

# YMCA EXETER

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## CITY OF EXETER YMCA

(A company limited by guarantee)

**DIRECTORS REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31  
MARCH 2021**

COMPANY NUMBER 2449636 REGISTERED  
CHARITY NUMBER 803226

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The following pages do not form part of the financial statements.

## **Income and Expenditure** **36**

The Trustees submit their report and financial statements for the year ended 31 March 2021 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 2021. 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.

# LEADERSHIP

Since 2017, we have had a joint leadership model to foster accountability and mutual support in what can often be an isolating role. Our Joint CEOs strive to deliver a better, stronger and more effective service for our beneficiaries, our staff and our volunteers.

**Si Johns** began at YMCA Exeter in 2002 as an Assistant Housing Manager, with a background in youth work and social work. An expert in the benefits system, tribunals and disability training; Si is also a Full Chartered Member of the Chartered Institute of Housing. Si believes that this “work is all about spotting people’s potential and giving them the time they need to see it for themselves.”



**Gareth Sorsby** began working at YMCA Exeter in 2010. After leaving school, Gareth gradually worked his way up to General Manager at a 4\* Cornish hotel, before moving to YMCA Exeter to help young people and ex-offenders into employment. Gareth believes strongly in early intervention and the importance of youth work programmes. Gareth specialises in strategic housing and community development.



*Photos: Si Johns and Gareth Sorsby,  
Joint CEOs at our Gala Dinner*



OUR VISION  
IS OF AN INCLUSIVE CHRISTIAN MOVEMENT  
TRANSFORMING  
COMMUNITIES  
WHERE ALL  
YOUNG PEOPLE  
CAN  
BELONG  
CONTRIBUTE  
AND THRIVE



Residents on a day trip to Dartmoor



# WELCOME

***“Trust in the LORD with all your heart;  
do not depend on your own understanding.  
Seek his will in all you do,  
and he will show you which path to take.”***

*Proverbs Chapter 3, verses 5 & 6*

Thank you for joining us as we look back and celebrate how City of ExeterYMCA Housing Association (YMCA Exeter) has continued to support the young people we serve during 2020 and 2021.

Proverbs 3, verses 5 & 6 (captioned above) has been a key passage for us this year as the Covid-19 pandemic disrupted every part of life, for everyone, throughout this year. The King James translation of this verse says “in all thy ways acknowledge him [God]” and so it is right to begin this review of the year with the acknowledgement of all that God has done for us this year, through his protection, his provision and his guidance and wisdom that has seen us through managing such a difficult and turbulent period. This faith and hope is the motivational and sustaining force that upholds the staff team at YMCA Exeter and keeps us committed to serving the young people in our projects and gives us the rest and comfort to carry on each day.

Throughout 2020/2021, our services have continued and have adapted to meet the challenges presented by the Covid Pandemic. Social Distancing, lockdowns and self-isolations have not prevented us from serving the needs of our beneficiaries.

We remain committed to enabling previously homeless young people to live long-term in high quality and safe homes; supporting young people at key transition points in their lives and developing well-balanced communities where young people belong, contribute and thrive.

We know that finding affordable accommodation in Exeter is not an easy task. That task is even more difficult for young people, for those on a low income and for those moving on from supported housing projects.

We are also aware that after young people move to more independent accommodation, situations can occur that cause them to be in need of support once more.

This year saw the start of the construction of our new Stage 4 Project: Sidwell Studios. This project began when we were able to secure a disused warehouse in the middle of Exeter City Centre that had previously gained planning permission to become more Student Accommodation and develop it instead into 26 Studio flats for local young people moving on from Supported Accommodation. This project is scheduled to complete in 2022 and will provide a fantastic opportunity to help young people move on from higher supported accommodation which in turn will free up those spaces for those who desperately need them.

We passionately believe that every person is hugely valuable and ensure that our services are welcoming to people of all faiths or none, offering young people the spaces they need to feel secure, respected, heard and valued and speaking out on issues that affect their lives.

Everything YMCA Exeter does is about meeting the needs of young people in body, mind and spirit. Thank you for joining us in our mission.



Staff taking time together on a walk in Ide.

## STRATEGIC REPORT: OUR OBJECTIVES

Our Christian ethos is the foundation and inspiration for all that we do, and therefore our Strategic Objectives seek to be more than simply about organisational development; through them we seek to demonstrate the love of Christ to those around us, and seek out, welcome, inspire, speak out and serve communities in his name.

### **Remain true to our values and be obedient to God's calling**

This objective is the core of who we are and will shape all our existing and future work and the way we interact with our colleagues, partners and service users.

### **Value, develop and inspire our staff & volunteers to develop a highly skilled and motivated team**

We recognise that our staff team are our greatest resource. With them empowered and operating at high capacity we will achieve more. YMCA Exeter is committed to high quality training and planning of career progression for all our staff. We will cultivate a reputation as an employer of excellence across Exeter and beyond.

### **Continually listen to our communities to identify needs and work together to meet them**

We will ensure that communities are involved in everything we do, from needs analysis, planning new work, fundraising and delivery to create change from within.

### **Ensure our consistent financial sustainability**

YMCA Exeter is committed to ensuring our financial sustainability through first and foremost trust in God, coupled with developing a wide range of financial models including enterprise, grants, contracts and donations.

### **Grow, Expand and Deepen our work**

YMCA Exeter will strive for excellence in all we do, ensuring all our programs and services are delivered to the highest possible standard. We are committed to working in partnership with churches and with other organisations that demonstrate similar values to our own.



Tim Wells overseeing our Food Boost Project, working with young people to practice cooking skills and to deliver a hot food blessing to families to the local community



*Right Rev'd Robert Atwell, Bishop of Exeter*

## REVIEW OF STRATEGIC OBJECTIVES

**Remain true to our values and be obedient to God's calling**

As a Christian organisation we involve our full staff team in seeking God's guidance in how to fulfil our charitable objectives. We regularly pray together for the work of the charity and for each other as we carry out our roles.

We remain closely supported by our President, the Right Rev'd Robert Atwell, Bishop of Exeter, and we are blessed and truly thankful for the support given by the wide range of Christian churches across Exeter and beyond. The support of the local churches in prayer and in partnering us in serving our young people in practical ways is a huge encouragement to us.

Our primary function remains to focus on the needs of the young people that we serve, including providing residential accommodation for young persons upon terms appropriate to their means. This means we continually find new and innovative ways to provide excellent services and support that young people need, whilst keeping our accommodation at a level of rent that promotes their ability to enter employment. This year we began our new Stage 4 Development, Sidwell Studio which is aimed at both tackling the 1-bedroom housing need crisis and focussing that provision to enable young people who need to move on from Supported accommodation have a really excellent option to do so.

This year we have continued to develop our public voice, speaking out on issues that affect young people. This has included cultivating stronger links with local and national media. We have worked closely with media outlets to develop stories that particularly shine the spotlight on the lack of affordable housing and youth homelessness. Throughout our "speaking out" we are committed to projecting a positive message, to highlight the "good work" within the difficulty, and to always be resolution focussed when challenging issues in society.

We continue to engage young people via technology which has become essential during the pandemic. We utilise technology to make accessing our services easier for young people and partners we work with, updating our website referral, increasing our social media content with details on what to do if homeless, the specific types of support YMCA Exeter offers and where to access community-based support around the city.



## REVIEW OF STRATEGIC OBJECTIVES

Value, develop and inspire our staff & volunteers to develop a highly skilled and motivated team

It is common to hear that a staff team is the best asset to any organisation, but we really believe that our organisation *is* our staff team.

We believe that YMCA Exeter is a great place to work, and we continue to ensure every staff member feels part of the organisation, valued in their role and an essential part of planning our journey forward.

This year has been a real challenge to keeping a close team feeling. The Pandemic and the resulting working from home, lockdowns and social distancing measures have impacted the way in which the team could gather together or even work in close proximity to each other. The team was often split with many, who could, working from home whilst many who had to remain on site to ensure our accommodation services were properly staffed and delivering the essential day-to-day services.



Zac Spencer and Andy Mackay creating their regular Podcast for residents



The impact of Covid, lockdowns and some staff members being required to work from home was an essential disconnection from each other that we have never had to face before, and at times that was really hard.

The team, of course, rose to this challenge!

In a planned way some staff members were very willing to change their roles to help out covering any gaps that might occur in service delivery provision due to Covid. As the country learned new information and altered its response to Covid the team was quick to accept and adapt to those changes. In addition, many innovative and often spontaneous things started to occur: Some departments who were working at home sent cards, messages, and even little gifts to those who were working on site. Video messages of support and “thank you!” began to circulate on the organisation’s electronic message boards and impromptu virtual gatherings were arranged.

It is through difficult situations like these that we see the value of having a strong dedicated, happy and performing staff team and reminds us that this strategic objective must remain a core of our values as an organisation.



Enjoying the fruits of their labour in our horticultural activities

## REVIEW OF STRATEGIC OBJECTIVES

**Continually listen to our communities to identify needs and work together to meet them**

Inviting young people to be actively involved in our services and our decision making is massively important to us. This is because young people develop a much greater understanding of the service they receive if they are involved in them and they can understand the “why and how” those services are delivered.

As Covid made face-to-face meetings impossible, we developed many innovative ways to engage and communicate with the young people within our services to gain their feedback on what they needed most during lockdowns and enforced social distancing. Whilst we already communicate with our young people via social media, messaging and other internet and mobile phone methods; we explored and utilised these forms of communication to a degree we had not previously considered. Many of these methods will continue on beyond the lockdown scenarios and have cemented themselves in new additional methods of communicating, gaining feedback and sharing opinions. Staff have increased their video making skills and our understanding of emojis has certainly increased.

Our young people continue to speak out through and with us about the issue that they are facing and that we are supporting them in. We’ve been able to open up an unprecedented level of opportunity for the voice of our young people to be heard across TV, Radio and the internet this year with many young people able to tell their story through articles in national newspapers, local TV spots and local and even international radio interviews. Together, we have been able to highlight the challenges of the housing crisis and the impact of lockdown on the mental health of young people to a vast number of listeners and readers and increase the general understanding of these issues for the general public.



## REVIEW OF STRATEGIC OBJECTIVES

### Ensure our consistent financial sustainability

We want YMCA Exeter to continue serving young people across Exeter and the surrounding region for many more years to come and we have to ensure that we can financially sustain all our activities and be prepared for any changes that may come. To this end, we are continually thankful to God for the wisdom and provision he faithfully provides us to achieve this each year, through the provision of contracts, voluntary income and grants.

We are also continually grateful for the recognition of our local authorities for our work within the supported accommodation sector and the funding they provide through support contracts and accommodation payments to those young people not in work.

We are also continually thankful to the grant making trusts that support our work and enable us to continue to develop more housing opportunities for homeless young people and provide the vital support services that are required to operate alongside them.

The YMCA Exeter Group structure continues to allow us to achieve more by working in partnership with YMCA Exeter Community Projects and YMCA Centres (South Molton). Through the partnership this year we have been able to further develop our therapeutic horticulture work which continues to have an astounding effect on emotional wellbeing, and to provide mental health and wellbeing support, along with access to many community-based activities to an increased number of the residents within our supported housing projects and also to other young people in the local community.

Finally, we remain forever thankful and humbled by the generous donations from our many supporters and friends without whom we could not achieve anywhere near what we do. The knowledge that individuals, businesses, organisations, and churches are committed to serving the needs of our young people brings greater sustainability to our daily work.

Thank you!



Si Johns being filmed for an update on our Sidwell Studios development to send out to our supporters

*Settling into a new home in our Stage 3 housing project*



## REVIEW OF STRATEGIC OBJECTIVES

### Grow, Expand and Deepen our work

Despite the challenges of Covid throughout 2020/2021, we were still able to continue to expand our work. In this year we continued to build on the previous year's success in launching our Stage 3 Project in Exwick by purchasing two more 2 bed houses for young people moving on from higher supported accommodation.

At Stage 3 there is a natural progression towards independence where young people, who thrive in shared housing, have somewhere affordable to call home. Each of the houses are in close proximity to each other, so that young people have familiar friends close by with similar experiences and the proximity promotes neighbourhood connectivity, where young people can look out and care for each other. The houses are also close to the city for work, shopping and socialising. The rents are affordable, based on the Local Housing Allowance rate and perfect for young people in work and, as all our housing, the standard of accommodation is high quality so that young people feel valued.

Significantly, these current Stage 3 houses each have the flexibility to one day become Stage 4 accommodation. This is where we remove our regular support service away from the houses when individual levels of need reduce, rather than the person having to move away from their now familiar home and community.

With the challenge of a pandemic being that gathering in person was limited, we invested in building resources for young people that they could access online. New Wellbeing and Mental Health resources were created and we increased the activity and number of our social media groups and activities. We created videos, drew in other internet resources and ran virtual events. This work has encouraged us to continue to develop our digital outreach even after lockdowns and social distancing is relaxed as it is another avenue to reach and support our young people. We have this year begun development into building our own community network app which can provide resources, information and community across all of our projects and to any young person who wishes to get involved. This will also enable us to communicate with those who might possibly be seeking our help in the future, or may need to access our supported housing.



## OUR FUNDRAISING ETHOS

***“As a Christian I am aware of my responsibility to help others out of a sense of solidarity with fellow human beings. It is important to work with organisations where I can see the projects to which I am contributing and form a relationship with those leading the work.  
This is why I support YMCA Exeter”***

*YMCA Exeter donor - 2020*

YMCA Exeter is committed to the discipline of fundraising, for when we ask and receive resources, we are better equipped to share abundant life with the people we serve.

Inspired by our Christian faith, we believe that the best expression of our love for God is our love for one another. It is this understanding of God that motivates us to live hospitably, inviting ourselves and others to give generously of our resources, including time, talents and money, with those around us.

Our fundraising ethos is based on four key premises:

- We believe through the sharing of resources we can provide hospitality and we can welcome young people into a community.
- We believe our fundraising activities unite those in need with those who can give.
- We believe in the ability of all people to assist in meeting the needs of those we serve.
- We believe we are a bridge through which young and old, rich and poor, can belong, contribute and thrive within a just and fair society.



*Local volunteers taking part in Sleep Easy 2020*



Nationwide Exeter volunteers at Sleep Easy 2020

## MOBILISING SUPPORT AND VOLUNTEERS

*“After a very chilly night, a lot of rain and the roof on our shelter collapsing in on us, it’s fair to say tonight has been challenging, but this was just a tiny glimpse of what some people have to struggle with every single night.”*

*- Nationwide Exeter*

A primary way for individuals to share their resources is crucially through the giving of time and expertise.

Volunteers at YMCA Exeter include many individuals and businesses who are able to support us through their time. This is often through Corporate Social Responsibility pledges where time-bound projects directly benefit those we serve.

Whilst Covid restrictions throughout this year meant that many volunteers couldn’t contribute in the ways that they previously did, it didn’t prevent them from finding other ways to get involved. From carrying out administration functions via remote working to helping us stage our first “virtual” sleep-out (sleep in) event which was a great success and enabled many younger people to get involved by sleeping on their sofas or on the floor at home. The evening included interactive songs and games recorded by volunteers and even a bedtime story from TV celebrity! Volunteers were involved in the streaming and technical aspect of the event and joining in on the night.

We really enjoy working with organisations across the city in order to deliver services that benefit the lives of young people. This past year some of those organisations have included:

- The University of Exeter’s YMCA Homelessness Society
- DAISI creative arts charity
- Exeter Community Initiatives
- Nationwide Exeter
- Barratt David Wilson Homes

## LOOKING AHEAD

*'Trying to find somewhere in Exeter to live is very, very expensive. It's not just me, I think it's mostly everybody!'*  
- YMCA Exeter resident, 2020

This year saw the start of the construction phase of our new Stage 4 project, Sidwell Studios. This project marks our continued aim to increase our housing provision to meet the needs of young people and develop our supported housing services across four stages of graduated support, to ensure every young person can transition through their journey in the most supported way possible.

As a long standing, expert provider of supported accommodation for young people, we know that independent accommodation that has a thriving community does not appear naturally, it has to be intentionally created. We have seen many young people who have successfully progressed through supported accommodation and moved on to independent living, hit a setback; had a relapse; been a victim of something that has triggered feelings from a traumatic past, and found themselves heading towards a crisis where they once again might lose their employment, their health and their home. To address this problem, we are creating the following two initiatives:

### INTRODUCTION OF STAGE 4: INDEPENDENT LIVING

Opening in early 2022, our new Stage 4 affordable housing project will include the conversion and development of an unused warehouse into 26 self-contained studio flats in Exeter City Centre. It will be purposely designed for young homeless people moving on from hostels or supported housing. Here they will find stability, safety, encouragement, hope, retreat, love and compassion, all the things we believe are needed in order for young people to thrive in their day-to-day life.

Significant funding has been secured from the Homes England Move on Fund and, seeing how the proposal met their own strategic housing aims in the city, Exeter City Council has also committed to funding a significant contribution. During 2021/22, we will continue to seek the remaining shortfall to make the project a reality.



Sidwell Studios, our new Stage 4 project under construction

### INTRODUCTION OF COMMUNITY-BASED ACTIVITIES

By continuing to work in partnership within the YMCA Exeter Group we can achieve more together to meet the needs of all young people, both those that live in YMCA Exeter accommodation and those who live locally in the community.

The development of our group work model of activities, whereby small groups of residents come together over shared hobbies and interests, is key moving forward as we seek to roll out these groups for all young people across the city, not just for our residents. Our colleagues in YMCA Exeter Community Projects and YMCA Centres (South Molton) are already working with young people in communities through community connecting, open access youth services and young families support work. As we go forward with our Stage 4 independent living accommodation, we look forward to creating spaces for all young people to receive more informal, yet preventative and pastoral support.

Through these initiatives, YMCA Exeter will always be a place where a group of dedicated and caring individuals will extend hospitality to others, showing no judgement or favouritism, and creating safe spaces where all young people can truly belong, contribute and thrive.

*Residents and Trustees at our  
YMCA Exeter Annual Gala Dinner*

# TRUSTEES' REPORT

# TRUSTEES



**Roger Carne**



**Paul Reisbach**  
Chair



**Will McDermid**  
Treasurer



**Emma White**



**Paul Cloke**



**Rita Nardone**



**Ian Awcock**



**Jonathan Snicker**



**Paul Lambdin**



**Sara Traynor**



**Llew Nicholls**



**Deborah  
Leighton-Plom**

## 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 the Board of Management Annual 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.



Staff involved in giving some *intentional* acts of kindness to the local community at St. David's Hill.

## GOVERNANCE AND FINANCIAL MANAGEMENT

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 2020/21 the Board comprised twelve 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 works to ensure we are meeting the expectations of our regulators, service users and other stakeholders. This is primarily achieved through regular reviews of internal policies and procedures to ensure with legislative requirements and standards.

## 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 3-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 3 terms without a break.

All members of the Board give their time voluntarily and receive no benefits from the Association.



## BOARD MEMBER INDUCTION 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 and Wales Chairs Network that meets twice a year for training and sharing information and experience. Other Board members are encouraged to attend training events organised by YMCA England and 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 2021 was:

P Reisbach	(Chair)
W McDermid	(Treasurer)
E White	
P Cloke	
P Lambdin J	
Snicker	
L Nicholls	
S Traynor	
D Leighton Plom	
R Nardone	
I Awcock	(resigned on 14 September 2020)
R Carne	(resigned on 14 September 2020)

## MANAGEMENT STRUCTURE



Staff, trustees and guests at our Gala Dinner 2019

The Association works in close partnership with YMCA Exeter Community Projects (a registered charity), and YMCA Centres (South Molton), 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 two Joint Chief Executive Officers, supported by a Management Team. The key personnel of the organisation is Si Johns. The Association employs a small staff team who all work closely together to ensure that the aims and objectives of the charity are met.

The Board appoints subcommittees to oversee in more detail various areas of the organisation's business, and these subcommittees 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.

Additional support costs during the financial year 2020-2021 were funded by way of a 'spot purchase' contract, on a quarterly basis, advised 3 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, 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 Chief Executive Officers, 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 just under £860,000, requiring reserves in excess of £215,000.

Net current assets (Cash and debtors held less creditors) are £1,784,436. Restricted reserves are £102,046, which gives net current reserves of £1,682,390. The Board has set aside £39,316 in various property reserves for cyclical repairs and maintenance of existing properties as well as refurbishment. In addition, £386,068 is allocated to a property development reserve to be invested in planned future expansion of housing stock. £119,314 has been designated to cover future set up and initial operations costs of new property development projects. The remaining social housing grant received during the year of £704,305 will be utilised to fund Sidwell Studios progress payments which will fall due within the next twelve months. This gives an unrestricted operational cash reserve of around £433,387 which represents well over 3 months operating expenditure, which is in line with the reserves policy. In 2021-22, 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 short term deposits to provide liquidity when required.

## FINANCIAL REVIEW

### Review of the Year ended 31 March 2021

Turnover from rental income increased by 12% from £461,834 to £515,135 due to increase in rent charges to cover the increasing costs of running the housing stock and the addition of 6 units of accommodation during the year.

Support contracts income decreased by 4% from £212,081 to £203,649.

Income lost through voids has remained at 5% as a percentage of gross rent receivable compared to the previous year.

Other Income increased by 110% from £150,846 to £315,988 due to higher fundraising income and donations for the new property development project, Sidwell Studios.

Expenditure for operating costs increased by 15% from £797,347 to £916,331 due to rising costs of operations and increased in the number of employees.

This created an end of year operating income £135,335 which after net finance costs gives a total comprehensive income for the year of £122,913.

The balance sheet is healthy with £1,823,556 held in bank accounts at the end of the year. Net current assets are £1,784,436 with £102,046 being restricted reserves which are held for specific purposes and can only be used for these purposes. The remaining reserves of £1,682,390 are known as unrestricted reserves. Of these unrestricted reserves, the trustees have designated £544,698 to be held in the Development Reserve, Property Reserve and Support Work Reserve. The Board has financial obligations by making progress payments of £704,305 for the Sidwell Studios project in the next financial year. This leaves £433,387 of free reserves. These are funds that the Board is free to use to support our charitable work.

### PLANS FOR FUTURE PERIODS

The Association anticipates that it will continue to operate its existing 60 units of accommodation and additional 4 units of accommodation were completed after the financial year end, for the foreseeable future. The development of Sidwell Studios is on-going. This building project will be completed by the end of the 2021-22 financial year. Upon completion, there will be additional 26 units of accommodation to let.

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.



*Raising funds through resident-designed Christmas cards*

## OUR APPROACH TO VALUE FOR MONEY

Value for Money (VfM) is central to delivering our mission, values and Business Strategy. As a small housing association, we are extremely conscious of the need to manage our resources and activities in the most effective manner. We are ambitious to provide our residents with the best quality services and to achieve this we must ensure that we optimise productivity from our finances, staff and suppliers. We remain committed to reducing costs or generating additional income where possible.

We serve a young community that need high level of support. Thus, we are committed to providing services that make a positive contribution to our residents and provide an opportunity for them to grow and thrive.

VfM is not just about saving money. While we consistently aim to get the most out of what we spend, we also look for qualitative improvements, for example increasing/improving services with no increase in cost. Achieving value for money is therefore about getting the right balance between the cost of delivering our services (economy) together with how efficient and effective we are as an organisation. We are clear that as a housing association committed to delivering a community service and investing in new homes, that our efficiency approach must also be geared towards achieving our long term vision of investment and growth.

The Regulatory Framework for housing associations includes a Value for Money standard that requires registered landlords to; manage resources economically, efficiently and effectively in our provision of housing and services, for Boards to maintain a robust assessment of VfM performance and to articulate how they will deliver VfM.

The Regulator for Social Housing (RSH) has outlined what it expects Registered Providers to deliver in relation to value for money (VFM) in its VFM standard 2018. A key requirement of the VFM standard is that an organisation understands its costs and the outcome of delivering specific services, and the underlying factors which impact these costs. The regulator has defined 7 metrics, and these are the main elements of our VFM reporting and analysis, which allows us to compare against ourselves over time.

The table below contains our performance for the last three years.

	2020/21	2019/20	2018/19
<b>Reinvestment (%)</b> Considers the investment in properties (existing stock as well as new supplies) as a percentage of the value of total properties held	36%	35%	1.9%
<b>New supply delivered (%)</b> Number of new social housing and non-social housing homes that have been acquired or developed in the year as a proportion of total social housing and non-social housing homes owned at period end.  New supply delivered (Social housing units) % New supply delivered (Non-social housing units) %	10% 0	6% 0	0 0
<b>Gearing (%)</b> Assesses how much of the assets are made up of debt and the degree of dependence on debt finance	0	0	0
<b>Earnings before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest cover (%)</b> A key indicator for liquidity and investment capacity. Measures the level of surplus generated compared to interest payable	12.7	5.8	6.0
<b>Headline Social Housing Cost per unit (£)</b> The headline social housing cost per unit as defined by the regulator. The costs include management, service charge, maintenance, major repairs and other social housing costs	10,373	9,917	9,378
<b>Operating Margin (%)</b> Demonstrates the profitability of the operating assets before exceptional expenses are taken into account. Increasing margins are one way to improve the financial efficiency of a business.  Operating Margin (Social housing lettings only) Operating Margin (overall)	6.4 12.9	1.7 5.2	19.7 5.8
<b>ROCE (%)</b> Operating surplus to total assets less current liabilities. An assessment of the efficient investment of capital resources.	2.9	1.7	2.4

## REINVESTMENT

Our ambitious seven-year plan, commencing 2018 to 2024, will see our housing stock increase to almost double. During the year, we added six rooms to the total number of rooms to let and acquired two 2-bed properties. The four additional rooms will be ready in the next financial year.

## NEW SUPPLY DELIVERED

We have made good progress in acquiring properties after the financial year end and are on target to deliver housing units according to our seven-year plan.

## GEARING

The gearing ratio is zero which indicates that our debt level is low compared to the cost of housing properties. Our level of gearing minimises the exposure of interest rates changes. Reduced interest payments allows more cash flow to be invested in profitable projects.

## EBITDA MRI INTEREST COVER

Our EBITDA MRI Interest Cover will fluctuate from year to year in line with void levels and other sources of income. We are content that our underlying performance is strong and demonstrates our efficiency and effectiveness in delivering robust financial results.

## HEADLINE SOCIAL HOUSING COST PER UNIT

YMCA Exeter has a relatively high cost per unit as compared to general needs housing associations. It is similar with other supported accommodation providers.

## OPERATING MARGIN

There is an increase in our operating margins. We aim to maintain or improve this level of margins in the next financial year.

## ROCE

ROCE has increased which is attributable to higher operating surplus that has outperformed as compared to the increase of net assets.



## STATEMENT OF THE BOARD'S RESPONSIBILITIES

Charity and Company Law, Homes England and Regulator of Social Housing, 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 Industrial and Provident Societies Act 1965 to 2002, Charities Act 2011, Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords General Determination 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, Timberly, South Street, Axminster, Devon, EX13 5AD

### 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:



P Reischbach

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

Dated: 27<sup>th</sup> September 2021



# INDEPENDENT AUDITORS' REPORT

## INDEPENDENT AUDITORS' REPORT

We have audited the financial statements of City of Exeter Y.M.C.A for the year ended 31 March 2021 which comprises the Statement of Comprehensive Income, the Statement of Financial Position and the related notes. 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'.

In our opinion the financial statements:

- Give a true and fair view of the state of the Association's affairs as at 31 March 2021 and of its income and expenditure for that year 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 OF AUDIT 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

## RESPONSIBILITIES OF THE BOARD OF MANAGEMENT

As described in the statement of the Board of Management's responsibilities set out on page 18, 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 AUDIT OF THE FINANCIAL STATEMENTS

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Trustees and management. We communicated identified laws and regulations throughout our team, and remained alert to any indications of non-compliance throughout the audit.
- The Association is subject to laws and regulations that govern the preparation of the financial statements, including financial reporting legislation, and other companies legislation. The Association is also subject to other laws and regulations where the consequences of non-compliance could have a material impact on the amounts or disclosures within the financial statements, including employment, anti-bribery, anti-money laundering and certain aspects of companies legislation.
- 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. In any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations

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

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 Registered Social Landlord and the Members as a body, for our audit work, for this report, or for the opinions we have formed.



**Stuart Carrington (Senior Statutory Auditor)**

for and on behalf of THOMAS WESTCOTT

Chartered Accountants

Statutory Auditors

Timberly, South Street Axminster, Devon, EX13 5AD

**Dated: 28 September 2021**

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021

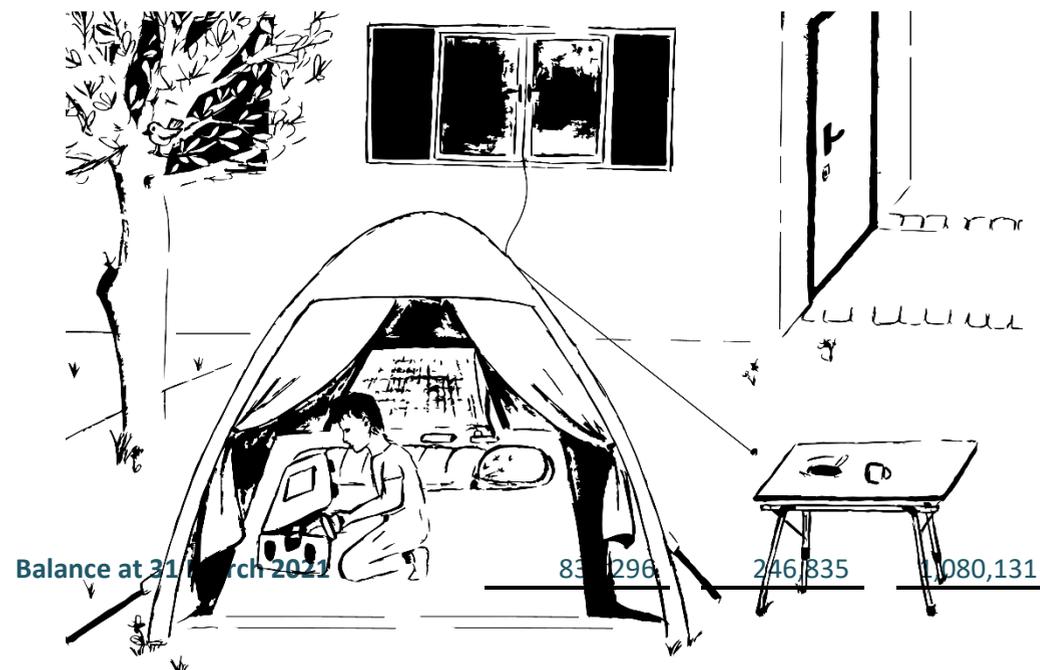
	Note	2021 £	2020 £
Turnover		735,678	689,875
Operating Costs		(916,331)	(797,347)
Other Income		315,988	150,846
<b>Operating Income/(Deficit)</b>	<b>7</b>	<b>135,335</b>	<b>43,374</b>
Interest Receivable		199	2,085
Interest Payable and Similar Charges	<b>8</b>	(12,621)	(12,690)
<b>Total Comprehensive Income for the Year</b>		<b>122,913</b>	<b>32,769</b>

During 2021, £147,568 included in other income was restricted (£2020: £0)

Included within operating costs is £24,815 of restricted expenditure (2020: £22,911).

## STATEMENT OF INCOME AND RETAINED EARNINGS

	Income and Expenditure £	Restricted Reserve £	Total £
Balance as at 1 April 2019	777,456	146,993	924,449
Total comprehensive income / (Expenditure) for the year	55,680	(22,911)	32,769
Balance at 31 March 2020	833,136	124,082	957,218
Total comprehensive income / (Expenditure) for the year	160	122,753	122,913



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 27th September 2021.

**P Reischach**  
Chair

**W McDermid**  
Treasurer

## STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
<b>Fixed Assets</b>					
Housing Properties	10		2,819,777		1,839,033
Tangible Fixed Assets	11		38,564		41,191
			<u>2,858,341</u>		<u>1,880,224</u>
<b>Current Assets</b>					
Debtors	12	36,010		27,249	
Cash at Bank and in Hand		<u>1,823,556</u>		<u>671,961</u>	
		1,859,566		699,210	
<b>Creditors: amounts falling due within one year</b>	13	<u>(75,130)</u>		<u>(64,702)</u>	
<b>Net Current Assets</b>			<u>1,784,436</u>		<u>634,508</u>
<b>Total Assets less current liabilities</b>			4,642,777		2,514,732
<b>Creditors: amounts falling due after more than one year</b>	14		<u>(3,562,646)</u>		<u>(1,557,514)</u>
<b>Total Net Assets</b>			<u><u>1,080,131</u></u>		<u><u>957,218</u></u>
<b>Reserves</b>					
Income and Expenditure Reserves	18		833,296		833,136
Restricted Reserves	19		246,835		124,082
<b>Total Reserves</b>			<u>1,080,131</u>		<u>957,218</u>

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2021

	2021	2020
	£	£
<b>Cash flows from operating activities</b>		
Surplus / (deficit) for the year	122,913	32,769
<i>Adjustments for:</i>		
Depreciation of housing properties and tangible assets	58,025	50,249
Amortisation of Social Housing Grant	(33,342)	(22,622)
Interest receivable and similar income	(199)	(2,085)
Interest payable and similar charges	12,621	12,690
<i>Changes in:</i>		
Trade and other debtors	(8,761)	106,308
Trade and other creditors	5,688	(5,670)
Deferred grant income	-	(18,000)
<b>Cash generated from/(used in) operating activities</b>	<u>156,945</u>	<u>153,639</u>
Interest Paid	(12,621)	(12,690)
Interest Received	199	2,085
<b>Net cash from/(used in) operating activities</b>	<u>144,523</u>	<u>143,034</u>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	<u>(1,036,142)</u>	<u>(652,508)</u>
<b>Net cash from / (used in) investing activities</b>	<u>(891,619)</u>	<u>(509,474)</u>
<b>Cash flows from financing activities</b>		
Social Housing Grant	2,044,091	536,000
Repayment of borrowings	(877)	(807)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<u>1,151,595</u>	<u>25,719</u>
<b>Cash and cash equivalents at beginning of year</b>	<u>671,961</u>	<u>646,242</u>
<b>Cash and cash equivalents at end of year</b>	<u>1,823,556</u>	<u>671,961</u>

The accompanying notes form part of these Financial Statements. These financial statements were approved by the Board of Management on 27th September 2021.



P Reischbach  
Chair



W McDermid  
Treasurer

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

## 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 included 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 agreements with Administering Authorities.

### 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 Property

St David's Hill over 60 years from April 1999

### Freehold Properties

1 Philip Road, over 50 years from April 2012  
Newcourt, over 50 years from April 2015 Exwick,  
over 50 years from April 2020

### 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 Homes England (formally known as Homes and Communities Agency (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 agreement with the Homes England and the local city council. 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 as creditors. These grants are repayable in certain circumstances, primarily following the sale of a 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 consists of sundry income from residents, donations received and management and administration fees.

### 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 of 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.

### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

### Pension Costs

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

## 3. PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

	2021 £	2020 £
<b>Income</b>		
Rent receivable gross	235,663	206,841
Service charge income	279,472	254,993
Amortised government grants	33,342	22,622
Targeted support contract	157,167	157,167
Resident support contract	46,482	54,914
Groupwork Grant & Sessional funding	11,580	11,658
<b>Turnover from social housing lettings</b>	<b>763,706</b>	<b>708,195</b>
<b>Operating Expenditure</b>		
Management of social housing lettings	195,807	214,206
Management of resident support	211,500	218,679
Maintenance	34,785	55,335
Bad debts	(3,193)	7,423
Depreciation of housing properties	42,549	29,851
Other costs	130,061	77,281
<b>Operating expenditure on Social Housing lettings</b>	<b>611,509</b>	<b>602,775</b>
<b>Operating surplus on Social Housing lettings</b>	<b>152,197</b>	<b>105,420</b>
<b>Void losses</b> (being rental income lost as a result of property not being let, although it is available for letting)	<b>28,028</b>	<b>18,320</b>
	<b>5%</b>	<b>5%</b>

## 4. OPERATING INCOME/(DEFICIT)

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

	2021	2020
	£	£
Depreciation of housing properties	42,549	29,851
Depreciation of other tangible fixed assets	15,476	20,399
Fees payable to the Association's auditors for the audit	2,000	1,879
Fees payable to the Association's auditors for other services	4,054	2,119

## 5. KEY MANAGEMENT PERSONNEL

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

	2021	2020
	£	£
Basic Salary	37,696	36,777
Social Security costs	3,991	3,887
Pension Contributions	2,639	2,574
	<u>44,326</u>	<u>43,238</u>

## 6. EMPLOYEE COSTS

	2021	2020
	£	£
Wages and Salaries	453,271	378,366
Social Security Costs	26,749	26,059
Employer Pension Costs	28,900	25,398
	<u>508,920</u>	<u>429,823</u>
The average number of employees during the year was:	<u>25</u>	<u>20</u>

### Board Members

None of the Board members received emoluments.

## 7. OTHER INCOME

	2021	2020
	£	£
Resident	69	2,016
Events and donations	273,367	115,653
Management and admin	42,552	33,177
	<u>315,988</u>	<u>150,846</u>

£147,568 of income within events and donations is restricted for the Sidwell Studios project and has been separately shown in Sidwell Studios Reserves in Note 19.

## 8. INTEREST PAYABLE AND SIMILAR CHARGES

	2021	2020
	£	£
Other Loans	<u>12,621</u>	<u>12,690</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.

## 10. FIXED ASSETS - HOUSING PROPERTIES

	Leasehold £	Freehold £	Total £
<b>Cost</b>			
At 1 April 2020	1,144,482	1,173,706	2,318,188
Additions	667,582	355,711	1,023,293
At 31 March 2021	<u>1,812,064</u>	<u>1,529,417</u>	<u>3,341,481</u>
At 1 April 2020	418,411	60,744	479,155
Charge for the Year	19,075	23,474	42,549
At 31 March 2021	<u>437,486</u>	<u>84,218</u>	<u>521,704</u>
<b>Net Book Value</b>			
At 31 March 2021	<u>1,374,578</u>	<u>1,445,199</u>	<u>2,819,777</u>
<b>At 31 March 2020</b>	<u><b>726,071</b></u>	<u><b>1,112,962</b></u>	<u><b>1,839,033</b></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 2021.

The leasehold property is held on long term leasehold.

<b>Social Housing Assistance</b>	<b>2021</b> £	<b>2020</b> £
Net social housing grant received at 31 March:	1,440,742	927,364
Addition (Exwick grant)	2,044,091	536,000
Recognised in the statement of Comprehensive Income	(33,342)	(22,622)
Held as deferred income	<u>3,451,491</u>	<u>1,440,742</u>

## 11. FIXED ASSETS - TANGIBLE

	Furniture and fittings £	Computer equipment £	Total £
<b>Cost</b>			
At 1 April 2020	128,920	91,296	220,216
Additions	9,134	3,715	12,849
At 31 March 2021	<u>138,054</u>	<u>95,011</u>	<u>233,065</u>
<b>Depreciation</b>			
At 1 April 2020	95,007	84,018	179,025
Charge for the Year	10,762	4,714	15,476
At 31 March 2021	<u>105,769</u>	<u>88,732</u>	<u>194,501</u>
<b>Net Book Value</b>			
At 31 March 2021	<u>32,285</u>	<u>6,279</u>	<u>38,564</u>
At 31 March 2020	<u>33,913</u>	<u>7,278</u>	<u>41,191</u>

## 12. DEBTORS

	<b>2021</b> £	<b>2020</b> £
Rent Arrears	7,126	21,635
Bad Debt Provision	(1,173)	(12,457)
Prepayments and Accrued Income	26,382	16,754

### Amounts Owed By Connected Organisations

YMCA Exeter Community Projects	3,126	347
YMCA Centres (South Molton)	549	970
	<u>36,010</u>	<u>27,249</u>

### 13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other creditors	21,817	16,482
Housing loan (note 14)	900	800
Deferred grant income (note 15)	37,982	33,342
Accruals and deferred income	14,431	14,078
	<u>75,130</u>	<u>64,702</u>

### 14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Interest rate %	2021 £	2020 £
FRESH plc Loan	8.375	149,137	150,114
Deferred Income grant (note 15)		3,413,509	1,407,400
		<u>3,562,646</u>	<u>1,557,514</u>
Analysis of aggregate debt; being FRESH plc loan			
Within 1 year		900	800
Between 2 and 5 years		3,600	3,200
After more than 5 years		145,537	146,914
		<u>150,037</u>	<u>150,914</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

	2020 £	2020 £
At 1 April 2019	1,440,742	945,364
Grant received in the year	2,044,091	536,000
Released to income in the year	(33,342)	(40,622)
At 31 March 2020	<u>3,451,491</u>	<u>1,440,742</u>
Amounts to be released within one year	37,982	33,342
Amounts to be released in more than one year	<u>3,413,509</u>	<u>1,407,400</u>
	<u>3,451,491</u>	<u>1,440,742</u>

### 16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets £	Net Current Assets £	Long Term Liabilities £	Total £
Unrestricted Funds	2,858,341	1,537,601	(3,562,646)	833,296
Restricted Funds	-	246,835	-	246,835
	<u>2,858,341</u>	<u>1,784,436</u>	<u>(3,562,646)</u>	<u>1,080,131</u>

## 17. CONNECTED PARTIES

City of Exeter Y.M.C.A 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 Y.M.C.A 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 Chief Executive Officers of City of Exeter Y.M.C.A and YMCA Exeter Community Projects supported by the management team under a service level agreement between the respective organisations.

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. YMCA Exeter Community Projects charges the Association for the work carried out by the Joint Chief Executive Officer and volunteer coordinator. The amount charged is at market rate.

At the end of the year YMCA Exeter Community Projects owed £3,126 and YMCA Centres (South Molton) owed £549 to the Housing Association for costs incurred but not yet reimbursed. Included within trade creditors is £17,609 which is owed to YMCA Exeter Community Projects as at March 2021.

During the year, the Association did not reimburse any expenses to trustees for travel costs. (2020: £32).

## 18. INCOME AND EXPENDITURE RESERVES

	At 1 April 2020	Income	Expenditure	Transfers between reserves	At 31 March 2021
	£	£	£	£	£
General Reserve	421,912	907,076	(884,601)	(11,000)	433,387
Development Reserve	241,279	-	-	-	241,279
Property Reserve	50,631	-	(22,315)	11,000	39,316
Support Work Reserve	90,000	-	-	29,314	119,314
Refurbishment Reserve	29,314	-	-	(29,314)	-
<b>Total</b>	<b>833,136</b>	<b>907,076</b>	<b>(906,916)</b>	<b>-</b>	<b>833,296</b>

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.

The Association has made designations to set aside funds to cover future expenditure on the maintenance of the St David's Hill, Philip Road, Exwick and Newcourt properties. Based on the Stock Condition Survey carried out in November 2017, the Association have been allocating funds to this reserve to reach the desired level of funds for future expenditure and maintenance costs.

Support Work Reserve is to cover future costs of hiring and salaries of new staff who will be employed to support and manage new residents in our new property development.

Refurbishment Reserve is funds allocated to refurbish newly acquired properties to a good standard before letting to residents.

## 19. RESTRICTED RESERVES

	At 1 April 2020	Income	Expenditure	Transfer	At 31 March 2021
	£	£	£	£	£
Training and Meeting Reserves	1,124	-	-	-	1,124
New Development Plan Reserve	22,036	-	(9,172)	(12,864)	-
Resident Grants Reserve	724	-	-	-	724
East Devon YMCA Development Reserve	100,198	-	-	-	100,198
Sidwell Studios Reserve	-	147,568	(15,643)	12,864	144,789
<b>Total</b>	<b>124,082</b>	<b>147,568</b>	<b>(24,815)</b>	<b>-</b>	<b>246,835</b>

The Training and Meeting Fund is to cover the costs of departmental managers meeting with their colleagues in YMCAs across the South West region to share expertise and experience.

The New Development Plan Fund is for the salary of a Project Manager to purchase additional properties across four stages of graduated Supported Accommodation.

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

East Devon YMCA Development Reserve is to finance new projects in East Devon.

Sidwell Studios Reserve is to fund capital costs of redeveloping a building in Acland Road.

## 20. ACCOMMODATION IN MANAGEMENT

At 31 March 2021, the Association had 60 units in management(2020: 54).

## 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 Regulator of Social Housing 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.

The following pages do not form part of the financial statements.

## INCOME AND EXPENDITURE ACCOUNT OR THE YEAR ENDED 31 MARCH 2021

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
<b>Income</b>				
Hostel Rent	323,220	-	323,220	320,847
Philip Road Rent	26,365	-	26,365	26,927
Newcourt Rent	115,920	-	115,920	112,937
Exwick Rent	49,630	-	49,630	1,123
Targeted Support Contract	157,167	-	157,167	157,167
Groupwork Grant & Sessional funding	11,580	-	11,580	11,658
Resident Support Contract	46,482	-	46,482	54,914
Amortised Social Housing Grants	33,342	-	33,342	22,622
	<u>763,706</u>	<u>-</u>	<u>763,706</u>	<u>708,195</u>
Less: Rent Voids	(28,028)	-	(28,028)	(18,320)
	<u>735,678</u>	<u>-</u>	<u>735,678</u>	<u>689,875</u>
<b>Operating Costs</b>				
Salaries and staff costs	516,733	9,172	525,905	432,885
Recruitment and Training	4,423	12,864	17,287	18,785
Travelling Costs	182	-	182	2,663
Fundraising Salaries	43,065	-	43,065	46,767
Fundraising Costs	20,804	1,659	22,463	16,725
Property Maintenance	52,084	-	52,084	49,462
Insurance	6,516	-	6,516	3,972
Rent	23,968	-	23,968	20,222
Rates	22,262	-	22,262	16,948
Water, electricity and Gas	43,190	-	43,190	35,109
Laundry Costs	139	-	139	365
Cleaning contractor	5,016	-	5,016	5,873
Cleaning and Gardening	7,632	-	7,632	7,841
Residents' Internet	1,405	-	1,405	2,734
Residents' Support Costs	26,353	-	26,353	17,162
Telephone and Postage	10,029	-	10,029	9,334
Office Expenses	10,249	45	10,294	12,605
Computer Costs	26,259	1,075	27,334	25,799
Leasing Charges	5	-	5	5
Affiliation Fees	5,144	-	5,144	4,367
Audit and Accountancy Fees	6,156	-	6,156	3,998
Professional Fees	3,591	-	3,591	2,786
Board Training	701	-	701	2,242
Bad Debts and Provision	(3,193)	-	(3,193)	7,423
Depreciation	58,025	-	58,025	50,249
Bank Charges	778	-	778	1,026
	<u>891,516</u>	<u>24,815</u>	<u>916,331</u>	<u>797,347</u>

## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
Operating Surplus/Deficit Brought Forward	(155,838)	(24,815)	(180,653)	(107,472)
<b>Interest Receivable and Other Income</b>				
Management and Admin Support	42,552	-	42,552	33,177
Fundraising	77,140	128,781	205,921	77,995
Donations	42,632	16,287	58,919	31,328
Residents' Other Income	69	-	69	-
Car Park Access Rights	900	-	900	900
Sundry Income	885	-	885	3,546
Bank Interest Received	199	-	199	2,085
Gift Aid Income	4,242	2,500	6,742	3,900
	<hr/> 168,619	<hr/> 147,568	<hr/> 316,187	<hr/> 152,931
<b>Interest Payable and Similar Charges</b>				
Hostel Mortgage Interest	(12,621)	-	(12,621)	(12,690)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net (Expenditure) / Income for the Year Before Transfers</b>	160	122,753	122,913	32,769
Transfers between reserves	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Retained Net (Deficit)/Surplus for the Year</b>	160	122,753	122,913	32,769

# YMCA EXETER

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