevent a tax charge arising, the subsidiary trading company (YMCA Retail Limited) gift aids its surplus to the charity.

3 | Restricted funds under the control of YMCA England & Wales

Over the passage of time several trusts and funds have come under the stewardship of YMCA England & Wales. Usually these were for buildings or trusts with specific objectives. There are three groups of trusts that we look after:

- ▶ *Trusts that share our aims and objectives*, which are added to the figures in the financial statements and include the subsidiary charities listed above.
- ▶ Instances where we have been *appointed to act as sole Trustee* of a charity and we look after its assets (these are included in the financial statements as part of the restricted Trust and Association funds in note 14); and
- ▶ Instances where we have been *appointed to act as Trustee, but we have no financial relationship*. This is usually because a YMCA cannot hold title deeds itself and YMCA England & Wales holds them as trustee. As these are not the equitable property of YMCA England & Wales, we do not include them in these financial statements.

Funds and reserves

Total reserves on 31 March 2024 were £11.8m (2023: £8.5m), with the increase arising from:

- ▶ an operating surplus of £0.04m (2023: operating surplus £1.0m)
- ▶ gains on market value of investments of £0.6m (2023: losses of £0.3m)
- ▶ a decrease in future pension scheme commitments of £2.8m (2023: an increase of £0.19m)

Of these, the restricted funds of £1.3m (2023: £1.6m) are held for specific purposes and can only be used for these purposes. The remaining reserves of £10.5m (2023: £6.8m are known as “unrestricted” funds).

Unrestricted funds

The accounts show net income on unrestricted funds of £0.3m (2023: net income of £1.3m), before the adjustments for revaluation of investments and pension scheme deficit obligations.

Free Reserves

These are funds that the Board is free to use to support our charitable work, available at short notice and are known as the “free reserves”. The Board aim to hold sufficient free reserves to provide financial stability when considering the key areas of risk and have set a target level of £4.0m to £6.0m (previously £5m). Free Reserves at March 2024 were £7.0m (2023: £5.3m) (see note 16 for a breakdown of free reserves). This reserves level reflects the increase in turnover but also that this equates to both a quantification of risk and three months of expenditure or six months of payroll. In considering the Reserves level the Board are aware that the increase arises due to gains on the pension triennial, but also that the risk of the pension does not end with the scheme being at self-sufficiency. In this regard and recognising that the desire to move to a buy-out position, which will incur further costs, the Board have agreed to designate £2m of unrestricted reserves to achieving this aim once the obligation to do so has been established. As such, the Trustees are comfortable that the Reserves position is appropriate – recognising both the uncertainties tied to holding investments (which can increase/decrease with market conditions) but also the pension liability (which may change depending on economic conditions).

Restricted funds

While still meeting our wider charitable objectives, there is some funding that has restrictions on how it can be spent. The principle restricted funds are listed below:

- ▶ *Dunford House*, which has its own Trust – Dunford House has now been sold with balances retained for the purposes of the original covenant;
- ▶ *YMCA England & Wales activities* – monies given to us to support specific activities either at local YMCAs or within YMCA England & Wales;
- ▶ *The Movement Trust Fund*, the *Hartwoodside Award* and the *Douglas Wood Charity* – these funds provide grants and loans for YMCA work; and
- ▶ *Other Trust and Association Funds* – these are funds we hold on behalf of YMCAs that have closed or when we hold assets on behalf of a specific Trust (not already listed above).

Movement in Restricted Funds during the year

Restricted funds have decreased as restricted funds are spent in line with their charitable purpose.

Going Concern

In line with current best practice, the Board has reviewed the financial impact of those risks identified as part of our on-going risk management process and its going concern status. As part of this review, and aligned to the business planning process for 2024-25 which looks at the forward five years, the following have been considered:

- ▶ Alignment to strategic direction as set out in the National Council Strategy
- ▶ Forecasts and cash-flows for future years' income and expenditure
- ▶ Future needs, opportunities, contingencies and/or risks
- ▶ A multi-year financial strategy that considers alternative scenarios, and informed Board investment decisions

As noted in the financial statements the performance for the year has improved on that in prior years. Whilst retail shop performance has improved, this is offset by reduced fundraising, with the improved result largely due to the reduced liability for the pension scheme following the outcome of the 2023 triennial review, and improvement in market value of investments. The investments position has improved to £12.7m (2023: £12.1m) whilst the pension liability has fallen to £2.4m (2023: £6.2m) thereby improving the net position overall.

With the balance of investments over the pension liability improving once again, and with a balanced budget set for the forthcoming year (with some challenges on legacies given the Probate Office backlog and a challenging Retail environment), the Board remain of the view that the National Council has sufficient assets to enable future obligations to be met, and therefore continues to operate as a going concern. Further details in relation to the income and expenditure of YMCA for the year are set out in detail in the Statement of Financial Activities (SoFA) on page 58.

Review of 2023-24

Financial Performance

The annual accounts report a £3.4m surplus for 2023-24 (2023: £0.5m surplus). These figures include investment movements and changes to the pension liability, which if excluded would otherwise have provided for an operating surplus of £0.04m (2023: surplus £1.0m). This decrease on prior year arises due to a challenging fundraising environment (legacies most notably), takes into account Board investments of £0.5m but also recognises that the prior year was inflated due to release of Retail grants. It also includes distributions of funds to YMCAs of £1.5m (2023: £1.9m) – with the decrease compared to prior year due to increased investment in future fundraising opportunity and reduced programmes. Within the operating performance, the Retail shops have performed particularly well generating a net surplus of £1.7m (2023: £1.1m) which is shared with member YMCAs. We remain very grateful for the commitment, hard work and contribution of all our staff and volunteers.

Income

Total income in 2023-24 was £22.8m (2023: £21.7m). Underlying this there is an improvement in Retail income to £16.7m (2023: £14.7m) but with a slight fall in fundraising income to £3.7m (2023: £3.8m). Affiliation fees increased to £1.2m (2023: £1m) before contributions to World Alliance and YMCA Europe on behalf of all YMCAs.

Expenditure

Total expenditure increased to £22.75m (2023: £20.7m). This increase largely arises from increased Retail operational spend of £15.0m (2023: £13.6m). Fundraising activity and support, representation and development spend for member YMCAs accounted for the majority of the remaining expenditure. As noted above, the expenditure figures include payments to member YMCAs of £1.5m (2023: £1.9m) in relation to either projects, retail profit share or RoomSponsor. If added back, as funds are remaining within the movement, albeit outside of YMCA England & Wales, this would have moved the reported operating surplus of £0.04m to an operating surplus of £1.3m.

Looking ahead

YMCA England & Wales continues to retain sufficient Reserves to enable current, future and potential challenges to be overcome. We are confident that these solid financial foundations will enable YMCA England & Wales to continue to generate sufficient income to subsidise the work undertaken for members and continue to align capacity to deliver against the Federation strategy, increasing distributions to YMCAs whilst remaining on solid financial foundations. That noted, it is recognised that much of the financial success has been due to one-offs (with improved performance in one area offsetting reduced performance elsewhere), and consequently YMCA England & Wales does not remain complacent in the need to manage cost and risk to ensure it has sufficient Reserves to meet obligations but also manage unforeseen events.

Investment policy and performance

Net funds released from the sale of the housing schemes have all been invested with investment managers. Markets continue to be volatile and report with 2023-24 reporting gains of £0.6m (2023: decrease of £0.3m). The investments are more than sufficient to meet the pension liability in the balance sheet and provide the Board and Pension Trustees with reassurance that as the holder of the largest share of the liability in the YMCA Pension Plan, we remain equipped to meet obligations.

Value for money

We are conscious of the principles of economy, efficiency and effectiveness and strive to ensure that these underpin the decisions that we make when using resources to maximise impact for our beneficiaries. We continue to ensure that procurement decisions follow good practice and that we frequently compare market price to ensure that we are securing best value. The full annual Value for Money statement which is available on our website www.ymca.org.uk/value-for-money-2024.

Grant making policy

The Movement Trust Fund administers three funds from which grants are made:

- The *YMCA Trust fund* provides grants to YMCAs in England or Wales to start new projects. This was fully utilised to provide the emergency Covid relief during previous years.
- The *Hartwoodside Award* gives grants to YMCAs to help disabled staff or volunteers to take part in activities such as training courses or conferences
- The *Douglas Wood Charity* gives grants to young people to train in agriculture, horticulture, farming, environmental protection or other similar activities. There have been a number of further payments made from the Douglas wood fund in 2023-24.



Our Approach to Value for Money

Value for Money is led by the Board and overseen by our Finance and Audit Committee. Value for money is viewed as the key to financial sustainability as we optimise cost relative to outcomes and seek to maximise impact with scarce resources. The Board is responsible for setting and monitoring value for money through oversight of the annual business plan and receives performance updates at each of their meetings, and reports on the use of resources. The Board holds an annual strategy session at their November residential meeting, which informs the development of the plans and budget for the following year. The following provide a brief overview of some of the measures that are used to inform the Boards assessment. The five key components of our value for money strategy are:

- ▶ **Governance** – to develop a Board led value for money culture within YMCA England & Wales with all staff encouraged to accept ownership and accountability
- ▶ **Beneficiary focus** – to ensure that the services we provide are shaped around the needs of our members
- ▶ **Performance** – to ensure that staff understand their objectives and that the right things are measured to drive effective performance
- ▶ **Financial stewardship** – understanding our cost base and sources of income and to report performance against these budgets. To optimise the use of assets, through effective financial management and decision making but also ensuring that good financial rules are followed.
- ▶ **Procurement** – buying goods at the optimum price/quality mix (and ensuring periodic review to ensure that price remains competitive)

The above measures relate to the direct work within the remit / control of YMCA England & Wales. Whilst some opportunities for shared services, and reduced cost / improved quality, have been implemented, for example in relation to group life, VAT advice, payroll and human resources there remains scope to further maximise value for money across the Federation. It is hoped that further progress can be made on collaborative opportunities moving forward as set out in the Federation Strategy.



Overall Measures

Measures for return from our staff

The following measures relate to the performance of staff:

| | 2024 | 2023 | 2022 |
|--|----------|----------|---------|
| Human capital cost (total staff cost per FTE) | £29,567 | £28,269 | £26,380 |
| Gross Revenue per employee: | | | |
| - Retail | £51,870 | £50,780 | £49,190 |
| - Non-Retail | £107,320 | £104,910 | £95,240 |
| Staff turnover | 54% | 49% | 52% |
| - Retail | 60% | 59% | 60% |
| - Non-Retail | 18% | 16% | 26% |

The increase in total staff costs per FTE reflects the difficult recruitment market and increased wage costs. All staff at YMCA England & Wales are on at least the median salary for their role when compared to the sector. Within shops the annual living wage increase was implemented and is subsequently reflected in the Retail manpower model. Staff turnover remains a challenge, in particular in retail and although much work has been done to improve this area including work in relation to staff terms, welfare and environment this will remain a priority in 2024-25 (and in this regard we are already seeing some signs of improvement).

Measures for use of assets

The following measures relate to the use of assets:

| | 2024 | 2023 | 2022 |
|--|--------|--------|--------|
| Operational surplus as % of turnover (excluding sale of assets) | 0.44% | 4.80% | 3.02% |
| Staff costs as % of total expenditure | 49% | 47% | 48% |
| Expenditure as % of budgeted costs | 103% | 97% | 101% |
| Unrestricted bank and investment balances | £12.7m | £13.1m | £14.7m |

The improving performance has seen an operating surplus with both income and costs increasing, but with an improved net Retail position (allowing investment in pursuing Federation Strategy priorities). Unrestricted bank and investment balances have fallen due to payment of pension obligations.

Measures for return from our Retail and Fundraising operations

The following measures relate to performance of our retail and fundraising activities, which make up a significant proportion of the activity of YMCA England & Wales:

| | 2024 | 2023 | 2022 |
|-------------------------------------|--------|--------|--------|
| RETAIL OPERATIONS | | | |
| Average number of shops | 113 | 107 | 94 |
| Average weekly income | £2,795 | £2,657 | £2,556 |
| Average number of staff | 408 | 362 | 316 |
| Full time equivalent | 322 | 290 | 254 |
| FUNDRAISING OPERATIONS | | | |
| Gift Aid penetration in fundraising | 74% | 65% | 66% |
| Return on Investment in Fundraising | 1.61x | 2.35x | 2.24x |

Retail operations

There has been a deliberate strategy of taking on good retail units as these become available. The average weekly income for shops has continued to increase, and whilst the initial strategy was to open more shops, a carefully planned approach has seen shop productivity increase with improved net return per shop. The Retail operation also benefit from a week 53 income in 2023-24 thereby further improving return. The increased staff numbers arise from the additional shops but also filling vacancies with permanent staff rather than with overtime.

Fundraising

The key challenge on fundraising has been in relation to legacy income which has seen a significant fall due to delays at the Probate Office. Elsewhere restricted income has also been challenging but with both unrestricted income and restricted income slightly up on prior year. In relation there has also been a further investment in RoomSponsor to generate future returns. The fundraising analysis above includes a £0.25m grant for World YMCA which has been transferred.

Measures for our housing operations

YMCA England & Wales no longer has any housing stock. We are however discussing with the Regulator for Social Housing how we ensure that we retain the necessary Registered Provider status to access any national opportunities, which will require holding (or intent to hold) social housing stock.

Corporate Governance Statement

Structure, Governance and Staff

YMCA England & Wales

The first YMCA was founded by George Williams in London in 1844. YMCA England was established in 1882, registered as a charity on 24 September 1962 and took over responsibility for YMCAs in Wales on 3rd December 2015. YMCA England & Wales is a company limited by guarantee (incorporated in 1902), a registered social landlord and a registered charity governed by its Memorandum and Articles of Association.

A worldwide movement of YMCAs

Each YMCA in England and Wales is an individual, self-governing charity that affiliates to YMCA England & Wales. Through this affiliation, YMCAs become part of the YMCA movement in England and Wales, and part of the World Alliance of YMCAs.

Governance

The Board guides YMCA England & Wales in its work and development. It provides strategic direction and challenge to the Senior Leadership Team which is responsible for decisions on operational issues. The Board comprises no more than 12 Trustees elected by members and 3 co-options i.e. not more than 15 in total. Trustees serve for a three-year term and may be re-elected for two further three-year terms. Once a Trustee has served nine consecutive years, they must wait one year before they can stand for re-election. We hold elections to fill vacancies annually as necessary. Applications for Board membership are invited from across the YMCA movement and by external advertisement and are considered by the Nominations Committee based on relevant skills, competencies and experience.

YMCA England & Wales continually seeks to improve and strengthen its governance duties to ensure these are fit for purpose. YMCA England & Wales has adopted the Charity Governance Code and has achieved the Trusted Charity Level 1 Accreditation. The Board confirms that YMCA England & Wales fully complies with the Regulator of Social Housing Governance and Financial Viability Standard. During 2023-24, one new Trustee appointment was made to the Board. A full listing can be seen on page 48. YMCA England & Wales has Trustee indemnity insurance.

Committee Structure

During the year the Board of Trustees had two standing Committees. These were:

1. The Finance and Audit Committee which oversees the management and direction of the finances of YMCA England & Wales, monitors the effectiveness of audit and reviews our risk management processes. Key financial decisions are submitted to the Finance and Audit Committee for consideration.
2. The Governance Committee provides advice on the governance of the National Council and on governance issues for the YMCA Federation in England and Wales.

During the year the Board of Trustees also had the Nominations Committee, to ensure a robust and appropriate process for identifying the new Chair of the Board.

These committees comprise members from the Board of Trustees, members from local YMCAs plus independent persons with specialist expertise. All the above have terms of reference and meet regularly.

Board member's induction and development

Induction training is offered to all Trustees. In addition, each new Board member receives background information on the operations of YMCA England & Wales. Where appropriate, Board members are encouraged to visit the work of YMCAs to develop understanding, including attendance at national and international events.

Code of Governance

A self-assessment review has been undertaken against the Code of Governance to identify and inform areas for improvement. This has included an assessment of all aspects of the charities governance and will inform future developments. The Level 1 Trusted Charity Accreditation has been achieved.

Organisation structure

The members of staff based in London operate from Charterhouse Square. During the year our operations were organised into divisions, each headed by a Director:

Chief Executive's Office supports the Board and coordinates the activity of YMCA England & Wales.

Corporate Resources covering:

- ▶ Company Secretariat providing support to the Board and member YMCAs on all aspects of charity governance (including standards and the membership agreement)
- ▶ Strategy and business planning both in relation to YMCA England & Wales and the facilitation of the Federation Strategy
- ▶ Finance provides internal services to ensure that YMCA England & Wales operates efficiently and meets regulatory requirements but also advice to YMCAs
- ▶ Human Resources is responsible for implementing strategies and policies relating to the management of individuals throughout YMCA England & Wales
- ▶ IT supports the infrastructure used by YMCA England & Wales
- ▶ Administration supporting the staff of YMCA England & Wales
- ▶ Health and safety: reviewing and implementing health and safety aspects reporting to the Board and senior management
- ▶ Movement Services including support, advice and guidance to YMCAs in areas such as business models, HR, finance and governance but also in relation to leading on items such as group insurance and pensions

Income Generation covering:

- ▶ Fundraising raises funds for YMCA England & Wales and the YMCA Federation as well as providing fundraising advice and support to member YMCAs
- ▶ Retail operates the YMCA England & Wales charity shops, raising funds to support the work of YMCA England & Wales and member YMCAs via the profit-sharing arrangement
- ▶ Business Development explores, coordinates and manages business and funding opportunities to benefit the Federation

Policy, Research, Communication and International covering:

- ▶ Policy and Research raises the public profile of YMCA through work with national and local government and works to influence key decision makers
- ▶ Communications and Brand manages the YMCA national brand and develops communications for both member YMCAs and YMCA England & Wales. The team manages the YMCA England & Wales website, supports member YMCAs to develop their own websites and manages social media channels for YMCA England & Wales. It also has responsibility for national media and PR and provides advice and support to member YMCAs on media relations and crisis communications
- ▶ International represents the YMCAs in England and Wales at the European and World Alliance of YMCAs

Staff and volunteers

YMCA England & Wales relies on the skills and dedication of its staff throughout across all our activities. The Chief Executive holds a monthly consultation for staff on topical issues and regular updates for staff are provided via our intranet site.

The average number of staff we employed during 2023-24 was 469 (2023: 419). The increase largely arising from expansion of our retail operations. Note 3.5 gives more detail on employee costs and staff numbers whilst note 3.6 gives details of the expenses reimbursed to trustees and senior staff.

YMCA England & Wales need to employ staff with the right skills for their role. Salaries have been benchmarked against the median salaries for roles within the sector. This strategy of moving staff close to the medium of the charity sector has been implemented in the year and in order to ensure we can recruit and retain staff. The Chief Executive earned £153k pa plus employer pension contributions of £9k for the year (2023: £141k plus employer pension contributions of £8k). The majority of our staff (over 80% based on headcount) work part-time in the Retail operation where salaries are set based on the minimum wage. For the remaining staff the average salary is £46,775, giving a remuneration ratio of 3.27 to the Chief Executive (2023: average salary was £45,813 with a remuneration ratio of 3.08).

We owe a huge debt of gratitude to the efforts of our volunteers, whose energy and commitment is vital to our work. All our volunteers (approximately 1,200) are based in our Retail operations, contributing over 25,000 hours per month. Others are involved in fundraising, raising awareness of our work at public events and contributing to our governance on the Board, committees, panels and advisory groups.

How we engage with our employees

Throughout the year the Board, through the Chief Executive and Leadership Team have ensured an active dialogue with employees to ensure that staff have been equipped with information in relation to day-to-day performance and future plans (as well as financial and operational information that provides context to decision making). This has included frequent written and oral communication, for example staff meetings, team meetings, opportunities for staff to come together to talk about concerns as well as more social opportunities. These have included significant wellbeing initiatives including our 'Time to Talk' sessions, opportunities to meet with chaplains and wider HR access to counselling and support. These have all helped with the management of staff morale and welfare during the last year – ensuring that staff are valued, feel involved, appraised of the position, and that their views are taken into account when leadership are making decisions.

Equality, diversity and inclusion

Inclusiveness is fundamental to the ethos of the YMCA Movement. We have a wholehearted commitment to welcome people of other faiths and those of none, linked to a confident identity as a Christian faith-based organisation. This includes ensuring that diversity is reflected strongly within our structures and that the services and activities managed by YMCA England & Wales are designed to provide equal opportunities – with the Board and leadership team undertaking unconscious bias training. A great deal of work has been undertaken to improve equality, diversity and inclusion. This has included the development of a strategy that ensures ownership to the agenda, raises awareness and implements a number of targeted actions. In relation to ethnicity YMCA England & Wales employs 15.3% of employees identifying as BAME. Aligned to our EDI policy we continue to take forward actions in this area to ensure representation from all backgrounds and specifically include a statement on all job adverts concerning and welcoming applications from the individuals of all backgrounds. Alongside this we continue to work on inclusivity including addressing this through our Recruitment Policy and Procedure and reviewing the job boards / wider approaches that we use to recruit.

Salaries are based on the role regardless of the gender of the person performing the duties. YMCA England & Wales operates a staff grading system for all roles, where points are allocated based on the skills and responsibility of each role which determines the salary level for that role. Salary levels for each grade are set by benchmarking against other voluntary sector organisations, as well as using our own system (and reviewed against an external benchmarking tool). As we have more than 250 staff, we are required to give our gender pay analysis in the statutory format, as at 5 April 2024:

| Pay level | Male employees | Female Employees |
|----------------------|----------------|------------------|
| Number of employees | 141 | 349 |
| Quartile 1 (highest) | 38% | 62% |
| Quartile 2 | 29% | 71% |
| Quartile 3 | 24% | 76% |
| Quartile 4 (lowest) | 23% | 77% |
| Average hourly rate | £15.72 | £14.02 |
| Median hourly rate | £11.80 | £11.80 |

As is shown in the table above, over two thirds of the staff working for YMCA England & Wales in April 2024 were female. In addition, over 85% of the staff employed by YMCA England & Wales work in Retail (many of whom welcome the ability to work part-time) and consequently means that a more significant percentage of staff fall within the lower quartile bands. As a consequence, the above analysis is distorted, and it is more meaningful to separate out the results of Retail staff from non-Retail staff which provides for the following analysis:

| Pay level | Retail employees | | Non-Retail employees | |
|----------------------|------------------|--------|----------------------|--------|
| | Male | Female | Male | Female |
| Quartile 1 (highest) | 25% | 27% | 14% | 34% |
| Quartile 2 | 29% | 70% | - | 1% |
| Quartile 3 | 24% | 76% | - | - |
| Quartile 4 (lowest) | 23% | 77% | - | - |
| Average hourly rate | £13.26 | £12.49 | £33.66 | £24.61 |
| Median hourly rate | £13.23 | £11.80 | £28.21 | £22.15 |

The above analysis is further explained below.

- ▶ Two thirds of the staff working for YMCA England & Wales are female.
- ▶ In every pay quartile YMCA England & Wales employs more women than men (which is common throughout the voluntary sector). This is partly due to the range of family friendly and flexible working policies available to staff. The pay disparity shown in the table is largely due to the relatively low number of male employees.
- ▶ As at April 2024, there were 4 people on the Senior Leadership Team of which 2 are female and 2 male.
- ▶ Over 85% of our staff work in the retail operation. Hourly rates for the Retail staff have been increased and the lowest level is above the rates required by the National Living Wage.

Every role within YMCA England & Wales is benchmarked and considered against the market. We ensure our assessment of salaries is undertaken against a robust job evaluation process and consistent with our range of policies that ensure fair recruitment. We continue to review the implications of our gender pay gap statement and specifically the gender balance of staffing across the organisation – in particular at the higher quartiles – and have undertaken a review of our pay and grading framework.

Due to the increased cost of living and inflation rates a 7% increase was awarded in April 2023 with a further 5% award in April 2024.

Employment of disabled persons

We operate an equal opportunities employment policy. In particular, we give full and fair consideration to applications for employment and volunteering made by people who are disabled having regard to their particular aptitudes and abilities. Where possible, we continue the employment of, and arrange appropriate training for, employees who have become disabled during the period they were employed. People who are disabled are treated in the same way as other employees and volunteers when training, career development and promotion opportunities are being considered. Full details of these and our other policies are available on request from our registered office.

Safeguarding

As an organisation that works in communities and with young people the YMCA England & Wales Board recognises its responsibilities in relation to safeguarding, and promoting a climate in which individuals are able to report their concerns in confidence and have these dealt with appropriately. The Board have an appointed individual with responsibility for safeguarding and safeguarding is a standing item at all Board meetings, with the Board being informed on not only current status but also progress against the actions that make up the Safeguarding Strategy.



Transparency and individual understanding of the practices and procedures to be followed are key in ensuring that all individuals feel safe in any engagement with YMCA England & Wales (whether an employee, volunteer or user of services). We have continued work in relation to our Safeguarding Strategy ensuring continuous improvement in our policies, practices and procedures to ensure that these remain appropriate. Actions taken have included improvements to our recruitment procedures, ensuring that all members of staff receive safeguarding training, additional steps to encourage and enable staff to report any safeguarding concerns (especially with staff working virtually) as well as more detailed training for all line managers on safeguarding, in particular on how to encourage reporting and their role in subsequent action given their position in the organisation. Further to this we have also rolled out a tool (My Concern) that provides for greater transparency and monitoring of any incidents, as well having undertaken a detailed safeguarding audit to ensure that we continue to tighten up on practices.

Whilst highlighting these improvements, the Board are not complacent in their responsibilities, recognising that there is always more to do with a need to continue to learn and adapt to changes in the environment. Work is therefore continuing to be taken forward in the identified action and in working with our colleagues across the Federation to share practice and through the Federation Safeguarding Group meeting to continue to improve practice wherever possible.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the strategic report, the Trustees' annual report and the financial statements in accordance with applicable law and regulations.

Company and social housing regulations require the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent charity and of the surplus or deficit of the group for the year. In preparing financial statements the Trustees are required to:

- ▶ Select suitable accounting policies and then apply them consistently
- ▶ Make judgements and accounting estimates that are reasonable and prudent
- ▶ State whether applicable UK Accounting Standards have been followed and the Statement of Recommended Practice: Accounting by registered providers of social housing 2014, subject to any material departures disclosed and explained in the financial statements
- ▶ Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and parent's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent charity and enable us to ensure that the financial statements comply with the requirements of the Companies Act 2006, Housing and Regeneration Act 2008, and the Accounting Direction for Private Registered Providers of Social Housing from January 2022. They are also responsible for safeguarding the assets of the group and parent charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that the report of the Board is prepared in accordance with the Statement of Recommended Practice: Accounting by registered social housing providers 2014. Financial statements are published on YMCA England & Wales website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of this website is the responsibility of the board. The Board's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Members of the Board of Trustees

The members of the Board of Trustees who served during the year, including the Chairman, Vice Chair and the Senior Leadership Team are listed on pages 48 and 50.

Appointment of auditors

The Finance and Audit Committee agree the audit strategy each year during which they assess the independence of external auditors. External audit services are placed out to tender every five years and were last reviewed in 2020.

Disclosure of information to auditors

Each of the Board members (who are also Trustees and directors of YMCA England & Wales) has confirmed that so far as they are aware, there is no relevant audit information of which the auditors are unaware, and that they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Strategic and Trustee reports were approved by the Board of Trustees on
25 September 2024 and signed on its behalf by

Roy O'Shaughnessy
Chair
YMCA England & Wales

Trustees and Advisors

Vice-presidents: Tim Waldron (resigned May 2023)
Val Wallis MBE ⁴
Peter Posner OBE

Board members

- ▶ Reg Bailey CBE ⁴ Chair to July (resigned July 2023)
- ▶ Roy O'Shaughnessy ³ Chair from July (appointed July 2023)
- ▶ Paul Brown ³
- ▶ Peter Calderbank ¹ (Co-opted) Chair of Finance and Audit Committee
- ▶ Ross Hendry
- ▶ Paul Laffey (resigned December 2023)
- ▶ Jonathan Rowe
- ▶ Hanna Sebright
- ▶ Gillian Sewell
- ▶ Charlotte Smith
- ▶ Chris Stern
- ▶ Alex Taylor
- ▶ Josh Walker
- ▶ Dawn Ward CBE ¹
- ▶ Emma White (Osmundsen) ³ Vice-Chair

Membership of committees, panels and advisory groups during the year ended March 2024:

¹ Finance and Audit Committee (2 Board members plus up to 6 independent members).

² Governance Committee (1 Board member (to be appointed) plus 5 independent members).

³ Nominations Committee (Up to 3 Board Members, 1 being the Chair), Chair of a Member YMCA plus 2 independent members and CEO as ex-officio.

⁴ Archives Group (a Vice-President plus 4 independent members).

All members of the Board and its committees and groups give their time voluntarily and receive no benefits from YMCA England & Wales. Any expenses reclaimed are set out in note 3.6 to the accounts.

Advisors

Auditors:

Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

Bankers:

Lloyds Bank plc
4th Floor,
25 Gresham Street,
London, EC2V 7HN

Barclays Bank plc
Charities Team, Level 27
1 Churchill Place
London E14 5HP

Solicitors:

Bates, Wells & Braithwaite LLP
10 Queen Street Place,
London EC4R 1BE

EDC Lord & Co
One the Square
Southall Lane, Southall
Middlesex, Heathrow UB2 5NH

Senior staff

Chief Executive and National Secretary of the Council of YMCAs in England and Wales:

- ▶ Denise Hatton

Senior Leadership Team:

- ▶ Jo Chettleburgh, Director of Income Generation
- ▶ Jamie Hutchinson, Director of Resources
- ▶ Jason Stacey, Director of Policy, Research, Communications and International

Company Secretary:

- ▶ Duncan Berry (retired September 2023)

Registered Office

3rd Floor
10-11 Charterhouse Square
London EC1M 6EH

| | |
|-------------------------------------|--------|
| Registered charity number: | 212810 |
| Registered company number: | 73749 |
| Homes England agency number: | LH2204 |

Independent Auditor's Report

TO THE MEMBERS OF THE NATIONAL COUNCIL OF YOUNG MEN'S CHRISTIAN ASSOCIATIONS (INCORPORATED)

Opinion

We have audited the financial statements of National Council for Young Men's Christian Associations (Incorporated) ('the charitable company') and its subsidiaries (the "group") for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, the Consolidated and Parent Balance Sheets, the Consolidated and Parent Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ▶ give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2024 and of its profit for the year then ended;
- ▶ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ▶ have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing from April 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information contained within the annual report. 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.

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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 or the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' Responsibilities on page 46, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, the Housing and Regeneration Act 2008, together with the Housing SORP. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within charitable company for fraud. The laws and regulations we considered in this context for UK operations were requirements imposed by the Regulator of Social Housing, GDPR, taxation legislation, health & safety legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquire of the trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, legal counsel and the Finance, Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence, and reading minutes of meetings of those charged with governance.

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

Use of our report

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

Vincent Marke
Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP
Statutory Auditor
London

Date: 2 October 2024

Financial Statements

YOUNG MEN'S CHRISTIAN ASSOCIATIONS (INCORPORATED)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31 March 2024

| | Note | 2024 | | | 2023 | | |
|---|------|-----------------------|---------------------|----------------|-----------------------|---------------------|----------------|
| | | UNRESTRICTED £'000 | RESTRICTED £'000 | TOTAL £'000 | UNRESTRICTED £'000 | RESTRICTED £'000 | TOTAL £'000 |
| INCOME FROM | | | | | | | |
| Donations and legacies | 2.1 | 3,077 | 596 | 3,673 | 3,396 | 393 | 3,789 |
| Affiliation fees | 2.2 | 1,212 | - | 1,212 | 1,053 | - | 1,053 |
| Income from charitable activities | 2.3 | 134 | - | 134 | 137 | 578 | 715 |
| Income from trading activities | 2.4 | 16,973 | - | 16,973 | 15,929 | - | 15,929 |
| Investments, interest and rental income | 2.5 | 785 | 41 | 826 | 228 | 15 | 243 |
| (Loss) profit on disposal of fixed assets | 2.6 | (63) | 4 | (59) | - | 13 | 13 |
| TOTAL INCOME | | 22,118 | 641 | 22,759 | 20,743 | 999 | 21,742 |
| EXPENDITURE FROM | | | | | | | |
| Costs of raising funds | 3.1 | 2,287 | - | 2,287 | 1,618 | - | 1,618 |
| Expenditure on charitable activities | 3.2 | 4,465 | 936 | 5,401 | 4,198 | 1,233 | 5,431 |
| Operating costs of trading activities | 3.3 | 15,030 | - | 15,030 | 13,672 | - | 13,672 |
| TOTAL EXPENDITURE | | 21,782 | 936 | 22,718 | 19,488 | 1,233 | 20,721 |
| NET INCOME (EXPENDITURE) FOR THE YEAR | | 336 | (295) | 41 | 1,255 | (234) | 1,021 |
| Net gains (losses) on investments | 7. | 577 | 4 | 581 | (331) | (1) | (332) |
| Other recognised gains and losses: | | | | | | | |
| Gains (losses) on defined benefit pension schemes | | 2,770 | - | 2,770 | (185) | - | (185) |
| NET MOVEMENT IN FUNDS | | 3,683 | (291) | 3,392 | 739 | (235) | 504 |
| Reconciliation of funds | | | | | | | |
| Fund balances at 1 April | | 6,828 | 1,617 | 8,445 | 6,089 | 1,852 | 7,941 |
| FUND BALANCES AT 31 MARCH | | 10,511 | 1,326 | 11,837 | 6,828 | 1,617 | 8,445 |

The statement of financial activities includes all gains and losses recognised in the year.
The notes on pages 64 to 74 form part of these accounts.

COMMENTARY:

The increase in total income arises from the planned expansion of the charity shops. All Retail income is subject to profit share with local YMCAs. Fundraising income has reduced due to lower legacy income and the prior year included £0.2m arising on the Ukraine Appeal. Charitable income has dropped due to expiry of the programmes grant funding.

Expenditure on charitable activities includes payments of £1m to local YMCAs for Roomsponsor and Retail profit shares plus £0.2m on programme activities. Retail expenditure has increased due to the additional staffing costs in the shops and higher energy costs.

YMCA England & Wales is reporting an operating surplus on general funds of £0.3m for the year (2023: £1.3m which included the £1.1m non-recurring government grants). During the year, investment values more than recovered the losses made in prior year and the pension triennial valuation resulted in a significant reduction in future pension contributions, resulting in a net increase in funds of £3.4m (2023: £0.5m).

STATEMENTS OF COMPREHENSIVE INCOME

Year ended 31 March 2024

| Note | Non-housing operations | | GROUP TOTAL £'000 | PARENT £'000 | Year ended March 2023 | | GROUP TOTAL £'000 | PARENT £'000 | |
|---|------------------------|-----------------------|----------------------|-----------------|---------------------------------|-----------------------|----------------------|-----------------|------------|
| | £'000 | Discontinued £'000 | | | Non-housing operations £'000 | Discontinued £'000 | | | |
| Income | 5.1 | 21,986 | 24 | 22,010 | 21,738 | 21,480 | 6 | 21,486 | 21,412 |
| Operating Costs | 5.1 | (22,555) | (163) | (22,718) | (22,693) | (20,562) | (159) | (20,721) | (20,679) |
| Operating surplus (deficit) | | (569) | (139) | (708) | (955) | 918 | (153) | 765 | 733 |
| Investment income | 4. | 692 | - | 692 | 692 | 170 | - | 170 | 170 |
| Interest and rents receivable | 4. | 116 | - | 116 | 116 | 73 | - | 73 | 73 |
| Profit (loss) on sale of assets | | (63) | 4 | (59) | (59) | - | 13 | 13 | 13 |
| Net (losses) gains on investment assets | | 577 | 4 | 581 | 581 | (331) | (1) | (332) | (332) |
| SURPLUS (DEFICIT) FOR THE YEAR | | 753 | (131) | 622 | 375 | 830 | (141) | 689 | 657 |
| Gains (losses) on defined benefit pension schemes | | | | 2,770 | 2,770 | | | (185) | (185) |
| TOTAL COMPREHENSIVE INCOME FOR YEAR | | | | 3,392 | 3,145 | | | 504 | 472 |

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

| | General £'000 | Designated £'000 | Pension £'000 | Unrestricted Funds £'000 | Restricted Funds £'000 | TOTAL £'000 |
|---|------------------|---------------------|------------------|--------------------------------|------------------------------|----------------|
| Surplus (deficit) at 31 March 2022 | 13,092 | - | (7,003) | 6,089 | 1,852 | 7,941 |
| Net income (expenditure) for the year | 250 | - | 1,005 | 1,255 | (234) | 1,021 |
| Net gains (losses) on investments | (331) | - | - | (331) | (1) | (332) |
| Transfers between funds | - | - | - | - | - | - |
| Other recognised gains and losses | - | - | (185) | (185) | - | (185) |
| Surplus (deficit) at 31 March 2023 | 13,011 | - | (6,183) | 6,828 | 1,617 | 8,445 |

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

| | General £'000 | Designated £'000 | Pension £'000 | Unrestricted Funds £'000 | Restricted Funds £'000 | TOTAL £'000 |
|---|------------------|---------------------|------------------|--------------------------------|------------------------------|----------------|
| Surplus (deficit) at 31 March 2023 | 13,011 | - | (6,183) | 6,828 | 1,617 | 8,445 |
| Net income (expenditure) for the year | (669) | - | 1,005 | 336 | (295) | 41 |
| Net (losses) gains on investments | 577 | - | - | 577 | 4 | 581 |
| Transfers between funds | (2,000) | 2,000 | - | - | - | - |
| Other recognised gains and losses | - | - | 2,770 | 2,770 | - | 2,770 |
| Surplus (deficit) at 31 March 2024 | 10,919 | 2,000 | (2,408) | 10,511 | 1,326 | 11,837 |

The notes on pages 64 to 74 form part of these accounts.

COMMENTARY:

This page shows the results for YMCA England & Wales in the format required by the Companies Act 2006. Discontinued activities comprise Dunford House.

BALANCE SHEETS

Year ended 31 March 2024

| | Note | 31 March 2024 | | | | 31 March 2023 | | | |
|--|------|--------------------------------|------------------------------|-------------------------|-----------------|--------------------------------|------------------------------|-------------------------|-----------------|
| | | Unrestricted Funds £'000 | Restricted Funds £'000 | GROUP TOTAL £'000 | PARENT £'000 | Unrestricted Funds £'000 | Restricted Funds £'000 | GROUP TOTAL £'000 | PARENT £'000 |
| FIXED ASSETS | | | | | | | | | |
| Tangible Assets: | | | | | | | | | |
| Other tangible assets | 6. | 713 | - | 713 | 713 | 662 | - | 662 | 662 |
| Fixed asset investments | 7. | 12,677 | 42 | 12,719 | 12,719 | 12,100 | 38 | 12,138 | 12,138 |
| Investments in subsidiaries | 8. | - | - | - | 1 | - | - | - | 1 |
| | | <u>13,390</u> | <u>42</u> | <u>13,432</u> | <u>13,433</u> | <u>12,762</u> | <u>38</u> | <u>12,800</u> | <u>12,801</u> |
| CURRENT ASSETS | | | | | | | | | |
| Stocks | 9. | 286 | - | 286 | 286 | 295 | - | 295 | 295 |
| Debtors | 10. | | | | | | | | |
| Due within one year | | 2,191 | - | 2,191 | 2,255 | 2,618 | 9 | 2,627 | 2,692 |
| Due after one year | | 773 | - | 773 | 773 | 897 | - | 897 | 897 |
| Short-term deposits | | - | 446 | 446 | 446 | 72 | 412 | 484 | 484 |
| Cash and cash equivalents | | 25 | 1,053 | 1,078 | 1,003 | 957 | 1,293 | 2,250 | 2,177 |
| | | <u>3,275</u> | <u>1,499</u> | <u>4,774</u> | <u>4,763</u> | <u>4,839</u> | <u>1,714</u> | <u>6,553</u> | <u>6,545</u> |
| CREDITORS: Amounts falling due within one year | 11. | (3,735) | (215) | (3,950) | (3,940) | (4,785) | (135) | (4,920) | (4,913) |
| NET CURRENT ASSETS | | <u>(460)</u> | <u>1,284</u> | <u>824</u> | <u>823</u> | <u>54</u> | <u>1,579</u> | <u>1,633</u> | <u>1,632</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>12,930</u> | <u>1,326</u> | <u>14,256</u> | <u>14,256</u> | <u>12,816</u> | <u>1,617</u> | <u>14,433</u> | <u>14,433</u> |
| CREDITORS: Amounts falling due after one year: | | | | | | | | | |
| Provisions for liabilities | 12. | (834) | - | (834) | (834) | (835) | - | (835) | (835) |
| Pension scheme obligations | 13.1 | (1,585) | - | (1,585) | (1,585) | (5,153) | - | (5,153) | (5,153) |
| NET ASSETS | | <u>10,511</u> | <u>1,326</u> | <u>11,837</u> | <u>11,837</u> | <u>6,828</u> | <u>1,617</u> | <u>8,445</u> | <u>8,445</u> |
| The funds of the charity: | | | | | | | | | |
| Restricted Funds | 14. | - | 1,326 | 1,326 | 1,326 | - | 1,617 | 1,617 | 1,617 |
| Designated reserve | 15. | 2,000 | - | 2,000 | 2,000 | - | - | - | - |
| Unrestricted Funds: | 16. | | | | | | | | |
| - General reserve | | 10,919 | - | 10,919 | 10,919 | 13,011 | - | 13,011 | 13,011 |
| - Pension reserve | | (2,408) | - | (2,408) | (2,408) | (6,183) | - | (6,183) | (6,183) |
| | | <u>10,511</u> | <u>1,326</u> | <u>11,837</u> | <u>11,837</u> | <u>6,828</u> | <u>1,617</u> | <u>8,445</u> | <u>8,445</u> |

The notes on pages 64 to 74 form part of these accounts.

These accounts were approved and authorised for issue by the Board on 25 September 2024.

Roy O'Shaughnessy
Chair

Peter Calderbank
Treasurer

COMMENTARY:

Investments are held to meet future pension obligations and have more than recovered the losses incurred last year. The pension reserve has decreased due to the triennial pension valuation resulting in significantly reduced future pension contributions. This has enabled YMCA England and Wales to set aside a designated fund towards the anticipated costs of a future buy-out of the pension plan.

STATEMENT OF CASH FLOWS

Year ended 31 March 2024

| | 31 March 2024 | | 31 March 2023 | |
|---|---------------------|---------------------|---------------------|---------------------|
| | Group £'000 | Parent £'000 | Group £'000 | Parent £'000 |
| CASHFLOWS FROM OPERATING ACTIVITIES | | | | |
| Net income for the year | 41 | 41 | 1,021 | 1,021 |
| Loss (profit) on disposal of fixed assets | 59 | 59 | (13) | (13) |
| Depreciation charge | 469 | 469 | 274 | 274 |
| Return on investments and servicing of finance | (808) | (808) | (243) | (243) |
| Decrease (increase) in stocks | 9 | 9 | (60) | (60) |
| Decrease (increase) in debtors | 560 | 561 | (686) | (716) |
| (Decrease) in creditors and deferred income | (541) | (544) | (343) | (360) |
| NET CASHFLOW GENERATED FROM OPERATING ACTIVITIES | (211) | (213) | (50) | (97) |
| CASHFLOWS FROM INVESTING ACTIVITIES | | | | |
| Trust & Association and Movement Trust Fund investments: (Increase) in funds on short term deposit | (34) | (34) | (4) | (4) |
| Investment income | 692 | 692 | 170 | 170 |
| Interest received | 116 | 116 | 73 | 73 |
| | <u>774</u> | <u>774</u> | <u>239</u> | <u>239</u> |
| Cash inflow from sale of fixed assets | 4 | 4 | 13 | 13 |
| Cash (outflow) from purchase of other fixed assets | (582) | (582) | (395) | (395) |
| NET CASHFLOW FROM INVESTING ACTIVITIES | 196 | 196 | (143) | (143) |
| CASHFLOWS FROM FINANCING ACTIVITIES | | | | |
| Pension deficit payments | (1,229) | (1,229) | (1,230) | (1,230) |
| Funds received from (placed on) short term deposit | 72 | 72 | (1) | (1) |
| NET CASHFLOW FROM FINANCING ACTIVITIES | (1,157) | (1,157) | (1,231) | (1,231) |
| (DECREASE) IN CASH AND CASH EQUIVALENTS | (1,172) | (1,174) | (1,424) | (1,471) |
| Cash at bank and in hand at 1 April | <u>2,250</u> | <u>2,177</u> | <u>3,674</u> | <u>3,648</u> |
| Cash at bank and in hand 31 March | <u>1,078</u> | <u>1,003</u> | <u>2,250</u> | <u>2,177</u> |

ANALYSIS OF CHANGES IN GROUP NET DEBT

| | At 31 March 2024 | | At 31 March 2023 |
|---------------------------|------------------|----------------------|------------------|
| | 2024 £'000 | Operational £'000 | 2023 £'000 |
| Cash and cash equivalents | 1,078 | (1,172) | 2,250 |
| Short-term deposits | 446 | (38) | 484 |
| | <u>1,524</u> | <u>(1,210)</u> | <u>2,734</u> |

ANALYSIS OF CHANGES IN PARENT NET DEBT

| | At 31 March 2024 | | At 31 March 2023 |
|---------------------------|------------------|----------------------|------------------|
| | 2024 £'000 | Operational £'000 | 2023 £'000 |
| Cash and cash equivalents | 1,003 | (1,174) | 2,177 |
| Short-term deposits | 446 | (38) | 484 |
| | <u>1,449</u> | <u>(1,212)</u> | <u>2,661</u> |

The notes on pages 64 to 74 form part of these accounts.

ACCOUNTING POLICIES

Year ended 31 March 2024

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards for a public benefit entity. The most important accounting policies are:

1.1 BASIS OF ACCOUNTING

These financial statements are prepared under the historical cost convention, except for the valuation of investments and social housing properties, and comply with the Accounting Direction for Private Registered Providers of Social Housing from April 2015, the Statement of Recommended Practice issued by the National Federation of Housing Associations (the Housing SORP) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102)" issued by the Charity Commission (the Charities SORP (FRS 102)), where this does not conflict with the Housing SORP, the Charities Act 2011 and the Companies Act 2006.

As disclosed on page 46, the trustees are responsible for preparing the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue on this basis. The trustees have undertaken an assessment in relation to going concern and has considered such matters as the level of reserves, together with the Plan's forecasted future results. The trustees have determined that there is not a material uncertainty as to the ability of the charity to continue as a going concern for the foreseeable future and the trustees therefore believe it remains appropriate to prepare the financial statements on a going concern basis.

1.2 BASIS OF CONSOLIDATION

The National Council of YMCAs is required to prepare consolidated financial statements on a line-by-line basis including the results of the company's trading subsidiary (YMCA Retail Limited), and the operations of Dunford Trust, Douglas Wood Charity and the YMCA Trust Fund. Prior to the gift aid payment from the subsidiaries, the gross income of the parent company was £22.3m (2023: £21.7m) and the net movement in funds reported for the year includes a surplus of £3.1m (2023: surplus of £0.5m) which is dealt with in the financial statements of the parent company.

1.3 GENERAL

The Statement of Financial Activities records the activities of the National Council of YMCAs and its subsidiary, both as an affiliating body and of operating projects on a national basis and the balance sheet sets out its assets and liabilities. In addition to its own assets, properties and investments are registered in the name of YMCA England & Wales as formal trustee for Associations. These assets are excluded from these financial statements. Restricted funds are raised for specific purposes and may only be used for the specified purpose. The movement on these funds are separated from movements in unrestricted funds on the Statement of Financial Activities and the amount at the balance sheet date is shown in note 14. Where funds are in deficit they are charged against the General Fund.

1.4 DUNFORD HOUSE

This property was held by YMCA England & Wales as trustee, and under the terms of the Trust Deed the surpluses from operations can only be applied for specified purposes accordingly this is shown as a movement on restricted funds.

1.5 TURNOVER

The total income represents the amounts receivable exclusive of VAT in respect of operational activities, grants receivable and fundraising activities. All income arose in the United Kingdom. All income from operations, grants and fundraising is recognised in the Statement of Financial Activities when any conditions relating to the income have been satisfied, and any amounts in respect of future periods are carried forward as deferred income. Goods donated for sale in the charity shops are included at their sales value. Gifts received in kind are included in income at their market value with a corresponding charge included within expenditure.

Grants of a revenue nature are credited to the Statement of Comprehensive Income in the period to which they relate.

1.6 LEGACIES

Legacies are recognised within income and debtors when probate is granted unless there are specific conditions preventing receipt, eg a life tenant. At the year end there were 9 legacies notified but not recognised (2023: 8 legacies) and 7 legacies subject to life tenants with an estimated value of £44k (2023: 8 legacies with estimated value of £74k) which are held in property and investments.

1.7 CAPITAL EXPENDITURE AND DEPRECIATION

Fixed assets are items costing in excess of £1,000 with a useful life of more than one year and are stated at cost less depreciation. The depreciation charge is calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

| | |
|---|---|
| Freehold buildings | - 50 years |
| Leasehold land and buildings | - Period of the lease or earlier break |
| Shop leases and shop fittings | - Period of the lease or five years whichever is less |
| Computers, equipment and motor vehicles | - 3 years straight line |

Estimated provisions are made for significant leasehold property dilapidation liabilities.

ACCOUNTING POLICIES

Year ended 31 March 2024

1.8 STOCKS AND WORK IN PROGRESS

Stocks and work in progress are stated at the lower of cost and net realisable value. Goods donated for sale in the charity shops are included at their fair value.

1.9 EXPENDITURE

Expenditure is accounted for on an accruals basis. Direct expenses are allocated to the department incurring the expenditure. Expenditure is stated inclusive of irrecoverable VAT. During the year ended 31 March 2024 YMCA England and Wales incurred VAT of £48,567 (2023: £29,102) which it was unable to recover.

Costs of generating funds includes all fundraising departments and operating costs for the trading subsidiaries.

Charitable activities comprises expenses attributable to the operating departments as detailed in note 3.2. Central services are allocated to activities/departments based on the estimated usage of the services on the following basis:

| <u>Function</u> | <u>Allocation basis</u> |
|-----------------------|-----------------------------|
| Office Services | Average number of employees |
| Central overheads | Average number of employees |
| Personnel and payroll | Average number of employees |
| Finance | Non-staff expenditure |
| IT | Number of PCs |

1.10 INVESTMENTS

FRS102 provides that investments should be shown as fixed assets at their market value. To comply with FRS102 investment gains and losses have to be shown on the face of the Statement of Comprehensive Income.

Investments in subsidiary companies are stated at cost less accumulated impairment.

Investment income is accounted for on a receivable basis.

1.11 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

1.12 PENSIONS

YMCA England and Wales 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 YMCA England & Wales.

As described in note 13, YMCA England & Wales has a contractual obligation to make annual pension deficit payments of £0.82m over the period to April 2027 (2023: £1.03m pa over period to April 2029), accordingly this is shown as a liability in these accounts. In addition, YMCA England & Wales is required to contribute £262k (2023: £244k) pa to the operating expenses of the Pension Plan and these costs are charged to the Statement of Comprehensive Income as made.

As described in note 13 a defined contribution scheme has been set up which all staff are eligible to join.

1.13 LIABILITIES

Liabilities are recognised when YMCA England & Wales has an absolute obligation to make payment to a third party.

1.14 CASH AT BANK AND IN HAND

This includes amounts held on accounts with access within thirty days. Amounts held on longer term notice are shown as short-term deposits.

Liquid resources for the purposes of the cashflow statement comprise bank and cash balances.

1.15 FOREIGN CURRENCIES

Items paid in foreign currencies are translated at the exchange rate incurred for that transaction.

1.16 JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing these financial statements, the key judgements have been made in respect of the following:

- Whether there are indicators of impairment of the group's assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset;
- Depreciation of tangible assets is based on their estimated useful lives;
- Provision is made for future leasehold property dilapidation costs at the best estimate of the likely future liability based on the nature and condition of the property;
- Donated stock has no value until it is sold. The value of items held at the year end is therefore based on the average sales in the first two weeks of April;
- The discount factor used for pension deficit contributions in future years;
- The underlying assumptions in relation to the estimate of the pension plan obligations such as return on assets, increases in pensions in payment and mortality. Variations in these assumptions have the ability to significantly influence the value of the pension liability and the annual contributions required.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2024

ANALYSIS OF TOTAL INCOME

| | Grants and Contracts for services £'000 | Other Income £'000 | TOTAL 2024 £'000 | Grants and Contracts for services £'000 | Other Income £'000 | TOTAL 2023 £'000 |
|--|--|--------------------------|------------------------|--|--------------------------|------------------------|
| 2.1 DONATIONS AND LEGACIES | | | | | | |
| Individuals | - | 2,461 | 2,461 | - | 2,435 | 2,435 |
| Legacies | - | 626 | 626 | - | 1,225 | 1,225 |
| Corporate and Trusts | - | 586 | 586 | - | 129 | 129 |
| | - | 3,673 | 3,673 | - | 3,789 | 3,789 |
| 2.2 AFFILIATION FEES | - | 1,212 | 1,212 | - | 1,053 | 1,053 |
| 2.3 INCOME FROM CHARITABLE ACTIVITIES | | | | | | |
| Movement Services | - | 34 | 34 | - | 51 | 51 |
| Programme Development | - | - | - | 578 | - | 578 |
| Communications, Policy & Research | - | 20 | 20 | 7 | 43 | 50 |
| Central Services | - | 80 | 80 | 6 | 30 | 36 |
| | - | 134 | 134 | 591 | 124 | 715 |
| 2.4 INCOME FROM TRADING ACTIVITIES | | | | | | |
| Income generated by charity shops | - | 16,701 | 16,701 | 1,146 | 14,709 | 15,855 |
| Trading companies (note 8) | - | 272 | 272 | - | 74 | 74 |
| | - | 16,973 | 16,973 | 1,146 | 14,783 | 15,929 |
| 2.5 INVESTMENTS, INTEREST AND RENTAL INCOME | | | | | | |
| Rental income | - | 18 | 18 | - | - | - |
| Investment income | - | 692 | 692 | - | 170 | 170 |
| Interest receivable | - | 116 | 116 | - | 73 | 73 |
| | - | 826 | 826 | - | 243 | 243 |
| 2.6 PROFIT ON SALE OF FIXED ASSETS | | | | | | |
| Profit (loss) on sale of assets | - | (59) | (59) | - | 13 | 13 |
| | - | (59) | (59) | - | 13 | 13 |
| TOTAL INCOME | - | 22,759 | 22,759 | 1,737 | 20,005 | 21,742 |

The figures shown above for 'Grants and contracts for services' include amounts raised by fundraising staff for specific purposes.

YMCA England & Wales benefits greatly from the involvement of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of volunteers is not recognised in these accounts.

The above income includes the following statutory items:

| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
|--|-------|-------|-------|-------|-------|-------|
| Grants and contracts for services from Government sources: | | | | | | |
| - Retail grants | - | - | - | 1,129 | - | 1,129 |
| - Kickstart | - | - | - | 30 | - | 30 |
| Dept for Culture, Media and Sport re Y's Girls Project | - | - | - | 578 | - | 578 |
| Gift aid receivable | - | 890 | 890 | - | 695 | 695 |
| | - | 890 | 890 | 1,737 | 695 | 2,432 |

NATIONAL COUNCIL OF
YOUNG MEN'S CHRISTIAN ASSOCIATIONS (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2024

ANALYSIS OF TOTAL EXPENDITURE

| | Staff Costs (Note 3.5) £'000 | Other Costs £'000 | Grants payable £'000 | Support Costs £'000 | TOTAL 2024 £'000 | Staff Costs (Note 3.5) £'000 | Other Costs £'000 | Grants payable £'000 | Support Costs £'000 | TOTAL 2023 £'000 |
|--|------------------------------------|-------------------------|----------------------------|---------------------------|------------------------|------------------------------------|-------------------------|----------------------------|---------------------------|------------------------|
| 3.1 COSTS OF RAISING FUNDS | | | | | | | | | | |
| Individuals | 536 | 1,061 | - | 214 | 1,811 | 437 | 543 | - | 210 | 1,190 |
| Legacies | 68 | 107 | - | 43 | 218 | 62 | 72 | - | 42 | 176 |
| Corporate and Trusts | 145 | 28 | - | 85 | 258 | 146 | 22 | - | 84 | 252 |
| | 749 | 1,196 | - | 342 | 2,287 | 645 | 637 | - | 336 | 1,618 |
| 3.2 CHARITABLE ACTIVITIES | | | | | | | | | | |
| Movement Services | 210 | 421 | - | 529 | 1,160 | 197 | 302 | - | 509 | 1,008 |
| Funding support | 133 | 207 | - | 85 | 425 | 175 | 179 | - | 84 | 438 |
| Programme Development | 135 | 102 | 224 | 73 | 534 | 112 | 256 | 361 | 73 | 802 |
| Communications, Policy & Research | 688 | 390 | - | 262 | 1,340 | 533 | 284 | - | 252 | 1,069 |
| Legal Support and Trust & Association Funds | - | 1 | 238 | 33 | 272 | - | 2 | - | 32 | 34 |
| Payments to YMCAs | - | - | 1,005 | - | 1,005 | - | - | 1,472 | - | 1,472 |
| International Work | - | 203 | - | 33 | 236 | - | 204 | - | 32 | 236 |
| Dunford House | - | 137 | - | - | 137 | - | 20 | 60 | - | 80 |
| Defined benefit pension scheme operating expenditure | 223 | - | - | - | 223 | 224 | - | - | - | 224 |
| Central Services (note 3.4) | 1,354 | 1,192 | - | (2,477) | 69 | 1,261 | 1,169 | 20 | (2,382) | 68 |
| | 2,743 | 2,653 | 1,467 | (1,462) | 5,401 | 2,502 | 2,416 | 1,913 | (1,400) | 5,431 |
| 3.3 OPERATING COSTS OF TRADING ACTIVITIES | | | | | | | | | | |
| Operating costs of charity shops | 7,714 | 6,171 | - | 1,120 | 15,005 | 6,634 | 5,941 | - | 1,064 | 13,639 |
| Trading companies (note 8) | - | 25 | - | - | 25 | - | 33 | - | - | 33 |
| | 7,714 | 6,196 | - | 1,120 | 15,030 | 6,634 | 5,974 | - | 1,064 | 13,672 |
| TOTAL EXPENDITURE | 11,206 | 10,045 | 1,467 | - | 22,718 | 9,781 | 9,027 | 1,913 | - | 20,721 |

The grants payable are made to local YMCAs.

Other costs within "operating costs of charity shops" in note 3.3 includes dilapidation provisions of £128k (2023: £96k), which is the estimated value of dilapidation obligations arising on the retail units based on floor area.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2024

3.4 Central Services

Central service costs less the associated income (as shown in note 2.3) are allocated across activities on the following basis:

| | Basis of allocation | Fundraising Activities £'000 | Retail activities £'000 | Influencing Activities £'000 | Business Development £'000 | Movement Support £'000 |
|-----------------------|-----------------------------|------------------------------------|-------------------------------|------------------------------------|----------------------------------|------------------------------|
| Office Services | London staff numbers | 161 | 158 | 102 | 25 | - |
| Central Overheads | Estimated time | 33 | 33 | 84 | 13 | 486 |
| Personnel and payroll | Average number of employees | 126 | 374 | 79 | 20 | 27 |
| Finance | Estimated time | 58 | 441 | 32 | 7 | 16 |
| IT | Number of PCs | 49 | 114 | 31 | 8 | - |
| TOTAL 2024 | | 427 | 1,120 | 328 | 73 | 529 |

| | Basis of allocation | Fundraising Activities £'000 | Retail activities £'000 | Influencing Activities £'000 | Business Development £'000 | Movement Support £'000 |
|-----------------------|-----------------------------|------------------------------------|-------------------------------|------------------------------------|----------------------------------|------------------------------|
| Office Services | London staff numbers | 170 | 157 | 104 | 28 | - |
| Central Overheads | Estimated time | 31 | 31 | 80 | 12 | 462 |
| Personnel and payroll | Average number of employees | 128 | 360 | 79 | 21 | 30 |
| Finance | Estimated time | 62 | 425 | 35 | 7 | 17 |
| IT | Number of PCs | 29 | 91 | 18 | 5 | - |
| TOTAL 2023 | | 420 | 1,064 | 316 | 73 | 509 |

3.5 EMPLOYEE COSTS (including subsidiaries)

| | TOTAL 2024 £'000 | TOTAL 2023 £'000 |
|--|---------------------------------|---------------------------------|
| Staff costs comprise: | | |
| Wages & salaries | 9,876 | 8,564 |
| Social security costs | 789 | 698 |
| Employer's contribution towards pension scheme operating expenditure | 223 | 224 |
| Other pension costs | 318 | 295 |
| | 11,206 | 9,781 |

The average number of employees during the year, including part time and seasonal staff, analysed by function was:

| | Average Number | Full-time Equivalent | Average Number | Full-time Equivalent |
|----------------------------|-------------------|-------------------------|-------------------|-------------------------|
| UK - charitable activities | 15 | 14 | 15 | 15 |
| UK - fundraising | 21 | 19 | 20 | 19 |
| UK - charity shops | 408 | 322 | 362 | 290 |
| UK - other activities | 25 | 24 | 22 | 22 |
| TOTAL | 469 | 379 | 419 | 346 |

The number of employees whose emoluments exceeded £60,000 (including pension contributions) per annum during the year was as follows:

| | Number | Number |
|----------------------|-----------|-----------|
| £60,001 to £70,000 | 6 | 5 |
| £70,001 to £80,000 | 2 | 2 |
| £80,001 to £90,000 | 1 | 1 |
| £90,001 to £100,000 | 1 | - |
| £110,001 to £120,000 | - | 2 |
| £120,001 to £130,000 | 2 | 1 |
| £130,001 to £140,000 | 1 | - |
| £140,001 to £150,000 | - | 1 |
| £160,001 to £170,000 | 1 | - |
| | 14 | 12 |

YMCA England & Wales operates a salary sacrifice scheme for pension contributions.

All staff are eligible to join the defined contribution pension scheme. The Chief Executive is an ordinary member of the YMCA Group Personal Pension

Total redundancy costs of £3,860 (2023: £10,209) arose from shop closures.

The following information is given in respect of those employees defined as "directors" by the Accounting Direction for Private Registered Providers of Housing 2019.

| | 2024 | | 2023 | |
|--|--------|------------|--------|------------|
| | Number | £'000 | Number | £'000 |
| Aggregate remuneration (including pension contributions) | 4 | 554 | 4 | 511 |
| Highest paid (excluding pension contributions) | | 153 | | 141 |
| Employer pension contributions | | 9 | | 8 |
| Highest paid (including pension contributions) | | 162 | | 149 |

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2024

3.6 EXPENSES

Board meetings are a mix of face-to-face and conference call, board expenses of £2,352 were reimbursed (2023: £806). No board members received any remuneration for their services during the year (2023: £nil).

Members of the Senior Leadership Team were reimbursed for the following items of expenditure:

| | 2024 £'000 | 2023 £'000 |
|--------------|---------------|---------------|
| Travel costs | 4 | 2 |
| Subsistence | 1 | 2 |
| Others | 2 | 1 |
| | <u>7</u> | <u>5</u> |

4. NET EXPENDITURE FOR THE YEAR

The reported net income (expenditure) for the year is after charging:

| | 2024 £'000 | 2023 £'000 |
|--|---------------|---------------|
| Operating lease rentals payable: | | |
| Property rentals | 1,665 | 1,565 |
| Motor vehicles | 227 | 93 |
| Equipment | 20 | 15 |
| | <u>1,912</u> | <u>1,673</u> |
| Auditors remuneration: | | |
| Total (parent company £33,250 (2023: £32,100)) | <u>34</u> | <u>33</u> |
| and after crediting: | | |
| Income from UK listed investments | <u>692</u> | <u>170</u> |
| Interest receivable: | | |
| - Interest on bank deposits | 87 | 45 |
| - Loan interest | 29 | 28 |
| | <u>116</u> | <u>73</u> |

5. REGISTERED SOCIAL LANDLORD ACTIVITIES

All of the supported housing accommodation has been sold to the management agents, accordingly there were no housing units held at March 2023 or 2024.

NATIONAL COUNCIL OF
YOUNG MEN'S CHRISTIAN ASSOCIATIONS (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2024

6.1 TANGIBLE FIXED ASSETS

| | Land & Buildings | | Equipment & Vehicles £'000 | TOTAL £'000 |
|---|-------------------|-----------------------------|----------------------------------|----------------|
| | Freehold £'000 | Short Leasehold £'000 | | |
| Cost: | | | | |
| At 1 April 2023 | 2 | 219 | 1,287 | 1,508 |
| Additions | - | 44 | 538 | 582 |
| Disposals | - | (9) | (106) | (115) |
| At 31 March 2024 | <u>2</u> | <u>254</u> | <u>1,719</u> | <u>1,975</u> |
| Depreciation: | | | | |
| At 1 April 2023 | 1 | 187 | 658 | 846 |
| Charge for the year | - | 39 | 430 | 469 |
| Disposals | - | (7) | (46) | (53) |
| At 31 March 2024 | <u>1</u> | <u>219</u> | <u>1,042</u> | <u>1,262</u> |
| NET BOOK VALUE: | | | | |
| 31 March 2024 | <u>1</u> | <u>35</u> | <u>677</u> | <u>713</u> |
| 31 March 2023 | <u>1</u> | <u>32</u> | <u>629</u> | <u>662</u> |
| The above analysis includes Items held on leases: | | | | |
| 31 March 2024 | <u>-</u> | <u>35</u> | <u>-</u> | <u>35</u> |
| 31 March 2023 | <u>-</u> | <u>32</u> | <u>-</u> | <u>32</u> |
| The net book value at 31 March 2024 represents fixed assets used for: | | | | |
| Charitable Activities | 1 | - | - | 1 |
| Management & administration | - | - | 25 | 25 |
| Retail Operations | - | 35 | 652 | 687 |
| | <u>1</u> | <u>35</u> | <u>677</u> | <u>713</u> |
| The net book value at 31 March 2023 represents fixed assets used for: | | | | |
| Charitable Activities | 1 | - | - | 1 |
| Management & administration | - | - | 44 | 44 |
| Retail Operations | - | 32 | 585 | 617 |
| | <u>1</u> | <u>32</u> | <u>629</u> | <u>662</u> |

The net book value of freehold land and buildings includes land at cost of £400 (2023: £400) which is not depreciated.

- 6.2 The majority of properties operated by the YMCA Movement throughout the country are owned by autonomous member YMCAs. Where the YMCA is unable to hold the title deeds itself these are held by the National Council as trustee for the YMCA. As these are not the equitable property of the National Council they are omitted from the above totals.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2024

7. INVESTMENTS

7.1 The unrestricted investments comprise investments in listed funds held in:

March 2024:

| | At Cost | | | At Market Value | | Investment Analysis: | | | |
|--|---------------------|--------------------|---------------------|---------------------|---|---------------------------------------|-------------------|----------------|---|
| | March 2023 £'000 | Additions £'000 | March 2024 £'000 | March 2024 £'000 | Unrealised gains during the year £'000 | Cash and liquid assets £'000 | Equities £'000 | Bonds £'000 | Property and other investments £'000 |
| COIF Charities Ethical Investment Fund | 5,000 | - | 5,000 | 6,132 | 556 | 150 | 4,348 | 528 | 1,106 |
| UBS Managed Funds | 5,000 | - | 5,000 | 6,545 | 21 | 99 | 4,991 | 1,083 | 372 |
| | <u>10,000</u> | <u>-</u> | <u>10,000</u> | <u>12,677</u> | <u>577</u> | <u>249</u> | <u>9,339</u> | <u>1,611</u> | <u>1,478</u> |

March 2023:

| | At Cost | | | At Market Value | | Investment Analysis: | | | |
|--|---------------------|--------------------|---------------------|---------------------|---|---------------------------------------|-------------------|----------------|---|
| | March 2022 £'000 | Additions £'000 | March 2023 £'000 | March 2023 £'000 | Unrealised gains during the year £'000 | Cash and liquid assets £'000 | Equities £'000 | Bonds £'000 | Property and other investments £'000 |
| COIF Charities Ethical Investment Fund | 5,000 | - | 5,000 | 5,576 | (290) | 292 | 4,027 | 662 | 595 |
| UBS Managed Funds | 5,000 | - | 5,000 | 6,524 | (41) | 169 | 4,834 | 1,127 | 394 |
| | <u>10,000</u> | <u>-</u> | <u>10,000</u> | <u>12,100</u> | <u>(331)</u> | <u>461</u> | <u>8,861</u> | <u>1,789</u> | <u>989</u> |

These funds are held to enable the charity to meet its future obligations to the pension scheme.

7.2 The restricted fixed asset funds at March 2023 and 2024 comprise funds held by Dunford Trust.

| | Cost £'000 | Market value £'000 |
|---|---------------|-----------------------|
| Value at 31 March 2022 | 8 | 38 |
| Unrealised gains (losses) during the year | - | - |
| Value at 31 March 2023 | 8 | 38 |
| Unrealised gains (losses) during the year | - | 4 |
| Value at 31 March 2024 | <u>8</u> | <u>42</u> |

The fixed asset investments comprise investments in the following unit trusts:

| | March 2024 £'000 | March 2023 £'000 |
|-------------------------------|---------------------|---------------------|
| COIF Charity Investment Funds | <u>42</u> | <u>38</u> |

8. INVESTMENT IN SUBSIDIARIES

During the year, the charity had a trading company (registered in England & Wales) which covenanted its profits to the charity:

| Name: | Company number | Nature of business: | Type of Share: | Holding: |
|---------------------|----------------|------------------------------------|----------------|----------|
| YMCA Retail Limited | 02232462 | Sponsorship and sales of new goods | Ordinary | 100% |

A summary of its trading results is shown below:

| | 31 March 2024 YMCA Retail Limited £000 | 31 March 2023 YMCA Retail Limited £000 |
|--|--|--|
| Turnover | 272 | 74 |
| Cost of sales | (19) | (41) |
| GROSS PROFIT | <u>253</u> | <u>33</u> |
| Administration costs | (6) | (1) |
| NET PROFIT | <u>247</u> | <u>32</u> |
| Amount Gift Aided to YMCA England and Wales | (247) | (32) |
| Retained in subsidiary | <u>-</u> | <u>-</u> |
| Total Shareholders' Funds | <u>1</u> | <u>1</u> |

During the year the charity had the following transactions with its subsidiary trading company:

| | 31 March 2024 £000 | 31 March 2023 £000 |
|-----------------------------|-----------------------|-----------------------|
| Reimbursement of items paid | 16 | 38 |
| Gift aid of profits | 247 | 32 |
| | <u>263</u> | <u>70</u> |

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2024

| | 31 March 2024 | | 31 March 2023 | |
|---|----------------|------------------|----------------|------------------|
| | GROUP £'000 | PARENT £'000 | GROUP £'000 | PARENT £'000 |
| 9. STOCKS | | | | |
| Donated goods for resale | 286 | 286 | 295 | 295 |
| 10. DEBTORS | | | | |
| Other debtors | £'000 | £'000 | £'000 | £'000 |
| Due within one year | 510 | 497 | 442 | 440 |
| Due after one year (note 10.1) | 773 | 773 | 897 | 897 |
| Other taxes | 316 | 316 | 317 | 317 |
| Prepayments and accrued income | 1,365 | 1,365 | 1,868 | 1,868 |
| Due from Group Undertakings | - | 77 | - | 67 |
| | <u>2,964</u> | <u>3,028</u> | <u>3,524</u> | <u>3,589</u> |
| 10.1 YMCA England & Wales had outstanding loans to: | | | | |
| | 31 March 2024 | | 31 March 2023 | |
| | Repayment | | Repayment | |
| | Amount | months | Amount | months |
| | £'000 | £'000 | £'000 | £'000 |
| | | within 12 months | | within 12 months |
| | | After 12 months | | After 12 months |
| | | £'000 | | £'000 |
| YMCA Thames Gateway | 964 | 211 | 753 | |
| YMCA Swansea | 7 | 7 | - | |
| European Alliance of YMCAs (for YMCA 175 event) | 41 | 21 | 20 | |
| YMCA Port Talbot | 52 | 52 | - | |
| | <u>1,064</u> | <u>291</u> | <u>773</u> | |
| | | | | Interest |
| | | | | £'000 |
| | | | | 2.5% |
| | | | | base +3% |
| | | | | base +3% |
| | | | | base +3% |
| | | | | 832 |
| | | | | 24 |
| | | | | 897 |

During the year ended March 2015, YMCA England & Wales sold the freehold of the housing scheme at Dartford to the local association at open market value for social housing, the consideration being received by a 20 year interest bearing loan at 2.5%.
The loans to YMCA Swansea (£95k) and European Alliance of YMCAs (£120k) were made during the year ended March 2020 and YMCA Port Talbot (£50k) during the year ended March 2023. All are repayable by instalments.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31 March 2024 | | 31 March 2023 | |
|---|----------------|-----------------|----------------|-----------------|
| | GROUP £'000 | PARENT £'000 | GROUP £'000 | PARENT £'000 |
| Pension scheme obligations due within one year (note 13.1) | 823 | 823 | 1,030 | 1,030 |
| Taxes & Social Security Costs | 191 | 185 | 185 | 183 |
| Other Creditors | 1,034 | 1,034 | 2,098 | 2,098 |
| Recycled social housing grant (note 11.1) | - | - | 175 | 175 |
| Provisions for liabilities payable within 12 months (note 12.1) | 349 | 349 | 304 | 304 |
| Accruals and deferred income | 1,553 | 1,549 | 1,128 | 1,123 |
| | <u>3,950</u> | <u>3,940</u> | <u>4,920</u> | <u>4,913</u> |

Deferred income consists of grants received in advance.

| | | | |
|---|--|-------|-------|
| 11.1 Recycled social housing grant | | £'000 | £'000 |
| Outstanding balance | | - | 175 |
| In May 2023 agreement was reached with Homes England for the recycled grant (plus interest) to be used by a local YMCA. | | | |

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

12.1 PROVISION FOR LIABILITIES

At the balance sheet date YMCA England & Wales had obligations to make future payments in respect of the following items where the amount or timing is uncertain:

| | Balance at 1 April 2023 £'000 | Additional Provisions £'000 | Utilised in the year £'000 | Balance at 31 March 2024 £'000 | Balance at 1 April 2022 £'000 | Additional Provisions £'000 | Utilised in the year £'000 | Balance at 31 March 2023 £'000 |
|---|-------------------------------------|-----------------------------------|----------------------------------|--------------------------------------|-------------------------------------|-----------------------------------|----------------------------------|--------------------------------------|
| Lease dilapidations - retail (see note 3.3) | 920 | 128 | (57) | 991 | 1,007 | 96 | (183) | 920 |
| Lease dilapidations - non-retail | 100 | - | - | 100 | 100 | - | - | 100 |
| Allocate rent-free period over lease term | 119 | 225 | (252) | 92 | 5 | 219 | (105) | 119 |
| | <u>1,139</u> | <u>353</u> | <u>(309)</u> | <u>1,183</u> | <u>1,112</u> | <u>315</u> | <u>(288)</u> | <u>1,139</u> |

| | Within one year £'000 | Payable | | | | TOTAL 2024 £'000 | TOTAL 2023 £'000 |
|---------------------|-----------------------------|------------------------------|-------------------------------|------------------------------|--------------------------------------|------------------------|------------------------|
| | | One to two years £'000 | Two to five years £'000 | After five years £'000 | After more than one year £'000 | | |
| As at 31 March 2023 | 349 | 188 | 375 | 271 | 834 | | |
| As at 31 March 2023 | 304 | 103 | 499 | 233 | 839 | 1,139 | |

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2024

13. PENSION COMMITMENT

13.1 YMCA England & Wales participated in a contributory pension plan providing defined benefits based on final pensionable pay for employees of YMCAs in England, Scotland and Wales. The assets of the YMCA Pension Plan are held separately from those of YMCA England & Wales and at the yearend these were invested in the Mercer Dynamic De-risking Solution, 65% matching portfolio and 35% in the growth portfolio and Schroder (property units only).

The most recent completed three year valuation was as at 1 May 2023. 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 of 4.56%, the increase in pensions in payment of 3.18% (for RPI capped at 5% p.a.), and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 21.5 years, female 24.0 years, and 23.1 years for a male pensioner, female 25.7 years, retiring in 20 years' time. The result of the valuation showed that the actuarial value of the assets was £103.1m, which represented 92% 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 2023 for the YMCA Pension Plan as a whole showed that it had a deficit of £9.1 million. YMCA England and Wales has been advised that it will need to make monthly contributions of £69k from 1 May 2024. This amount is based on the current actuarial assumptions (as outlined above) and may vary in the future as a result of actual performance of the Pension Plan. Agreed future deficit contributions have been discounted using a rate of 5.25% (2023: 3%). The current recovery period is 3 years commencing 1st May 2024.

| | Within one year £'000 | Repayable | | | After more than one year £'000 | TOTAL 2024 £'000 | TOTAL 2023 £'000 |
|---------------------|-----------------------------|------------------------------|-------------------------------|------------------------------|--------------------------------------|------------------------|------------------------|
| | | One to two years £'000 | Two to five years £'000 | After five years £'000 | | | |
| As at 31 March 2024 | 823 | 783 | 802 | - | 1,585 | 2,408 | |
| As at 31 March 2023 | 1,030 | 1,030 | 3,092 | 1,031 | 5,153 | | 6,183 |

13.2 YMCA England & Wales has opened a defined contribution group personal pension plan for employees. YMCA England & Wales is making employer contributions of 6% of pensionable earnings provided that employees make a contribution of at least 3%.

YMCA England & Wales has also opened an auto-enrolment pension scheme for those employees who do not want to join the main scheme which has employer contributions of 3% of pensionable earnings provided that employees also make a contribution of 5%.

Total pension contributions for the years ended 31 March 2023 and 2024 are shown in note 3.5.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2024

14. RESTRICTED FUNDS

The income and expenditure of the National Council include items relating to restricted funds comprising the following unexpended balances of donations and trusts held which can only be applied for specified purposes.

| | Balance at 1 April 2022 | Year ended March 2023 | | | | Balance at 31 March 2023 | Year ended March 2024 | | | | Balance at 31 March 2024 |
|---|----------------------------|-----------------------|------------------------------|----------------|-----------|-----------------------------|-----------------------|------------------------------|--------------|-----------|-----------------------------|
| | | Income | Investment gains (losses) | Expenditure | Transfers | | Income | Investment gains (losses) | Expenditure | Transfers | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Restricted income funds: | | | | | | | | | | | |
| Amounts raised for local YMCAs | 116 | 30 | - | (19) | - | 127 | 49 | - | (41) | - | 135 |
| Emergency Response Fund | 94 | - | - | (2) | - | 92 | - | - | - | (23) | 69 |
| Ukraine Emergency Appeal | 11 | 210 | - | (202) | - | 19 | - | - | - | - | 19 |
| Amounts raised for YMCA England & Wales activities: | | | | | | | | | | | |
| - Ys Girls + Girls Move | 47 | 578 | - | (688) | 63 | - | - | - | - | - | - |
| - Changing Futures (including CAST) | 436 | 6 | - | - | (52) | 390 | 232 | - | (371) | - | 251 |
| - YMCA London CAN Youth Hub Project | - | 107 | - | (105) | - | 2 | 94 | - | (95) | - | 1 |
| - World Alliance of YMCAs | - | - | - | - | - | - | 208 | - | (208) | - | - |
| - APS Benevolent Fund | - | - | - | - | - | - | 13 | - | - | - | 13 |
| - Homelessness | 21 | 20 | - | (21) | - | 20 | - | - | - | - | 20 |
| - Chaplaincy | - | 20 | - | (20) | - | - | - | - | - | - | - |
| - Programme Development | 15 | - | - | (15) | - | - | - | - | - | - | - |
| - Better Futures | 11 | - | - | - | (11) | - | - | - | - | - | - |
| - Risk training | 4 | - | - | - | - | 4 | - | - | (4) | - | - |
| Movement Trust Fund | 1 | 1 | - | (1) | - | 1 | 1 | - | (1) | - | 1 |
| Hartwoodside Award | 45 | 1 | - | - | - | 46 | 2 | - | - | - | 48 |
| Douglas Wood Charity | 188 | 4 | - | (1) | - | 191 | 10 | - | (53) | 23 | 171 |
| Other Trust & Association Funds | 43 | 2 | - | - | - | 45 | 2 | - | - | - | 47 |
| NW Region Trust Fund | 93 | 1 | - | - | - | 94 | 2 | - | - | - | 96 |
| Dunford House | 727 | 19 | (1) | (159) | - | 586 | 28 | 4 | (163) | - | 455 |
| Total Restricted Funds | 1,852 | 999 | (1) | (1,233) | - | 1,617 | 641 | 4 | (936) | - | 1,326 |

YMCA England & Wales raises funds on behalf of member YMCAs and for YMCA England & Wales activities which can only be used for that specific purpose. The Emergency Response Fund was launched in response to the Covid pandemic to make grants to local YMCAs in co-ordination with the Movement Trust Fund, the Douglas Wood Charity and the regional trust funds. The Ukraine Emergency Appeal was launched in March 2022 with a £30k donation from YMCA England & Wales. Responses from the international YMCA network are being co-ordinated by the European Alliance of YMCAs. Further income was received from local YMCAs and individual donors, a total of £232k has been sent to the European YMCA for relief work in Ukraine and surrounding areas. The Sidley project was launched in 2023 in co-ordination with YMCA London Central and North to support their youth work project. The APS Benevolent Fund was passed to YMCA England & Wales to administer on their behalf. YMCA England & Wales received a grant from Macquarie Bank on behalf of the World Alliance of YMCAs.

The Movement Trust Fund is established under the trusteeship of the National Council of YMCAs, with the purpose of assisting member YMCAs with grants and loans. Grants are also made by the Hartwoodside Award (which makes annual bursaries to young people in need, particularly disabled persons) and the Douglas Wood charity (which makes grants for the promotion of the education and training of young men in the science and practise on farming, horticulture or any similar profession or trade). The Trust & Association Funds represent mainly funds from defunct Associations. Income is either remitted to a specific activity or accumulated. The North West Region Trust Fund is administered on behalf of this regional trust fund.

The amount for Dunford House is the accumulated profits from the conference centre. In view of the disappointing performance, the Board decided to close this centre and activities ceased on 26 March 2018. The property was sold in August 2020, with the proceeds (net of costs) added to the restricted fund. The fund can only be used for "educational purposes of the National Council".

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2024

15. DESIGNATED FUND

A designated fund has been set-up for the anticipated costs of getting the YMCA Pension Plan to buy-out stage (expected by April 2029).

16. UNRESTRICTED FUNDS

The balance sheet shows how the unrestricted reserves are held. Some of these reserves are held in the form of long-term loans or tied up in fixed assets and therefore not directly available to support other activities, the remainder of the reserves are available to support the activities of YMCA England & Wales and are described as 'free reserves'.

| | 31 March 2024 £'000 | 31 March 2023 £'000 |
|---|------------------------|------------------------|
| Unrestricted funds | 8,511 | 6,828 |
| Less allocated to the following purposes: | | |
| Fixed assets | (713) | (662) |
| Long-term loan to associations | (773) | (897) |
| 'FREE RESERVES' | <u>7,025</u> | <u>5,269</u> |

17. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

Fund Balances are represented by:

| | UNRESTRICTED £'000 | RESTRICTED £'000 | TOTAL MARCH 2024 £'000 | UNRESTRICTED £'000 | RESTRICTED £'000 | TOTAL MARCH 2023 £'000 |
|------------------------|-----------------------|---------------------|------------------------------|-----------------------|---------------------|------------------------------|
| Tangible Fixed Assets: | | | | | | |
| Other fixed assets | 713 | - | 713 | 662 | - | 662 |
| Investments | 12,677 | 42 | <u>12,719</u> | 12,100 | 38 | <u>12,138</u> |
| Total fixed assets | | | <u>13,432</u> | | | <u>12,800</u> |
| Net Current Assets | (460) | 1,284 | 824 | 54 | 1,579 | 1,633 |
| Long Term Liabilities | <u>(2,419)</u> | <u>-</u> | <u>(2,419)</u> | <u>(5,988)</u> | <u>-</u> | <u>(5,988)</u> |
| | <u>10,511</u> | <u>1,326</u> | <u>11,837</u> | <u>6,828</u> | <u>1,617</u> | <u>8,445</u> |

18. CHANGES IN RESOURCES AVAILABLE FOR CHARITY USE

| | UNRESTRICTED £'000 | RESTRICTED £'000 | TOTAL MARCH 2024 £'000 | UNRESTRICTED £'000 | RESTRICTED £'000 | TOTAL MARCH 2023 £'000 |
|---|-----------------------|---------------------|------------------------------|-----------------------|---------------------|------------------------------|
| Net movement in funds for the year | 3,683 | (291) | 3,392 | 739 | (235) | 504 |
| Net (increase) decrease in fixed assets | (51) | - | (51) | (121) | - | (121) |
| Net movement in funds available for future activities | <u>3,632</u> | <u>(291)</u> | <u>3,341</u> | <u>618</u> | <u>(235)</u> | <u>383</u> |

19. LEASING COMMITMENTS

At the balance sheet date, YMCA England & Wales had the following total commitments under operating leases:

| | 31 March 2024 | | 31 March 2023 | |
|------------------|-----------------------------|-------------------------------|-----------------------------|-------------------------------|
| | Property leases £'000 | Plant & machinery £'000 | Property leases £'000 | Plant & machinery £'000 |
| Expiring: | | | | |
| Within 12 months | 987 | 299 | 1,155 | 173 |
| 1 to 2 years | 625 | 297 | 875 | 173 |
| 2 to 5 years | 734 | 157 | 740 | 230 |
| After 5 years | 368 | - | 161 | - |
| | <u>2,714</u> | <u>753</u> | <u>2,931</u> | <u>576</u> |

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2024

20. GRANTS RECEIVED

The following grants were received during the year:

- £100,000 Sidley Austin LLP re YMCA London CAN Youth Hub Project & Partnership
- £75,000 Benefact Trust re Y Girls Project
- £75,000 Joseph Wright re Y Girls Project

The following grants were received during the previous year:

- £268,627 Dept for Culture, Media and Sport re Y's Girls Project
- £194,618 Sport England for Girls Move
- £100,000 Sidley Austin LLP re YMCA London CAN Youth Hub Project & Partnership
- £75,000 Joseph Wright re Y's Girls Project
- £35,000 Peacock Charitable Trust re. Y's Girls Project
- £20,000 Benefact Trust re. Chaplaincy Programme
- £5,000 Mary Homfray Trust re. Y's Girls Project

21. CONTINGENT LIABILITIES

As in prior years YMCA England & Wales has full repairing interests in properties occupied by member YMCAs. There are potential contingent liabilities arising from these interests, but the time and cost to ascertain the potential liability is disproportionate to the benefits gained.

22. TRANSACTIONS WITH RELATED PARTIES

Several Board members are connected with local YMCAs that affiliate to YMCA England & Wales on the normal terms.

The YMCA Pension Plan operates from the offices of YMCA England & Wales which received payments of £28,710 inc VAT (2023: £26,518 inc VAT) for staff time and support services provided.

Donations of £5,000 were received from the trustees on normal terms (2023: £25).

Transactions with group undertakings are shown in note 8. There were no other transactions with related parties.



Here for young people
Here for communities
Here for you

Everyone should have a fair chance to discover who they are and what they can become.

YMCA believes in fairness and opportunity. There are essential building blocks for a full and rewarding life: a safe home; acceptance; guidance; friendship; physical and mental health; academic support; employment skills; and access to real opportunities. Many young people have never known these things; other people have lost one or more as they grew up, but we all need them. All of us. At YMCA, we provide these critical foundations for a fresh, strong start for young people and a better quality of life in the community.

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YMCA

Here for young people
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Here for you

YMCA enables people to develop their full potential in mind, body and spirit. Inspired by, and faithful to, our Christian values, we create supportive, inclusive and energising communities, where young people can truly belong, contribute and thrive.

FAMILY & YOUTH WORK

HEALTH & WELLBEING

HOUSING

TRAINING & EDUCATION

SUPPORT & ADVICE