

Your Employment Service CIC

Report of the Board and financial statements

For the year ended 31 March 2019

Report of the Board and financial statements

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Company Information

Board:

Chair Anne Taylor

Other Board Members
Martin Oldfield
Craig Broadhurst
Greig Lees
Derek Purnell
Hazel Remeika

Executive Officers:

Company Secretary Diane Roberts

Registered office **Yes**
115 Briscoe Lane
Newton Heath
Manchester
M40 2TP

Company registration number 08467469

Principal solicitors
Weightmans LLP
3 Piccadilly Place
Manchester
M1 3BN

Principal bankers:
Royal Bank Scotland
38 Mosley Street
Manchester
M2 3AZ

Company Auditors:
BDO LLP
Statutory Auditor, Chartered Accountants
3 Hardman Street
Spinningfields
Manchester
M3 3AT

DIRECTORS' REPORT

The directors present their annual report on the affairs of the company, together with the financial statements for the year ended 31st March 2019. The company was incorporated on 2 April 2013 and commenced trading on 28 August 2013.

PRINCIPAL ACTIVITY

Your Employment Service CIC (**yes**) is a community interest company established in April 2013 and opened in August 2013 to provide job opportunities, training, business advice, money advice and work/voluntary experience to tenants and residents throughout north Manchester.

DIRECTORS

The directors who served during the period were:

Anne Taylor
Martin Oldfield
Craig Broadhurst
Greig Lees
Derek Purnell
Hazel Remeika

REVIEW OF THE BUSINESS

Yes is based in north Manchester. We deliver from our centre in Newton Heath in the M40 postcode, a district with some of the highest unemployment levels in the city (10%). More than half of people who live there claim housing benefit. We also deliver a three day a week service from The Hive, in partnership with Co-operative Academy Manchester (CAM) in Higher Blackley. We have opened a third centre in Collyhurst at Southchurch Parade on 21st May 2018.

The Board reviewed the vision for **yes**: "We will build confidence, drive ambition and inspire people to be the best they can be" and agreed that this was still fit for purpose. The Strategic Business Plan for 2017/2022 has been reviewed, updated and agreed by the Board.

In the past year 1162 people have registered with the service, there have been almost 20,000 visits to the centres and 235 people have found jobs or training.

We work with a range of partners who offer complimentary services to our clients.

We are adding value to the local economy by proactively targeting businesses to ring-fence some of their vacancies so that local jobs go to local people. This both stimulates the economy through the local multiplier effect and helps reduce the carbon footprint of those travelling to work.

We are also tackling digital exclusion. There is free Wi-Fi and provision of 61 PCs, across our centres providing internet access and Microsoft Office software for free. This is the largest provision of free, unlimited internet access across north Manchester.

The staff at **yes** build confidence, help with CVs, create email addresses, cultivate volunteers, signpost to other services and generally create a culture of positivity.

Following dissolution of the HACT start-up business loan scheme, Northwards Housing have signed over the residual funding to **yes** to provide small grants to local start-up businesses. An agreement detailing the provision of the funding has been signed by both parties. These funds are ring-fenced in our accounts. We have begun to distribute funding during this financial year in line with the agreement including providing support and training.

Our partners Re:Vision have accessed CITB/DFE funding to provide construction training in the North West. They have installed a temporary training facility (The Cube) at Collyhurst this will provide further income and much needed local training and jobs.

DIRECTORS' REPORT (continued)

Yes was established initially utilising funding from Northwards Housing and Manchester City Council, but since the project has been operational we have been able to bring in additional revenue funding from partners. Significant funding has been provided by Re:vision Charity who support us in a number of ways including outcome and retention funding. New partners have enabled the development of the new centre in Collyhurst. A significant donation in kind has also been provided by Mears/Manchester Working Limited in refurbishing the Collyhurst centre as part of their Social Responsibility commitment.

The Board have been considering the governance of yes for some time. To ensure continuation of funding by both Northwards Housing and MCC it has been necessary to gain approval to move towards a charitable organisation. Solicitors have advised that Charitable Status should be granted and is a good model for yes in order to attract further funding. Work to establish the Charity is on-going including negotiations with Northwards to establish a future working arrangement. The Board had agreed to invest £20,000 of our reserves to support the opening of our Collyhurst centre. We were pleased that we secured funding which covered this cost and were able to invest in much needed new computer equipment for our Newton Heath centre, resulting in a much smaller loss than anticipated.

ACCREDITATION AS A CIC

Yes successfully applied for accreditation as a Community Interest Company (CIC) under the control of the CIC regulator. This accreditation was effective as at 2 April 2013 Yes continues to be a CIC and is meeting the regulators requirements.

GOING CONCERN

In accordance with their responsibilities, the Directors have considered the appropriateness of the going concern basis for preparation of the financial statements. The Directors are satisfied that the Company has sufficient funding in place to continue in operation for the foreseeable future and being period of not less than 12 Months from, the date of approval of these financial statements.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

Yes, has qualifying third party indemnity insurance in place for directors.

On behalf of the Board



12/9/19.

Diane Roberts
Company Secretary

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

REPORT TO MEMBERS OF YOUR EMPLOYMENT SERVICE CIC

Opinion

We have audited the financial statements of Your Employment Service CIC ("the Company") for the year ended 31 March 2019 which comprise The Profit and Loss Account, The Balance Sheet, The Statement of Cash flows and The Statement of Changes in Equity, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2019 and of its loss 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.

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 Company 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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company'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 Directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the Statement of Directors Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

H. Knowles

Helen Knowles (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Manchester, UK

11.10.19

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Profit and Loss account

For the period ended 31 March 2019

	Note	2019 £	2018 £
Turnover	4	432,577	313,852
Operating Costs		(438,893)	(304,108)
Operating (Loss)/Profit	5	<u>(6,316)</u>	<u>9,744</u>
Interest receivable		-	-
(Loss)/Profit on ordinary activities before taxation		<u>(6,316)</u>	<u>9,744</u>
Tax on profit and loss on ordinary activities	6	(0)	(1,851)
(Loss)/Profit for the financial year		<u>(6,316)</u>	<u>7,893</u>

All operations are continuing.

The accompanying notes form part of these financial statements.

Balance Sheet

As at 31 March 2019

Registered number 08467469

	Note	2019 £	2018 £
Current assets			
Debtors	7	42,766	47,143
Cash at bank and in hand		<u>165,648</u>	<u>165,534</u>
		208,414	212,677
Creditors: amounts falling due within one year	8	(73,225)	(71,171)
Net current assets		<u>135,189</u>	<u>141,506</u>
Total assets less current liabilities and net assets		135,189	141,506
Capital and reserves			
Member's capital			
Revenue reserves	10	135,189	141,506
Member's funds		135,189	141,506

The financial statements were approved by the Board on and were signed on its behalf by:


 Anne Taylor
 Chair of the Board
 12.09.19

The accompanying notes form part of these financial statements.

Cash flow statement

for the year ended 31 March 2019

	2019	2018
	£	£
Cash flows from operating activities		
Profit and Loss for the financial year	(6,316)	7,893
Adjustments for:		
Interest received	0	0
Taxation	(1,851)	1,851
Decrease/(increase)		
in trade and other debtors	4,377	(15,700)
Increase/(decrease)		
in trade and other creditors	2,054	59,071
Cash from operations		
Income taxes (paid)/received	1,851	(1,851)
Net cash generated from operating activities	<u>114</u>	<u>51,264</u>
Cash flows from investing activities		
Interest received	0	0
Net cash from investing activities	0	0
Net increase/(decrease) in cash and cash equivalents	<u>114</u>	<u>51,264</u>
Cash and cash equivalents at the beginning of year	165,534	114,270
Cash and cash equivalents at end of year	<u>165,648</u>	<u>165,534</u>

The accompanying notes form part of these financial statements

Statement of changes in equity

For the year ended 31 March 2019

	Members' capital £	Revenue reserves £	Total £
At 31 March 2016	-	112,267	112,267
Profit for the year	-	21,345	21,345
At 31 March 2017	-	133,612	133,612
Profit for the year	-	7,893	7,893
At 31 March 2018	-	141,506	141,506
Loss for the year	-	-6,316	-6,316
At 31 March 2019	-	135,189	135,189

The accompanying notes form part of these financial statements

Notes to the financial statements

1 Legal status

Yes Manchester is a community interest company with no share capital. Its registered office is 115 Briscoe Lane, Newton Heath, Manchester, M40 2TP

2 Accounting policies

Basis of accounting

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Sterling (£).

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term trade creditors are measured at the transaction price.

Taxation

Current tax is recognised for the amount of, income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Turnover and Revenue Recognition

Turnover consists of the invoiced value (excluding VAT) of goods and services supplied in the period and revenue grants. It principally represents amounts derived from Manchester City Council and Northwards Housing for the provision of community services. It is recognised at the point of delivery of those services.

Going concern

After reviewing the company's Financial Statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of these financial statements. The company therefore continues to adopt the going concern basis in preparing its financial state

3 Directors' remuneration

No directors received any remuneration from the company and no expenses have been paid (2018: £nil).

Notes to the financial statements *(continued)***4 Turnover**

	2019	2018
	£	£
Grants received	432,577	298,777
Other Operating Income	-	15,075
	<u>432,577</u>	<u>313,852</u>

All turnover in the current and prior period relates to the rendering of services

5 Operating Profit and Loss

Auditors remuneration for the audit of the Financial Statements for the year is £2,500 (2018: £3,500). Auditors remuneration for non-audit services £1,800.

The company has no employees (2018: None) A recharge of £308,122 (2018: £248,778) has been made in respect of staff costs from the company's parent undertaking.

6 Taxation

	2019	2018
	£	£
Current tax:		
UK Corporation Tax	0	1,851
Reconciliation of current tax charge		
Loss on ordinary activities before tax	(6,316)	9,744
Tax on profit on ordinary activities at standard CT rate of 19.00% (PY: 19.00%)	0	1,851
<i>Effects of:</i>		
Fixed asset differences	0	0
Tax credits	0	0
Current tax charge/(credit) for the period	<u>0</u>	<u>1,851</u>

Notes to the financial statements *(continued)*

7 Debtors

	2019	2018
	£	£
Trade debtors	20,968	10,500
Prepayments and accrued income	6,723	22,361
Other taxation and social security	15,075	14,282
	<u>42,766</u>	<u>47,143</u>

8 Creditors

	2019	2018
	£	£
Corporation tax	-	1,851
Accruals and deferred income	36,805	55,527
Trade Creditors	23,782	-
Other Creditors	3,070	11,128
Amounts owed to group undertakings	9,568	2,665
	<u>73,225</u>	<u>71,171</u>

9 Related Party Transactions

The company is funded by Northwards Housing Limited and by Manchester City Council, through an Intra Group Agreement. In the period the company received £62,177 (2018: £62,177) from Northwards Housing Limited and £113,362 (2018: £112,638) from Manchester City Council.

10 Revenue reserves

The revenue reserve includes all current and prior period retained profits and losses.

11 Parent undertaking and controlling party

The immediate parent undertaking is Northwards Housing Limited. The ultimate parent undertaking and controlling party is Manchester City Council.

