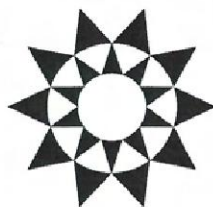


Registered number: 4116412
Charity number: 1086320

YMCA BLACK COUNTRY GROUP

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



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YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

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YMCA BLACK COUNTRY GROUP
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees	J Oakley, Chair (appointed 17 November 2020) S Balogun G England R Hill J Rowe (resigned 17 November 2020) M Shenton (appointed 18 May 2021) G Stonyer P Tomlinson (appointed 17 November 2020) P Walker (appointed 19 May 2020) A Walsh J Welsby
Company registered number	4116412
Charity registered number	1086320
Registered office	38 Carters Green West Bromich West Midlands B70 9LG
Company secretary	S C Clay
Chief executive officer	S C Clay
Independent auditors	WR Partners Chartered Accountants & Statutory Auditors Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG
Bankers	Unity Trust Bank PLC Four Brindley Place Birmingham B1 2JB
Internal Auditor	MFG Solicitors LLP Pamore House Hall Court Hall Park Way Overdale Telford TF3 4LX

YMCA BLACK COUNTRY GROUP
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Solicitors (Human Resources)	Irwin Mitchell Solicitors 31 Temple Street, Birmingham, B2 5DB Anthony Collins 134 Edmund Street, Birmingham, B3 2ES
Solicitors (Operations & Developments)	Wright Hassall LLP Olympus Avenue, Royal Leamington Spa, Warwick. CV34 6BF FBC Manby Bowdler LLP Routh House, Hall Park Way, Overdale, Telford. TF3 4NJ
Chief Officer Team	Chief Corporate Officer - Jill Law Chief Operations Officer (Places) - Sally Cowan Chief Operations Officer (Programmes) - Joanne Goldie (Appointed 1 July 2020)
Registered Provider of Social Housing Number	L4550

YMCA BLACK COUNTRY GROUP
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**CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

The chairman presents his statement for the year.

Having previously served on the Board, and recently spent some time away, I was asked to re-join as Trustee and Chair as part of the succession planning strategy for outgoing Chair, Jon Rowe. When I first indicated my willingness, no-one had heard of Covid-19 or the concept of social distancing!

So taking over as Chair in the middle of a global pandemic has been quite a challenge; although as you will see for this report, I'm pleased to report that the organisation is equipped and skilled for the task. It is essential that we express our collective gratitude to God that he has provided us with incredibly gifted leadership and staff across the organisation who are committed to the challenges, whatever they may be.

Throughout this year Trustees have been particularly concerned for the welfare of YMCA residents and young people left isolated and without social connections. Our Nurseries have experienced a very similar pattern to the more publicised school disruption, with regular 'bubble' isolations and occasional temporary closure, and our gym, coffee shop and much of our office lets and meeting rooms have been largely unused.

In response, we have been greatly encouraged by the tremendous resilience of our staff teams and their commitment to serve; bringing inspiration and hope in desperate times. Our housing staff have provided a stable onsite presence throughout, whilst our programme mentors and back-office staff have adapted to what became the 'new normal' of working from home. At the peak of lockdown there were 99 staff members on furlough. At the time of writing, no staff member is furloughed and (while regretful), only four redundancies have been necessary.

Across our YMCA group we have been supported with emergency funding to respond to the Coronavirus emergency, and I would like to particularly like to thank Homeless Link, The National Lottery and YMCA England and Wales who have contributed a combined £95,250 to help us provide an immediate response.

Since my return to YMCA Black Country Group I have been particularly impressed with the ambitious plans set out in Connected Communities 2020-25: A Strategic Guide. While the pace of progress will no doubt have been affected by recent events, I'm convinced of its continued relevance and its adaptability to present realities. I look forward to working with my Trustee colleagues and senior team to take this forward.

We are a local charity, embedded in the fabric of the Black Country and border area communities, but we're also committed to playing our part in the wider YMCA Movement. It is often that in times of crisis, and in searching for meaning in events that surround us, that we reach out to our Heavenly Father. I am pleased that YMCA Black Country were able to serve the global YMCA Movement by helping to coordinate four livestreamed global prayer services (May, June, July and November), uniting hundreds of YMCA members from across the world in solidarity, worship and prayer. We have certainly needed God's intervention at this time.

As you read through the pages of this Trustees Report and Annual Accounts you will discover an organisation with a clear sense of purpose and direction, a strong governance and management framework, and a stable financial position. There is much need within the Black Country, and an organisation committed to transforming communities and enabling young people to belong, contribute and thrive is more relevant than ever.

J Oakley
Chair of Trustees

Date: 29 September 2021



YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

TRUSTEES' REPORT (incorporating strategic report)
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the audited financial statements of the YMCA Black Country Group for the year 1 April 2020 to 31 March 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The Group includes the Charity, YMCA Black Country Group and two subsidiary charities; YMCA Walsall and YMCA Wolverhampton. References to 'The Charity' relate to YMCA Black Country Group only. Reference to consolidated activity or specific subsidiaries are stated.

Comment from the Chief Executive Officer

Thinking back over the seismic changes of the last financial year is quite overwhelming. In April 2020 we entered the first lockdown, no one envisaged the pandemic would progress in a series of waves that would so dramatically affect our lives for so long.

Our service delivery has been markedly affected, yet the flexibility, resilience and continued reinvention within our staff teams has pulled us through, and delivered essential, quality provision, under very difficult circumstances.

During the year we served 943 young people, vulnerable adults and young professionals through our accommodation and children childcare services, and a further 8,754 community member engagements in our range of programme activity. Work at City Gateway, on Cleveland Road is tantalisingly close to completion, and promises an exciting range of accommodation, childcare and learning services combined with being the new base for our administrative offices.

While there's been an understandable dip in group turnover to £6,437,021, prudent management have delivered a group surplus of £504,357 (adjusting for capital receipts) and the growth of accommodation, childcare and programme activity is projected to continue strongly through the next financial year.

The Going Concern review received by Trustees in September 2021 continues to demonstrate that the charitable group is in a strong financial position, despite the effect of the pandemic, and that governance and management structures are working effectively.

I have been pleased to welcome our incoming Chair, Jeremy Oakley who is an experienced Chair and who also brings with him prior knowledge of YMCA. Jeremy successfully blends the qualities of Christian leadership, pastoral insight and entrepreneurial drive, which enables him to combine his heart of justice for the disadvantaged with a desire to do more. I'm sure the next few years will be both challenging and rewarding!

Objectives and activities

a. Policies and objectives

YMCA Black Country Group is a charity committed to community transformation, enabling people to develop in mind, body and spirit. Built on a Christian foundation, with an ethos that is inclusive of all, we are a youth-minded organisation, with a community approach.

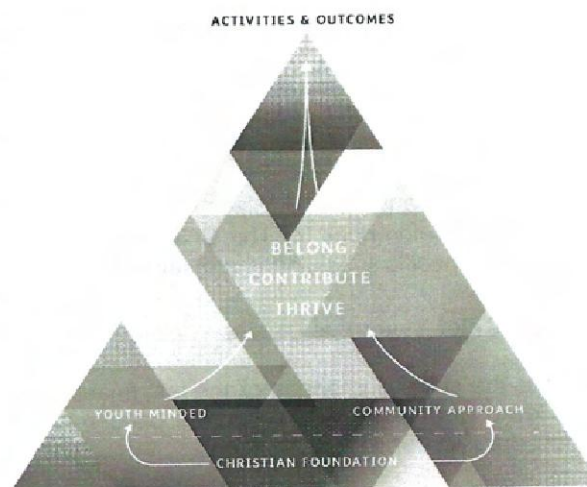
YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

Our work is primarily in places across the Black Country and border areas, working with children, young people and their families, offering support & advice, accommodation, family work, health & wellbeing, and training and education services.

This strategic report highlights what we have achieved in the 2020/21 financial year in the midst of the coronavirus pandemic; and also our aspiration (notwithstanding the present difficulties) to grow our services to best meet the needs of young people and their communities, so that they can truly belong, contribute and thrive.



During the year, the principle activities of the consolidated group were young people's housing (80%) and children's nurseries (20%)

HOPE

We encourage an expectation that life has more.
cf. 1 Thess. 5:11

COMPASSION

We demonstrate active care and concern for all.
cf. Galatians 6:10

INSPIRE

We inspire people to meet their potential
cf. John 10:10

TRUST

We build trust through open, honest and transparent relationships.
cf. Psalm 41:12

Values

Our Values, were further developed in 2019/20 through consultation with Staff and Trustees, and describe the way we behave.

They aim to be Christ-centred, inclusive for all and aspirational

b. Connected Communities: A Strategic Guide

At the start of the 2020/21 financial year, the Senior Leadership Team and Trustees launched Connected Communities: A Strategic Guide which charts the direction of YMCA Black Country Group (and its subsidiaries) for the subsequent five years. The strategy allows for considerable flexibility in application, and despite the challenges of the pandemic, it remains a robust document to guide the charity forward.

Connected Communities: 2020-25, a Strategic Guide, is summarised below, and is being delivered through five areas of focus.

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

Places of Transformation Focus 1: <i>A YMCA BC presence spread across our area, with transformational community impact.</i>	
Delivered By	2025 Aim
<ul style="list-style-type: none"> Sustainable 'Community Branches' that have sustainable 'economic engines' principally based on childcare and accommodation, and from which other community services can be delivered. Community Outreach locations, which meet strategically identified needs. Community awareness of YMCA presence & positive impact. 	4 full service 'central' Community Branches 5 additional community branches 825 Childcare places (279)* 175 Supported accommodation units (220)* 278 Young professional / worker units (60)* Community outreach present in 25 towns 1 in 2 members of public are awareness of YMCA presence in Community Branch towns * () Number in 2019

Programmes for People Focus 2: <i>People development programmes, covering the range of YMCA BCG services.</i>	
Delivered By	2025 Aim
<ul style="list-style-type: none"> Learning & Skills / Health & Well-Being / Family Work / Support & Advice programmes which evidence impact, provided from Community Branches/ Outreach Locations, or where area-wide/specialist services meet strategic need. Focusing on the distinctive of YMCA BCG, our 'connected community' approach and our unique ethos and values. Nurturing a mixed model of social enterprise, alongside donor-based and commissioned services. 	Programme reaching 7,000 people p.a. (3,500)* Quality assessments rated 'good' with >20% at outstanding Distinctive impact measures, developed & applied for all services 1 New scalable social enterprise identified & proven * () Number in 2019

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

Focus 3: Empowering Young People <i>Special emphasis on enabling young people aged 0-35 years, to Belong, Contribute & Thrive.</i>	
Delivered By	2025 Aim
<ul style="list-style-type: none"> Informal education youth work, linked to YMCA BCG programme areas – delivered in YMCA Community Branches and Outreach locations. Providing 'Belong, Contribute, Thrive' progression routes in Community Branches for young people to grow within the YMCA environment ... from child to teenager to adult. Empowering young staff / volunteers / trustees to Belong, Contribute & Thrive. 	<p>Created a sustainable youth-work model regularly reaching 500 teenagers</p> <p>Birth - Youth - Adult progression routes in 4 Community Branches</p> <p>50 young staff thrive through 'Group' task-groups which stretch them</p> <p>100 young people contribute as volunteers annually</p> <p>Increase trustees aged under 35</p>

Focus 4: Growing Ethos & Values <i>Nurturing an inclusive Christian culture, where everyone benefits.</i>	
Delivered By	2025 Aim
<ul style="list-style-type: none"> Effective Induction and the consistency of Christian Mission across the group. (e.g. spiritual content programme in nurseries) Establishing Ethos Champions in all YMCA BCG locations. Developing youth work which links into Church / Missional opportunities. Supporting Christian Mission growth through YMCA, locally, nationally and globally. 	<p>50 Governance Members</p> <p>100% complete full induction within 3 months</p> <p>90% of locations have a trained ethos champion</p> <p>All curriculums embed Mind Body & Spirit and Belong, Contribute & Thrive</p> <p>5 Church youth work partnerships working with over 100 young people</p> <p>Over 70% of staff engage in Christian Mission events annually</p> <p>A national Christian Mission strategy established which contributes to World YMCA</p>

Focus 5: Investing in Talent <i>Crafting a skilled, motivated and creative staff team to implement the Strategic Guide..</i>	
Delivered By	2025 Aim
<ul style="list-style-type: none"> Specific emphasis on the development / acquisition of Entrepreneurial Leadership, Spiritual Leadership and Organisational Management / Leadership Recruiting & retaining excellent staff, continually developed and who exemplify our Ethos & Values. Becoming a Real Living Wage employer 	<p>20 staff have undertaken Entrepreneurial / Spiritual / Organisational leadership development (or were recruited for these skills)</p> <p>A range of tools are developed allowing Staff to regularly reflect on the YMCA BCG Values to test they are living them in their working practice.</p> <p>Real Living Wage implementation completed</p>

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Strategic report

Achievements and performance

a. Key financial performance

In order to enhance transparency and openness, accounts consolidated with those of its charitable subsidiaries are included in the Financial Accounts and Statements, in addition to those of the Charity itself.

The consolidated surplus at the end of the year is £621,857 which includes a surplus of £373,065 for the Charity itself. It should be noted that the surpluses include the recognition of capital grants as income in accordance with FRS102. The Trustees consider this to be a very satisfactory result.

b. Review of activities

Places of Transformation

The completion of YMCA City Gateway has slipped to Autumn 2021 (from January 2021), with developers, Jessup suffering Coronavirus related delays throughout. Once operational, the facility will create 63 units of young professional / worker accommodation, a 115 place day nursery, enterprise and community training areas and a local supermarket, in the heart of the city of Wolverhampton. It will become both the administrative head office for YMCA Black Country Group and the registered office for YMCA Wolverhampton.

Despite the pandemic, YMCA Black Country Group (via YMCA Wolverhampton) expanded its childcare provision establishing a YMCA Community Outreach in Hurst Hill, Dudley and Pelsall, Walsall. However, Coronavirus did have a significant operational impact on our nursery services, with significantly reduced daily attendances compared to 'normal' numbers. The continuation of Early Years Funding and the provision of the staff furlough scheme enabled nurseries to remain viable. Throughout the year 456 children received childcare and early year's education.

Community Branch	Childcare Places**	Accommodation Units	Community Outreach Locations	Childcare Places**	Accommodation Units
Walsall Central	97	21 *	Dudley, Central		23
West Bromwich Central	184	145	Pendeford **		10
			Rugeley **		28
Wolverhampton Central	57	22 **	Wednesbury		34
			Black Country S.L. Hosts		60
			Pelsall, Walsall	60	
			Hurst Hill, Dudley	30	

* Delivered by YMCA Walsall

** Delivered by YMCA Wolverhampton

The above table does not include City Gateway.

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

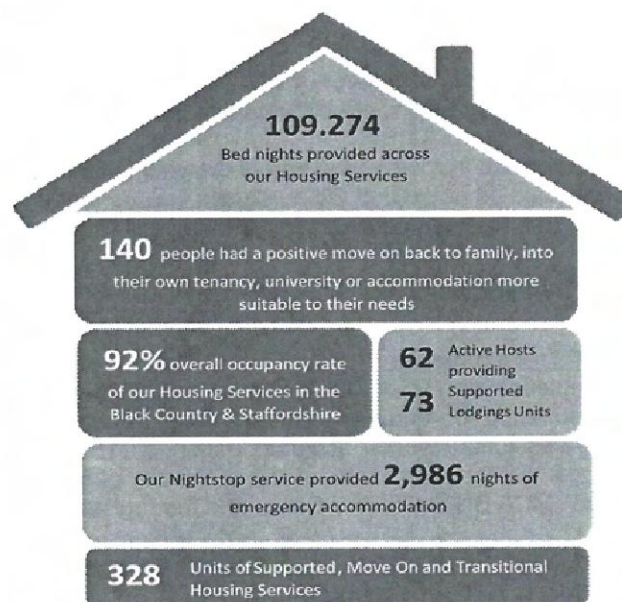
Strategic report (continued)

Achievements and performance (continued)

Across the Group, YMCA BCG and its subsidiary charities have provided a consistent provision of accommodation throughout the year.

Supported housing provision for 413 young people was delivered in Dudley, Sandwell, Walsall, Wolverhampton and South Staffordshire, through a range of housing projects in our Community Branches and Outreach projects, including our Supported Lodgings network of host families and individuals.

Additionally 74 young adults benefited from the Charity's young professional / worker accommodation in Sandwell, Dudley and Rugeley.



The charity shop based in Wednesfield (and delivered through YMCA Wolverhampton) was closed throughout the year due to the impact of Coronavirus. It has since successfully reopened in April '21 and its progress will be reported in next year's Trustee Report.

Programmes for People

During the year, our development programmes (albeit impacted by Coronavirus) covered a range of service areas including learning and skills, health & wellbeing, family work and support and advice programmes. Our Community Branches in West Bromwich and Walsall, also have the facilities for other local charities and social enterprises to deliver services and programmes for the local community, which are compatible with the Charity's objects – although the latter being significantly impaired due to the pandemic.

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Strategic report (continued)

Achievements and performance (continued)

Community Branch	Programme Activity
Walsall Central	<p>Since restrictions have lifted our Community Development Programme* has resumed from the Small Street Centre reducing isolation in the community, created in part due to lockdowns. The programme has providing a safe space for community members to meet other people, and to engage with a variety of support from the available mentors on site. Support has been provided with health and wellbeing, benefits, information advice and guidance and supported into training or employment. We have also been delivering Make it Click, a range of on line digital skills courses in partnership with the Good Things Foundation.</p> <p>Programmes at the Glebe Centre* have provided services for homeless and vulnerable people in the local area. Throughout the pandemic hot food has been provided on a take away basis and service users have still been able to access showers and washing facilities. Throughout the first period of lock down, the Glebe staff also prepared and delivered over 1,000 meals to vulnerable people in the community.</p> <p>In addition to providing premises for nursery provision, the Small Street Centre has provided office and meeting spaces * for local organisations to develop and deliver their own programmes. During the year, this space was utilised by Lichfield Diocese, and Manor Farm Community Association, as well as providing office space for the YMCA's Building Better Opportunities programme. The pandemic significantly reduced the use of offices and meeting spaces and related income was much lower than normal.</p>
West Bromwich Central	<p>The Ygym and Coffee Shop at Western Gateway remained closed for majority of the period April 2020 – March 2021 due to restrictions imposed by the Government on gym and leisure facilities. Staff were placed on furlough whilst the facilities remained closed. Gym Member direct debits were frozen whilst the gym remained closed.</p> <p>Western Gateway's Starter and Social Business Units – Despite the offer of a payment holidays to support organisations to retain their tenancies, occupation has fallen to around 25%. Similarly hire of meeting spaces has been hugely affected throughout this period with no conferencing taking place at all.</p>

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Strategic report (continued)

Achievements and performance (continued)

Community Outreach Locations	Programme Activity
Black Country-Wide	<p>Our Mentoring Advice & Guidance Programme, Building Better Opportunities continued with mentors working from home and supporting 50 individuals with benefits, IAG and help accessing health and wellbeing services.</p> <p>We purchased Litmos, a new online learning platform at the end of this period. Litmos is an interactive online learning platform which will raise the profile of learning and development within the organisation in future years. In addition it allows YMCA to develop and market online training courses and programmes in the future.</p>
Wolverhampton-Wide	<p>The Youth Work Programme, Head Start, a health and wellbeing programme for 8-14 year olds adapted its delivery to provide online sessions and activities. Activity packs and boxes were delivered to families with all available materials provided for young people to continue engaging in activities such as cook and eat sessions, craft sessions, and physical activity, etc. Engagement with these activities increased during the period of lockdown, widening project reach beyond the initial areas of Springfield, Heath Town, Park Village, Old Heath, Eastfield, All Saints, Blakenhall, Parkfields and Ettingshall areas. On average 68 sessions per quarter were delivered with an attendance of 1,176 young people.</p> <p>The Adult Learning Contract** was extended in August 2020 for an additional twelve months. YMCA have delivered English, Maths, and ICT classes online and with printed workbooks to support learners in continuing their learning throughout the periods of lockdown. Over the three courses, 60 sessions were delivered, supporting 27 individuals to access learning opportunities.</p> <p>In December 2020, we were selected to be a Kickstart Gateway** for YMCA and two local voluntary organisations. This programme provides 6 month employment contracts for young people aged 16-24 who require experience of the job market and who may need support in accessing employment opportunities. As at 31 March 2021, we had one successful Kickstart Placement, increasing to five by September 2021.</p>

* Delivered by YMCA Walsall

** Delivered by YMCA Wolverhampton

Empowering Young People

Much of the activity outlined above is intended to empower, inspire and equip children and young people with new skills, resilience and hope. Reflecting on the 2020/21 financial year, the emphasis on maintaining service delivery throughout the various waves of coronavirus has hampered progress on some elements of the strategic objectives of this area focus. However it is particularly satisfying that despite this, regular youth work has taken place with 390 teenagers.

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Strategic report (continued)

Achievements and performance (continued)

Growing Ethos & Values

The Trustees reviewed the role of Governance Members in July 2021. There are currently 18 Governance Members, and the Board intend to gradually increase the number by around 6 per year, toward the 2025 goal of 50.

A new staff induction and ethos training programme was introduced in the last quarter of 2020/21. At 31st March 2021 57% of staff have completed the full induction programme. It is expected that this percentage will increase greatly toward 100% over the next 12 months.

Plans for location based ethos champions are due to be implemented in the next financial year.

A new childcare curriculum will be developed over the next 12 months which embeds Mind Body & Spirit and Belong, Contribute & Thrive within the Early Years Framework.

The Charity continued to support the planning of YMCA's Unify Christian Mission events although due to the Coronavirus situation no events took place during the year.

The Charity's Christian Mission Coordinator continued to support the spiritual life of the organisation, particularly in taking a lead to provide pastoral support to furloughed staff, and providing pastoral visits to project managers during lockdown.

The Charity's Chaplaincy service has continued to be supported during the year through the West Bromwich Church of England Deanery, and Blue Fish Chaplaincy, Wolverhampton.

The Charity has continued to support the work of the YMCA Movement through involvement in the Regional forums & networks, Governance Committee, and in coordinating four live worldwide prayer / devotion services on behalf of World YMCA.

Investing in Talent

In line with our new strategic focus, in July 2020 the Charity recruited Joanne Goldie to the new post of Chief Operations Officer (Programmes).

Progress to implementation of the Real Living Wage has been hampered by the uncertainty created by Coronavirus. Trustees are hopeful that further moves can be made to reduce the gap for the lowest paid when they review the situation further in the September 2021.

The Trustees would like to place on record their thanks to the Charity's team of staff and volunteers, who in such unprecedented times have made such a difference in the lives of many children, young people and family members across the Black Country and surrounding area, evidenced in the above review of activities.

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (Incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Strategic report (continued)

Achievements and performance (continued)

c. Capital commitments

Completion of YMCA City Gateway in Wolverhampton slipped from January 2021 to Autumn 2021 due to the pandemic. This iconic project represents the largest ever YMCA investment in Wolverhampton. A £7,262,500 (ex.VAT) scheme with £3,717,000 grant from Homes England, sourced by the developer Jessup Brothers, and with £1.8m of Group cash reserves utilised, and £1.8m development loan with Unity Trust approved. A grant for the remaining gap of £941k received final approval from the Black Country Local Enterprise Partnership in May 2020 and this was subsequently 'topped-up' with an additional £88,676 in June 2021.

Following the successful award of £100,000 from Sport England, work on refurbishment of the Sportshall and changing rooms at Carters Green, West Bromwich commenced. The work was completed during the Coronavirus lockdown in Spring 2020 and included an investment from reserves of £93,600.

Messy Memories Nursery, now renamed as YMCAs Hurst Hill Nursery, was purchased in August 2020 for the sum of £20,000. The purchase enables the charitable group to expand childcare services into the Dudley borough and contributes an additional 30 childcare places to its total provision. Nursery expansion opportunities continued to present and following year-end a nursery in Lye, Dudley was acquired which will be reported in the next Trustees report.

d. Coronavirus statement

At the start of this financial year, Coronavirus had already begun its progression across Europe and the outlook going forward looked uncertain. The following 12 months has seen a year of unprecedented disruption across the entire world and consequently the impact on YMCA Black Country Group services has been significant.

Our accommodation services have provided a stable bedrock for the charity. Whilst operational adjustments have been necessary, and residents have periodically undergone lockdown isolation, the staff team have provided a consistent service throughout, and income levels have been largely unaffected.

Childcare services have endured the most disruption of service. Initially all settings bar one (Greets Green) closed during the first lockdown, but then reopened after a few weeks to support key workers, and latterly parents returning to work. Instances of Coronavirus amongst children and staff have been sporadic, causing partial closures during periods of isolation.

Central administrative services, where possible, adjusted to working from home, and many programmes were delivered remotely providing mentoring, youth work and advice & guidance services by telephone or video calls.

The biggest challenge has been with the charity's Ygym, office rental and community letting services, which have been largely closed during the financial year, and which together with childcare income, has contributed most to the drop in the charity's turnover.

The Government staff furlough scheme, and a variety of Coronavirus support grants provided a lifeline for the organisation through successive waves of the pandemic. At its peak, 99 staff were furloughed. It is particularly satisfying that only four staff redundancies have been necessary, and all have gone on to find alternative work. All furloughed staff had returned to work by July 2021.

Despite the drop in turnover, and the challenges outlined, the responsive action by Chief Officers, senior managers, and trustees have enabled the end of year surplus of over £0.5M even after adjusting for c£117k capital grants.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Strategic report (continued)

Achievements and performance (continued)

While trustees continue to remain vigilant but are confident in the actions taken to date.

A further statement regarding Going Concern is referenced within the financial review.

Financial review

a. Going concern

In light of Coronavirus, the Trustees have undertaken a detailed going concern review of current and future operations of the company and group as whole and, after making appropriate enquiries, very thorough consideration of draft budgets and cash flow up to March 2022 and beyond. Having taken key strategic decisions, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Trustees have no doubt that the Charity can pay its debts when they fall due, certainly for in excess of one year from the date the annual accounts were approved. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The Trustees noted at the time of approval of these accounts, that while some areas of activity were still operating below pre-pandemic levels; the prudent budget setting of March 2021 had so far resulted in the charitable group performing above budgeted expectations. At 31st July 2021 the consolidated turnover was up by £130k compared to budget, resulting in a Month 4 positive surplus against budget of £150k. While there remains a pending cost of living uplift, the current position provides Trustees with continued confidence regarding viability and going concern.

b. YMCA pension provision

YMCA Black Country Group 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 YMCA Black Country Group. As described in note 21, YMCA Black Country Group has a contractual obligation to make pension deficit payments of £2,096 per month over the period to April 2027. Accordingly this is shown as a liability in note 21 to these accounts. In addition, YMCA Black Country Group is required to contribute £5,953 pa to the operating expenses of the Pension Plan and these costs are charged to the Statement of Financial Activities as made.

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Strategic report (continued)

Financial review (continued)

c. Reserves policy

The revaluation reserve represents the surplus over the original cost of the freehold land and buildings which occurred, less depreciation of the freehold buildings, following various valuations, the last of which was undertaken in March 2019.

The Board have agreed a policy of retaining a minimum £950,000 consolidated cash reserve (excluding designated reserves) as sufficient to support the cash management of the Group, considering the development of future projects, and in order to achieve the growth aspirations of the Group's 2020-2025 Strategic Guide. This reserve provides immediate cash for working capital, including the fluctuating demands of development. Additionally, for the charity alone, the cash reserve policy is to be maintained at a minimum of the average monthly outgoings, which for 2020/21 was £386,262. At 31st March 2021 the actual consolidated cash reserve (excluding designated funds) was £1,203,458, and for the charity alone was £470,849, both achieving the policy requirements.

In considering medium term risks the Board have agreed that unrestricted funds (including property but net of social housing grant and borrowing) should be a minimum of 6 months operating cost which at 31st March 2021 was £2,317,574. Actual unrestricted funds equalled £10,697,009 providing strong reassurance of financial stability.

The Board also tracks a measure of Income Security, requiring the proportion of budgeted income considered secure to be >80% of the overall budget. Based on recent performance, budgeted accommodation and contract income are considered secure. The Income Security Measure for 2020/21 is 92%.

d. Designated reserves policy

In addition to the consolidated cash reserves referred to above, the Board have determined to set aside the following cash resource to be designated as follows:

Sinking Fund:	£146k as a sinking fund reserve for major capital improvements in the years ahead.
Ten Percent Fund:	£113k towards small scale projects which fulfil YMCA BCG's charitable objects, and meet the following criteria:

- Activities which support Christian Mission
- Building improvements for specific projects
- Positive activities which divert away from anti-social behaviour
- Family activities which support good parenting
- Emergency respite childcare

In November 2020, the Trustees agreed to set aside funds to create a "Thrive" Award to support young people progressing into Higher Education at University. £11k funds were formally designated by the Board for this purpose at their meeting in September 2021

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Strategic report (continued)

Financial review (continued)

e. Material investments policy

Under the Articles and Articles of Association, the charity has the power to invest in any way the trustees wish. The Trustees, having regard to the liquidity requirements of day-to-day operations and to the reserves policy, have, historically, operated a policy of keeping sufficient funds available on current account (to offset standard bank charges) and in an interest bearing account in order to generate a modest rate of return on such monies. The Charity currently does not have funds available to utilise for investment purposes; working capital requirements are met from the Charity's current account.

f. Principal risks and uncertainties

YMCA BCG maintains a High Level Risk Register which is then "RAG" rated. This is scrutinised by the Finance Audit and Risk Committee on a regular basis and presented to the Board for approval.

In addition, the Senior Leadership Team are responsible for highlighting operational risks which are captured on an Operational Risk Register. This is periodically reviewed at Senior Leadership Team meetings with additional risks and changes to existing risks discussed.

g. Financial risk management objectives and policies

The Trustees have overall responsibility for the system of internal financial control, the effectiveness of which has been reviewed and reported on to the Trustees by the Finance, Audit and Risk Sub-Committee. The principal elements of the system, which is designed to recognise the specific characteristics and objectives of the Association and the risks to which it is exposed, include:

- A clearly defined structure which delegates authority, responsibility and accountability, including responsibility for internal financial control to management;
- A well-established budgeting and reporting function, with budgets and results reviewed at a senior level within the Association to provide a timely and regular monitoring of financial performance;
- An investment evaluation process to ensure Trustees' approval for all major capital expenditure commitments; and;
- A regular review procedure carried out by the Association of its risk exposure and of the systems of internal financial control in place to mitigate those risks, with annual reports of findings to the Trustees.

Internal financial control, by its nature, provides only reasonable and not absolute assurance against material misstatement or loss.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Strategic report (continued)

Financial review (continued)

h. Principal funding

The Trustees wish to record their sincere appreciation to the various public bodies for making grants totalling £2,648,523 across the consolidated Group.

The main funding sources continue to be the supported housing and supported lodgings projects, rents received for accommodation mainly through housing benefit and fees for the use of the Carters Green nursery.

The principal funding sources for the Charity for the financial year were:

Source	Project / Area of Work
Accommodation Rent	Including Housing Benefit and Self-Rent
Big Lottery	Building Better Opportunities
Black Country Growth Deal	Cleveland Road Phase 2 (capital)
City of Wolverhampton Council	YMCA Wolverhampton
Donations	Including the Moving Forward Fund
Dudley Metropolitan Borough Council	Supporting People
Garfield Weston	YMCA Walsall
Homeless Link	YMCA Walsall (Covid 19 support)
Nursery fees	Including Parents Fees and Local Authority Funding
Sandwell Council of Voluntary Organisation	Sandwell Supporting Families Against Youth Crime, Vision 2030
Sandwell Metropolitan Borough Council	Supported Lodgings
Small Street Centre	YMCA Walsall
Sport England	Sports Hall Refurbishment Project (capital)
Staffordshire County Council	YMCA Wolverhampton
The National Lottery Community Fund	YMCA Walsall (Covid 19 Support)
Walsall Metropolitan Borough Council	YMCA Walsall
Western Gateway	Gym, Café, Conference Bookings, Office Rental and Associated services
YMCA England and Wales	YMCA Walsall (Covid Emergency Response Fund)

Further information regarding the above sources and other amounts can be found in the attached financial statements.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Strategic report (continued)

Financial review (continued)

Structure, governance and management

a. Constitution

The Charity is a company limited by guarantee and its governing document is its Articles of Association. It is an autonomous Charity, and an affiliated member of the National Council of Young Mens Christian Associations, which is the mechanism by which the individual YMCAs of England and Wales federate. In January 2020, the Board reaffirmed its affiliation, signing the new Membership Agreement of the federation.

For the sake of clarity, all references to Trustees are synonymous with Directors for purposes of Company law.

The Objects of the Charity are:

- To advance the Christian faith, including by:
 - a) promoting a Christian environment inspired and motivated by the life, example and teaching of Jesus Christ, where people of faith and people of none can work together for the transformation of communities; and
 - b) enabling people of all ages and in particular young people, to flourish through experiencing and responding to the love of God demonstrated by the life, example and teaching of Jesus Christ;
- To provide or assist in the provision in the interests of social welfare of facilities for recreation and other leisure time occupation for men and women with the object of improving their conditions of life;
- To provide or assist in the provision of education for people of all ages and in particular young people, with the object of developing their physical, mental or spiritual capacities;
- To relieve or assist in the relief of people of all ages and in particular young people, who are in conditions of need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances; and
- To provide residential accommodation, including Social Housing, for people of all ages and in particular young people, who are in need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances.

The Charity welcomes, serves and works with persons of all religious faiths and of none.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

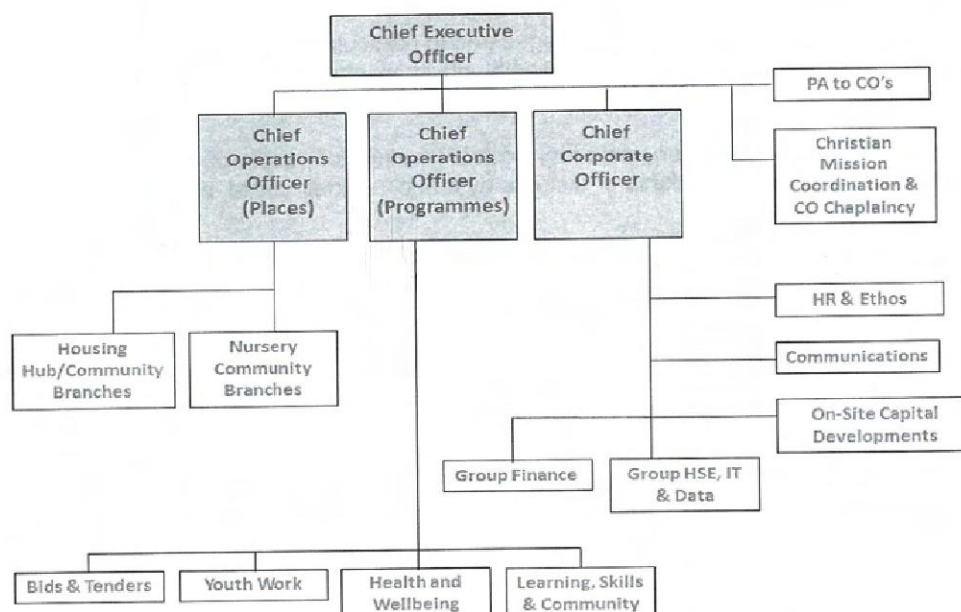
The Governance Committee are tasked with overseeing the process of Board skill-gap analysis and the recruitment of new Trustees. The Committee have been particularly active over the past three years managing the staged transition of a number of retiring trustees who have completed three terms of office and the appointment and induction of new trustees. The Trustees would like to place on record their thanks to Jon Rowe who retired from the Board in November 2020, but are pleased that he will remain a Governance member going forward. The Board welcomed three new Trustees during the year, including Jeremy Oakley who returned to the Board as Chair. Further recruitment is planned for 2021/22. Bringing greater diversity to the Board, alongside plugging skill gaps, remains a particular area of focus. Trustees are appointed by election at AGM or co-option, in accordance with the Articles.

Gender		Age			Ethnicity	
Female	3	20 - 40	1	60 +	BAME	2
Male	6	41 - 60	4		White	7

Current at the time of Report approval.

c. Organisational structure and decision-making policies

The Charity's forward strategy, together with high level policy are approved by the Board. The Chief Executive Officer is responsible to the Board for the operational implementation, delivered through Chief Officers, and a wider Senior Leadership Team.



Chief Officer Structure and Wider Senior Leadership Team Responsibilities

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

d. Group Subsidiaries

YMCA BCG is the sole member of two charitable subsidiaries, YMCA Walsall, and YMCA Wolverhampton. Each delivers against objects consistent with YMCA BCG for their designated geographical areas. YMCA Wolverhampton additionally takes prime responsibility for the Group's Ofsted registered childcare provision.

All present Trustees are also Trustees of these two subsidiary charities.

Trustees are also Directors of an associate company West Bromwich & District YMCA Community Enterprises and subsidiary company YMCA Black Country Social Enterprises Limited, both of which are now dormant following the Group restructure effective from 1 April 2019.

e. Risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finance of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

In July 2021, the Board approved the "High Level Risk Management Policy" for the organisation in response to the Internal Audit of cyber security arrangements group-wide.

The High Level Risk Register is regularly scrutinised by the Finance, Audit and Risk Committee on and reviewed by the Board annually.

f. Governance Members

Governance Members are members of the company under Company law, and appointed, as defined in the Articles. Governance members ensure the Charity remains faithful to its Christian foundation and charitable purposes, by:

- holding the Board to account at each Annual General Meeting, and
- appointing new trustee directors to the Board

Throughout the year, Governance Members are updated on the Charity's progress, invited to project visits and special events, and where appropriately skilled, some participate on a number of the Charity's Committees.

There are currently 19 Governance Members, and the Board plans to increase this to 50, to gain greater ownership of the Charity from across the Black Country.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

g. Committee Structure

The Board delegate scrutiny to several standing Committees to provide efficient governance and effective use of Board time. Committees operates under terms of reference set by the Board.

Committee	Remit	Composition	
		Trustees	Governance Mem.
Finance Audit & Risk 6/year	Finance policy, financial performance & organisational delivery, budget scrutiny corporate risk , internal audit	Geoff Stonyer (Ch.) Robert Hill Jeremy Oakley (non-voting)	Hazel Bloxham Eric Moore Jonathan Rowe
Safeguarding 6/year	Safeguarding Policy, reports, incidents and claims, trends and actions	Geoff Stonyer (Ch.) John Welsby	Hazel Bloxham
Governance Development 3/year	Governance code, Trustee succession, training & development	John Welsby (Ch.) Seinde Balogun	
Capital Projects 3/year	Current and future capital development	Phil Walker (Ch.) Grace England Geoff Stonyer John Welsby	Eric Moore
Human Resources 2/year	HR & Ethos Policy, HR KPIs, employee relations and claims, trends and actions. GOR posts.	Anna Walsh (Ch.)	
Health & Safety 2/year	Health & Safety Policy, reports, incidents & claims, trends and actions	Seinde Balogun (Ch.) Phil Walker	
Executive Remuneration 1/year	Chief Officer remuneration, CEO supervision & review, Chief Officer appointments & succession	Anna Walsh (Ch.) Jeremy Oakley	

h. Internal Audit

During the 2020/21 financial year, the Finance, Audit & Risk Committee commissioned a series of internal audits, conducted by TIAA Ltd. The 4-stage grading system used includes; No Assurance, Limited Assurance, Reasonable Assurance and Substantial Assurance.

HR	Reported August 2020, Graded 'Reasonable Reassurance'. An action plan is in place to reach 'Substantial Assurance'.
Payroll	Reported in December 2020. Graded 'Substantial Assurance.'
Cyber Security	Reported February 2021, Graded 'Limited Reassurance'. An action plan is in place to reach 'Substantial Assurance'.
Performance Management	Reported April 2021, Graded 'Reasonable Reassurance'. An action plan is in place to reach 'Substantial Assurance'.

In the next financial year, internal audits will focus on Income and Debtors (including bad debts), Estate Management and Risk Management.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Plans for future periods

At the time of completing this report, the country is still suffering the effects of the Coronavirus lockdown. Businesses are gradually returning to a functional, albeit very different, operational status, with a focus on learning to live with the virus. Our plans for the future remain cautiously optimistic:

The decision last year to launch Connected Communities: 2020-25 as a strategic guide rather than a detailed plan, has provided a helpful steer through this turbulent time, with sufficient flexibility across the five areas of focus, to adjust to the changing environment. Specific initiatives will in the coming year include the following:

- The completion of City Gateway, with housing occupancy > 90%, City Tots nursery transferred, and the office move from Temple Street complete.
- Bringing forward plans to develop 26 units of young worker accommodation at 235 Hampstead Road, Sandwell.
- Expanding childcare provision by a further 200 places.
- Reopening the Wednesfield Charity Shop, sustainably contributing charitable income.
- Developing of new programmes focused on mentoring young girls, community regeneration in Wrens Nest, and participating in the provision of youth work on RAF bases.
- Expanding the programme offer at the Glebe Centre.
- Empowering more young people through sponsorship and volunteering opportunities.
- Recruiting Ethos Reps to >50% of YMCA locations.
- Supporting World YMCA in the coordination of the World Week of Prayer in November 2021.

Regulatory Bodies and Statutory Controls

a. Charity Commission and Regulator of Social Housing

YMCA BCG recognises that good governance is essential to the success of a charity. In selecting a Code of Governance to adopt (see below), the Trustees considered their obligations to both the Charity Commission and the Regulator of Social Housing.

A self-assessment review of the Economic and Consumer Standards set by the Regulator of Social Housing took place in the Summer of 2021 undertaken by Chief Officers and nominated Trustees, which was later reported into the Board. Trustees remain confident that the charity remains compliant with the standards.

There were no serious incidents reportable to the Charity Commission or the Regulator of Social Housing during the year.

b. Code of Governance

Following a comparative review by the Governance development Committee, in March 2021 the Trustees adopted the Charity Code of Governance (2020) believing the revised format better suited the needs to the charity. Prior to this, the charity used the National Housing Federation Code of Governance (2015) and it is this latter code which was followed during the reporting year.

The Trustees acknowledge compliance with the latter code, with the exception that its Articles allow a Trustee (as a Director) to be re-appointed to the Board after serving a maximum tenure, where they have left the Board for a period of 1-year (rather than 1-term as defined in the Code). Since the Articles have been prior approved by the Homes & Communities Agency, the Board consider the Articles to take pre eminence. It is also noted that J Oakley, who retired from the Board in October 2019 returned to the Board in November 2020 and, given his considerable experience, has been appointed as Chair.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

c. Fundraising Statement

Fundraising undertaken by the Charity for its charitable activities are carried out by employees or volunteers of the Charity. Funds raised outside of contracts and traded income are mainly sourced through charitable grants obtained through a rigorous process of application. Funds presently raised from voluntary donations are principally for specified purposes, namely the 'Moving Forward Fund' with funds raised designated to provide low cost resources to YMCA residents who are in the process of moving into independent accommodation, and also the Glebe centre, with donations raised for the operation of the centre, provision of food and clothing.

No fundraising has been undertaken on behalf of the YMCA Black Country Group (or its charitable subsidiaries) by a contracted third party individual or organisation.

d. Value for Money

A Value for Money Strategy has been developed in compliance with regulatory requirements.

YMCA BCG proactively engages with all of its service users whether this be through one-to-one support, service user meetings or satisfaction questionnaires to ensure that the services delivered are fit for purpose and outcomes achieved. Trustees receive presentations from service users throughout the year, and a report on service user consultation and engagement at its September meeting.

Contracted work won under competitive tendering situations is scrutinised against price and quality, with the need to offer and deliver best value to secure new contracted work. Exempt housing rents are now regularly scrutinised by Local Authorities to ensure they represent value for money. Traded services (e.g. Childcare, Gym, Café etc.) operates within the boundaries of local market forces to moderate price, and (for Childcare) our commitment to quality is judged by Ofsted.

The Finance Policy of YMCA BCG has clear levels of authority delegated to officers but with certain financial transactions based on value and type of expenditure requiring Board approval. Financial and non financial outputs and performance are scrutinised by the Group's Finance Audit and Risk Sub-Committee for variances. In addition, a Corporate Risk Register is maintained, updated and reviewed on a regular basis.

The Group structure has enabled all entities to benefit from cost savings achieved by way of Group-wide procurement. Significant cost savings continue to be achieved in respect of insurance, audit and utility costs.

e. Safeguarding

The Safeguarding Committee is a well-established Committee comprising of Trustees, Governance Members, Designated Safeguarding Lead together with Designated Safeguarding Officers and which meets bi-monthly to scrutinise safeguarding incidents and to ensure compliance with legal and regulatory requirements including the reporting of incidents as they arise to the relevant authorities, including the Charity Commission.

f. Consideration of furthering the Charity's Purposes for the Public Benefit

The Trustees have considered the general guidance on public benefit issued by the Charity Commission and believes that having reviewed the Charity's activities undertaken to achieve its charitable objects, the Charity does indeed provide significant public benefit. Details of these activities are outlined in the Strategic Report above.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' report including the Strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 Group and the company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:


- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, WR Partners, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 29 September 2021 and signed on their behalf by:


.....
J Oakley
(Chair of Trustees)


.....
S C Clay
(Chief Executive & Company Secretary)

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YMCA BLACK COUNTRY GROUP

Opinion

We have audited the financial statements of YMCA Black Country Group (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, 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 Group's and of the parent charitable company's affairs as at 31 March 2021 and of the Group's 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 2015.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trustees' use of the 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 society'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 Trustees with respect to going concern are described in the relevant sections of this report.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YMCA BLACK COUNTRY GROUP
(CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion 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 Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

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

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YMCA BLACK COUNTRY GROUP
(CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company 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 Trustees 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 Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We reviewed the susceptibility of the charitable company's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.
- We reviewed the charitable company's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the charitable company and its environment and identify any instances of non-compliance.
- We also assessed the charitable company's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.
- The engagement team consisted of a team that the engagement partner believes is equipped with the relevant level of technical and charitable company awareness to carry out our work to the required standard.

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

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YMCA BLACK COUNTRY GROUP
(CONTINUED)

Use of our report

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



Andrew Malpass BA FCA (Senior statutory auditor)
for and on behalf of

WR Partners

Chartered Accountants & Statutory Auditors
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

30 September 2021

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

COMPANY STATEMENT OF COMPREHENSIVE INCOME
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Turnover	3	4,949,431	4,902,986
Operating Expenditure	5	<u>(4,520,770)</u>	<u>(4,649,699)</u>
Operating Surplus		428,661	253,287
Finance Income		2,654	4,181
Interest Payable		<u>(58,252)</u>	<u>(77,697)</u>
Surplus for the year		373,063	179,771
Total comprehensive income for the year		<u><u>373,063</u></u>	<u><u>179,771</u></u>

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
AS AT 31 MARCH 2021

Turnover	3	6,437,021	6,849,137
Operating Expenditure	5	<u>(5,759,566)</u>	<u>(6,586,337)</u>
Operating Surplus		677,455	262,800
Finance Income		2,654	4,181
Finance Payable		<u>(58,252)</u>	<u>(77,697)</u>
Surplus for the year		621,857	189,284
Total comprehensive income for the year		<u>621,857</u>	<u>189,284</u>

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)
REGISTERED NUMBER: 4116412

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Housing properties	11	12,990,015	11,682,255
Tangible assets	12	923,816	943,425
		<u>13,913,831</u>	<u>12,625,680</u>
Current assets			
Stocks	13	238	238
Debtors	14	530,242	688,441
Cash at bank and in hand		2,644,458	3,215,002
		<u>3,174,938</u>	<u>3,903,681</u>
Creditors: amounts falling due within one year	15	(1,208,426)	(1,107,966)
Net current assets		<u>1,966,512</u>	<u>2,795,715</u>
Total assets less current liabilities		<u>15,880,343</u>	<u>15,421,395</u>
Creditors: amounts falling due after more than one year	16	(2,290,226)	(2,427,995)
Net assets excluding pension liability		<u>13,590,117</u>	<u>12,993,400</u>
Defined benefit pension scheme liability	21	(104,364)	(129,504)
Total net assets		<u><u>13,485,753</u></u>	<u><u>12,863,896</u></u>

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)
REGISTERED NUMBER: 4116412

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Charity funds			
Restricted funds		376,439	369,268
Unrestricted funds		13,109,314	12,494,628
Total funds		<u>13,485,753</u>	<u>12,863,896</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 29 September 2021 and signed on their behalf by:


J Oakley
(Chair of Trustees)


S C Clay
(Chief Executive & Company Secretary)

The notes on pages 37 to 55 form part of these financial statements.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)
REGISTERED NUMBER: 4116412

COMPANY BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Housing properties	11	12,990,015	11,682,255
Tangible assets	12	211,853	210,883
		<u>13,201,868</u>	<u>11,893,138</u>
Current assets			
Debtors	14	424,645	770,571
Cash at bank and in hand		1,411,848	1,167,674
		<u>1,836,493</u>	<u>1,938,245</u>
Creditors: amounts falling due within one year	15	(1,715,975)	(773,802)
Net current assets		<u>120,518</u>	<u>1,164,443</u>
Total assets less current liabilities		<u>13,322,386</u>	<u>13,057,581</u>
Creditors: amounts falling due after more than one year	16	(2,290,226)	(2,373,343)
Net assets excluding pension liability		<u>11,032,160</u>	<u>10,684,238</u>
Defined benefit pension scheme liability	21	(104,364)	(129,504)
Total net assets		<u><u>10,927,796</u></u>	<u><u>10,554,734</u></u>


YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)
REGISTERED NUMBER: 4116412

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

	Note	2021 £	2021 £	2020 £	2020 £
Charity funds					
Restricted funds			27,482		23,994
Unrestricted funds			10,900,314		10,530,740
Total funds			<u>10,927,796</u>		<u>10,554,734</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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J Oakley
(Chair of Trustees)
Date: 29 September 2021


S C Clay
(Chief Executive & Company Secretary)

The notes on pages 37 to 55 form part of these financial statements.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)
REGISTERED NUMBER: 4116412

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

Group Statement of Changes in Equity

	Revenue Reserves	Designated Reserves	Revaluation Reserves	Restricted Reserves	2021	2020
	£	£	£	£	£	£
At 1 April	7,694,946	1,969,000	2,830,681	369,268	12,863,896	12,674,612
2020 transfer adjustment	934,997	- 934,997	-	-	-	-
Surplus for the year	- 285,281	899,967	-	7,171	621,857	189,284
Transfers	747,195	- 747,195	-	-	-	-
	9,091,857	1,186,775	2,830,681	376,439	13,485,753	12,863,896

Company Statement of Changes in Equity

	Revenue Reserves	Designated Reserves	Revaluation Reserves	Restricted Reserves	2021	2020
	£	£	£	£	£	£
At 1 April	5,758,864	1,941,192	2,830,681	23,994	10,554,734	10,374,963
2020 transfer adjustment	934,997	- 934,997	-	-	-	-
Surplus for the year	369,574	-	-	3,488	373,063	179,771
Transfers	747,195	- 747,195	-	-	-	-
	7,810,632	259,000	2,830,681	27,482	10,927,797	10,554,734

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	17	1,052,789	712,326
Cash flows from investing activities			
Dividends, interests and rents from investments		2,654	4,181
Purchase of tangible fixed assets		(83,159)	(1,265,640)
Purchase of housing properties		(1,459,426)	-
Net cash used in investing activities		(1,539,931)	(1,261,459)
Cash flows from financing activities			
Repayments of borrowing		(83,402)	(72,785)
Net cash used in financing activities		(83,402)	(72,785)
Change in cash and cash equivalents in the year		(570,544)	(621,918)
Cash and cash equivalents at the beginning of the year		3,215,002	3,836,920
Cash and cash equivalents at the end of the year	18	2,644,458	3,215,002

The notes on pages 37 to 55 form part of these financial statements

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

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

1. General information

YMCA Black Country Group is a private company limited by guarantee, registered in England and Wales. The charitable company's registered number and registered address can be found on the Company information page. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The principal activity of the company is the provision of social housing.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 and comply with the Accounting Direction for Private Registered Providers of Social Housing 2015, the Statement of Recommended Practice for Social Housing Providers (SORP) and the Housing and Registration Act 2008.

YMCA Black Country Group has prepared the financial statements in accordance with FRS102.

2.2 Turnover

Turnover represents rent and service charges receivable (net of losses from voids), revenue grants and charitable fees and donations.

2.3 Basis of consolidation

The financial statements consolidate the accounts of YMCA Black Country Group and all of its subsidiary undertakings ('subsidiaries').

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	- Over the term of the lease
Fixtures and fittings	- 20-25% straight line
Office equipment	- 15% reducing balance
Computer equipment	- 33.3% straight line
Major Components	- See below

Major components in housing properties are to be treated as separable assets and depreciated over their estimated useful lives as follows:

Buildings - 100 years
Roof - 70 years
Electrics - 40 years
Windows/Doors/Bathrooms - 30 years
Kitchen - 20 years
Boiler - 15 years

2.7 Revaluation of tangible fixed assets

The company has adopted the revaluation model to revalue items of property, plant and equipment whose fair value can be measured reliably. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market-based evidence by appraisal that is normally undertaken by professional qualified valuers. The fair value of items of plant and machinery is usually their market value determined by appraisal.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity.

2.8 Interest receivable

Interest of funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.9 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.12 Cash at bank and in hand

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

2.13 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.14 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.15 Social Housing grants (SHG) and other grants

Government grants are recognised as revenue when the grant proceeds are received or receivable. Where a grant imposes specific future performance related conditions it is recognised as revenue when the performance-related conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability. Where government grant is provided for the construction of housing properties with a specific scheme, then the performance related condition is met when the construction of the housing properties is complete.

2.16 Pensions

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

YMCA Black Country Group 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 YMCA Black Country Group.

As described in note 19 YMCA Black Country Group has a contractual obligation to make pension deficit payments over the period to April 2027, accordingly this is shown as a liability in these accounts. In addition, YMCA Black Country Group is required to contribute to the operating expenses of the Pension Plan and these costs are charged to the Statement of Comprehensive Income as made.

2.17 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.18 Gift Aid payments

Gift aid payments are charged as distributions of reserves in accordance with the guidance included in the Institute of Chartered Accountants technical release 'Guidance on donations by a company to its parent charity'.

2.19 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. In the opinion of the Trustees there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

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

3. Turnover, Operating Costs and Operating Surplus

Group	2021 Turnover £	2021 Operating Expenses £	2021 Operating Surplus £	2020 Turnover £	2020 Operating Expenses £	2020 Operating Surplus £
Expenditure from lettings						
Accommodation	5,123,670	(3,674,764)	1,448,906	5,194,356	(3,007,097)	2,187,259
Other Income & Expenditure						
Community Activities	1,216,099	(2,084,802)	(868,703)	1,329,874	(3,579,240)	(2,249,366)
Donations	41,266	-	41,266	75,207	-	75,207
Other Income	(133,956)	-	(133,956)	249,700	-	249,700
Furlough Income	189,942	-	189,942			
Total	6,437,021	(5,759,566)	677,455	6,849,137	(6,586,337)	262,800

Company	2021 Turnover £	2021 Operating Expenses £	2021 Operating Surplus £	2020 Turnover £	2020 Operating Expenses £	2020 Operating Surplus £
Expenditure from lettings						
Accommodation	2,802,534	(2,365,381)	437,153	2,764,384	(2,455,564)	308,820
Other Income & Expenditure						
Community Activities	546,460	(2,155,389)	- 1,608,929	536,247	(2,194,135)	(1,657,888)
Donations	13,507	-	13,507	62,204	-	62,204
Other Income	1,516,701	-	1,516,701	1,540,151	-	1,540,151
Furlough Income	70,229	-	70,229	-	-	-
Total	4,949,431	(4,520,770)	428,661	4,902,986	(4,649,699)	253,287

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

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

4. Turnover from lettings

	Group £ 2020	Group £ 2019	Company £ 2021	Company £ 2020
Income from lettings				
Rent receivable	3,634,810	3,482,802	2,553,789	2,497,961
Net Rent Receivable				
Supporting people - grant	140,000	492,390	105,000	105,000
Supported lodgings	143,745	161,423	143,745	161,423
Total income from lettings	3,918,555	4,136,615	2,802,534	2,764,384
 Rent Losses from voids	 464,731	 306,145	 325,070	 170,479

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

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

5. Operating costs

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
People Related	36,006	66,813	11,763	35,674
Premises Related	788,778	700,956	554,931	570,888
Office Costs	34,662	30,547	28,980	27,533
Direct Activity Costs	339,955	346,312	289,405	300,715
Other Direct Expenses	89,212	-	-	-
Other Operating Overhead	71,588	82,498	21,967	19,859
Recharges	-	-	722,200	573,667
Bad Debts	107,809	127,537	82,145	88,326
Bank Charges	781	1,153	-	-
Travel Costs	1,165	6,483	-	-
Programme Delivery	218,773	171,035	-	-
Salaries	1,611,810	1,134,940	446,025	525,035
NIC	98,405	81,314	34,720	40,767
Pension	40,244	29,187	13,766	16,357
Depreciation	235,579	205,515	159,481	179,044
Total Operating Costs from Lettings	3,674,767	2,984,291	2,365,383	2,377,866
Other Operating Costs	2,084,799	3,602,046	2,155,387	2,271,831
Total Operating costs	5,759,566	6,586,337	4,520,770	4,649,697

6. Finance income

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Bank Interest	2,654	4,181	2,654	4,181
	2,654	4,181	2,654	4,181

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

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

7. Interest payable

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Loan Interest payable	58,252	77,697	58,252	77,697
	<u>58,252</u>	<u>77,697</u>	<u>58,252</u>	<u>77,697</u>

No interest was capitalised in the year (2020: £Nil).

8. Net Income/(Expenditure)

This is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets	102,768	125,086
Depreciation of housing properties	151,666	161,628
Auditors remuneration	19,200	18,500
Operating lease rentals	<u>411,730</u>	<u>387,688</u>

During the year, no Trustees received any remuneration (2020: £Nil).

During the year, no Trustees received any benefits in kind (2020: £Nil).

9. Staff costs

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	2,909,339	3,331,042	1,743,554	1,772,505
Social security costs	199,410	226,990	135,725	137,628
Contribution to defined contribution pension schemes	80,291	86,106	53,813	55,220
	<u>3,189,040</u>	<u>3,644,138</u>	<u>1,933,092</u>	<u>1,965,353</u>

Included in the above, are £13,127 (2020: £Nil) redundancy payments paid out to 1 employee.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

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

9. Staff costs (continued)

The average number of persons employed by the company during the year was as follows:

	Group 2021 No.	<i>Group 2020 No.</i>
Average staff numbers	178	<i>178</i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	<i>Group 2020 No.</i>
In the band £70,001 - £80,000	1	<i>1</i>

Directors' and Senior Executives Emoluments

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Emoluments	238,887	<i>190,998</i>	63,798	<i>72,562</i>
Pension contributions	15,463	<i>27,879</i>	10,347	<i>17,960</i>
	254,350	<i>218,877</i>	74,145	<i>90,522</i>

The chief executive is included in the YMCA Pension Scheme and is an ordinary member of the scheme. No enhanced or special terms apply. During the period the total amount contributed to the individual pension arrangement was £10,347 (2020: £17,960).

10. Taxation Status

YMCA Black Country Group is a company limited by guarantee, a registered charity and is registered with the Regulator of Social Housing under the Housing and Regeneration Act 2008.

The Company has charitable status for tax purposes and no liability to corporation tax arises.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

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

11. Housing Properties

Group and Company

	Housing Properties £
Cost	
At 1 April 2020	12,429,299
Additions	1,459,426
At 31 March 2021	<u>13,888,725</u>
Depreciation	
At 1 April 2020	747,044
Charge for the year	151,666
At 31 March 2021	<u>898,710</u>
Net book value	
At 31 March 2021	<u>12,990,015</u>
At 31 March 2020	<u>11,682,255</u>

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

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

12. Tangible fixed assets

Group

	Long-term leasehold property £	Fixtures and fittings £	Office equipment £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation						
At 1 April 2020	1,234,839	879,778	167,629	74,552	9,000	2,365,798
Additions	10,555	31,640	-	-	40,964	83,159
At 31 March 2021	1,245,394	911,418	167,629	74,552	49,964	2,448,957
Depreciation						
At 1 April 2020	534,295	670,325	150,662	67,091	-	1,422,373
Charge for the year	64,924	28,970	4,942	3,932	-	102,768
At 31 March 2021	599,219	699,295	155,604	71,023	-	1,525,141
Net book value						
At 31 March 2021	646,175	212,123	12,025	3,529	49,964	923,816
At 31 March 2020	700,544	209,453	16,967	7,461	9,000	943,425

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

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

12. Tangible fixed assets (continued)

Company

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2020	157,036	266,253	22,280	445,569
Additions	-	29,099	-	29,099
At 31 March 2021	157,036	295,352	22,280	474,668
Depreciation				
At 1 April 2020	-	219,323	15,363	234,686
Charge for the year	6,004	18,321	3,804	28,129
At 31 March 2021	6,004	237,644	19,167	262,815
Net book value				
At 31 March 2021	151,032	57,708	3,113	211,853
At 31 March 2020	157,036	46,930	6,917	210,883

13. Stocks

	Group 2021 £	Group 2020 £
Food for nurseries	238	238

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

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

14. Debtors

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Due within one year				
Trade debtors	383,258	486,838	308,995	332,946
Amounts owed by group undertakings	-	-	16,781	332,083
Other debtors	28,857	66,943	28,401	18,204
Prepayments and accrued income	118,127	134,660	70,468	87,338
	<u>530,242</u>	<u>688,441</u>	<u>424,645</u>	<u>770,571</u>

Provisions for bad and doubtful debts included above for the group are £167,705 (2020: £120,375).

Provisions for bad and doubtful debts included above for the company are £142,824 (2020: £91,778).

Rent arrears included within the above for the group are £496,477 (2020: £430,153) and for the company are £414,547 (2020: £316,519).

15. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Bank loans	81,114	81,399	81,114	81,399
Trade creditors	480,470	227,948	436,827	165,282
Amounts owed to group undertakings	-	-	678,139	-
Other taxation and social security	27,104	42,648	23,302	13,050
Other creditors	166,173	84,373	160,461	21,717
Accruals and deferred income	453,565	671,598	336,132	492,354
	<u>1,208,426</u>	<u>1,107,966</u>	<u>1,715,975</u>	<u>773,802</u>

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

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

16. Creditors: Amounts falling due after more than one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Bank loans	2,290,226	2,373,343	2,290,226	2,373,343
Other creditors	-	54,652	-	-
	<u>2,290,226</u>	<u>2,427,995</u>	<u>2,290,226</u>	<u>2,373,343</u>

Included within the above are amounts falling due as follows:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Between one and two years				
Bank loans	<u>83,582</u>	<u>81,114</u>	<u>83,582</u>	<u>81,114</u>
Between two and five years				
Bank loans	<u>174,687</u>	<u>169,531</u>	<u>174,687</u>	<u>169,531</u>
Over five years				
Bank loans	<u>2,031,957</u>	<u>2,122,698</u>	<u>2,031,957</u>	<u>2,122,698</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Repayable by instalments				
Payable or repayable by instalments	<u>2,031,957</u>	<u>2,122,698</u>	<u>2,031,957</u>	<u>2,122,698</u>
	<u>2,031,957</u>	<u>2,122,698</u>	<u>2,031,957</u>	<u>2,122,698</u>

Bank loans totalling £2,371,340 (2020: £2,454,742) are secured by fixed charge over the freehold property.

Bank loan term of repayment are monthly and interest is payable at 2.25% above the base rate of the Bank of England over the principal amount.

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17. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	Group 2020 £
Net income for the year (as per Statement of Financial Activities)	621,857	189,285
Adjustments for:		
Depreciation charges	254,434	286,714
Interest income	(2,654)	(4,181)
Decrease in debtors	158,199	60,263
Increase in creditors	46,093	205,642
Decrease in provisions	(25,140)	(25,397)
Net cash provided by operating activities	1,052,789	712,326

18. Analysis of cash and cash equivalents

	Group 2021 £	Group 2020 £
Cash in hand	2,644,458	3,215,002
Total cash and cash equivalents	2,644,458	3,215,002

19. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	3,215,002	(570,544)	2,644,458
Debt due within 1 year	(81,399)	285	(81,114)
Debt due after 1 year	(2,373,343)	83,117	(2,290,226)
	760,260	(487,142)	273,118

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20. Capital commitments

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	989,665	2,797,934	989,665	2,797,934

21. Pension commitments

Defined Contribution Scheme

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £80,291 (2020: £86,106).

Defined Benefit Scheme

YMCA Black Country Group participated in a contributory pension plan providing defined benefits based on final pensionable pay for employees of YMCAs in England, Scotland and Wales. The assets of the YMCA Pension Plan are held separately from those of YMCA Black Country Group 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).

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. YMCA Black Country Group has been advised that it will need to make monthly contributions of £2,035 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.

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

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Reconciliation of opening and closing provision

	2021 £	2020 £
Provision at the start of the year	129,504	154,901
Deficit contribution paid	(25,140)	(25,397)
	<u>104,364</u>	<u>129,504</u>

22. Operating lease commitments

At 31 March 2021 the Group and the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Not later than 1 year	395,180	412,646	136,880	176,563
Later than 1 year and not later than 5 years	493,192	510,054	269,800	313,763
Later than 5 years	162,500	38,000	-	-
	<u>1,050,872</u>	<u>960,700</u>	<u>406,680</u>	<u>490,326</u>

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23. Related party transactions

YMCA Black Country Group which is registered in England and Wales is the ultimate parent undertaking of:

YMCA Wolverhampton - a company limited by guarantee and a registered charity in England and Wales

YMCA Walsall (Previously trading as First Base Walsall) - a company limited by guarantee and a registered charity in England and Wales

None are registered with the Regulator of Social Housing.

Transactions with Non-Regulated Subsidiaries

	2021 £	2020 £
Management Charge Expenditure		
YMCA Wolverhampton	-	-
YMCA Walsall	-	-
Rental Expenditure		
YMCA Wolverhampton	115,248	47,221
YMCA Walsall	30,709	20,000
Premises Related Expenditure		
YMCA Wolverhampton	-	-
YMCA Walsall	-	-
Management Charge Income		
YMCA Wolverhampton	289,490	276,721
YMCA Walsall	90,588	57,556
Rental Income		
YMCA Wolverhampton	97,852	79,600
YMCA Walsall	60,000	60,000
Premises Related Income		
YMCA Wolverhampton	43,784	33,600
YMCA Walsall	6,360	6,360

24. Controlling party

The ultimate parent company is YMCA Black Country Group, a charitable company registered in England and Wales.