



YMCA EXETER

CITY OF EXETER YMCA

(A company limited by guarantee)

FINANCIAL STATEMENTS AND DIRECTORS REPORT

FOR THE YEAR ENDED
31 MARCH 2018

COMPANY NUMBER 2449636

REGISTERED CHARITY NUMBER 803226



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ANNUAL REPORT BY THE BOARD FOR YEAR ENDED 31ST MARCH 2018

The Trustees submit their report and financial statements for the year ended 31 March 2018 for the City of Exeter YMCA.

The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 March 2018. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) (Charities SORP (FRS 102)) in preparing the annual report and financial statements of the charity.

PART 1: REVIEW OF THE YEAR 2017-18

SUMMARY

As one of the oldest YMCAs in the world, our Christian ethos motivates us to empower young people to develop their full potential in body, mind and spirit. The Right Rev'd Robert Atwell, Bishop of Exeter, acts as our President and we are inspired to see communities transformed into places characterised by love, joy, peace and hope where all young people can belong, contribute and thrive.

Throughout 2017 and 2018 we have been privileged to work alongside over 100 young people who have lived in our accommodation. We take great pleasure in being part of the solution for young people who are seeking to transform their lives, turn their situations around and find a new future. This year we have focussed on ensuring our provision continues to match the needs of our young people and that they are placed at the heart of our service, allowing them to engage with us in the ways most meaningful to them. We have continued our joint leadership model with Simon Johns and Gareth Sorsby in the roles of Joint Executive Leads. This model encourages accountability, mutual support and has been implemented across the organisation, enabling department managers to support each other in delivering a better, stronger and more effective service.

Our Supported Accommodation remains divided into three stages, as follows:

STAGE 1

Our entry point accommodation is delivered at our 31-bed residential centre on St David's Hill. Here, young people receive a self-contained living and kitchen area, shared bathroom facilities, a programmed one to one support plan and access to a wide range of activities, groups, employment and education opportunities. Each young person has a named link worker who helps them create their personalised plan and timeline of their intended progress, allowing them to see the possibilities and opportunities in their immediate future. Support staff are available on site day and night.

STAGE 2

This shared housing is in the Newcourt area of Exeter and provides sixteen bed spaces in four specially adapted houses. Here we provide a higher level of support than would normally be found in shared housing, where each young person continues to engage in a one to one support plan, with a particular focus on employability and community engagement. Support staff are at the shared houses every working day, as well as several evenings per week. Here, young people are encouraged to proactively access support from any of our staff and can take part in a number of health and wellbeing activities.

STAGE 3

This is currently one shared house with four bedrooms. It is operated by the same support staff as stage 2 and enables young people to continue their route to independent living without the need of a deposit or rent in advance. A reduced level of support is provided at stage 3, yet young people are regularly monitored and contacted to ensure they are flourishing well in this transitional environment. Young people can arrange appointments with the support team and drop-in visits are conducted, along with regular contact via phone, text, email and social media. All stages have emergency cover, enabling young people to contact the team in an emergency or crisis and have an immediate response.

We continue to develop our housing model and look to increase the number of stages of accommodation we offer. We also commit ourselves to, wherever possible, moving services rather than moving young people. This enables them to remain in their communities rather than being uprooted and moved when they have reduced their level of need.

OBJECTIVES AND ACTIVITIES

Our mission is greater than providing housing to homeless young people. Indeed, the term used is 'homeless' not 'house-less'. A home is more than a building in which we reside. A home should provide stability, safety, encouragement, endorsement, hope, retreat, respite, love, compassion and many other vital things a human needs in order to develop and thrive. The young people that have need of YMCA Exeter are usually traumatised to some extent by their experiences and perhaps very difficult upbringings. Difficult childhoods usually mean that they have been poorly prepared to live independently, and this is often a root cause of their homelessness. Simply providing a roof is not enough - without support to overcome trauma and abuse, and without learning the essential skills needed to thrive as adults, a repeating cycle of homelessness and worsening life chances is almost inevitable.

Support is therefore an absolutely vital part of what we do. Our support service offers a wide range of approaches tailored to each individual's need. Their needs are identified and prioritised in conversation using our own bespoke assessment tools developed by our team over many years. This 'needs assessment' is translated into a support plan that proactively targets support where it is most needed. It also provides clear achievements and is a means of tracking how both individuals, and the service, are performing.

Our staff team are extremely knowledgeable and skilled in many areas, and know how and when to refer to more specialist provisions. However, it is a saddening fact that these specialist provisions are becoming harder to access. Consequently, we have a continued focus on upskilling and investing in the training of our professional staff team to be able to assist and provide for this widening gap in provision. We have focussed this year on training in wellbeing and development, as well as new legislation in the welfare system.

We continue to adapt to the increasingly digital age we live in. We ensure that the facilities in our accommodation keep up with the needs and requirements of our young people and the society in which we live. We have increased our digital provision at St. David's Hill to provide a better internet access for our residents as benefit claims, job applications, and personal administration forms are increasingly in digital formats. We already have wifi and high speed internet connections at our Stage 1 and Stage 3 projects, and this year we upgraded all four of our Stage 2 houses to Air Fibre internet, ensuring that staff and residents have the access they need to accomplish their tasks.

An important objective for us is the continued involvement of young people in the life of our services, and this year we have been focussing on giving volunteering opportunities for our current young people to join in the delivery of our work. This has ranged from short volunteering roles in maintenance and decoration of the buildings to regular placements helping with reception and IT. These opportunities help the organisation, and the young people, gain insight into the lives of the other, whilst building relationships and giving young people work experience to assist with their future employment or education.

We are continually supported by many volunteers and interns who help us in running health and wellbeing groups, provide in-house counselling, help with reception duties, and even some who bake cakes every week for each new resident who moves in - a symbol of welcome and hospitality into their new home.

Our weekly group activities continue to focus on the areas where our young people have shown an interest. These are:

MUSIC GROUPS are always very popular and are an excellent means of self-expression for our very talented young people. This year, a group of YMCA Exeter residents and students from the University of Exeter produced a professionally recorded EP which we released on both CD format and on digital market places, including iTunes, Google, Amazon and Deezer. This achievement had an amazing impact on the confidence of those involved. The group has continued to develop, with its membership evolving as they perform at many events across the city.

COOKING GROUPS have continued to be very popular and focus on helping those who lack confidence or competence in the kitchen to learn how to cook healthy, quick and tasty meals on a tight budget. This group focusses on regularly preparing a community meal each week which aims to bring all our residents together to build community and enjoy good food. The group also began distributing food to the street homeless after the meal, an initiative led entirely by them.



SPORTS & ACTIVITY GROUPS encourage physical fitness as a key component of personal wellbeing. Activities include regular weekly sessions for residents such as football or badminton, and usually lead to competing in local friendly tournaments. We also have regular taster sessions which give residents the chance to experience new activities they may not have tried before such as climbing, kayaking or fishing - to name a few. Feedback from our young people is used to select the next activity to try out. This year we have also partnered with a local gym who will be offering free membership and led-sessions at their venue for our young people.

CHAPEL SPACE is an opportunity to explore Christian spirituality in a non-coercive way and enables our residents to connect with the spiritual part of their identity. In part inspired by a piece of research carried out by consultants Lemos and Crane, their report 'Lost and Found' demonstrates how homelessness services fail to address the spiritual needs of their clients. It highlights that many homeless people identify themselves as having spiritual needs, but find that support providers (including those in the faith-based sector) seem to be reluctant or fearful to help them. Lemos and Crane identified this as a failure of support services, given the vital importance of spiritual wellbeing for many homeless people.



MEET SUSANNA*

In her own words...



“I was 17 when I moved in to the YMCA. Before I moved into the YMCA I was living with my parents and my three younger brothers. It was difficult for me because I would look after my brothers when my parents went out and had little time for myself. When things started to get hard my parents asked me to move out.

At the YMCA, I have a Link Worker who helps me with my problems. When I am in a bad mood they try to calm me down and suggest doing colouring or going for a walk. I have learnt to remove myself from things that happen that get me in a bad mood.

I go to cooking group every week to improve my cooking skills. I am a member of the YMCA job club called ‘Connect’ which helps me with my CV, and I also go to football group which is great fun. I am getting better at football every time I go.

My course at college is Health & Social Care Level 1 and I like it when we go on trips to different places. When I finish I want to get a job as a Teaching Assistant. I’ve done work experience and I’ve got some more coming up. I also did the Santa Abseil for the YMCA in December and I raised over £100.

Where would I be without the YMCA? I would probably be still living with my parents and my brothers that I did not get along with. Thank you YMCA and the staff, you have helped me in so many ways.”

May 2017

MEET FRED*

“I can’t be any more sincere, YMCA Exeter has saved my life”



Fred was put in care at the age of 12 and at 14 he began to get involved with drugs. At 16 he was placed in a shared house especially for care leavers and his dependency on drugs was exacerbated by the people he was mixing with.

After several years living away and working as a Plasterer, Fred was sent to prison at the age of 25 for his drug use. However, during his 14 month sentence he took the opportunity to get clean. When he left prison Fred began working for a car dealership but in a new town and with no-where to live, he found it impossible to hold down his job whilst rough sleeping.

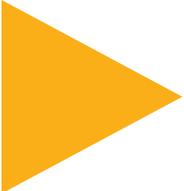
Fred did not have support from his colleagues and he eventually came to Exeter to start again, but after losing custody of his daughter his life began to spiral out of control once more. Fred was referred to YMCA Exeter and he describes our intervention as ‘life-changing’.

Fred is now working towards becoming a personal trainer and Christmas 2017 was his first Christmas with his mum in over a decade! Fred knows it is easier to stay focussed on the future if he surrounds himself with positive and encouraging people. He is determined to remain clean and healthy so that he can achieve his goals and work towards a stable future.

December 2017

(*names and photos have been changed to protect identity)

KEY ACHIEVEMENTS



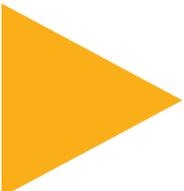
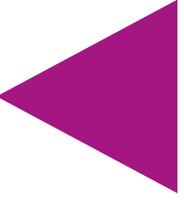
118 young people accessed our Supported Accommodation this year, calling YMCA Exeter their home

83% of young people moved on from our stage 1 accommodation in a positive way, supported at every step by their link worker



7 young people moved into their own Private Rented Accommodation

5 young people moved into Social Housing Accommodation



14 young people progressed from higher to lower Supported Accommodation

5 young people moved into a home with family members or friends



RESOURCES & COMMUNICATIONS

The world of events fundraising is an ever-growing dimension of our work at YMCA Exeter and this past year was no different as our previously named fundraising team formally became our 'Resources and Communications' department. This simple name change has enabled us to reflect the diversity of staff who sit within the team as well as the specialisms they bring in the areas of marketing, fundraising, project quality & development, advocacy and staff & service user engagement.

Our particular highlights throughout the year include: being shortlisted as charity finalists at Exeter Living's annual awards ceremony; leading the completion of our 'Changing Rooms, Changing Lives' project which renovated the recreation lounge and offices in our residential centre; enjoying a double-page spread in Exeter Living's lifestyle magazine following our second Black Tie Fundraising Dinner; and our most successful Sleep Easy sponsored sleep-out ever, raising over £30,000.

LOOKING FORWARD

One focus for us over the next two years is to develop our model of supported accommodation and increase our property portfolio to meet the demand for our style of stage 2 and stage 3 housing. We are currently developing a number of exciting partnerships that will make this expansion possible.

We will also continue to commit ourselves to, wherever possible, moving our services rather than moving and uprooting young people between stages of accommodation. This will enable young people to overcome loneliness and social isolation as they: are embedded in their new communities; engage with local activities; and build their resilience in such a way to overcome past trauma and experience fullness of life.



THANK YOU

It is our privilege for us to be a Christian organisation working at the heart of the local community. We give thanks to God for giving us vision, faith, determination and the example of Jesus Christ on which to model our service to others.

We also thank all of our stakeholders, those people and organisations without whom we would not be able to champion the needs of young people in the region and deliver transformational services.

 To our dedicated staff team, including our colleagues in our sister charity YMCA Exeter Community Projects, who go above and beyond the call of duty in their passionate concern for those we serve. Your genuine commitment and care shines through and is noticed by all.

 To our Board of Trustees who give generously of their time, expertise and wisdom, challenging us, supporting us and advocating on behalf of YMCA Exeter within their networks.

 To our wonderful team of volunteers and interns who give over 10,000 hours of service every year, from in-house counselling to baking cakes, you truly model loving role models that our young people are inspired by.

 To the young people we serve, your commitment to moving towards a more hope-filled future is admirable and our communities are enriched by having you in our lives.

 To the Right Rev'd Robert Atwell, Bishop of Exeter, who continues to act as President for YMCA Exeter and promote our cause across the Diocese.

 To Devon County Council who continue to provide funding for our housing support service. It is a privilege to work alongside you.

 To the countless individuals, businesses and churches who make financial donations in support of our work. You quietly stand alongside us in our mission and we appreciate every single one of you.

 To our partner agencies, Exeter City Council and numerous other charities who care deeply about our young people, thank you for working with us for the benefit of young people in Devon.

PART 2: CHARITABLE OBJECTIVES AND PUBLIC BENEFIT

The Charity's objectives set out in its Memorandum of Association include:-

- a) To provide or assist in the provision in the interests of social welfare of facilities for recreation and other leisure time occupation for men and women with the object of improving their condition in life.
- b) To provide, construct, improve or manage houses or hostels providing residential accommodation for young persons upon terms appropriate to their means.

To meet these objectives and our public benefit requirements during this financial year, we continued to deliver our supported housing and associated services in a very challenging environment. These services are described in detail in Part 1 of this Report. Our provision is focused on assisting single, vulnerable young people between the ages of 16 to 29 who come from throughout Devon, and occasionally beyond. We have increased our housing and support provision in the course of this year, and are actively seeking to achieve further development in coming years.

All of our support services are provided free of charge to all our clients, amply meeting our public benefit requirements

PART 3: GOVERNANCE AND FINANCIAL MANAGEMENT

GOVERNANCE

The organisation is a charitable Company limited by guarantee, and a Registered Provider of Social Housing, incorporated on 5th December 1989. The Company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the Company being wound up, members are required to contribute an amount not exceeding £1.

The business of the Association is managed by the Council, also known as the Board, which may include co-opted members. The directors of the Company are also charity trustees for the purposes of charity law and, under the Company's Articles, are known as members of the Board. The Board may have between 8 and 24 members who meet monthly. They are responsible for the strategic direction, scrutiny of operational activity and policy of the charity. Five Board members need to attend each meeting to form a quorum. During 2017-18 the Board comprised of eleven members. The Board has resolved to limit their number to a maximum of 12 to comply with the adopted NHF Code of Governance 2015, and to ensure effective conduct of Board business.

The Board has adopted as its code of governance "Excellence in Governance" published by the National Housing Federation.

RECRUITMENT, APPOINTMENT AND ROTATION OF BOARD MEMBERS

The Board seeks to ensure that members have a range of skills covering business and management areas, together with those with experience of working with our primary client groups. Regular skills audits are carried out and, when vacancies occur on the Board, new members are sought with appropriate skills, experience and qualifications to strengthen any identified weak areas.

Prospective Board members complete a three stage application process. In the first instance an individual expressing an interest in joining the Board is invited to visit the Association's premises at St David's Hill to be briefed about the work of the organisation, to meet key staff, and to be given a tour of the premises. The role and responsibilities of a Board member are explained at this stage, and if the individual still wishes to join the Board they are given a written Board Member Role Description which explains the role clearly.

The prospective Board member then completes an application form in which they outline their experience and the time, skills and knowledge they can contribute to the organisation. At this stage they may be invited to attend a Board meeting as an observer.

Once references are taken up, an interview is arranged with two members of the Board. If the interviewers are satisfied they possess the necessary skills and knowledge, then the interviewers will propose their acceptance as Board members at the next Board Meeting, subject to ratification at the next AGM.

Board members are elected for a three year term, with approximately one third of the Board resigning at the AGM, after which they may offer themselves for re-election. Board members may not serve more than three terms without a break.

All members of the Board give their time voluntarily and receive no benefits from the Association. They all waive recovery of small levels of expenditure in carrying out their duties, and therefore no member claimed any expenses during the year.

BOARD MEMBER INDICATION AND TRAINING

On being formally voted onto the Board, new members are given a Member's Pack which contains comprehensive information and documentation, which includes the constitution, organisation structure, terms of reference, previous accounts, policy documents and minutes of previous meetings.

Board members are given a formal induction programme to introduce them to their responsibilities as Board members as well as to give them an overview of every area of the organisation's work, including meeting key staff to be briefed on the day-to-day charitable activities.

The Chair is a member of the national YMCA England & Wales Chairs Network that meets twice a year for training and for sharing information and experience. Other Board members are encouraged to attend training events organised by YMCA England & Wales or organised jointly by the YMCAs in the South West.

BOARD OF MANAGEMENT AND THEIR INTERESTS

The Association is a charitable Company limited by guarantee with no share capital. Each member's liability is a contribution of £1.

The Board of Management of the Association during the year ended 31 March 2018 was:

E White	(Chair)
I Awcock	
E Bird	(resigned 12/03/2018)
R Carne	
C Chamings	
P Cloke	(appointed 14/06/2018)
P Lambdin	(appointed 16/07/2018)
A MacGregor	(resigned 12/03/2018)
W McDermid (Treasurer)	
P Reisbach	(appointed 11/09/2017)
T Sanford	(resigned 11/09/2017)
J Snicker	(appointed 11/09/2017)
R Yates	

MANAGEMENT STRUCTURE

The Association works in close partnership with YMCA Exeter Community Projects (a registered charity 1162431), sharing resources and expertise to enable both organisations to achieve more than they could separately.

Day to day responsibility of the management of the organisation rests with a Joint Executive Leadership. The Association employs a staff team who all work closely together to ensure that the aims and objectives of the charity are met.

The Board appoints sub-committees to oversee in more detail various areas of the organisation's business, and these sub-committees report to the full Board.

RISK MANAGEMENT

The Board has conducted a review of the major risks to which the Association is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

In March 2018 the Association was awarded an additional year funding contract with Devon County Council and an invitation to discuss funding from them after April 2019. Whilst progress is being made on generation of additional incomes and contracts with other providers, without this main contract the Association would need to restructure its support services.

Additional support costs during the financial year 2017-2018 were funded by way of a 'spot purchase' contract, on a quarterly basis, advised three months before the commencement of the relevant quarter. Contingency plans are in place should there be a substantial reduction in spot purchase payments at a future date. Strict performance criteria are attached to the contract, and systems have been put in place to ensure that appropriate levels of performance are achieved. Internal control risks are minimised by the implementation of procedures for authorisation of transactions and projects.

Internal control risks are minimised by the implementation of procedures for authorisation of transactions and projects, with a clear statement of delegation of responsibilities to ensure that all decisions with financial implications are approved at an appropriate level (Project staff, Coordinators, Managers, Joint Executive Leads, Chair or full Board, as appropriate).

Management accounts are prepared quarterly and these are compared with the budget. The Association's finances are monitored closely by the Management and the Board, and early action taken to mitigate any financial risks identified.

Detailed Policy and Operational Procedures are in place to ensure compliance with health and safety requirements and to ensure the safety and welfare of staff, service users and visitors to the premises, and regular reports are made to the Board. Particular attention is given to safeguarding children and vulnerable adults. These Policies and Procedures are periodically reviewed to ensure that they continue to meet the needs of the organisation as well as statutory and regulatory requirements.

FINANCIAL PLANNING AND MONITORING

Detailed budgets are produced and approved by the Board prior to the commencement of the year to establish the level of funding required, and a funding strategy has been developed to secure the funds needed to cover this expenditure. The majority of expenditure is planned in advance to ensure that it does not exceed the annual income. Income is generated from rental income, contracts, grants, charitable donations and by providing leadership and management support to other charitable organisations.

RESERVES POLICY

The Board has established a reserves policy to retain three months operating costs to enable it to continue operating in the event of unforeseen circumstances. Excluding depreciation the operating costs for the year were over £650,000, requiring reserves in excess of £160,000.

Net current assets (Cash and debtors held less creditors) are £677,000. Restricted reserves are £142,000, which gives net current reserves of £535,000. The Board has set aside £45,000 in a property reserve for cyclical repairs and maintenance of existing properties pending a full property condition survey. In addition £327,000 is allocated to a property development reserve to be invested in planned future expansion of housing stock. This gives an unrestricted operational cash reserve of £166,000 which represents over 3 months operating expenditure, which is in line with the reserves policy. This year the Association managed to achieve a small Operating Income of £39,000 as compared to deficits in the last three financial years, so for 2018-19 the Board has approved a balanced budget which continues to be a challenge as the sector is continually under financial pressure.

INVESTMENT POLICY

As set out in the reserves policy cash may be required at relatively short notice so all funds are held in high interest bank accounts.

PART 4: FINANCIAL REVIEW

Turnover from rental income increased by 6% from £399,007 to £423,459 due to increase in rent charges to cover the increasing costs of running the housing stock.

Support contracts income decreased by 3% from £190,659 to £184,238.

Income lost through voids has improved from 9% to 7% as a percentage of gross rent receivable compared to the previous year.

Other Income decreased by 10% from £154,605 to £139,500 due to decreased fundraising income and donations, and core service income during the year.

Expenditure for operating costs decreased by 5% from £744,915 to £709,614 due to efficiency in operations.

This created an end of year operating income £39,043 which after net finance costs gives a total comprehensive income for the year of £28,880.

The balance sheet is healthy with £670,843 held in bank accounts at the end of the year. Net current assets are £677,212 with £142,444 being restricted reserves leaving unrestricted net reserves of £534,768. Of these unrestricted reserves the trustees have designated £372,753 to be held in the development & property reserves specifically for a planned future development. This leaves £162,015 which is just under 3 months operating expenditure in unrestricted cash reserves.

PLANS FOR FUTURE PERIODS

The Association anticipates that it will continue to operate its existing 51 units of accommodation for the foreseeable future. We are also looking to further increase the number of units we operate as supported housing in varying formats to meet the needs of its service users.

The Association continues to diversify its income streams and tender for new contracts and opportunities.

PART 5: STATEMENT OF THE BOARD'S RESPONSIBILITIES

Charity and Company Law, and the housing regulator the Homes and Communities Agency, requires the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the surplus or deficit for that period. In preparing these financial statements, the Board is required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP (FRS102)
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the accounts on a going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Accounting Directive for social housing from April 2015, section 137 of the Housing and Regeneration Act 2008, and the Companies Act 2006. It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Board are aware:

- There is no relevant audit information of which the Charity's auditors are unaware, and
- The Board have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Relevant Organisations:

Auditors: Thomas Westcott, 26-28 Southernhay East, Exeter, Devon. EX1 1NS
Bankers: Bank of Scotland, PO Box 23581, Edinburgh, EH1 1WH
CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, ME19 4JQ

Auditors:

Thomas Westcott has expressed its willingness to continue in office and a resolution for their reappointment will be proposed at the Annual General Meeting.

By order of the Board:



E White
39/41 St David's Hill
Exeter, Devon
EX4 4DA

Dated: 24th September 2018

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CITY OF EXETER Y.M.C.A.

OPINION

We have audited the financial statements of City of Exeter Y.M.C.A. for the year ended 31 March 2018 which comprises the Statement of Comprehensive Income, the Statement of Income and Retained Earnings, the Statement of Financial Position, the Statement of Cash flows, and the related notes, including a summary of the significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 (FRS 102), 'the Financial Reporting Standard in the UK and Republic of Ireland'.

This report is made solely to the 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 Members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2018 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Accounting Directive for social housing from April 2015 and section 137 of the Housing and Regeneration Act 2008.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

- the Board of Management's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Board of Management has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the association's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The Board of Management is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Board of Management's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Board of Management's report has been prepared in accordance with applicable legal requirements.

MATTERS OF WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

RESPONSIBILITIES OF THE BOARD OF MANAGEMENT

As described in the statement of the Board of Management's responsibilities set out on Page 17, the Board of management are responsible for the preparation of accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Practice) and for being satisfied that they give a true and fair view, and for such internal control as it is deemed necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the committee of management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE ADUIT OF THE FINANCIAL STATEMENTS

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

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

Stuart Carrington

Stuart Carrington (Senior Statutory Auditor)
for and on behalf of
THOMAS WESTCOTT
Chartered Accountants
Statutory Auditors
Timberly, South Street
Axminster, Devon
EX13 5AD

28th September 2018

CITY OF EXETER Y.M.C.A.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	2017 £
Turnover		609,157	575,813
Operating Costs		(709,614)	(744,915)
Other Income	7	<u>139,500</u>	<u>154,605</u>
Operating Income/(Deficit)		39,043	(14,497)
Interest Receivable		2,649	3,516
Interest Payable and Similar Charges	8	<u>(12,812)</u>	<u>(12,866)</u>
Total Comprehensive Income / (Expenditure) for the Year		<u><u>28,880</u></u>	<u><u>(23,847)</u></u>

All of the income and expenditure for the year ended 31 March 2018 was unrestricted.

Statement of Income and Retained Earnings

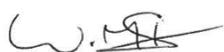
	Income and Expenditure £	Restricted Reserve £	Total £
Balance as at 1 April 2016	738,003	142,695	880,698
Total comprehensive income / (Expenditure) for the year	<u>(23,596)</u>	<u>(251)</u>	<u>(23,847)</u>
Balance at 31 March 2017	714,407	142,444	856,851
Total comprehensive income / (Expenditure) for the year	<u>28,880</u>	<u>-</u>	<u>28,880</u>
Balance at 31 March 2018	<u><u>743,287</u></u>	<u><u>142,444</u></u>	<u><u>885,731</u></u>

The Association's results relate wholly to continuing actions. The accompanying notes form part of these Financial Statements.

These financial statements were approved by the Board of Management on 24th September 2018.



E White
Chair



W McDermid
Treasurer

CITY OF EXETER Y.M.C.A.

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2018

	Notes	£	2018 £	£	2017 £
Fixed Assets					
Housing Properties	10		1,239,975		1,269,358
Tangible Fixed Assets	11		<u>47,773</u>		<u>33,499</u>
			1,287,748		1,302,857
Current Assets					
Debtors	12	57,637		39,492	
Cash at Bank and in Hand		<u>670,843</u>		<u>669,755</u>	
		728,480		709,247	
Creditors: amounts falling due within one year	13	<u>(51,268)</u>		<u>(52,377)</u>	
Net Current Assets			<u>677,212</u>		<u>656,870</u>
Total Assets less current liabilities			1,964,960		1,959,727
Creditors: amounts falling due after more than one year	14		<u>(1,079,229)</u>		<u>(1,102,876)</u>
Total Net Assets			<u>885,731</u>		<u>856,851</u>
Reserves					
Income and Expenditure Reserves	18		743,287		714,407
Restricted Reserves	19		<u>142,444</u>		<u>142,444</u>
Total Reserves			<u>885,731</u>		<u>856,851</u>

The accompanying notes form part of these Financial Statements

These financial statements were approved by the Board of Management on 24th September 2018.



E White
Chair



W McDermid
Treasurer

CITY OF EXETER Y.M.C.A.

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2018

	2018 £	2017 £
Cash flows from operating activities		
Surplus / (deficit) for the year	28,880	(23,847)
<i>Adjustments for:</i>		
Depreciation of housing properties and tangible assets	47,933	37,758
Amortisation of Social Housing Grant	(22,622)	(22,622)
Interest receivable and similar income	(2,649)	(3,516)
Interest payable and similar charges	12,812	12,866
<i>Changes in:</i>		
Trade and other debtors	(18,145)	(11,631)
Trade and other creditors	(1,109)	2,464
	<hr/>	<hr/>
Cash generated from/(used in) operating activities	45,100	(8,528)
Interest Paid	(12,812)	(12,866)
Interest Received	2,649	3,516
	<hr/>	<hr/>
Net cash from/(used in) operating activities	34,937	(17,878)
Cash flows from investing activities		
Purchase of fixed assets	(32,824)	(29,509)
	<hr/>	<hr/>
Net cash from / (used in) investing activities	2,113	(47,387)
	<hr/>	<hr/>
Cash flows from financing activities		
Repayment of borrowings	(685)	(631)
Changes in amounts due within one year	(340)	-
	<hr/>	<hr/>
Net increase / (decrease) in cash and cash equivalents	1,088	(48,018)
Cash and cash equivalents at beginning of year	<hr/> 669,755	<hr/> 717,773
Cash and cash equivalents at end of year	<hr/> <hr/> 670,843	<hr/> <hr/> 669,755

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. **Legal Status**

The Association is registered under the Companies Act 2006 and is a registered housing provider.

2. **Accounting Policies**

Basis of Accounting and Assessment of Going Concern

The financial statements of the Association are prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2014: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2015.

The Trustees consider that there are no material uncertainties about the Association's ability to continue as a going concern. There are no significant areas of judgement or key assumptions that affect items in the financial statements other than those include within the accounting policies described below.

The financial statements are prepared in Sterling (£).

Turnover

Turnover represents rental income and service charges receivable net of rent and service charge losses from voids, fees and grants receivable in the year.

Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting, net of any voids. Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with Administering Authorities.

Pension Costs

Pension costs for the defined contribution scheme are charged against income as they fall due.

Housing Properties

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available for rent and are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings, development costs, and interest charges incurred during the development period.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefit of the assets, are capitalised as improvements.

In accordance with FRS15, depreciation is charged so as to write down the cost of leasehold housing properties on a straight line basis over their expected useful economic life at the following rates.

Leasehold Properties -	St David's Hill over 60 years from 1 April 1999
Freehold Properties -	1 Philip Road, over 50 years from 1 April 2012
	Newcourt, over 50 years from 1 April 2015

Impairment

In accordance with FRS15, all tangible fixed assets with estimated useful lives of more than 50 years are required to be reviewed annually for impairment. The Trustees have considered the assets in terms of impairment for the year end and no adjustment to the accounts was considered necessary.

Government Grants

Government grants include grants receivable from the Homes and Communities Agency (the HCA), local authorities, and other government authorisations. Government grants received for housing properties are recognised in income over the useful life of the housing property structure under the accruals model.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the entity will comply with the conditions and that the funds will be received.

Grants due from government organisations or received in advance are included as current assets or liabilities.

If there is no requirement to recycle or repay the grant on disposal of the asset, any unamortised grant remaining within creditors is released and recognised as income in income and expenditure.

Government grants received for housing properties are subordinated to the repayment of loans by agreement with the HCA. Government grants released on sale of a property may be repayable but are normally available to be recycled and are credited to a Recycled Capital Grant Fund and included in the statement of financial position in creditors.

These grants are repayable in certain circumstances, primarily following the sale of the property.

The Social Housing Grant received by the organisation has been amortised at the same rate as the depreciation charged on the property it relates to as set out in the note above.

Capitalisation of Interest

Interest on the mortgage loan financing a development is capitalised up to the date of practical completion of the scheme.

Depreciation

Depreciation is provided by the Association to write off the cost less the estimated residual value of tangible fixed assets over their estimated useful economic lives as follows:

Computer Equipment	– 3 years straight line
Fixtures and Fittings	– 25% per annum reducing balance

Useful Lives of Depreciable Assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment and changes to decent homes standards which may require more frequent replacement of key components.

Reserves

The Association establishes restricted reserves for specific purposes where their use is subject to external restrictions.

Income Recognition

Investment income is recognised on a receivable basis. Interest is apportioned relating to the period and dividends on a received basis.

Other Income

Other income consists of sundry income from residents, donations received and management and administration fee.

Expenditure Recognition

All expenditure is accounted for on an accruals basis and is recognised where there is a legal and constructive obligation to pay for the expenditure.

The cost of raising funds includes all costs associated with the letting of office accommodation and internal investment management.

Charitable expenditure includes all costs relating to the furtherance of the charitable objectives.

Governance costs include those incurred in the governance of the Association and its assets and are primarily associated with constitutional and statutory requirements.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening or the deposit or similar account.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

3. Particulars of income and expenditure from social housing lettings

	2018	2017
	£	£
Income		
Rent receivable gross	200,457	200,683
Service charge income	223,002	198,324
Amortised government grants	22,622	22,622
Targeted support contract	157,167	156,984
Resident support contract	27,071	33,675
Contribution to costs	9,851	-
Other grants	589	381
	<hr/>	<hr/>
Turnover from social housing lettings	640,759	612,669
	<hr/>	<hr/>
Operating Expenditure		
Management of social housing lettings	156,414	241,967
Management of resident support	239,570	184,696
Maintenance	24,368	31,719
Bad debts	7,813	17,580
Depreciation of housing properties	29,383	29,201
Other costs	73,991	54,812
	<hr/>	<hr/>
Operating expenditure on Social Housing lettings	531,539	559,975
	<hr/>	<hr/>
Operating surplus on Social Housing lettings	109,220	52,694
	<hr/>	<hr/>
Void losses (being rental income lost as a result of property not being let, although it is available for letting)	31,602	36,976
	<hr/>	<hr/>
	7%	9%

4. Operating Income/(Deficit)

The operating income/(deficit) is arrived at after charging / (crediting) :

	2018	2017
	£	£
Depreciation of housing properties	29,383	29,201
Depreciation of other tangible fixed assets	18,550	8,557
Auditors remuneration		
- Fees payable to the Association's auditors for the audit	1,323	1,260
Fees payable to the Association's auditors for other services	1,465	6,573

5. Key Management Personnel

The aggregate remuneration of Key Management Personnel in the year is:-

	2018 £	2017 £
Basic Salary	66,519	119,067
Social Security costs	7,024	11,230
Pension Contributions	4,579	8,833
	<u>78,122</u>	<u>139,130</u>

6. Employee Costs

	2018 £	2017 £
Wages and Salaries	381,326	408,842
Social Security Costs	28,769	29,935
Employer Pension Costs	23,005	15,182
	<u>433,100</u>	<u>453,959</u>

The average number of employees during the year was:

<u>20</u>	<u>20</u>
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Board Members

None of the Board members received emoluments.

7. Other income

	2018 £	2017 £
Resident	1,948	4,684
Events and donations	81,249	94,470
Management and admin	56,303	55,451
	<u>139,500</u>	<u>154,605</u>

8. Interest Payable and Similar Charges

	2018 £	2017 £
Other Loans	<u>12,812</u>	<u>12,866</u>

9. Taxation

City of Exeter Y.M.C.A is a registered charity and is therefore potentially exempt from taxation on its income and gains. No tax charge has arisen during the year.

10. Fixed Assets – Housing Properties

	Hostel Leasehold £	1 Philip Road Freehold £	Newcourt Freehold £	Total £
Cost				
At 1 April 2017	1,144,482	214,841	300,576	1,659,899
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2018	<u>1,144,482</u>	<u>214,841</u>	<u>300,576</u>	<u>1,659,899</u>
Depreciation				
At 1 April 2017	361,188	20,335	9,018	390,541
Charge for the Year	19,075	4,297	6,011	29,383
Disposals	-	-	-	-
At 31 March 2018	<u>380,263</u>	<u>24,632</u>	<u>15,029</u>	<u>419,924</u>
Net Book Value				
At 31 March 2018	<u>764,219</u>	<u>190,209</u>	<u>285,547</u>	<u>1,239,975</u>
At 31 March 2017	<u>783,294</u>	<u>194,506</u>	<u>291,558</u>	<u>1,269,358</u>

Housing Properties include cumulative capitalised interest of £74,293 in earlier years and staff costs of £10,440 capitalised in 2015. No capitalisation of interest or staff costs in 2018.

Both leasehold properties are held on long term leaseholds.

Social Housing Assistance

	2018 £	2017 £
Net social housing grant received or receivable at 31 March: Recognised in the Statement of Comprehensive Income	972,608 <u>(22,622)</u>	995,230 <u>(22,622)</u>
Held as deferred income	<u>949,986</u>	<u>972,608</u>

11. Fixed Assets - Tangible	Furniture and Fittings £	Computer Equipment £	Total £
Cost			
At 1 April 2017	78,556	77,153	155,709
Additions	<u>26,879</u>	<u>5,945</u>	<u>32,824</u>
At 31 March 2018	<u>105,435</u>	<u>83,098</u>	<u>188,533</u>
Depreciation			
At 1 April 2017	63,657	58,553	122,210
Charge for the Year	<u>10,445</u>	<u>8,105</u>	<u>18,550</u>
At 31 March 2018	<u>74,102</u>	<u>66,658</u>	<u>140,760</u>
Net Book Value			
At 31 March 2018	<u>31,333</u>	<u>16,440</u>	<u>47,773</u>
At 31 March 2017	<u>14,899</u>	<u>18,600</u>	<u>33,499</u>

12. Debtors	2018 £	2017 £
Rent Arrears	38,163	56,538
Bad Debt Provision	(25,442)	(45,580)
Prepayments and Accrued Income	28,400	21,125
Other Debtors	-	2,374
Amounts Owed By Connected Organisations – YMCA Exeter Community Projects	14,208	4,981
YMCA Centres (South Molton)	<u>2,308</u>	<u>54</u>
	<u>57,637</u>	<u>39,492</u>

13. Creditors: amounts falling due within one year	2018 £	2017 £
Trade Creditors	16,345	10,199
Housing Loan	600	260
Deferred Grant Income (note 14)	22,622	22,622
Accruals and Deferred Income	11,701	16,136
Other Creditors	<u>-</u>	<u>3,160</u>
	<u>51,268</u>	<u>52,377</u>

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

	Interest Rate %	2018 £	2017 £
FRESH plc Loan	8.375	151,865	152,890
Deferred Income grant (note 14)		927,364	949,986
		<u>1,079,229</u>	<u>1,102,876</u>
Analysis of aggregate debt; being FRESH plc loan			
Within 1 year		600	260
Between 2 and 5 years		2,400	1,040
After more than 5 years		149,465	151,850
		<u>152,465</u>	<u>153,150</u>

The FRESH plc loan is secured by a fixed charge on the property to which it relates and is repayable by instalments.

15. Deferred Grant Income

	2018 £	2017 £
At 1 April 2017	972,608	995,230
Grant received in the year	-	-
Released to income in the year	(22,622)	(22,622)
At 31 March 2018	<u>949,986</u>	<u>972,608</u>
Amounts to be released within one year	22,622	22,622
Amounts to be released in more than one year	927,364	949,986
	<u>949,986</u>	<u>972,608</u>

16. Analysis of Net Assets Between Funds

	Fixed Assets £	Net Current Assets £	Long Term Liabilities £	Total £
Unrestricted Funds	1,287,748	534,768	(1,079,229)	743,287
Restricted Funds	-	142,444	-	142,444
	<u>1,287,748</u>	<u>677,212</u>	<u>(1,079,229)</u>	<u>885,731</u>

17. Connected Parties

During the year the Association made payments to and received payments from YMCA Exeter Community Projects and received payments from YMCA Centres (South Molton), for shared costs and services provided. These have been charged at comparable market costs, without allowing any discounts due to the connected nature of their relationship. At the end of the year YMCA Exeter Community Projects owed £14,208 and YMCA Centres (South Molton) owed £2,308 to the Housing Association for costs incurred but not yet reimbursed.

17. Connected Parties (cont.)

City of Exeter YMCA Housing Association is a charitable company limited by guarantee, and a Registered Social Landlord (Number 2449636). YMCA Exeter Community Projects is an incorporated registered charity. Currently the trustees of City of Exeter YMCA Housing Association and YMCA Exeter Community Projects are the same members. Some of the members are trustees of YMCA Centres (South Molton).

Day to day responsibility for the management of the three organisations rests with the Joint Executive Leads of City of Exeter YMCA Housing Association and YMCA Exeter Community Projects supported by the senior management team under a service level agreement between the respective organisations.

18. Income and Expenditure Reserves

	General Reserve	Development Reserve	Property Reserve	Total
	£	£	£	£
At 1 April 2017	353,654	327,300	33,453	714,407
Income	751,306	-	-	751,306
Expenditure	(722,426)	-	-	(722,426)
Transfers between reserves	(12,000)	-	12,000	-
	<u>370,534</u>	<u>327,300</u>	<u>45,453</u>	<u>743,287</u>
At 31 March 2018	<u>370,534</u>	<u>327,300</u>	<u>45,453</u>	<u>743,287</u>

The Association has made designations to set aside funds to cover future expenditure on the maintenance of the St David's Hill, Philip Road and Newcourt properties. The development reserve is set aside to fund future developments including funding towards the purchase of additional accommodation. The level of any additions or withdrawals from these designated reserves is determined by the Board throughout the year.

19. Restricted Reserves

	Resident Grants Reserve	East Devon YMCA Development Reserve	Total
	£	£	£
At 1 April 2017	724	141,720	142,444
Income	-	-	-
Expenditure	-	-	-
	<u>724</u>	<u>141,720</u>	<u>142,444</u>
At 31 March 2018	<u>724</u>	<u>141,720</u>	<u>142,444</u>

The Residents Grant Fund is for funds awarded to individual residents by grant making trusts to participate in specific activities and training.

20. Accommodation in management

At 31 March 2018, the Association had 51 units in management. No units were under development.

21. General information

The Association is a company limited by guarantee registered in England under the Companies Act 2006, number 2449636 and a registered charity, number 803226. The Association is registered with the Homes and Communities Agency as a registered provider of social housing, number H3905.

The registered office of the Association is 39/41 St. David's Hill, Exeter, Devon, EX4 4DA.

YMCA EXETER

39/41 St David's Hill
Exeter
Devon
EX4 4DA

01392 410530

www.ymcaexeter.org.uk



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.

SUPPORT & ADVICE

ACCOMMODATION

FAMILY WORK

HEALTH & WELLBEING

TRAINING & EDUCATION