

**GRIMSBY CLEETHORPES
AND HUMBER REGION**



(a company limited by guarantee)

FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2021

Company registration No. 03241634

Registered Charity No. 1058613

Homes & Communities Agency Registered Housing Provider No. LH 4152

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

SUPPORT & ADVICE

ACCOMMODATION

FAMILY WORK

HEALTH & WELLBEING

TRAINING & EDUCATION

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OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 31 DECEMBER 2021

Charity number	1058613
Company number	3241634
Homes & Communities Agency registered housing provider number	LH 4152
Directors	N A Strawson P Gallant S Gallaher (Chairman) S Hunt (resigned 21/01/21) C Rounce (resigned 29/03/21) L Lougher (resigned 29/03/21) R Oxby Bishop D Court L Flemming (appointed 29/03/21) C Stephen (appointed 29/03/21) Rev Matthew Rodgers (appointed 29/03/21) J Taylor (appointed 29/03/21)
Chief Executive Officer	D Cook (resigned 31/05/21) K Conway (appointed CEO 07/04/22)
Key management personnel	S England A Hornsby (resigned 09/04/21) S Marray R Baty S Rusling (resigned 30/11/21)
Registered office	21 Freeman Street Grimsby South Humberside DN32 7AB
Bankers	Barclays Bank PLC 35 Victoria Street Grimsby North East Lincolnshire DN31 1DE
Auditors	Forrester Boyd 26 South St. Mary's Gate Grimsby DN31 1LW
Solicitors	Wilkin Chapman LLP Cartergate House 26 Chantry Lane Grimsby DN31 2LJ

**BOARD REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

The Directors of the board (who also act as Trustees of the Charity) present their report, including the strategic report, and the audited financial statements of the Grimsby, Cleethorpes and Humber Region YMCA for the year ended 31 December 2021.

Directors of the board

The Directors who held office during the year were as follows:

N A Strawson	P Gallant
S Gallaher	S Hunt (resigned 21/01/21)
C Rounce (resigned 29/03/21)	L Lougher (resigned 29/03/21)
R Oxby	Bishop D Court
L Fleming (appointed 29/03/2021)	C Stephen (appointed 29/03/2021)
J Taylor (appointed 29/03/2021)	Rev M Rodgers (appointed 29/03/2021)

Business review

The Charity's principal activity is to provide youth and community work within the local area through the provision of high quality programmes in the fields of:

- **Support & Advice:** We believe every person should have someone they can trust. Support and Advice runs across our services with qualified staff providing Information, Advice and Guidance in both our accommodation and community settings.
- **Accommodation:** We believe every young person should have a safe place to stay. We provide 118 bed spaces across North East Lincolnshire that offer a safe place to stay and 1:1 support to enable individuals, particularly young people, to reconnect with learning, increase their employability, improve their health and wellbeing and develop their leadership potential.
- **Family Work:** We believe every family should have the support they need to develop and lead more fulfilling lives. We provide youth clubs and out of school activities for young people and their families across the region.
- **Health & Wellbeing:** We believe everyone should enjoy the benefits of good health and wellbeing. The At One project is focused on providing 1:1 and group interventions for young people (16 – 35) with low level mental health needs. The target population for this project are people at risk of homelessness, accessing housing related support services and/or exiting from homelessness. We deliver workshops in schools with a focus on promoting emotional wellbeing. We also continue to engage with national YMCA Campaigns such as 'I am Whole'.
- **Training & Education:** We believe every young person should be able to fulfil their potential. I'm Possible is a project focused on enabling educational inclusion by supporting young people at risk from exclusion to maintain a mainstream education placement. We are developing our internal training offer to ensure our accommodation is a place of living and learning.

The way we act at YMCA is characterised by five strong and distinctive values that flow from our Christian ethos:

**BOARD REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Business review (cont'd)

We Seek Out: We actively look for opportunities to make a transformative impact on young lives in the communities where we work, and believe that every person is of equal value.

We Welcome: We offer people the space they need to feel secure, respected, heard and valued; and we always protect, trust, hope and persevere.

We Inspire: We strive to inspire each person we meet to nurture their body, mind and spirit, and to realise their full potential in all they do.

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

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

Overview

Our Impact

Given the ongoing challenges associated with the Covid-19 outbreak, it is hugely encouraging to be able to report that during 2021 we still managed to make a huge impact moving into our new £8.4M Freeman Street building. Whilst also refreshing our Strategic Objectives for 2022 - 2024, despite the incredibly challenging circumstances.

The early months of 2021 saw outstanding partnership working with RG Carter, Hodson Architects, Thornton Firkin, funders and partners to ensure the delivery of 21 Freeman Street. Practical completion took place on Tuesday 28th September 2021. Residents and staff, from Peaks Lane and The Foyer, moved in on the 29th September 2021 - this was a historic day for YMCA Humber. Despite the backdrop of the ongoing pandemic the building was completed only 37 days behind schedule and within budget.

The building was officially opened on Thursday 13th October 2021 by the Chair of the Board, Steve Gallaher. The official opening was followed by a day of guided tours for businesses and partners, which saw over 100 people visit the building. On Saturday 15th October a family fun day was held to open our doors to the community of the East Marsh, with over 200 people experiencing children's discos, willow weaving, The Bradbury café and conferencing facilities.

The opening of 21 Freeman Street saw the closure of our Peaks Lane site. The hostel was open for more than 50 years with many of our staff, local community members and previous residents reminiscing about memories formed there - from using the BMX track, roller discos in the sports hall and the lives that were transformed from the work that was carried out at Peaks Lane. In late August 2021 land agents PPH Commercial were appointed to begin the process of securing a sale for the 4.3 acre site.

In September 2021 the decision was taken to move the residents from the Foyer, 1 Orwell Street, into 21 Freeman Street to allow refurbishment of the building to take place. This decision was taken against a backdrop of slightly reduced referrals throughout the COVID-19 pandemic. With soaring material prices and limited availability of local contractors this building stayed closed for the remainder of 2021.

**BOARD REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Business review (cont'd)

Throughout 2021 the community properties have gone from strength to strength. The dedicated Care Leavers property has housed 4 young people and provided invaluable support in helping them transition from the care setting to independent living. The Housing First project has seen a very static occupancy with 4 highly complex residents receiving intensive support, to allow them to maintain tenancies for an extended duration. Our two community houses have had varying occupancy, resulting in one of them beginning to be repurposed to a mother and baby unit, which will open in the first quarter of 2022.

Throughout 2021 the team have continued to find creative ways to engage our residents to support them in a Covid-19 secure way. Mental health and wellbeing programs continuously adapted to support our residents, in addition to young people not residing at YMCA Humber. This work was supported by the introduction of 'the outcome star'. This is an evidence-based tool for both supporting and measuring changes for residents whilst they live with us.

In summary, in 2021 we provided accommodation to over 259 individuals and 754 hours of counselling.

Our People

2021 saw the consolidation of our job evaluation scheme and commitment to being a living wage employer, resulting in full accreditation through the Living Wage Foundation being achieved in 2021. Despite the ongoing pandemic the flexibility and commitment of the staff team resulted in 100% of shifts being manned at safe staffing levels. Sickness remained impressive with non-COVID 19 sickness remaining well under 2.5%.

In May 2021 it was agreed that the Chief Executive would leave the organisation. Following their departure, the Head of People and Policy was appointed as Interim Chief Executive with the Senior Leadership Team taking on additional accountabilities. This model has worked extremely well for the remainder of 2021 allowing excellent relationships to be developed between the operational leadership of the organisation and the Board of Trustees. In August 2021 a Head of Facilities was appointed in readiness for the move to Freeman Street.

During 2021 three Trustees resigned their position, Laura Lougher and Clive Rounce who both moved away from the Humber region and Spencer Hunt due to work commitments. Following a highly successful recruitment campaign we were delighted to welcome four new Trustees to the Board – Rev. Matt Rodgers, St Marks Church Grimsby, Craig Stephens, Commercial Manager at ABP Ports, Jo Taylor, Business Hive Manager and Lisa Fleming, Communications Specialist. Following the appointment of the new Trustees two strategy days were carried out in May and October 2021.

A reduced staff training program took place due to limited face to face contact but despite constraints we still facilitated –

New starter inductions

Over 20 staff attended mental health first aid training

Drug awareness training

12 staff attended colour wheel training

2 staff completed first aid at work training

4 staff completed emergency first aid training

Speak out champion training

Reflective practice sessions

**BOARD REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Business review (cont'd)

Income Generation

Housing benefit claims for Freeman Street were submitted and agreed. NELC carried out a tender process for Housing Related Support contracts. Our tender was successful and the revised contract began in July 2021.

The ability to generate income from fundraising was again restricted in 2021. Despite this the Leadership Team worked hard to access grants to compensate for lost income and to provide additional services which were needed more than ever during the pandemic. The following grants were received in 2021:-

Project income 2021		
Active Humber	£20,609	Young People Forward
Bradbury Foundation	£300,000	Freeman Street
CAF	£48,531	Coronavirus support
Cloth workers	£75,000	Freeman Street
Corum	£18,174	Young Dads Project
E Factor	£1,650	Digital Boost for screens
Land Aid	£57,000	For Ainslie Street
NELC Hardship Grant	£2,000	To support our residents
NELC Leisure Grant	£9,000	Coronavirus support
NELC Leisure Grant	£12,000	Coronavirus support
Rotary	£2,000	Freeman Street Art Room
Police & Crime Commissioner	£4,680	Detached youth work
Vanel	£500	For Lancaster Ave
YMCA E & W	£1,000	Resident Move on Grant
YMCA E & W	£3,450	Room Sponsorship
Donations		
Grimsby Tips	£749	Money raised to support Mental Health Projects
General Donations	£810	Donations from the general public
Amazon Smile	£68	
Every click	£128	
Winsby	£210	
Cre8 and CJ Design	£200	
Donations for Freeman Street	£500	
ProAmpac	£1,250	Corporate partnership donation
Bacons Engineering	£500	Corporate partnership donation

Fit for the future

2021 has been a pivotal year for YMCA Humber. During 2021 the Board of Trustees meet twice to begin to develop 2022 – 24 strategic objectives. Alongside this work the Board of Trustees appointed Kate Conway as Chief Executive Officer in April 2022, with a clear directive to develop and implement the significant piece of work to ensure our reach continues not only in North East Lincolnshire but throughout the wider Humber region. Included in the strategic objectives for 2022 are -

**BOARD REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Business review (cont'd)

The sale of Peaks Lane - This is a fundamental element of the new strategy. The property and land were placed on the market with PPH commercial in the latter part of 2021. There was a substantial amount of interest in the site. In February 2022 the Board of Trustees agreed to accept an offer with the aim for a completion of the sale in the second quarter of 2022. The cash sale of this asset will allow for investment in future strategic objectives.

Confirmation of future use of 1 Orwell Street - The Foyer property located at 1 Orwell Street closed in September 2021. Substantial renovation of this property commenced in March 2022. Discussions have taken place with key partners to determine the most appropriate longer-term use of the 26 bed self-contained units. 1 Orwell Street will reopen in June 2022 as 26 self-contained studio apartments for semi-supported living and move-on accommodation.

Creation of mother and baby accommodation at Brighowgate – within the locality there has been limited good quality accommodation for mother and babies (under the age of 2). Brighowgate Community House was closed for refurbishment in December 2021 and opened in March 2022 as a four-bedroomed home for mothers and babies.

Creating alternative income streams – The ground floor at Freeman Street is now fully operational as a community hub, café and conferencing facilities. In the last quarter of 2021 residents of the East Marsh and local partners and businesses have started to use these facilities, with income now increasing steadily. Further work will continue to identify corporate business partners and fundraising opportunities. Significant work has taken place in the first quarter of 2022 to provide meaningful volunteer placements for YMCA Humber residents within the Café setting.

Reprovision of sports and wellness facilities – In early 2022 discussions began with North-East Lincolnshire Council to gain a License to Use for the Kent Street Multi Use Games Area situated approximately 100 meters from 21 Freeman Street. This will provide an excellent stepping-stone for YMCA Humber to reinvigorate its sports provision for residents and the local community. The longer term aspirations are to provide a range of sports facilities within the East Marsh.

Working with key partners to strengthen our youth provision across Northern Lincolnshire - Our youth work has been in decline over several years and the pandemic of 2020/21 was incredibly challenging for this workstream. We do, however, have ambition to restart this work and grow and improve our offer. Further development of this workstream will take place from May 2022.

Principal risks and uncertainties

Looking ahead to 2022, three significant risks are on the horizon –

- 1- Ongoing Covid-19 pandemic and the potential impact this has on our commercial café ventures and staff attendance.
- 2- The conclusion of the appointment of a substantive CEO.
- 3- The conclusion of the Peaks Lane sale and 1 Orwell Street repurposing.

We continue to monitor these risks on a regular basis with robust internal systems and processes, in addition to our Risk Register which is a standing agenda item at our Development, Finance, Transformation and People and Policy Committees

Governance and management

In accordance with the Memorandum and Articles of Association the membership of the Board consists of the Chair and the Treasurer, plus such other Directors as the Board shall from time to time decide. The number of Directors shall not exceed fourteen and shall not be less than four.

**BOARD REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Every Director shall be appointed by the Directors for an initial term of up to 3 years and may be reappointed for two further such terms of up to 3 years. No Director may serve more than nine consecutive years in office, without taking leave from office of at least one year. In accordance with the Associations Articles of Association on 26th November 2018 the Board agreed to extend the tenure of two Trustees, Niel Strawson and Paul Gallant for a further 3 years, in order to retain the required specialist knowledge needed by the Association at that time, taking into account the need to review and progressively refresh the Board.

In exceptional circumstances the Chair, in consultation with the Chief Executive Officer and Finance Sub-Committee, shall have the power to make decisions where there is not adequate time to convene a Board Meeting, provided always that the Chair acts in good faith and in the best interests of the Charity, in the furtherance of the objectives set out in the Memorandum and Articles of Association.

YMCA 'Humber's' Governance Arrangements consists of 3 sub committees with delegated powers: -

- People and Policy Sub Committee
- Finance Sub Committee
- Development Sub Committee

YMCA Humber have ensured compliance with the Governance and Financial Viability Standard.

Director induction and training

New Directors undergo informal orientation sessions, which include invitation to a meeting with the Chair prior to becoming a Director, visiting the registered office of the Charity to familiarise themselves in the way the organisation carries out its day to day duties and implements decisions. Business planning, the Memorandum and Articles of Association and financial performance are also covered and an induction pack is provided, together with a one to one briefing session with the Chief Executive Officer.

Directors are also encouraged to attend external training events, which assist them in undertaking the role.

Key Policies

The Association has in place a risk management action plan that sets out risks and their likelihood of occurrence. The action plan also covers the process for the monitoring and hence mitigation of risks where possible, through reviewing the risk register at Board and Sub-Committee meetings, making changes to the register as appropriate.

The Association aims to keep its supported accommodation at an affordable level of rent and in a properly maintained condition. In accordance with the Housing Act 1966, the Charity sets out internal control procedures to protect its assets and regularly carries out an audit of its rent accounting system.

Rents

The Charity has an established rent policy which aims to charge rents within the guidelines set out by Homes England.

Treasury management

The Charity's treasury operations are managed by the finance team and are subject to policies approved by the Board of Directors, with delegated authorities supplemented by detailed procedures and bank mandates. The Charity's treasury activities are routinely reported to the Board of Directors.

The main financial risks to which the Charity is exposed relate to changes in the Government's funding of special needs housing.

**BOARD REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Liquidity

Throughout the year the Charity's policy has been to ensure flexibility and continuity of funding through the use of deposits.

Payment policy

When agreeing terms of business, it is the policy of the Charity to establish terms of payment with suppliers wherever practicable.

Director and officer indemnity insurance

During the year the Charity purchased and maintained liability insurance for its Directors.

Employees

The Charity firmly believes in equal opportunities, personal development and in ongoing training opportunities. The company wishes all staff to be trained to their maximum potential. New staff are appointed on the basis of merit only. The Charity encourages staff involvement and is committed to ensuring the health, safety and welfare of all staff.

Arrangements for setting pay and remuneration of key management personnel

We set our salary levels through a process of local benchmarking from both the local market and available YMCA benchmarking information. We also take into consideration:

- Proportionality – to ensure pay is fair and consistent across the Association.
- Affordability – salary levels are set with due consideration to organisational income and predicted financial performance.
- Recruitment and Retention – we know that sometimes we need to offer remuneration levels that will attract and retain the skills and competencies that we need to maximise the impact we are able to have. We want to recruit the best people for the job.
- Value for Money – ensuring salaries connect to performance of key personnel, working productively for the Association and the beneficiaries we serve.

We review salaries for each new post and assess current salaries on an annual basis, at Board level, through the People and Policy Sub-Committee. Where organisational performance and finances allow, we apply an annual 2% cost of living adjustment equally to all staff.

In 2020 the Association introduced a job evaluation process to strengthen the above considerations.

Financial Review

During the year ended 31 December 2021, total expenditure of £2,186,345 was more than covered by social housing income together with other incoming resources and brought forward reserves. The excess of income over expenditure for the year was a surplus of £356,000 (2020: £805,595).

**BOARD REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Reserves

YMCA Humber is working towards reserve levels of six to twelve months operating expenditure (OPEX), but has a minimum policy of three to six months OPEX. The reason for the reserves being held are:

- To support fluctuations the Association's income, mitigating uncertainty in relation to cash flow.
- Ensuring the Association can cover any unforeseen operational costs and fulfill all financial obligations.
- Enabling the Association to invest in new activity and meet costs of planned development/ investment.

Unrestricted reserves of £2,611,060 were held at 31 December 2021. No restricted funds were held. Of this amount, £10,258,377 can be realised by disposing of tangible fixed assets, before taking into consideration loans and grants connected to the assets. Including loans secured against property of £3,699,879 as well as deferred capital grants of £5,462,309, free reserves total £1,514,871. Within the free reserves are designated funds of £363,600 which are to be used in the refurbishment of the Foyer.

Value for money statement

Value for money underpins the delivery of our vision and strategic aims and is used to assess if YMCA Humber has obtained the maximum benefit from the goods and services which we provide and acquire. When assessing value for money we look at both the quality and cost.

As part of our strategic plan we have invested in increasing our capacity and improving efficiency and maximising our income and social value.

Efficiency:

We have looked at both our core services and key areas of support and where possible made efficiency savings, these savings have contributed towards our surplus and have allowed us to increase our reserves.

Asset Management and Increased Capacity:

In 2022 we will continue to develop our assets which includes refurbishing our houses and 1 Orwell Street.

Benchmarking

It is now a requirement to carry out a competitive benchmarking exercise as part of the trustee's annual report. As part of this process trustees have identified a number of Charities within the Humber region who could be seen as our competitors as well as a number of YMCA's within the Midlands region. Each of these Charities deliver some form of social Housing.

Having carried out a benchmarking exercise we have identified the following measures:

- Governance
- Planning
- Learning and development
- Working with others
- Assessing outcomes and impact

In 2021 we moved to the outcome stars evidenced based software, this software enables us to map the journey of change for the individuals who we support, both individually and between services.

**BOARD REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

In 2022 we plan to commence the self-assessment for the Trusted Charity Standard. The standard covers 11 quality areas, and through completing this assessment, we will be able to identify areas that we are doing well, and where improvements are needed.

Regulatory reporting on VFM is required by the Regulator of Social Housing from April 2018 and Registered Providers must publish the required evidence in the statutory accounts annually. The required VFM metrics are presented below.

Regulator of Social Housing Metrics 2021		2020-21	2019-20
Metric 1 (Efficiency)	Reinvestment % (Investment in properties, existing & new, as a % of the value of total properties held)	43%	65%
Metric 2 (Effectiveness)	New supply delivered % (No. of new social and non-social housing units, acquired or developed in the year as a proportion of total social and non-social housing units owned at period end.)		
	Calc A For social housing units	1%	8%
	Calc B For non-social housing units	0%	0%
Metric 3 (Efficiency)	Gearing %	22%	-18%
Metric 4 (Efficiency)	EBITDA MRI interest cover %	787%	12406%
Metric 5 (Economy)	Headline social housing cost per unit	£13,298	£11,757
Metric 6 (Efficiency)	Operating Margin %		
	Calc A Operating Margin (social housing only) %	18%	40%
	Calc B Operating Margin (overall) %	14%	31%
Metric 7 (Efficiency)	Return on Capital Employed (ROCE) %	26%	67%

Metric 1 - Reinvestment %: In 2020 we undertook to develop our new housing project at 21 Freeman Street, Grimsby, works were completed in September 2021. By doing this we have ensured 74 units are retained in the social housing sector. The investment was funded through our reserves, grants and loans.

Metric 2 - New supply delivered %: With the completion of 21 Freeman Street, we increased our social housing units by 1, we continue to assess the need for social housing to support individuals and families within the Humber region. In 2022 we are focusing for the future by reinvesting in our existing housing stock to ensure they are fit for purpose for the coming decades.

**BOARD REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Metric 3 - Gearing %: This represents our net debt to lenders as a percentage of the total cost of our housing properties. We were successful in working with Homes England and other grant funders to keep our borrowing for 21 Freeman Street as low as possible.

Metric 4 - EBITDA MRI Interest cover%: This represents the level of surplus compared to the interest payable and avoids any distortions stemming from the depreciation charge.

Metric 5 - Headline social housing cost per unit: This represents social housing costs divided by total units owned and managed. The rising cost of social housing 2021 was due to a number of factors, including becoming a living wage employer.

Metric 6 - Operating Margin %: Calculation A is for the operating margin for social housing only, in 2021 the HRS contract with NELC was retendered and we were successful in being awarded a 5 year contract to deliver housing related support for vulnerable people within North East Lincolnshire. Calculation B is for the operating margin for the charity overall.

Metric 7- Return on capital employed (ROCE)%: This is a common measure in the commercial sector to assess the efficient investment of capital resources

RSH Governance & Financial Viability Standard

The Board recognises and confirms the compliance with the Regulator of Social Housing's Governance & Financial Viability Standard. YMCA Humber has also retained its continued qualification as a Homes England Investment partner for future housing programmes.

Public Benefit

The Board of Trustees has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Association aims and objectives and in planning future activities.

The focus of our work is:

- the provision of social housing to displaced and homeless members of society
- mentoring and coaching service users in their personal and social development
- facilitating the local community in the delivery of community based youth and family services
- working in partnership with other agencies to secure the widest range of services available to match the needs of clients
- provision of sport, health and fitness facilities to members of the community
- provide residents with training and skills development opportunities to secure work experience or employment, which in turn, financially contributes to the local area

The Board of Trustees has complied with section 17 of the Charities Act 2011, and in setting a programme each year has had regard to both the Charity Commission's general guidance on public benefit and provision of services for the client population. The Board of Trustees always ensures that the services provided are in line with the charitable objects and aims of the Association.

The Board feels the aforementioned business review and principal activity support this conclusion.

Directors' responsibilities

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

**BOARD REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

The Registered Social Housing legislation require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the association and of its income and expenditure for that period.

Charity law requires the Directors to prepare financial statements for each financial period. 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 those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Board is 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 to enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

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.

Statement of disclosure of information to auditors

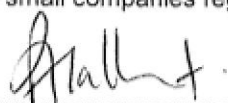
We, the Directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

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

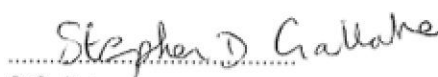
In approving the Board's Annual Report, we also approve the Strategic Report included therein, in our capacity as company Directors.

Small companies' provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.



.....
P Gallant
Director
30th May 2022



.....
S Gallaher
Director
30th May 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRIMSBY CLEETHORPES AND HUMBER REGION YMCA FOR THE YEAR ENDED 31ST DECEMBER 2021

Opinion

We have audited the financial statements of Grimsby Cleethorpes and Humber Region YMCA (the 'association') for the year ended 31st December 2021 which comprise of the primary statements such as the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Reserves, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the association's affairs as at 31st December 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRIMSBY CLEETHORPES AND HUMBER REGION YMCA FOR THE YEAR ENDED 31ST DECEMBER 2021 (CONTINUED)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the board report (incorporating the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the board report (incorporating the strategic report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the association and its environment obtained in the course of the audit, we have not identified material misstatements in the board report incorporating the strategic 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.
- the board 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.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRIMSBY CLEETHORPES AND HUMBER REGION YMCA FOR THE YEAR ENDED 31ST DECEMBER 2021 (CONTINUED)

Responsibilities of the board

As explained more fully in the board's responsibilities statement set out on page 12, the board members (who are also the Directors of the association for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board is responsible for assessing the 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 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:

- Discussions with management, including consideration of known or suspected instances of non-compliance held.
- Challenging assumptions and judgements made within significant accounting estimates and judgements such as depreciation, bad debt and voids.
- Identification of key laws and regulations central to the associations operations and review of compliance with such laws including a review of the Charities Commission website and the Housing and Regeneration Act 2008.
- Testing of journal entries and potential override of systems.

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRIMSBY CLEETHORPES AND
HUMBER REGION YMCA FOR THE YEAR ENDED 31ST DECEMBER 2021 (CONTINUED)**

Use of our report

This report is made solely to the association's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.



Carrie Anne Jensen ACA (Senior Statutory Auditor)

For and on behalf of Forrester Boyd Chartered Accountants, Statutory Auditor

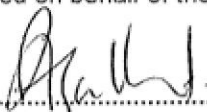
26 South Saint Mary's Gate
Grimsby
North East Lincolnshire
DN31 1LW
Date: 30th May 2022

STATEMENT OF COMPREHENSIVE INCOME (INCLUDING INCOME & EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
Turnover	3	2,542,181	2,570,791
Operating expenditure		<u>(2,186,345)</u>	<u>(1,760,711)</u>
Operating surplus		355,836	810,080
Gain/(loss) on disposal of property plant and equipment	6	-	(5,202)
Exceptional expenditure		-	-
Interest receivable and similar income	5	164	717
Surplus before tax	6	356,000	805,595
Exceptional Items		<u>-</u>	<u>-</u>
Taxation		-	-
Total comprehensive income for the year		<u>356,000</u>	<u>805,595</u>

The only recognised gain is the surplus for the period of £356,000.

Signed on behalf of the board on 30th May 2022


.....Director
P Gallant


.....Director
S Gallaher

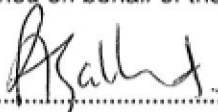
BALANCE SHEET AS AT 31 DECEMBER 2021

	Notes	2021 £	2020 £
Fixed assets			
Housing properties at depreciated cost	10	<u>9,385,581</u>	<u>5,474,610</u>
		9,385,581	5,474,610
Other fixed assets	10	872,796	82,381
		<u>10,258,377</u>	<u>5,556,991</u>
Current assets			
Stocks and work in progress	11	3,455	3,985
Debtors	12	430,542	198,795
Cash at bank and in hand		<u>1,678,859</u>	<u>1,610,730</u>
		2,112,856	1,813,510
Creditors: amounts falling due within one year	13	<u>(734,013)</u>	<u>(610,416)</u>
			1,203,094
Net current assets		<u>1,378,843</u>	
Total assets less current liabilities		<u>11,637,220</u>	<u>6,760,085</u>
Less liabilities due in more than one year	14	(8,896,164)	(4,418,846)
Provisions for liabilities and charges			
Pensions liability	22	<u>(129,996)</u>	<u>(86,179)</u>
Totals provisions for liabilities and charges		(129,996)	(86,179)
		<u>2,611,060</u>	<u>2,255,060</u>
Capital and reserves			
Income and expenditure reserve		2,611,060	2,255,060
		<u>2,611,060</u>	<u>2,255,060</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements were approved and authorised for issue by the Board on 30th May 2022

Signed on behalf of the Board


.....Director
P Gallant


.....Director
S Gallaher

The notes on pages 23 to 34 form part of these accounts
Company Registration No. 3241634

STATEMENT OF CHANGES IN RESERVES
YEAR ENDED 31st DECEMBER 2021

	Income & expenditure reserve
At 1 January 2021	2,255,060
Surplus for the year	356,000
	<hr/>
	356,000
	<hr/>
At 31 December 2021	<u>2,611,060</u>

STATEMENT OF CASH FLOWS
YEAR ENDED 31ST DECEMBER 2021

	Note	2021 £	2020 £
Cash flow from operating activities	19	1,836,919	3,687,375
Interest paid			
Taxation paid			
Net cash flow from operating activities		<u>1,836,919</u>	<u>3,687,375</u>
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(4,845,406)	(3,432,610)
Receipts from sale of tangible fixed assets		-	-
Interest received		164	717
Grants received		-	-
Net cash flow from investing activities		<u>(4,845,242)</u>	<u>(3,431,893)</u>
Cashflow from financing activities			
Proceeds from bank borrowing draw downs		3,100,000	475,250
Repayment of bank borrowing		(76,687)	(23,974)
Interest paid		53,139	6,422
		<u>3,076,452</u>	<u>457,698</u>
Net increase / (decrease) in cash and cash equivalents		68,129	713,180
Cash and cash equivalents at 1 January		<u>1,610,730</u>	<u>897,550</u>
Cash and cash equivalents at 31 December		<u>1,678,859</u>	<u>1,610,730</u>

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2021

1 ACCOUNTING POLICIES

General information and basis of preparation

Grimsby, Cleethorpes and Humber Region YMCA is a registered charity, a company limited by guarantee and a private registered provider of social housing in the United Kingdom. The address of the registered office is given in the company information on page 3 of these financial statements. The nature of operations and principal activities are in the field of:

- social housing
- youth work
- personal and social development
- sport, health and fitness

These financial statements were authorised for issue by the Board on 30th May 2022.

The company constitutes a public benefit entity as defined by FRS102.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 (*The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102)*), the Statement of Recommended Practice for Social Housing Providers 2018, and with the Accounting Direction for private registered providers of social housing in England 2019. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the company, and round to the nearest pound.

The financial statements cover the individual entity, Grimsby Cleethorpes and Humber Region YMCA.

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

Turnover

Turnover is measured at the fair value of the consideration received or receivable. The policies adopted for the recognition of turnover are as follows:

Turnover represents rental and service charges income receivable in the year net of rent and service charge losses from voids, revenue grants from the government (local authorities) and the Homes and Communities Agency.

Interest income is recognised using the effective interest method.

Housing Related Support income and expenditure relating to services is accounted for on an accruals basis, matching income and expenditure, and disclosures are made in accordance with the relevant standards and legislation.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2021**

Government grants

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

Government grants have been received as a contribution towards the capital costs of a scheme. These grants are recognised at the fair value of the asset received or receivable. Where the assets are accounted for using the cost model, then the government grant is accounted for using the accruals model. The difference between the fair value of the asset and the consideration is recognised as a liability and amortised over the useful economic life of the asset. This amortisation is recognised within turnover.

Where the assets are accounted for using the valuation model then the government grant is accounted for using the performance model so that turnover is taken once the performance conditions have been met.

Government grants which have been received as compensation for expenses or costs already incurred or for the purpose of giving immediate financial support to the entity with no further related costs are recognised as income in the period in which they become receivable.

Tangible fixed assets

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

Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following annual rates the year after acquisition:

Housing properties, houses	2%
Plant and machinery	10%
Furniture and equipment	33%
Computer equipment	25%
Motor vehicles	20%

The useful economic lives of all tangible fixed assets are reviewed annually.

Housing properties under construction are not depreciated until they are in use.

Stocks

Stock is stated at the lower of cost and estimated selling price, less costs to complete and sell. Cost is calculated using the first in, first out formula.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2021**

Debtors and creditors receivable / payable within one year

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

Assets and liabilities or income and expenditure are not offset.

Impairment

All properties are considered for impairment annually and detailed reviews of assets for impairment are carried out if there is an indication that impairment has occurred or if they are not being depreciated.

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

Provisions

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

Provisions for cyclical maintenance or major works to existing stock are not made unless they represent commitments or obligations at the Balance Sheet date where there is no discretion to avoid or delay the expenditure.

Taxation

No taxation is payable by the company, since it has charitable status and its activities are exempt from tax.

Leases

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

Pension Costs

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

As described in note 22 Grimsby, Cleethorpes and Humber Region YMCA has a contractual obligation to make pension deficit payment of £16,250 pa over the period to April 2027, accordingly this is shown as a liability in these accounts. In addition, Grimsby, Cleethorpes and Humber Region YMCA is required to contribute £2,254 pa to the operating expenses of the Pension Plan and these costs are charged to the Statement of Financial Activities.

Restricted funds

Restricted funds are those donated for use in a particular area for specific purposes, the use of which is restricted to that area or purpose.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2021**

2 SOCIAL HOUSING TURNOVER AND COSTS

	2021 £	2020 £
Rent receivable, excluding service charges	2,074,369	1,957,786
Service charges	15,673	22,311
Care leavers	176,022	140,157
Grant income	318,762	237,774
Amortised grant income	62,944	32,239
Other income	76,802	27,589
Social housing activity expenditure	(2,125,286)	(1,387,275)
Operating surplus/ from social housing activities	599,286	1,030,581
Net surplus/(deficit) from social housing activities	316,387	914,871
Void losses	(282,899)	(115,710)

3 TURNOVER

The analysis of the company's turnover for the period from continuing operations is as follows:

	2021 £	2020 £
Social housing income (net of voids)	2,380,103	2,302,146
Sale of goods	-	-
Rendering of services	-	-
Facility lettings	8,495	8,892
Donations and revenue grants	90,536	115,803
Capital grant	-	57,000
Government grants	-	54,711
Grant Amortisation	63,047	32,239
	2,542,181	2,570,791

4 ACCOMMODATION OWNED AND IN MANAGEMENT

	Units at End	Units at Start
Supported housing – Let at social rent	119	118

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2021**

5 INTEREST RECEIVABLE AND SIMILAR INCOME

	2021	2020
	£	£
Bank deposits	<u>164</u>	<u>717</u>

6 OPERATING SURPLUS

	2021	2020
	£	£
Operating surplus is stated after charging:		
Directors' and Chief Executive Officers remuneration	116,291	75,557
Auditors' remuneration (including expenses and benefits in kind)	8,400	8,400
Operating leases	2,403	1,626
Grant Amortisation	(63,047)	(32,239)
Depreciation and amortisation of owned assets	144,020	85,101
(Gain) / loss on sale of tangible fixed assets	-	5,202

7 AUDITORS REMUNERATION

	2021	2020
	£	£
Fees payable to the auditor for the audit of the annual account	8,400	8,400
Fees payable to the auditors for other services	-	-

8 BOARD AND KEY MANAGEMENT PERSONNEL REMUNERATION

	2021	2020
Amounts paid to key management personnel	<u>300,009</u>	<u>285,510</u>

There has been no remuneration paid to non-executive board members or Directors.

The Chief Executive is not included in the defined contribution pension scheme. During the period the total amount contributed to a pension scheme was £4,989 (2020: £5,910).

During the year ended 31 December 2021, travel and subsistence expenses totalling £380 (2020 - £291) were reimbursed or paid directly to 1 Director (2020 - 1).

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2021**

9 EMPLOYEE INFORMATION

	2021	2020
The average number of persons employed during the year expressed in full time equivalents	<u>48</u>	<u>47</u>

Full time equivalent staff numbers have been calculated on the basis of 40 hours per week being full time hours.

The average number of persons employed during the year expressed as a head count was as follows:

	2021	2020
Management	5	6
Lead	5	5
Admin, finance & marketing	6	7
Support worker	31	26
Youth worker	2	4
Services	8	8
Relief	9	10
Total	<u>66</u>	<u>66</u>

	£	£
Staff costs		
Wages and salaries	1,269,351	1,144,605
Social Security costs	98,852	88,559
Pension costs	23,919	21,459
	<u>1,392,122</u>	<u>1,254,623</u>

HIGH PAID EMPLOYEES

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

	2021 Number	2020 Number
£60,001 - £70,000	-	1
£70,001 - £80,000	-	-
£80,001 - £90,000	1	-
	<u>1</u>	<u>1</u>

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2021

10 TANGIBLE FIXED ASSETS

	<u>Freehold Housing Properties for Lettings</u> £	<u>Long leasehold Assets under construction</u> £	<u>Leasehold Housing Properties for lettings</u> £	<u>Other</u> £	<u>Total</u> £
Cost					
At beginning of year	2,735,519	3,680,471		305,795	6,721,785
Transfers		(3,680,471)	3,680,471		-
Additions	18,705	-	3,993,121	833,580	4,845,406
Disposals	(275,623)	-	-	(151,434)	(427,057)
At end of year	<u>2,478,601</u>	<u>-</u>	<u>7,673,592</u>	<u>987,941</u>	<u>11,140,134</u>
Depreciation					
At beginning of year	941,380	-	-	223,414	1,164,794
Charge for year	60,895	-	39,960	43,165	144,020
On disposals	(275,623)	-	-	(151,434)	(427,057)
At end of year	<u>726,652</u>	<u>-</u>	<u>39,960</u>	<u>115,145</u>	<u>881,757</u>
Net Book Value at end of year	<u>1,751,949</u>	<u>-</u>	<u>7,633,632</u>	<u>872,796</u>	<u>10,258,377</u>
Net Book Value at beginning of year	<u>1,794,139</u>	<u>3,680,471</u>	<u>-</u>	<u>82,381</u>	<u>5,556,991</u>

The main value within Housing properties for lettings is the value of Freeman Street which opened 29th September 2021 and is included at original cost. The Foyer is included at the original cost in 2000. The Peaks Lane property is included at the original 1971 value. In 2019 Community House was gifted to YMCA Humber and is included at the 2019 valuation.

Tangible fixed assets with a net book value of £9,173,575 (2020: £1,584,131) have been pledged as security for liabilities of Grimsby and Cleethorpes Humber Region YMCA.

Long leasehold assets under construction consists of property built on land which is being leased for 250 years.

Market values are all in excess of net book values per the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2021**

11 STOCKS	2021	2020
	£	£
Consumable stocks	2,238	3,985
Non consumable stocks	1,217	
	<u>3,455</u>	<u>3,985</u>
12 DEBTORS – ALL RECEIVABLE WITHIN ONE YEAR	2021	2020
	£	£
Trade debtors (gross social housing rent arrears)	371,962	106,640
Less: provision for doubtful debt	-	-
Trade debtors (other)	15,236	18,009
Prepayments and accrued income	43,344	74,146
	<u>430,542</u>	<u>198,795</u>
13 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	2021	2020
	£	£
Bank loans and overdrafts	117,936	28,076
Trade creditors	151,093	32,043
Rents paid in advance	-	-
Other tax and social security	21,244	23,367
Accruals and deferred income	118,640	451,457
Other creditors	177,012	21,194
Government grants under accruals model	148,088	54,279
	<u>734,013</u>	<u>610,416</u>

Bank loans and overdrafts includes a mortgage amount totalling £117,936 (2020 - £28,076) which is secured against the properties purchased.

Terms of repayment for both mortgages are either over 10 or 25 years and interest is payable at 3.6% or 2.1% above the base rate of the Bank of England on the principal amount.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2021**

14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2020 £
Bank loans and overdrafts	3,581,943	595,351
Government grants under accruals model	5,314,221	3,823,495
	<u>8,896,164</u>	<u>4,418,846</u>

Bank loans and overdrafts includes a mortgage amount totalling £3,581,943 (2020 - £595,351) which is secured against the properties purchased. Of this £3,201,805 falls due after five years and is payable by instalments.

Mortgage terms of repayment are over 10 years and interest is payable at 3.6% or 2.1% above the base rate of the Bank of on the principal amount

15 PROVISIONS FOR LIABILITIES

	Pension deficit £
Balance as at 1 January 2021	86,179
Utilised during the year	
Charge for the year	(17,242)
Revaluation of Scheme	61,059
Balance as at 31 December 2021	<u>129,996</u>

A provision has been made for the pension scheme deficit on the closed pension scheme, see note 22.

16 RESERVES

	Income & expenditure reserve	Total
Balance as at 1 January 2021	2,255,060	2,255,060
Surplus for the year	356,000	418,717
Balance at 31 December 2021	<u>2,611,060</u>	<u>2,673,777</u>

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2021**

17 SHARE CAPITAL

The company is limited by guarantee and has no share capital. However, each Member of the Association has guaranteed to contribute a maximum of £1, should there be a call on the guarantees.

18 FINANCIAL COMMITMENTS

Operating leases

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

	2021 £	2020 £
Other		
Within one year	9,603	9,547
Within two or five years	34,558	36,863
Over 5 years	<u>1,756,800</u>	<u>1,764,000</u>
	<u>1,800,962</u>	<u>1,810,410</u>

Included within the operating lease note is a 250 year arrangement relating to ground rents.

19 RECONCILIATION OF SURPLUS TO CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Surplus / (deficit) for the year	356,000	805,595
Interest payable	-	-
Interest received	(164)	(717)
Depreciation of tangible fixed assets	144,020	85,101
(Profit)/ loss on disposal of tangible fixed assets	-	5,202
(Increase) / decrease in stock	530	(236)
(Increase) / decrease in trade and other debtors	(231,747)	(99,828)
Increase / (decrease) in trade and other creditors	1,524,463	2,908,998
Increase / (decrease) in pension liability	43,817	(16,740)
Net cash flow from operating activities	<u>1,836,919</u>	<u>3,687,375</u>

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2021**

20 Analysis of changes in net debt

Cash	1,610,730	68,129	1,678,859
Cash equivalents	-	-	-
Overdraft facility repayable on demand	-	-	-
	<u>1,610,730</u>	<u>68,129</u>	<u>1,678,859</u>
Loans falling due within one year	(28,076)	(89,860)	(117,936)
Loans falling due within more than one year	(595,351)	(2,986,592)	(3,581,943)
Finance lease obligations	-	-	-
TOTAL	<u>987,303</u>	<u>(3,008,323) -</u>	<u>2,021,020</u>

21 Capital funding and commitments

	2021 £	2020 £
Capital expenditure that has been contracted for but has not been provided for in the financial statements	-	4,669,529
Capital expenditure that has been authorised by the Board but has not yet been contracted for	-	-
	<u>-</u>	<u>4,669,529</u>

Contractual commitments for the acquisition of tangible fixed assets contracted for but not provided in the financial statements amounted to £nil (2020 - £4,669,529). The JCT tender contract for these works was signed on 17th March 2020 with R G Carter and is concluded September 2021.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2021

22 PENSION COMMITMENTS

Grimsby Cleethorpes and Humber Region YMCA participated in a contributory pension plan providing defined benefits based on final pensionable pay for employees of YMCA's in England, Scotland and Wales. The assets of the YMCA Pension Plan are held separately from those of Grimsby Cleethorpes and Humber Region YMCA and at the year-end these were invested in the Mercer Dynamic De-risking Solution, 40% matching portfolio and 60% in the growth portfolio and Schroder (property units only).

Multi-employer defined benefit plan (cont'd)

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

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

The valuation prepared as at 1 May 2020 showed that the YMCA Pension Plan had a deficit of £36 million. Grimsby Cleethorpes and Humber Region YMCA has been advised that it will need to make monthly contributions of £16,737 from 1 May 2021. This amount is based on the current actuarial assumptions (as outlined above) and may vary in the future as a result of actual performance of the Pension Plan. The current recovery period is 8 years commencing 1st May 2021.

	Within one year £'000	Repayable			After more than one year £'000	TOTAL 2022 £'000	TOTAL 2021 £'000
		One to two years £'000	Two to five years £'000	After five years £'000			
As at 31 March 2022	16,249.5	16,249.5	64,998	32,499	113,746.5	129,996	
As at 31 March 2021	16,740	16,740	50,220	2,479	69,439		86,179

In addition Grimsby Cleethorpes and Humber Region YMCA may have over time liabilities in the event of the non-payment by other participating YMCA's of their share of the YMCA Pension Plan's deficit. It is not possible currently to quantify the potential amount that Grimsby Cleethorpes and Humber Region YMCA may be called upon to pay in the future.