

**GRIMSBY CLEETHORPES
AND HUMBER REGION**



(a company limited by guarantee)

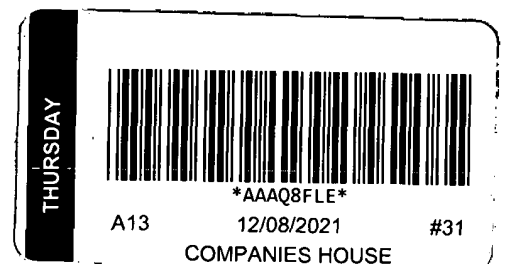
FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2020

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.





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YEAR ENDED 31 DECEMBER 2020**

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**OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 31 DECEMBER 2020**

Charity number	1058613
Company number	3241634
Homes & Communities Agency registered housing provider number	LH 4152
Directors	N A Strawson D Wooldridge (resigned 15/07/20) P Gallant S Gallaher (Chairman) S Hunt (resigned 21/01/21) K Lynn (resigned 27/01/20) C Rounce (resigned 29/03/21) L Lougher (resigned 29/03/21) R Harrison (resigned 08/09/20) R Oxby (appointed 27/01/20) 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)
Key management personnel	K Conway S England G Fenwick (resigned 06/03/20) A Hornsby (resigned 09/04/21) S Marray S Meech (resigned 31/12/20)
Registered office	Peaks Lane Grimsby South Humberside DN32 9ET
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

YMCA
HUMBER



Solicitors

Wilkin Chapman LLP
Cartergate House
26 Chantry Lane
Grimsby
DN31 2LJ

**BOARD REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

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 2020.

Directors of the board

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

N A Strawson	D Wooldridge (resigned 15/07/20)
P Gallant	S Gallaher
S Hunt (resigned 21/01/21)	K Lynn (resigned 27/01/20)
C Rounce (resigned 29/03/21)	L Lougher (resigned 29/03/21)
R Harrison (resigned 08/09/20)	R Oxby (appointed 27/01/20)
Bishop D Court	

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 2020**

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 challenges associated with the Covid-19 outbreak, its hugely encouraging to be able to report that during 2020 we still managed to make a huge impact, even opening new projects during the pandemic. We remained committed to the Strategic Plan we outlined in 2019 and forged ahead, despite incredibly challenging circumstances.

As Covid-19 overwhelmed the Country, YMCA Humber was on the verge of signing a £7.3m contract with R G Carter for our Freeman Street build. The rising pandemic made this process much more complex, but with huge commitment from all parties we achieved the end of March 2020 deadline and R C Carters commenced work on site in April. Given that YMCA Humber has been attempting to secure a project to replace our hostel provision at Peaks Lane for well over 10 years, this was a wonderful and historic moment for our Organisation.

In May 2020 we achieved our Strategic ambition of opening a property dedicated to Care Leavers. This property, situated in a beautiful part of Grimsby was refurbished to a high specification and staffed 24 hours a day to provide a wonderful home and dedicated support to young people who, perhaps need us the most. Housing up to 5 young people at any one time, this project, working in partnership with North East Lincolnshire Council is delivering aspirational homes in accordance with our purpose and values.

Furthermore, in July 2020 we also opened the first ever Housing First properties in Grimsby. Again, working in partnership with North East Lincolnshire Council, we opened two 2-bedroomed properties, formerly empty homes and commenced providing complex rough sleepers with lovely homes and intensive support.

We had a number of concerns for our operations, given the potential impact the pandemic could have on our work, our residents and our team. One of our biggest concerns, was how we would manage cases of the virus and a potential 'breakout' at our largest hostel at Peaks Lane. The evidence for us needing our new build at Freeman Street, had never been so strong; an outbreak at our Peaks Lane hostel, given that our residents share bathrooms and toilet facilities would have been a huge logistical challenge and of course the wellbeing of our residents and staff is paramount.

**BOARD REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Business review (cont'd)

By the end of the year, we had successfully navigated the pandemic with no known cases across our main accommodation sites. We can at this point look back on the measures we put in place, the dedication of our team and the co-operation from our residents with pride, and huge relief.

During the pandemic our accommodation was generally running at a full or nearly full occupancy level. Our team was creative in engaging our residents to support them in a Covid-19 secure way. Our AtOne mental health project excelled further by adapting to support many more of our residents, in addition to young people not residing at YMCA Humber. We witnessed first-hand the true value of that mental health support.

During the year, we continued our work with Pilotlight, focusing our attention on measuring and demonstrating our impact, but also touching on governance; this work has led to further work, implementing an impact measurement tool and a Board recruitment and development exercise.

Another area of work that we focused on in 2020 was the development of our 'Purpose; why the charity exists. 'We believe everyone has potential to unlock' was agreed and runs through all of our work like a common thread; reflected in the work with our clients, our Board, our community and our team.

In summary, operationally we provided accommodation to over 350 people in 2020. We provided 422 hours in mental health counselling. Our Youth Services were suspended due to Covid-19. Our engagement activities with our residents continued as much as restrictions would allow, with activities such as cooking, baking, running and walking, movie nights, football, circuit training and bingo being organised.

Our People

Building on the work of a new People Strategy launched in 2019 we entered the year with further work having been undertaken on staff well-being, an active Staff Forum and Speak Out Champions in place. Our Recruitment and Selection Procedures had been reviewed and improved. In 2019 we committed to all staff receiving 5 weeks' holiday and this was implemented in January 2020. We also committed to becoming a Living Wage Employer, and with a great deal of hard work and effort, we achieved this from 1st September 2020 and at the same time conducted and implemented a re-organisation of our staff cohort in readiness for a new way of working at Freeman Street.

We appointed our HR Manager at the start of the pandemic as our organisational Covid-19 lead and ensured that we held weekly (and often daily) meetings of the Senior Leadership Team to steer our way through the challenges presented. Our HR Manager gave very strong and smart advice at the beginning of the pandemic and we established firm principles in relationship to our people and processes, one being that we would not furlough front-line staff. These principles held us in a strong position to deal with the challenges that were to come. We look back on 2020 knowing that we did as much as we possibly could to ensure the well-being of our staff and residents. During the year we actually saw a decline in sickness absence figures.

Our Team stepped up even further during 2020 to respond to the daily challenges of the Covid-19 pandemic. Their commitment, dedication and hard work to ensure service continuity and to provide an excellent 24-hour service has been outstanding; a real credit to our Organisation.

In September 2020, YMCA Humber was declared the winner of the 2020 Charity Times national award for HR Management in recognition of the charity's work to better support, train and develop its staff to deliver consistently high service standards as part of the charity's vision.

In February 2020 we appointed Ray Oxy, former Leader of North East Lincolnshire Council to our Board; an excellent appointment and Ray was subsequently voted Vice-Chair. As previously mentioned, towards the end of 2020 we commenced a process of reviewing how our Board operates, seeking to broaden the skills and diversity of our Board. We were delighted at the number of individuals who put themselves forward in the application process.

**BOARD REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Business review (cont'd)

Income Generation

Our ability to generate income from fundraising was restricted in 2020 due to the pandemic and we had already identified that this is an area of work we need to grow and develop. The Senior Leadership Team worked hard to access grants to compensate for lost income and also to provide additional services which were needed more than ever during the pandemic. The following grants were received in 2020:-

Reaching Communities	£62,842	To continue our AT One project
Coronavirus Leisure Grant	£25,000	Coronavirus support
Housing First	£50,000	Housing first Project Worker
Sports England "Community Emergency Fund"	£10,000	Coronavirus support
NELC Hardship Grant	£10,000	To support our residents
Crisis Grant "In this together"	£5,000	Coronavirus support
Covid Hardship winter Grant	£5,000	To support our residents
Walwyn Chapman	£5,000	To enable us to deliver a Young Carers project
NELC Covid Fund	£4,000	To support our mental health services
Street Games	£2,500	To deliver sport sessions
Garfield Weston	£2,000	To support our Trustees
YMCA E&W	£1,503	Room sponsorship support
Tala	£1,462	To support our mental health services
NELC SWEP	£1,000	To support our SWEP
Make a difference locally	£250	To purchase sports equipment
Rotary	£200	To support Willows Youth Club
Blakemores	£150	To purchase residents Easter Eggs

Our SleepEasy event held in February 2020 fell short of its income target. The charity spent £2,400 on Christmas presents for our residents. A Fashion Show held before lockdown in March 2020, was very popular and gave a great platform to talk about our work, raised just over £800.

Fit for the Future

In 2020 we also won the national Charity Times Award for Property Innovation in recognition of how the organisation had developed and increased its portfolio; recognition of our work on our housing pathway, the implementation of a Housing First and Care Leavers portfolio, together with the progression of our £8.3m Freeman Street building.

Given the long-awaited opening of an alternative building to our Peaks Lane hostel in the form of our new Freeman Street building in August 2021, this is probably the most exciting year in the history of YMCA Humber. Previous reports will show that here have been several attempts to achieve this provision in the last 10+ years and accordingly, our staff and residents are hugely excited about the dream becoming a reality. As the building has gone up, it has also been great to see the excitement

**BOARD REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Business review (cont'd)

and enthusiasm about what this building can foster from our partners and the wider community. The official handover of the building is scheduled for 23rd August 2021 but as we reach the end of 2020, the build is running 4 weeks ahead. The formal opening event has been set as Friday 3rd September 2021.

The opening of our Freeman Street building takes YMCA Humber into new territory; the running of a café. Our Board has agreed to trial running this facility ourselves and this adds to the excitement of delivering new initiatives as part of our umbrella of services at our new flagship building.

Our work in housing to address the needs of the borough has been widely acknowledged but there is still some significant unmet need in the immediate geographic location and beyond. Our Strategic Plan currently strives to further address this need and over the next 3-5 years should resources permit, then further housing development will be pursued.

Our Board has yet to determine the ultimate use of our Peaks Lane site but for now is focused on delivering sport, leisure and well-being activities on the site for young people. Our Strategic Ambition remains to grow this work stream.

Our Youth Work has been in decline over a number of 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.

We started 2020 in the hope of assuming responsibility for the St Hugh's Community Centre on the West Marsh. The pandemic impacted these plans and at the end of the year negotiations with the local Diocese stalled.

We still need to improve in the area of Income Generation and Communications. Accordingly, we commence 2021 with the recruitment of a key post, Head of Digital Marketing and Communications to lead this. We also start the new year with planned work to totally remodel our website. Due to the pandemic, we have deferred our annual SleepEasy event to October 2021 but will be launching a brand new Corporate Support Strategy in the new year.

With work streams in place to measure and demonstrate our impact, to refresh and develop our Board and further delivery of our People Strategy in the form of a comprehensive training and development plan in place, 2021 is shaping up to be another good year in terms of organisational improvement. Our refreshed Board will be working to establish a Strategic Plan for 2022-2025 as the year unfolds.

Principal risks and uncertainties

Looking ahead to 2021, two significant risks are on the horizon. Firstly the ongoing Covid-19 pandemic and secondly the review of the Housing Related Support Contract. We continue to monitor these risks on a regular basis with robust internal systems and processes, in addition to our Risk Register which is on the agenda for all meetings of the Senior Leadership Team and the meetings of both the Development and Finance Sub-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.

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

**BOARD REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

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.

During 2019 a review of YMCA 'Humber's' Governance Arrangements was undertaken, reducing 4 sub-committees to 3 sub committees with delegated powers: -

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

The Board also clarified the Chief Executive's delegated powers in relation to staffing. 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 2020**

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 it is the Association's intention to introduce a job evaluation process to strengthen the above considerations.

Financial Review

During the year ended 31 December 2020, total expenditure of £1,760,711 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 £805,595 (2019: £489,351).

**BOARD REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Reserves

YMCA Humber is working towards reserve levels of six to twelve months operating expenditure (OPEX), but has a minimum policy of three 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 £2,255,060 were held at 31 December 2020. No restricted funds were held. Of this amount, £1,679,217 can be realised by disposing of tangible fixed assets. After taking this into account, free reserves total £575,843.

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 2021 we will continue to develop our assets which includes our new Freeman Street project, for which we have been building our reserves to support.

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

**BOARD REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

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.

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:

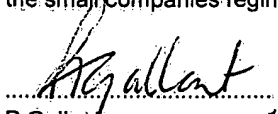
- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

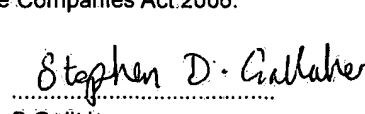
**BOARD REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

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
7th June 2021


.....
S Gallaher
Director
7th June 2021

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRIMSBY CLEETHORPES AND
HUMBER REGION YMCA FOR THE YEAR ENDED 31ST DECEMBER 2020**

Opinion

We have audited the financial statements of Grimsby Cleethorpes and Humber Region YMCA (the 'association') for the year ended 31st December 2020 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 2020, 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. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRIMSBY CLEETHORPES AND HUMBER REGION YMCA FOR THE YEAR ENDED 31ST DECEMBER 2020 (CONTINUED)

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 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.

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.

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 company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRIMSBY CLEETHORPES AND
HUMBER REGION YMCA FOR THE YEAR ENDED 31ST DECEMBER 2020 (CONTINUED)**

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.

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**

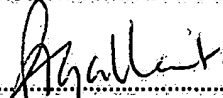
26 South Saint Mary's Gate
Grimsby
North East Lincolnshire
DN31 1LW
Date: 7th June 2021

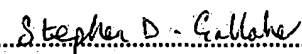
**STATEMENT OF COMPREHENSIVE INCOME (INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

		2020 £	2019 £
	<i>Notes</i>		
Turnover	3	2,570,791	2,157,111
Operating expenditure:		<u>(1,760,711)</u>	<u>(1,670,583)</u>
Operating surplus		810,080	486,528
Gain/(loss) on disposal of property plant and equipment	6	(5,202)	1,800
Exceptional expenditure		-	-
Interest receivable and similar income	5	717	1,023
Surplus before tax	6	805,595	489,351
Exceptional items		<u>-</u>	<u>-</u>
Taxation		-	-
Total comprehensive income for the year		<u>805,595</u>	<u>489,351</u>

The only recognised gain is the surplus for the period of £805,595.

Signed on behalf of the board on 7th June 2021


.....Director
P Gallant


.....Director
S Gallaher

BALANCE SHEET AS AT 31 DECEMBER 2020

		2020 £	2019 £
	<i>Notes</i>		
Fixed assets			
Housing properties at depreciated cost	10	<u>5,474,610</u>	<u>2,130,496</u>
		5,474,610	2,130,496
Other fixed assets	10	<u>82,381</u>	<u>84,188</u>
		5,556,991	2,214,684
Current assets			
Stocks and work in progress	11	3,985	3,749
Debtors	12	198,795	98,967
Cash at bank and in hand		<u>1,610,730</u>	<u>897,550</u>
		1,813,510	1,000,266
Creditors: amounts falling due within one year	13	<u>(610,416)</u>	<u>(530,862)</u>
Net current assets		<u>1,203,094</u>	<u>469,404</u>
Total assets less current liabilities		<u>6,760,085</u>	<u>2,684,088</u>
Creditors: amounts falling due after more than one year	14	(4,418,846)	(1,131,704)
Provisions for liabilities and charges			
Pensions liability	22	<u>(86,179)</u>	<u>(102,919)</u>
Totals provisions for liabilities and charges	15	(86,179)	(102,919)
		<u>2,255,060</u>	<u>1,449,465</u>
Capital and reserves			
Income and expenditure reserve	16	2,255,060	1,449,465
		<u>2,255,060</u>	<u>1,449,465</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 7th June 2021

Signed on behalf of the Board

P Gallant
.....Director
P Gallant

Stephen D. Gallaher
.....Director
S Gallaher

The notes on pages 22 to 33 form part of these accounts
Company Registration No. 3241634

**STATEMENT OF CHANGES IN RESERVES
YEAR ENDED 31st DECEMBER 2020**

	Income & expenditure reserve
At 1 January 2020	1,449,465
Surplus for the year	805,595
	<hr/>
	805,595
	<hr/>
At 31 December 2020	<u>2,255,060</u>

**STATEMENT OF CASH FLOWS
YEAR ENDED 31st DECEMBER 2020**

	Note	2020 £	2019 £
Cash flow from operating activities	19	3,687,375	813,705
Interest paid		-	-
Taxation paid		-	-
Net cash flow from operating activities		3,687,375	813,705
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(3,432,610)	(947,241)
Receipts from sale of tangible fixed assets		-	1,800
Interest received		717	1,023
Net cash flow from investing activities		(3,431,893)	(944,418)
Cash flow from financing activities			
Proceeds from bank borrowing draw downs		475,250	169,400
Repayment of bank borrowing		(23,974)	(5,046)
Interest paid		6,422	1,375
Net cash flow from financing activities		457,698	165,729
Net Increase / (decrease) in cash and cash equivalents		713,180	35,016
Cash and cash equivalents at 1 January		897,550	862,534
Cash and cash equivalents at 31 December		1,610,730	897,550

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2020**

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 7th June 2021.

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 2020**

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 2020**

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 £14,582 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 2020**

2 SOCIAL HOUSING TURNOVER AND COSTS

	2020 £	2019 £
Rent receivable, excluding service charges	1,957,786	1,604,084
Service charges	22,311	19,849
Care leavers	140,157	-
Grant income	237,774	260,419
Amortised grant income	32,239	30,156
Other income	27,589	9,069
Social housing activity expenditure	(1,387,275)	(1,121,832)
Operating surplus/ from social housing activities	1,030,581	801,745
Net surplus/(deficit) from social housing activities	914,871	681,010
Void losses	(115,710)	(120,324)

3 TURNOVER

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

	2020 £	2019 £
Social housing income (net of voids)	2,302,146	1,803,253
Sale of goods	-	-
Rendering of services	-	-
Facility lettings	8,892	26,975
Donations and revenue grants	148,042	326,883
Capital grant	57,000	-
Government grants	54,711	-
	<u>2,570,791</u>	<u>2,157,111</u>

4 ACCOMMODATION OWNED AND IN MANAGEMENT

	Units at End	Units at Start
Supported housing – Let at social rent	<u>118</u>	<u>109</u>

5 INTEREST RECEIVABLE AND SIMILAR INCOME

	2020 £	2019 £
Bank deposits	<u>717</u>	<u>1,023</u>

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2020**

6 OPERATING SURPLUS

	2020 £	2019 £
Operating surplus is stated after charging:		
Directors' and Chief Executive Officers remuneration	75,557	72,789
Auditors' remuneration (including expenses and benefits in kind)	7,000	9,150
Operating leases	1,626	1,696
Government grants	(32,239)	(30,156)
Depreciation and amortisation of owned assets	85,101	75,524
(Gain) / loss on sale of tangible fixed assets	5,202	(1,800)

7 AUDITORS REMUNERATION

	2020 £	2019 £
Fees payable to the auditor for the audit of the annual account	7,000	7,000
Fees payable to the auditors for other services:	-	2,150

8 BOARD AND KEY MANAGEMENT PERSONNEL REMUNERATION

	2020	2019
Amounts paid to key management personnel	285,510	238,101

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 £1,314 (2019: £1,256).

During the year ended 31 December 2020, travel and subsistence expenses totalling £291 (2019 - £1,079) were reimbursed or paid directly to 1 director (2019 - 2).

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2020**

9 EMPLOYEE INFORMATION

	2020	2019
The average number of persons employed during the year expressed in full time equivalents	47	44

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:

	2020	2019
Management	6	6
Lead	5	6
Admin, finance & marketing	7	9
Support worker	26	23
Youth worker	4	3
Services	8	8
Relief	10	9
Total	66	64

	£	£
Staff costs		
Wages and salaries	1,144,605	1,066,631
Social Security costs	88,559	79,092
Pension costs	21,459	17,151
	1,254,623	1,162,874

HIGH PAID EMPLOYEES

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

	2020 Number	2019 Number
£60,001 - £70,000	1	1
£70,001 - £80,000	-	-
£80,001 - £90,000	-	-
	-	-

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2020**

10 TANGIBLE FIXED ASSETS

	Long Leasehold Assets under construction £	Freehold Housing Properties for Lettings £	Other £	Total £
Cost				
At beginning of year	442,972	2,570,618	309,567	3,323,157
Additions	3,237,499	170,103	25,008	3,432,610
Disposals	-	(5,202)	-	(5,202)
At end of year	<u>3,680,471</u>	<u>2,735,519</u>	<u>334,575</u>	<u>6,750,565</u>
Depreciation				
At beginning of year	-	883,094	225,379	1,108,473
Charge for year	-	58,286	26,815	85,101
On disposals	-	-	-	-
At end of year	<u>-</u>	<u>941,380</u>	<u>252,194</u>	<u>1,193,574</u>
Net Book Value at end of year	<u>3,680,471</u>	<u>1,794,139</u>	<u>82,381</u>	<u>5,556,991</u>
Net Book Value at beginning of year	<u>442,972</u>	<u>1,687,524</u>	<u>84,188</u>	<u>2,214,684</u>

The main value within Housing properties for lettings is the value of the Foyer which is included at 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 £1,584,131 (2019: £290,856) 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.

11 STOCKS

	2020 £	2019 £
Consumable stocks	3,985	3,749
	<u>3,985</u>	<u>3,749</u>

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2020**

12 DEBTORS – ALL RECEIVABLE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors (gross social housing rent arrears)	106,640	71,393
Less: provision for doubtful debt	-	-
Trade debtors (other)	18,009	21,350
Prepayments and accrued income	74,146	6,224
	<u>198,795</u>	<u>98,967</u>

13 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Bank loans and overdrafts	28,076	20,183
Trade creditors	32,043	49,160
Rents paid in advance	-	-
Other tax and social security	23,367	17,583
Accruals and deferred income	451,457	398,885
Other creditors	21,194	14,896
Government grants under accruals model	54,279	30,155
	<u>610,416</u>	<u>530,862</u>

Bank loans and overdrafts includes a mortgage amount totalling £28,076 (2019 - £20,183) which is secured against the properties purchased.

Mortgage terms of repayment are over 10 years and interest is payable at 3.6% on the principal amount.

14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020 £	2019 £
Bank loans and overdrafts	595,351	145,546
Government grants under accruals model	3,823,495	986,158
	<u>4,418,846</u>	<u>1,131,704</u>

Bank loans and overdrafts includes a mortgage amount totalling £595,351 (2019 - £145,546) which is secured against the properties purchased. Of this £64,813 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% on the principal amount.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2020**

15 PROVISIONS FOR LIABILITIES

	Pension deficit
	£
Balance as at 1 January 2020	102,919
Utilised during the year	
Charge for the year	(16,740)
Balance as at 31 December 2020	<u>86,179</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 at 1 January 2020	1,449,465	1,449,465
Surplus for the year	805,595	805,595
Balance at 31 December 2020	<u>2,255,060</u>	<u>2,255,060</u>

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.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2020**

18 FINANCIAL COMMITMENTS

Operating leases

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

	2020 £	2019 £
Other		
Within one year	6,283	1,555
Within two or five years	24,495	-
Over 5 years	1,470,000	-
	<u>1,500,778</u>	<u>1,555</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

	2020 £	2019 £
Surplus / (deficit) for the year	805,595	489,351
Interest payable	-	-
Interest received	(717)	(1,023)
Depreciation of tangible fixed assets	85,101	75,524
(Profit)/ loss on disposal of tangible fixed assets	5,202	(1,800)
(Increase) / decrease in stock	(236)	426
(Increase) / decrease in trade and other debtors	(99,828)	(7,601)
Increase / (decrease) in trade and other creditors	2,908,998	275,080
Increase / (decrease) in pension liability	(16,740)	(16,252)
Net cash flow from operating activities	<u>3,687,375</u>	<u>813,705</u>

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2020**

20 Analysis of changes in net debt

	At 1st January 2020	Cash-flows	At 31st December 2020
Cash	897,550	713,180	1,610,730
Cash equivalents	-	-	-
Overdraft facility repayable on demand	-	-	-
	<u>897,550</u>	<u>713,180</u>	<u>1,610,730</u>
Loans falling due within one year	-	28,076	28,076
Loans falling due within more than one year	-	(595,351)	(595,351)
Finance lease obligations	-	-	-
TOTAL	<u>897,550</u>	<u>145,905</u>	<u>1,043,455</u>

21 Capital funding and commitments

	2020 £	2019 £
Capital expenditure that has been contracted for but has not been provided for in the financial statements	4,669,529	7,525,028
Capital expenditure that has been authorised by the Board but has not yet been contracted for	-	89,000
	<u>4,669,529</u>	<u>7,614,028</u>

It is intended that this anticipated capital expenditure will be financed by:

	£
Grants	919,529
Agreed loans	3,325,000
Other sources of funding	<u>425,000</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 £4,669,529 (2019 - £7,614,028). The JCT tender contract for these works was signed on 17th March 2020 with R G Carter and is expected to conclude August 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).

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2020**

Multi-employer defined benefit plan (cont'd)

The most recent completed three year valuation was as at 1 May 2017. 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 3.75% and 2.35% respectively, the increase in pensions in payment of 3.35% (for RPI capped at 5% p.a.), and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.2 years, female 24.1 years, and 24.0 years for a male pensioner, female 26.0 years, retiring in 20 years' time. The result of the valuation showed that the actuarial value of the assets was £141.2m. This represented 81% 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 2017 showed that the YMCA Pension Plan had a deficit of £33.6 million. Grimsby Cleethorpes and Humber Region YMCA has been advised that it will need to make monthly contributions of £14,582 from 1 May 2018. 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 2019.

	Within one year £'000	Repayable				Total 2021 £'000	Total 2020 £'000
		One to two years £'000	Two to five years £'000	After five years £'000	After more than one year £'000		
As at 31 March 2021	16,740	16,740	50,220	2,479	69,439	86,179	
As at 31 March 2020	16,252	16,252	48,756	21,659	86,667		102,919

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.