



BRIGHTON Y.M.C.A.

(Limited by Guarantee)

**BOARD OF MANAGEMENT REPORT
AND
FINANCIAL STATEMENTS**

Year ended 31 MARCH 2021

Company No: 2329407

BRIGHTON Y.M.C.A.
(Limited by Guarantee)

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**BRIGHTON Y.M.C.A.
(Limited by Guarantee)**

Company Number: 2329407

Registered Charity number: 800987

Registered Housing Association number: H3835

MEMBERS OF THE BOARD OF MANAGEMENT:

S. J. Johnston-Ellis - Chair
D. W. Hancock - Vice Chair
P.J. Field - Resigned 18th November 2020
P.C. Jukes
R. Brooks
H. McShane
J.B. Tarling
M.A.J. Rosenberg
J.R. Davila

OFFICERS OF THE ASSOCIATION:

J.F. Osborne - Chief Executive and Company Secretary
M. Wainwright - Deputy

BANKERS:

Lloyds TSB
171 North Street
BRIGHTON
BN1 1GL

Bank of Scotland
Queens Square
BRIGHTON
BN1 3FD

Investec
30 Gresham Street
London
EC2V 7QP

SOLICITORS:

DMH Stallard
Griffin House
135 High Street
Crawley
West Sussex
RH10 1DQ

ACCOUNTANTS:

Galloways Accounting
Atlas Chambers
33 West Street
BRIGHTON
BN1 2RE

AUDITORS:

Feist Hedgethorpe Limited
Chartered Accountants
Preston Park House
South Road
BRIGHTON
BN1 6SB

**BRIGHTON Y.M.C.A.
(Limited by Guarantee)**

STRATEGIC REPORT

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

Brighton YMCA is a registered charity. Its objective is to house and, where possible, re-settle homeless men and women of all ages.

The Association's key financial and other performance indicators during the period were as follows:

During the year, the Charity has provided 306 (2020: 307) units of Supported Housing in 13 different premises spread throughout the City of Brighton and Hove. The COVID-19 global pandemic impacted the Association throughout the year. The management team and support staff worked hard in difficult circumstances to implement a plan that ensured we were able to deliver the support our clients needed. Additional resource both in terms of temporary staff and PPE were acquired which meant staff could operate as safely as possible. Whilst the pandemic is continuing, we believe that the success of the current vaccination programme and the experience gained over the last eighteen months, will enable the Association to continue to support its clients.

For the year ending 31 March 2021, the Association showed a deficit of £314,253 (2020: £109,241). The current year deficit included an increase in the defined pension scheme liability of £217,750 following the most recent three-year valuation as at 1 May 2020. The balance on the Revenue Reserve at 31 March 2021 was £5,077,771 (2020: £5,392,024). Further details are set out in Notes 2 and 16 to the financial statements.

During the year, the Association's principal income sources comprised rent and service charges from clients of £4,143,453 (2020: £3,869,707) and Supporting People Funding from Brighton & Hove City Council of £755,255 (2020: £763,254). Further detail can be found in Note 2 to the financial statements.

The operating deficit on hostels as a % of gross income from clients was -8.9% (2020: -3.6%).

The cost of vacant accommodation and bad debts amounts to 3.9% of the relevant income receivable (2020: 6.3%).

PRINCIPAL RISKS AND UNCERTAINTIES

The wider impact of the COVID-19 pandemic on the public finances and how that will affect the Association is difficult to predict but there is no doubt the economic conditions will be a challenge for the foreseeable future. Brighton YMCA is a registered charity and receives a significant amount of its core funding from Housing Related Support contracts with Brighton & Hove City Council. The current four-year contracts commenced in September and November 2017, along with a new Work & Learning Support contract which commenced in April 2018. The main Support contracts were due to end in October 2021, but these have been rolled over whilst the Council deals with impact of the pandemic.

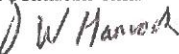
During this time, one of the main priorities of the Association is to continue to meet all requirements of these Support contracts with the Council. The contracts specify many performance requirements such as staffing levels, nomination rights, void levels, move-on of clients, etc. The Association continues to demonstrate both the need for its services and the ability to meet the performance requirements.

Following the roll out of Universal Credit, the Association's exposure to delays in receiving rents and incurring bad debts has increased as more clients move over to the new benefit regime. The management team are focusing on implementing new processes to mitigate as much of the risk as possible.

By order of the Board



S. J. Johnston-Ellis



D. W. Hancock

Registered office:
Steine House
55 Old Steine
Brighton, BN1 1NX

17/11/2021

REPORT OF THE BOARD OF MANAGEMENT

The members of the Board of Management submit their report and the audited financial statements for the year ended 31 March 2021.

OBJECTIVES

The objectives of Brighton YMCA are to house and, where possible, re-settle homeless men and women of all ages. In meeting these objectives, the Association provides a caring, supportive environment and works in accordance with the best practices of equal opportunities. Our Trustees review our objectives and activities to ensure they continue to reflect our aims. In carrying out this review the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

In carrying out our activities for the public benefit, the Association has developed considerable expertise in all aspects of supporting single homeless people and provides a range of supported accommodation for vulnerable, single homeless people of both sexes, irrespective of age, race, religion or sexual orientation.

During the year the Charity has provided 306 units of Supported Housing in 13 different premises spread throughout the City of Brighton and Hove.

A more detailed review of our activities is provided below.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Brighton YMCA is a registered charity and is therefore subject to charity law. Its Board members, who are also the trustees, are responsible for ensuring that the charity operates in accordance with its purposes as set out in its Code of Governance and its 'Memorandum & Articles of Association'. Board members are also responsible for ensuring that the charity's resources are used for those purposes. As Brighton YMCA is also registered as a Limited Company (a Company Limited by Guarantee) members of the Board also have legal responsibilities under the Companies Acts as directors of a charitable company.

Appointment of trustees and trustee induction and training

The members of the Board of Management throughout the year are disclosed on page 1. Steps are taken to identify potential Board members who have no connection with the Association or existing Board members. This includes local advertising, with targeting if this step is recommended by the Personnel Advisory Group. The Board has the power to elect new trustees, who become Board members, in accordance with the Code of Governance.

Organisation

The Board has ultimate responsibility for the governance of Brighton YMCA. The Board determines strategic direction and policies, oversees control and risk management frameworks established and implemented by operational management, and ensures that the Association achieves its aims and objectives. Quarterly Board meetings are held with full agendas and documents circulated to members in advance of meetings. A Chief Executive is appointed by the Board, under a contract of employment, to manage the day to day operations of the Association. The Association also has three regular Advisory Groups to oversee specified areas of the Association's work; these are the Personnel Advisory Group, the Finance Advisory Group and the Client Services Advisory Group. The Development Advisory Group is only activated when the Association is pursuing development options.

Company structure

The Association is established as a company limited by guarantee under the Companies Act 2006, as a registered charity under the Charities Act 2011 and as a registered provider of social housing under Housing and Regeneration Act 2008. The Association is a member of YMCA England.

REPORT OF THE BOARD OF MANAGEMENT (continued)

OBJECTIVES (continued)

Related parties

The services offered by Brighton YMCA have always been considered strategically relevant by Brighton & Hove City Council and the Association receives a significant amount of its core funding from Housing Related Support contracts with Brighton & Hove City Council. Brighton YMCA aims to ensure a high level of co-ordination and information-sharing with other agencies, in order to meet clients' needs. It works with other local agencies to share expertise and resources and to develop best practice wherever possible.

Risk management

The Board is responsible for maintaining a risk management strategy which:

- focuses on the significant risks that threaten the organisation's ability to meet its objectives; and,
- provides reasonable assurance of the safeguarding of assets.

Operational management established systems of internal controls to implement its risk management strategy. The internal control system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material financial misstatement or loss. The key elements are as follows:

- Formal policies and procedures are in place including the documentation of key systems, which allow the monitoring of controls.
- A planning framework exists that incorporates a Board-approved rolling five-year plan.
- Comprehensive annual budgets complemented by financial reporting to the Board which includes detailed quarterly management accounts reporting actual against budgeted performance and resulting variances. Key performance indicators are also reported on a quarterly basis.

In addition to the statutory audit, the external auditors review the effectiveness of specific systems of internal financial control on a cyclical basis. No weaknesses were found in internal financial controls, which resulted in material losses, contingencies, or uncertainties which require disclosure in the financial statements or in the auditors' report on the financial statements.

Key management personnel

The Board undertakes an annual salary review for all staff, including key management personnel, with the agreed percentage increase being applied to all staff. Salary levels for new key management appointments are agreed by the Chief Executive and Chairman, taking into account those on offer in other local and regional organisations operating in the same sector.

REPORT OF THE BOARD OF MANAGEMENT (continued)

PRINCIPAL ACTIVITIES

On 31st March 2021 the Association provided 306 units of supported housing. In all our projects, support is provided to help clients gain skills so that they can lead more-independent lives. The Association is contracted to provide this service (at projects numbered 1 to 5) by the local authority's Commissioning Team – with residents expected to stay no longer than 2 years before moving-on.

These are broken down as follows:

1. William Collier House

William Collier House provides 95 single bedsit units. Six of these are completely self-contained, of which 4 are specifically for people with physical disabilities. Two bedsits here are held for Probation Service referrals. All other nominations come from the Housing Options Team within the Council's Adult Social Care and Housing Department. William Collier House is designated by the Council as a combined High and Medium Support hostel.

2. George Williams Mews

1-5 George Williams Mews comprises 25 bedrooms in 5 shared houses, designated by the Council as Medium Support accommodation.

6-7 George Williams Mews comprises 37 self-contained bedsits (plus 1 staff sleep-in bedsit) in a three-storey block of flats. These units are designated by the Council as Low Support accommodation.

8 George Williams Mews comprises office and training facilities, where Brighton YMCA runs life-skills courses that enable clients to gain skills and independence before moving-on.

3. Fred Emery Court

This scheme, which the Council has designated as Low Support housing, provides 32 tenancies in self-contained studio flats with on-site staff support.

4. Stanley Court

This scheme, which the Council has designated as Low Support housing, provides 31 tenancies in self-contained studio flats with on-site staff support.

5. Leslic Best House

This scheme, which the Council has designated as Low Support housing, provides 11 tenancies in self-contained flats for single female clients. The tenants of this property are supported by two dedicated staff with managerial support from Stanley Court.

6. Morton Court

This scheme provides 27 tenancies in self-contained studio flats. Though not now contracted with the local authority to provide intensive support services, it is nevertheless managed from neighbouring George Williams Mews, where tenants can still participate in life-skills courses and can contact staff at any time of day if necessary.

7. 158 Old Shoreham Road

This end-of-terrace property provides 2 self-contained flats. As with Morton Court the tenants of this particular site receive housing management services from staff at nearby George Williams Mews.

8. 54 Benfield Way

This detached property provides accommodation for 6 single clients who wish to live together in this family house. Each has their own single bedroom and they share communal facilities, supported by two dedicated staff.

REPORT OF THE BOARD OF MANAGEMENT (continued)

9. 56 Benfield Way

This detached property also provides accommodation for 5 single clients who wish to live together in this family house. Each has their own single bedroom and they share communal facilities, supported by two dedicated staff.

10. 10 Foredown Drive

This semi-detached property provides accommodation for 2 single clients who wish to live together in this family house. Each has their own single bedroom and they share communal facilities, supported by two dedicated staff. Subsequent to the year end the decision was taken to sell this property.

11. 48 Highlands Road

This semi-detached bungalow also provides accommodation for 5 single clients who wish to live together as a family. Each has their own single bedroom and they share communal facilities, supported by two dedicated staff.

12. Steine House

This property comprises provides 14 self-contained flats and a shared apartment for 18 clients. Brighton YMCA head office is also based at Steine House.

13. Bennett House

This property, for which a four year lease was taken on by the Association in August 2018, provides accommodation and support for 10 vulnerable people in the centre of the city.

ACHIEVEMENTS AND PERFORMANCE

The year to 31 March 2021 proved to be very challenging due to the COVID-19 pandemic. Despite the impact of COVID-19, the Association has continued to strive to provide the highest standard of service and support for its clients and licensees with as little disruption as possible.

The Association had to implement working practices to ensure that our staff and clients were kept as safe as possible whilst providing the support to our clients. Fortunately, the Association was able to obtain sufficient Personal Protective Equipment and introduce flexible working practices to reduce health risks.

The Association's policies continue to be periodically reviewed and, where necessary, amended to meet changing needs and new legislation. Furthermore, the Association has continued to provide a wide range of training for its staff to ensure they have the necessary skills to provide a high level of service and commitment to the clients the Association is striving to help.

Due to the restrictions in place as a result of the COVID-19 pandemic the ability to hold the regular consultation meetings at each of its projects and the Association-wide Scrutiny Panel and Clients Forum were impacted, as was the regular meeting of the Client Services Advisory Group. At the date of this Report, the Client Services Advisory Group meetings had been reinstated and the other consultation meetings will be reinstated at the earliest opportunity.

PLANS FOR FUTURE PERIODS

The Association looks to continuously enhance and develop its policies and procedures, to enable it to continue to improve its services for vulnerable clients within the context of reduced public sector spending and to maintain a sound financial basis for the Association going forward.

In the period since 1 April 2021, the Association has been implementing a new management structure which it is envisaged will enable it to be better placed to maintain the required levels of support for its clients in the challenging times that lie ahead.

INVESTMENT POWERS AND POLICY

The Board has a Treasury Management Policy and is responsible for decisions on investing surplus funds. The Association currently has funds held in fixed interest term deposits and under management by Investec Wealth & Investment Limited.

REPORT OF THE BOARD OF MANAGEMENT (continued)

RESERVES POLICY

It is the policy of the Association to maintain a sufficient level of reserves to secure its viability beyond the immediate future and mitigate some of the financial risks it faces. The Association currently maintains a level of reserves of £750,000 against future uncertainties. The Association is considering its reserve policy in the light of the likely challenges that lie ahead and the guidance given by the Charity Commission.

FUNDS HELD ON BEHALF OF OTHERS

Staff have pro-actively helped and encouraged clients to open their own bank or building society accounts. Consequently, the only funds held on behalf of others are the savings of a very few clients who have not yet managed this. All individual deposits, withdrawals and balances of these savings are separately recorded and receipted. That small amount of money is held in separate locked cash tins and secured in safes. The former separate bank account for clients' savings is no longer needed so has been closed. Deposits have been passed back to clients so that they can now keep savings in their own bank accounts.

FREEHOLD PROPERTY

The Board of Management considers that the open market value for existing use by registered providers of social housing of the freehold properties is considerably in excess of book value.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the members of the Board of Management are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Association's auditors are unaware, and each member of the board of management has taken all the steps that they ought to have taken as a member of the board of management in order to make themselves aware of any relevant audit information and to establish that the Association's auditors are aware of that information.

By order of the Board

S. J. Johnston-Ellis



D. W. Hancock



17/11/2021

Registered office:
Steine House
55 Old Steine
Brighton, BN1 1NX

RESPONSIBILITIES OF THE BOARD OF MANAGEMENT

Company law and registered social housing legislation require the Board of Management to prepare financial statements for each financial year. Under that law the Board of Management have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Board of Management 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 Association and of the results for that period. In preparing these financial statements, the Board of Management is required to:

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

The Board of Management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and enable it to ensure that the financial statements comply with The Accounting Direction for Social Housing in England from April 2015, section 137 of the Housing and Regeneration Act 2008, and the Companies Act 2006. It has general responsibility for taking reasonable steps to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

The Board of Management members are shown on page 1.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRIGHTON Y.M.C.A. (Limited by Guarantee)

Opinion

We have audited the financial statements of Brighton Y.M.C.A (the 'association') for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, Statement of Changes in Reserves, Statement of Financial Position, Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the association's affairs as at 31 March 2021 and of 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 Charities Act 2011, 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 association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the board's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or,
- the board have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the association's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or,
- the financial statements are not in agreement with the accounting records and returns; or,

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BRIGITTON Y.M.C.A. (Limited by Guarantee)
(continued)**

Matters on which we are required to report by exception (continued)

- certain disclosures of directors' remuneration specified by law are not made; or,
- we have not received all the information and explanations we require for our audit.

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

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

Responsibilities of trustees

As explained more fully in the Responsibilities of the Board of Management set out on page seven, the board members (who are also the directors of the association for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the association 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit. However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102 and the Housing SORP 2014. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence where relevant and reviewing internal meeting minutes.

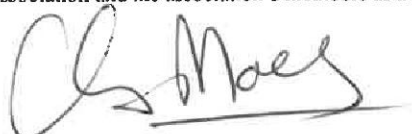
The audit engagement team identified the risk of management override of controls and revenue recognition as area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries, income transactions, other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BRIGHTON Y.M.C.A. (Limited by Guarantee)
(continued)**

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 auditor's report.

Use of our report

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



Chris Morey (Senior Statutory Auditor)
for and on behalf of Feist Hedgethorne Limited
Statutory Auditors
Chartered Accountants
Preston Park House
South Road
Brighton
BN1 6SB

Date: 19/11/21

BRIGHTON Y.M.C.A.
(Limited by Guarantee)

STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 MARCH 2021

		2021	2020
	Note	£	£
TURNOVER	2	4,973,975	4,701,851
Operating costs	2	(5,343,732)	(4,843,421)
OPERATING DEFICIT	2	<u>(369,757)</u>	<u>(141,570)</u>
Gain on disposals of fixed assets		-	-
(Loss)/gain on investments		31,439	(1,347)
Dividend income		4,701	5,184
Interest receivable	6	9,691	16,166
Donations		9,673	12,326
DEFICIT FOR THE YEAR	3	<u>(314,253)</u>	<u>(109,241)</u>
Actuarial gain/(loss) in respect of pension schemes		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>(314,253)</u></u>	<u><u>(109,241)</u></u>

There were no discontinued operations during the year.

The notes on pages 15 to 26 form part of these financial statements.

The financial statements were approved by the Board on 17/11/2021 and signed on its behalf by



S. J. Johnston-Ellis



D. W. Hancock

BRIGHTON Y.M.C.A.
(Limited by Guarantee)

STATEMENT OF CHANGES IN RESERVES
Year ended 31 MARCH 2021

	Income and Expenditure Reserve £	Restricted Reserve £	Revaluation Reserve £	Total £
Balance as at 1 April 2020	5,392,024	-	-	5,392,024
Deficit from statement of comprehensive income	(314,253)	-	-	(314,253)
Transfer from revaluation reserve to income and expenditure reserve	-	-	-	-
Transfer of restricted expenditure from unrestricted reserve	-	-	-	-
Balance as at 31 March 2021	5,077,771	-	-	5,077,771

The notes on pages 15 to 26 form part of these financial statements.

BRIGHTON Y.M.C.A.
(Limited by Guarantee)

STATEMENT OF FINANCIAL POSITION
At 31 MARCH 2021

	Note	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible assets - housing properties	9		8,237,890		8,524,088
Tangible assets - other	10		182,097		160,860
Investments	11		277,578		246,213
TOTAL FIXED ASSETS			8,697,565		8,931,161
CURRENT ASSETS					
Stock of provisions		6,325		6,325	
Debtors and prepayments	12	420,002		403,442	
Cash and cash equivalents		2,034,428		2,234,039	
			2,460,755	2,643,806	
CREDITORS: amounts falling due within one year	13	(448,526)		(481,219)	
NET CURRENT ASSETS			2,012,229		2,162,587
Monies held for residents		438		438	
Amounts due to residents		(438)		(438)	
			-	-	
TOTAL ASSETS LESS CURRENT LIABILITIES			10,709,794		11,093,748
CREDITORS: amounts falling due after more than one year	14		(4,822,911)		(5,013,388)
Provisions for liabilities					
- Defined Benefit Pension Scheme	18		(809,112)		(688,336)
TOTAL NET ASSETS			5,077,771		5,392,024
CAPITAL AND RESERVES					
Revenue reserves	16		5,077,771		5,392,024
			5,077,771		5,392,024

The notes on pages 15 to 26 form part of these financial statements.

The financial statements were approved by the Board on 17/11/2021 and signed on its behalf by



S. J. Johnston-Ellis



D. W. Hancock

BRIGHTON Y.M.C.A.
(Limited by Guarantee)

CASH FLOW STATEMENT
Year ended 31 MARCH 2021

	Note	£	2021 £	£	2020 £
NET CASH GENERATED FROM OPERATING ACTIVITIES	17		(132,242)		(155,226)
CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of tangible fixed assets		(79,221)		(271,716)	
Proceeds from sale of tangible fixed assets		-		-	
Interest received		9,691		16,166	
Purchase of investments		(43,317)		(36,646)	
Sale of investments		43,391		9,114	
Dividend income		4,701		5,184	
Investment charges		(2,614)		(2,538)	
			(67,369)		(280,436)
CASH FLOW FROM FINANCING ACTIVITIES		-		-	
			-		-
NET CHANGE IN CASH AND CASH EQUIVALENTS			(199,611)		(435,662)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR			2,234,039		2,669,701
CASH AND CASH EQUIVALENTS AT END OF THE YEAR			2,034,428		2,234,039

The notes on pages 15 to 26 form part of these financial statements.

BRIGHTON Y.M.C.A.
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 MARCH 2021

1. ACCOUNTING POLICIES

The principal accounting policies of the Association are set out below:

a) Legal status

The association is a company limited by guarantee, incorporated in England and Wales, registered under the Companies Act 2006 and is a registered housing provider and charity.

The registered office of the company is Steine House, 55 Old Steine, Brighton, BN1 1NX.

b) Accounting basis

These financial statements are prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102), the Housing SORP 2014: Statement of Recommended Practice for Registered Social Housing Providers and the Accounting Direction for Private Registered Providers of Social Housing.

The presentational currency of the financial statements is pound sterling (£).

The members of the Board of Management have a reasonable expectation that the Association has adequate resources and reserves to be able to continue its operations for the foreseeable future. The Board have concluded that the financial statements should continue to be prepared using the going concern basis.

At the date of approval of the financial statements the Board has considered the impact of the COVID-19 outbreak on the operations of the Association. Despite the challenging conditions, the Association, through its dedicated staff, continues to provide the support needed by its clients and the Board considers that this will continue to be the case for the foreseeable future.

c) Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

i) Significant management judgements

There have been no significant management judgements made when applying the accounting policies of the Association.

ii) Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

a) Useful life of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment and changes to decent homes standards which may require more frequent replacement of key components. Accumulated depreciation as at 31 March 2021 was £1,525,596.

b) Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (as analysed in Note 19). The contractual liability at 31 March 2021 was £809,112.

BRIGHTON Y.M.C.A.
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NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 MARCH 2021

1. ACCOUNTING POLICIES (continued)

d) Taxation

The Association is a registered charity qualifying for exemption from Income, Corporation and Capital Gains Tax.

e) Deferred grant income

Deferred income represents amounts received for future periods and is released to incoming resources in the period to which it relates.

f) Housing properties

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available for rent and are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings, development costs and interest charged on the mortgage loans to finance the scheme.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements.

g) Government grants

Government grants include Social Housing Grants and grants from local authorities and other government organisations. Government grants received for housing properties are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the entity will comply with the conditions and that the funds will be received.

h) Depreciation of tangible fixed assets

Depreciation is provided on the following basis:

Property	2%	per annum on cost
Residents' furniture	33 1/3%	per annum on cost
Motor vehicles	25%	per annum, reducing balance
Horticultural equipment	20%	per annum, reducing balance
Office furniture and kitchen equipment	14%	per annum on cost

i) Impairment

Annually housing properties are assessed for impairment indicators. Where indicators are identified an assessment for impairment is undertaken comparing the carrying amount to its recoverable amount. Where the carrying amount is deemed to exceed its recoverable amount, the scheme is written down to its recoverable amount. The resulting impairment loss is recognised as operating expenditure.

j) Pension scheme

The Association 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 Brighton YMCA.

BRIGHTON Y.M.C.A.
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NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 MARCH 2021

1. ACCOUNTING POLICIES (continued)

j) Pension scheme (continued)

As described in note 19, Brighton YMCA has a contractual obligation to make pension deficit payments of £100,127pa over the period to April 2029, accordingly this is shown as a liability in these accounts. In addition, Brighton YMCA is required to contribute £23,696pa to the operating expenses of the Pension Plan and these costs are charged to the Statement of Comprehensive Income as made.

The Association also operates a defined contribution pension scheme. The Association's contributions to this scheme are charged to the Income and Expenditure Account in the period to which they relate.

k) Reserves

It is the policy of the Association to maintain a sufficient level of reserves to secure its viability beyond the immediate future. The Association has considered its reserve policy in the light of the guidance given by the Charity Commission and advice obtained from consultants to the Housing Association movement. The Association maintains a level of reserves against future uncertainties. This level of reserves is reviewed annually by the Board.

l) Restricted Reserves

Restricted reserve funds are to be used for specific purposes as directed by the donor.

m) Turnover

Turnover comprises income from lettings including rents and service charges due from residents. Service charges comprise set amounts charged to residents to contribute towards the cost of heat, light and water. Rents and service charges are calculated and agreed in advance of the start of the year. Amounts received from Supporting People Contracts are also included in turnover.

n) Operating leases

Operating leases are charged to the Income and Expenditure Account in equal annual amounts over the lease term.

o) Financial instruments

Financial instruments which meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 are accounted for under an amortised historic cost model.

Basic financial instruments are recognised at amortised historic cost.

Non-basic financial instruments are recognised at fair value using a valuation technique with any gains or losses being reported in surplus or deficit. At each year end, the instruments are revalued to fair value, with the movements posted to the income and expenditure (unless hedge accounting is applied).

The association has not adopted hedge accounting for the financial instruments.

p) Investments

Investments held as fixed assets are stated at market value. Any gain or loss on revaluation is taken to the statement of comprehensive income.

BRIGHTON Y.M.C.A.
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NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 MARCH 2021

2. TURNOVER AND OPERATING SURPLUS

	Supported housing £	Other £	2021 £	2020 £
a) Income from lettings and projects				
Rent receivable net of identifiable service charges	3,799,300	-	3,799,300	3,534,791
Service charges receivable	342,353	-	342,353	334,916
Extra support services	1,800	-	1,800	-
	<u>4,143,453</u>	<u>-</u>	<u>4,143,453</u>	<u>3,869,707</u>
Rent losses from voids	(114,212)	-	(114,212)	(118,249)
Service charge losses from voids	(10,322)	-	(10,322)	(11,122)
	<u>4,018,919</u>	<u>-</u>	<u>4,018,919</u>	<u>3,740,336</u>
Supporting People	755,255	-	755,255	763,254
London Learning Consortium	9,324	-	9,324	7,784
Government grants taken to income	190,477	-	190,477	190,477
Total income from lettings and projects	<u>4,973,975</u>	<u>-</u>	<u>4,973,975</u>	<u>4,701,851</u>
b) Expenditure on lettings and projects				
Services	3,078,198	-	3,078,198	2,694,775
Management	1,568,589	-	1,568,589	1,412,292
Routine maintenance	373,331	-	373,331	337,580
Depreciation of housing properties	286,198	-	286,198	286,198
Rent losses from bad debts	34,414	-	34,414	103,307
Service charge losses from bad debts	3,002	-	3,002	9,269
Total expenditure on lettings and projects	<u>5,343,732</u>	<u>-</u>	<u>5,343,732</u>	<u>4,843,421</u>
Operating deficit from letting and project activities	<u>(369,757)</u>	<u>-</u>	<u>(369,757)</u>	<u>(141,570)</u>

BRIGHTON Y.M.C.A.
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NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 MARCH 2021

3. DEFICIT FOR THE YEAR

	2021	2020
	£	£
The deficit for the year has been arrived at after charging/(crediting):		
Auditor's remuneration	9,000	9,000
Directors' and senior management emoluments	245,214	245,214
Depreciation of properties	286,198	286,198
Depreciation of other tangible fixed assets	54,133	54,133
Operating lease rentals – land and buildings	7,740	-
Government grants taken to income	(190,477)	(190,477)
	<hr/>	<hr/>

4. ACCOMMODATION

The number of bed spaces available at the beginning of the year was 307. The number of bed spaces available at the end of the year was 306.

5. VOIDS AND BAD DEBTS

The cost of vacant accommodation and bad debts, £161,953 (2020: £241,947), amounts to 3.9% of the relevant income receivable (2020: 6.3%).

6. INTEREST RECEIVABLE

	2021	2020
	£	£
On bank deposits	9,691	16,122
On investments	-	44
	<hr/>	<hr/>
	9,691	16,166

BRIGHTON Y.M.C.A.
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 MARCH 2021

7. EMPLOYEES AND EMPLOYEE COSTS

	2021 No.	2020 No.
The average number of persons (including the Chief Executive) employed during the year was as follows:		
Administration	18	15
Professional	101	95
Domestic	20	18
	—	—
	139	128
	—	—
Employee costs (including the Chief Executive):	£	£
Wages and salaries	3,122,783	2,768,784
Defined contribution pension costs	86,426	78,259
Social security costs	243,356	220,654
Other pension costs	117,749	110,076
	<u>3,570,314</u>	<u>3,177,773</u>

The full time equivalent number of staff who received remuneration (excluding directors):

	2021 No.	2020 No.
£60,001 to £70,000	0	1
£70,001 to £80,000	1	0
£80,001 to £90,000	1	1
£90,001 to £100,000	1	1

8. KEY MANAGEMENT PERSONNEL

The aggregate remuneration for key management personnel charged in the year is:

	2021 £	2020 £
Basic salary	205,059	195,604
Benefits in kind	12,638	12,638
Pension contributions	37,036	36,972
	<u>245,733</u>	<u>245,214</u>

The Chief Executive is an ordinary member of the defined contribution pension scheme with no enhanced or special terms. He is also a member of the defined benefit pension plan which was closed to new members and future service accruals on 30 April 2007.

There were no payments made to board members during the year (2020: £Nil).

BRIGHTON Y.M.C.A.
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 MARCH 2021

9. FIXED ASSETS

HOUSING PROPERTIES

	Held for Letting £
Cost:	
At 1 April 2020	14,309,902
Additions	-
Disposals	-
At 31 March 2021	<u>14,309,902</u>
Depreciation:	
At 1 April 2020	5,785,814
Charge for year	286,198
Disposals	-
At 31 March 2021	<u>6,072,012</u>
Net book value:	
At 31 March 2021	<u>8,237,890</u>
At 1 April 2020	<u>8,524,088</u>

BRIGHTON Y.M.C.A.
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 MARCH 2021

10. OTHER FIXED ASSETS

	Furniture, Fixtures, Fittings and Equipment £	Motor Vehicles £	Total £
Cost:			
At 1 April 2020	1,566,858	61,613	1,628,471
Additions	79,221	-	79,221
Disposals	-	-	-
At 31 March 2021	<u>1,646,079</u>	<u>61,613</u>	<u>1,707,692</u>
Depreciation:			
At 1 April 2020	1,435,484	32,127	1,467,611
Charge for the year	50,613	7,371	57,984
On Disposals	-	-	-
At 31 March 2021	<u>1,486,097</u>	<u>39,498</u>	<u>1,525,595</u>
Net book value:			
At 31 March 2021	<u>159,982</u>	<u>22,115</u>	<u>182,097</u>
At 1 April 2020	<u>131,374</u>	<u>29,486</u>	<u>160,860</u>

11. FIXED ASSETS

INVESTMENTS

	Investment Fund £
Valuation:	
At 1 April 2020	246,213
Additions	52,548
Disposals	(52,622)
Revaluations	31,439
At 31 March 2021	<u>277,578</u>
Carrying amount at fair value:	
At 31 March 2021	<u>277,578</u>
At 1 April 2020	<u>246,213</u>

BRIGHTON Y.M.C.A.
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NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 MARCH 2021

12. DEBTORS: amounts falling due within one year

	2021 £	2020 £
Trade debtors	-	74,131
Income due from residents	255,707	190,218
Other debtors	63,339	59,692
Prepayments	100,956	79,401
	<u>420,002</u>	<u>403,442</u>

13. CREDITORS: amounts falling due within one year

	2021 £	2020 £
Trade creditors	174,450	138,195
Taxation and Social Security	732	60,606
Other creditors	18,593	20,778
Accruals and deferred grant income (note 15)	254,750	261,640
	<u>448,525</u>	<u>481,219</u>

14. CREDITORS: amounts falling due after more than one year

	2021 £	2020 £
Deferred grant income (note 15)	4,822,911	5,013,388
	<u>4,822,911</u>	<u>5,013,388</u>

15. DEFERRED GRANT INCOME

	2021 £	2020 £
At 1 April	5,203,865	5,394,342
Grant received in the year	-	-
Released to income in the year	(190,477)	(190,477)
At 31 March	<u>5,013,388</u>	<u>5,203,865</u>

	2021 £	2020 £
Amounts to be released within one year	190,477	190,477
Amounts to be released in more than one year	4,822,911	5,013,388
	<u>5,013,388</u>	<u>5,203,865</u>

BRIGHTON Y.M.C.A.
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NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 MARCH 2021

16. REVENUE RESERVE

	2021 £	2020 £
Balance at 1 April	5,392,024	5,501,265
Deficit for the year after transfers to/from reserves	(314,253)	(109,241)
	<hr/>	<hr/>
Balance at 31 March	5,077,771	5,392,024
	<hr/>	<hr/>

17. CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Deficit for the year	(314,253)	(109,241)
Adjustments for non-cash items:		
Depreciation charges		
- housing properties	286,198	286,198
- furniture, fixtures, fittings and equipment	50,613	41,608
- motor vehicles	7,372	12,525
(Increase)/Decrease in debtors	(16,560)	(82,053)
Increase/ (Decrease) in creditors	(32,694)	(22,077)
Pension deficit payments made	(96,974)	(94,150)
Increase in pension liability	217,750	19,820
Carrying amount of tangible fixed asset disposals	-	86
Adjustments for investing or financing activities:		
Proceeds from the sale of tangible fixed assets	-	-
Government grants utilised in the year	(190,477)	(190,477)
Interest receivable	(9,691)	(16,166)
Dividends received	(4,701)	(5,184)
Investment losses/(gains)	(31,439)	1,347
Investment charges	2,614	2,538
	<hr/>	<hr/>
Net cash generated from operating activities	(132,242)	(155,226)
	<hr/>	<hr/>

18. OPERATING LEASES

	Land and Buildings 2021 £	Land and Buildings 2020 £
Future minimum lease payments for non-cancellable Operating leases payable in:		
Less than one year	20,000	-
Between one and five years	80,000	-
Over five years	51,667	-
	<hr/>	<hr/>
	151,667	-
	<hr/>	<hr/>

BRIGHTON Y.M.C.A.
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NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 MARCH 2021

19. PENSION OBLIGATIONS

The Association participated in a contributory pension plan providing defined benefits based on final pensionable pay 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 The Association. The assets of the YMCA pension plan are held separately from those of the Association 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 £146.1million, 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 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. The Association has been advised that it will need to make monthly contributions of £8,344 from 1 May 2021. This amount is based on the current actuarial assumptions (as outlined above) and may vary in the future as a result of actual performance of the Pension Plan. The current recovery period is 8 years commencing 1st May 2021.

	Within one year £	Repayable			After more than one year £	TOTAL 2021 £	TOTAL 2020 £
		One to two years £	Two to five years £	After five years £			
As at 31 March 2021	99,883	100,127	300,379	308,723	709,229	809,112	
As at 31 March 2020	96,974	97,210	291,631	202,521	591,362		688,336
					2021 £	2020 £	
Balance at 1 April					688,336	762,666	
Increase in provision					217,750	19,820	
Payments in year					(96,974)	(94,150)	
Balance at 31 March					809,112	688,336	

In addition, the Association 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 the Association may be called upon to pay in the future.