



**BRIGHTON Y.M.C.A.**

(Limited by Guarantee)

**CHAIR'S AND BOARD OF MANAGEMENT REPORT  
AND  
FINANCIAL STATEMENTS**

**Year ended 31 MARCH 2022**

Company No: 2329407  
Charity No: 800987  
Registered Provider No: H3835

**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

P.C. Jukes

D. W. Hancock

R. Brooks – resigned 13/1/2022

H. McShane

J.B. Tarling

M.A.J. Rosenberg

J.R. Davila – resigned 5/1/2022

N. Archibald – appointed 17/11/2021

**OFFICERS OF THE ASSOCIATION:**

A. M. Cairns - Chief Executive

**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 Hedgethorne Limited  
Chartered Accountants  
Preston Park House  
South Road  
BRIGHTON  
BN1 6SB

**BRIGHTON Y.M.C.A.**  
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**CHAIR'S REPORT**

For over 150 years YMCA Brighton has proved that we can adapt, respond, and develop according to the needs of our community to ensure that we deliver our mission to provide a consistent supply of high-quality housing and person-centred support that allows people to feel inspired to achieve their aspirations. However, nothing could have prepared us for the unprecedented challenges that a second year of Covid-19 has placed upon us. In response to the waves of Covid-19 and the subsequent restrictions imposed by the Government, the Association developed a range of flexible and creative approaches to ensure that clients, and staff, felt fully supported throughout this uncertain and worrisome time. The housing projects continued to provide one-to-one support services to clients, and as Covid restrictions have eased, clubs and groups have been able to be reintroduced so that our clients and staff are once again experiencing in-person interaction, community cohesion and belonging.

As an organisation we have had to learn new ways of operating, but due to the amazing commitment and dedication of our staff we have continued to provide safe and secure housing to our clients. Many of the Covid-ways of operating have now become commonplace within our working week – virtual meetings, hybrid and flexible working arrangements – a new sense of looking differently at how we operate and creating, and quickly developing, service offerings as needed to respond to ever-changing need in and ever-changing world.

YMCA Brighton offers 303 units of accommodation across 13 projects to adults, who have experienced homelessness, and provides trauma informed person-centred support so that they can develop independence and resilience to achieve their personal goals and be equipped to move-on to independent living. Over the past year the Association has provided housing to 429 individuals. We also provide one-to-one coaching support through our Evolve (Education, Volunteering, Vocational training & Employment) project. During Covid this was delivered via remote video and telephone sessions, until face to face activities were able to recommence in September. Over the period Evolve supported 74 individuals to prepare for and access work and learning. The Association has worked collaboratively with public health, to keep residents and clients safe and with local services providers to deliver much needed services such as in-house vaccination clinics. The Association has been well supported by local business, churches and individuals who have generously donated food and goods for our clients, and we are extremely grateful to all these individuals for their kindness and compassion.

At the end of 2021, John Osborne retired as Chief Executive. John was associated with YMCA Brighton for 50 years and was Chief Executive for over 30 years. We welcomed Anne Cairns as our new Chief Executive in January 2022. Anne brings a wealth of housing-related knowledge and expertise to the Association and under her leadership YMCA Brighton will continue to build upon the Association's impact and success, to extend and deliver much needed services to the most marginalised in society.

YMCA Brighton remains in a financially strong position. The year ending 31 March 2022, the Association showed a surplus of £88,229 (2021: deficit (£314,253)). The balance on the Revenue Reserve at 31 March 2022 was £5,166,000 (2021: £5,077,771). 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 £4,203,117 (2021: £4,143,453) and Supporting People Funding from Brighton & Hove City Council of £787,159 (2021: £755,255). Further detail can be found in Note 2 to the financial statements.

The cost of vacant accommodation and bad debts amounts to 7.6% of the relevant income receivable (2021: 3.9%) has been significantly impacted during the Covid period. This is a priority area for improvement over the next 12 months. There has been an improved operating position against the previous year, with deficit on hostels as a % of gross income from clients was -5.7% (2021: -8.9%). Work to further strengthen the operating position will continue to enable the Association to reach a position of full cost recovery.

In March the Association adopted a 12-month interim strategic plan 'Strengthening our Foundations' as the Association consults with local communities, reflect on its strengths, looks to the future and the challenges ahead and develops the 2023 Strategic Plan.

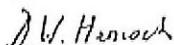
YMCA Brighton could not support so many people and transform lives without the extraordinary work of our dedicated and passionate staff who work tirelessly to help and empower our clients.

Finally, I would like to thank my fellow Board members and volunteers who give their time and expertise so generously to support YMCA Brighton achieve its vision and support even more people who have experienced homelessness, work to live independently and achieve their aspirations.

S. J. Johnston-Ellis



D. W. Hancock



21/9/2022



## **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 2022.

### **OBJECTIVES**

The objectives of Brighton YMCA are to provide accommodation and support to adults who are experiencing homelessness to develop the skills to live independently. In meeting these objectives, the Association provides person-centred, trauma informed support, applying the principles of psychologically informed environments. Our Trustees review and determine the strategic direction and objectives to ensure the Association's activity remains consistent with our aims. In carrying out this review the Trustees have considered 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 supporting people with a range of support requirements, including multiple and complex needs and dual diagnosis and co-morbidity. This work is set within continually improving framework and culture of safeguarding and diversity and inclusion at all levels across the Association.

During the year the Charity has provided 303 units of Supported Housing, to 426 individuals in 13 different premises spread throughout the City of Brighton and Hove, and work and learning support to 74 individuals who were not engaged in work, education or training, living in the city.

The Association continues to focus on value for money by managing resources, including buildings, staff and monetary resources, to ensure we maximise their use to achieve our objectives.

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', which were revised in 2020. 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 to the Association or with existing Board members. This includes local advertising, with targeting if 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. Trustees are elected for a three-year term and may be re-elected to a maximum of three terms.

#### **Association**

The Board has ultimate responsibility for the governance of Brighton YMCA. The Board determines strategic direction and policies, oversees control and risk management frameworks are established and implemented by operational management, and ensures that the Association achieves its aims and objectives. The Board meets six times a year, to review oversight, assurance and provide strategic direction. Documents are circulated to members in advance of meetings. The Chief Executive is appointed by the Board, under a contract of employment, to manage the day to day operations of the Association. The Association's strategy development and annual business is discussed jointly by the Trustee Board and Chief Executive. There is a joint commitment between the Trustee Board and the Chief Executive to carry out the agreed business plan. Implementation of the operational activities and development is primarily the responsibility of the Chief Executive, monitored through regular reports to the Trustee Board. The Association also has three regular Advisory Groups to oversee specified areas of the Association's work; these are the Finance Advisory Group, the Personnel Advisory Group and the Client Services Advisory Group. The Development Advisory Group is activated when the Association is pursuing development options.

**REPORT OF THE BOARD OF MANAGEMENT (continued)**

**OBJECTIVES (continued)**

**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.

**Related parties**

The services offered by Brighton YMCA are an integral part of Brighton & Hove City Council's homelessness pathway and homelessness reduction strategy. The Association receives a significant amount of its core funding from Housing Related Support contracts with Brighton & Hove City Council. Brighton YMCA works in partnership with other local service providers in the city, such as CGL and Arch Healthcare increasing the breadth of services and support accessible to residents living in YMCA Brighton accommodation. The Association works with other local agencies and participates in local provider networks to share expertise and resources and to develop best practice wherever possible.

**Principal risks and uncertainties**

Long term income stability is a significant risk due to a lack of diverse income streams. Brighton YMCA receives a significant amount of its core funding from Housing Related Support contracts with Brighton & Hove City Council. The current contracts commenced in September and November 2017. In addition to the main Support contracts, the Association also successfully tendered for a new Work & Learning Support contract which commenced in April 2018. These contracts have subsequently been extended to 2023, when a competitive tendering exercise will be completed. YMCA Brighton will be seeking to diversify income streams to mitigate this area of risk.

A significant health and safety incident is identified as a principal risk to the Association due to the nature of the services provided and the nature of the client group that the Association supports. During the year, the Association commissioned an external review of safeguarding practices. In addition, the Association employs external consultants to complete all fire safety risk assessments, legionella risk assessments and an annual health and safety audit.

**Risk management**

The Board is responsible for the Association's risk management strategy which:

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

The Association has continued to develop our approach to risk, based on the three lines of defence model, captured in a comprehensive risk register, with regular oversight by Board. Operational management established systems of internal controls to implement its risk management strategy. The internal control system is designed to understand the risks to the Association, manage and mitigate, within agreed risk appetite levels, 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.
- Risk register reported quarterly to the Finance Advisory Group for scrutiny, top 5 risks reported quarterly to the Board. Risk action plans are developed in relation to any risk areas that are outside the Association's risk appetite.
- Board appointment of external audit/review of risk including finance, safeguarding and health & safety.
- Comprehensive annual budgets complemented by financial reporting to the Board which includes detailed quarterly management accounts reporting actual against budgeted performance and resulting variances. Performance against the annual plan, service development plans and key performance indicators are also reported on a quarterly basis.



**REPORT OF THE BOARD OF MANAGEMENT (continued)**

**Value for Money**

YMCA Brighton continues to focus on value for money, while being clear to take account of the social value impact being delivered, when considering the use of resources. To ensure the Association achieves value for money staff and monetary resources are closely managed and monitored to enable continuous improvement. Consideration is given to not only the economic cost, but also efficiency and effectiveness, monitored through key performance indicators, impact measures and client satisfaction surveys.

A review of staffing structures completed during the year led to a refocusing of staff resources, reducing management roles, and reinvesting into frontline services. The exercise was completed through natural staff turnover and reduced staffing costs by £86k, while increasing frontline staffing levels and support to residents. During the year, a review of procurement was also completed, which is expected to deliver savings of up to 10% in relation to day to day maintenance expenditure.

Value for money metrics - The Value for Money Standard issued by the Regulator for Social Housing required the publication of value for money metrics. The metrics are generally used by larger housing association with development portfolios and all of the metrics are not entirely applicable to YMCA Brighton as the primary focus is on preventing homelessness, skills development and creating opportunities for independence. In the interest of transparency and accountability, where the metric is calculated as zero, this is reported as such.

1. Reinvestment percentage: 0% (2021 0%).  
The reinvestment percentage considers the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held, demonstrating the scale of investment in relation to the size of the asset base. The Association's property stock has remained stable for several years. During the current year one property, cost £124,844, was sold.
2. New supply (Social housing units) delivered percentage 0% (2021 0%)  
The new supply percentage sets out the number of new social housing units that have been acquired or developed in the year as a proportion of total social housing units owned at that period. The metric does not include social housing properties transferred from another provider. YMCA Brighton only provides supported housing and is not a developing organisation and has not delivered any additional units during the period.
3. Gearing – 0% (2021 0%)  
The gearing percentage assesses how much of the adjusted assets are made up on debt and the degree of dependence on debt finance, demonstrating the proportion of borrowing in relation to the size of the asset base. The Association has no debt finance.
4. EBITDA (major repairs included) interest cover %: 0% (2021 0%)  
The interest cover metric is a key indicator for liquidity and investment capacity and seeks to measure the level of surplus generated compared to interest payable; the measure avoids any distortions stemming from the depreciation charge. The Association has no debt finance and therefore incurs no Interest cost.
5. Headline social housing cost per unit: £15,495 (2021 £15,879)  
As a specialist supported housing provider, this reflects the extent of support provided to residents, the infrastructure requirements for a registered provider of supported housing and the high wage area the organisation operates in.
6. Operating margin (social housing lettings only) -2.5% ( 2021-7.1%)  
The operating margin demonstrates the profitability of operating assets before exceptional expenses are taken into account. The overall operating margin: -4.7% (2021: -7.4%)
7. Return on capital employed: 6.3% (2021 -3.5%)  
This metric compared the operating surplus to total assets, less current liabilities and it measures the efficient investment of capital resources.

**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 the Chair of the Board, taking into account those on offer in other local and regional Associations operating in the same sector.

**REPORT OF THE BOARD OF MANAGEMENT (continued)**

**Defined Benefit Pension Scheme**

The Trustees recognise possible concern relating to its participation in a defined benefit pension scheme. Appropriate action has been taken: The scheme was closed to new members in 2007, and the link to final salary broken in 2011. Additional contributions continue to be made to reduce the deficit. As part of the YMCA federation, the multi-employer scheme is run by an independent board of trustees with employer representation through the Principal Employer, National Council of YMCAs. The pension scheme trustees obtain an actuarial valuation every three years and we have considered the implications to the charity's finances from the latest available actuarial valuation. We have reviewed the charity's ability to continue to deliver its charitable objectives by ensuring budgets, forecasts and plans are available and include the impact of deficit repayments. The trustees included the impact of pension scheme deficit repayments in considering going concern status, reserves, and the risks and uncertainties that the charity face noted elsewhere in this Report.

The Association benefits from the pension scheme trustees and the Principal Employer seeking suitable specialist professional advice both to manage the scheme and in the continuing effort to explore ways of reducing the overall pension deficit. The notes to the Accounts include an accounting policy and further details in note 19.

**PRINCIPAL ACTIVITIES**

On 31<sup>st</sup> March 2022 the Association provided 301 units of supported housing, which enabled the Association to provide accommodation and support to 426 individuals. These are broken down as follows:

1. William Collier House

William Collier House provides 94 single bedsit units, with 24-hour on-site staffing. Six of these units are completely self-contained, of which 4 are fully accessible. Two bedsits 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. As in all our premises, we provide strengths based, person centred, housing related support to help clients gain the skills and resilience to move towards independence. William Collier House provides High and Medium Support, with residents expected to stay no longer than 2 years before moving-on.

2. George Williams Mews

George Williams Mews offers 24 hour on-site staffing and provides the following:

1-5 George Williams Mews comprises 25 bedrooms in 5 shared houses. The accommodation provides medium support for residents, for up to 2 years.

6-7 George Williams Mews comprises 37 self-contained bedsits in a three-storey block of flats. The accommodation provides low support for residents, for up to 2 years.

8 George Williams Mews comprises office and training facilities, where YMCA Brighton provides work and learning activities including accredited life-skills courses that enable clients to gain skills and independence.

3. Fred Emery Court

Fred Emery Court provides 32 self-contained studio flats with 24 hour on-site staffing. The accommodation offers low support to residents for up to two years.

4. Stanley Court

Fred Emery Court provides 31 self-contained studio flats with 24 hour on-site staffing. The accommodation offers low support to residents for up to two years.

5. Leslie Best House

Leslie Best House provides 11 tenancies in self-contained flats with 24 hour on-site staffing for single female clients. The accommodation offers low support to residents for up to two years.



**REPORT OF THE BOARD OF MANAGEMENT (continued)**

**PRINCIPAL ACTIVITIES**

6. Morton Court

This scheme provides 27 low support tenancies in self-contained studio flats with 24 hours staffing from neighbouring George Williams Mews, where tenants also access life-skills courses.

7. 158 Old Shoreham Road

This end-of-terrace property provides low support tenancies from 2 self-contained flats, with 24 hours staffing from neighbouring George Williams Mews, where tenants can also access the life-skills courses.

8. Small houses.

The small houses project is made up of 3 shared houses:

54 Benfield Way  
56 Benfield Way  
48 Highlands Road

The two detached properties and one semi-detached bungalow provide low support accommodation for 5 single clients who wish to live together in this family house. Each client has their own single bedroom and they share communal facilities. Residents are supported by two dedicated staff with emergency out of hours support provided from neighbouring George Williams Mews, where tenants also access the life-skills courses

9. Steine House

Steine House comprises 13 self-contained flats and a shared apartment for 4 clients. YMCA Brighton's head office is currently located in this property.

10. Bennett House

This property, for which a four-year lease was taken on by the association in August 2018, due to be extended, provides self-contained accommodation with high to medium support for 10 residents.

11. EVOLVE (Education, Volunteering, Vocational training & Employment)

EVOLVE is a floating support coaching service that adults who are receiving housing related support, and are ready to take the next step towards education, volunteering, vocational training, or employment aspirations, can access.

EVOLVE provides a personalised strengths-based service, ensuring a client's aspirations are at the heart of their support and encouraging them to take ownership of their life. Through a flexible and creative approach, coaches work with clients to develop resilience and embed positive responses to the challenges they face on their journey to independence.

During the year, the property at 10 Foredown Drive, which had previously provided accommodation for 2 residents, was sold on the open market.

**ACHIEVEMENTS AND PERFORMANCE**

During the year, the Association has further embedded flexible service provision to adapt to infection control measures and the changing Government restriction in relation to Covid-19. The Association has developed effective infection control practices and successfully prevented a contagion of Covid-19 throughout our settings.

The organisation has provided supported accommodation to 426 residents and despite the impact of referrals and access to wider services and placement opportunities, provided coaching to a further 74 individuals, 43 of whom were then able to access work, volunteering or education.

During the year, the Association has continued to involve all its clients by holding regular consultation meetings at each of its projects. It also has an Association-wide Scrutiny Panel and a Clients Forum.

## **REPORT OF THE BOARD OF MANAGEMENT (continued)**

### **PRINCIPAL ACTIVITIES**

Furthermore, client representatives meet formally with Board members on its decision-making Client Services Advisory Group. Through consultation with its clients in this way, Brighton YMCA has agreed a range of "Client-Identified Service Standards - Local Offers" to provide enhanced arrangements and services for its residents.

The Association has completed an external review of safeguarding, and revised safeguarding policies and practices, and a review of risk management.

A review of the Association's staffing establishment led to a reprofiling of roles, reducing management resource across the Association and the reprofiling of resources to increase client facing staffing and generate annual savings in excess of £100k per annum.

In January the Association launched the 'Listening Project', a comprehensive consultation process with residents, clients, staff, partners and stakeholder to inform our strategy development work, due to be completed in the next financial year.

In March the Association adopted it's 12 month Strengthening our Foundations Plan, a precursor to developing our next 5-year strategy

### **PLANS FOR FUTURE PERIODS**

The Association will deliver it's Strengthening our Foundations plan, delivering improvements against the following thematic areas:

- Safety - We will strengthen our safeguarding culture and practice, embedding a safeguarding culture based upon knowledge and best practice, within a comprehensive organisation wide framework. We will further develop our approach to risk and our risk management framework. We will complete a review of fire safety and landlord health and safety practices and oversight.
- Financial Robustness – We will set an EBITDA positive budget, as a step towards achieving full cost recovery. We will review income collection practices and culture to minimise levels of bad debt and review our internal finance systems and organisation staffing establishment to ensure that we have the right expertise, in the right places, and are achieving value for money.
- Compliance – We will carry out a governance review and consider the additional skill and expertise required to lead us through our next strategic cycle. We will review ourselves against existing and proposed compliance standards ensuring that we are able to adapt to new legislation in a timely manner.
- Insight & vision – We will complete our consultation The Listening Project to inform strategic discussions and develop our next 5 years strategy and business plan. We will also be completing an Equality, Diversity and Inclusion staff survey, to inform our Single Equalities Scheme continuous improvement. We will complete an audit of IT and develop an IT strategy, ensuring effective use of technology for staff and clients to ensure we are maintaining the highest levels of data security.
- Our people - We will complete a review of employee support, pay and benefits compared to the local market and develop a more creative approach to our recruitment practices and training provision. We will further define our flexible and hybrid working practices developed during covid-19, providing a clear and flexible working environment for staff, that meets the needs of our people and the needs of the Association.

### **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. 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 currently maintains a level of reserves of £750,000 against future uncertainties.

**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**

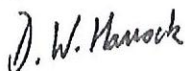
So far as the members of the Board of Management are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Association's auditors are unaware, and each member of the board of management has taken all the steps that they ought to have taken as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



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

21/9/2022

**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 2019, 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 2022 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 2022 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 2019.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

### **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 chair's report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and,
- the board report (incorporating the chair's 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 chair's report).



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

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

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

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

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

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

**Responsibilities of trustees**

As explained more fully in the Responsibilities of the Board of Management set out on page nine, 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.

**The extent to which the audit was considered capable of detecting irregularities including fraud**

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the social housing sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Charities Act 2011, Housing and Regeneration Act 2008, Accounting Direction for Social Housing in England from January 2019, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

**Auditors' responsibilities for the audit of the financial statements (continued)**

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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](http://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 Hedgethorpe Limited  
Statutory Auditors  
Chartered Accountants  
Preston Park House  
South Road  
Brighton  
East Sussex  
BN1 6SB

Date: 23 September 2022

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

**STATEMENT OF COMPREHENSIVE INCOME**  
**Year ended 31 MARCH 2022**

		<b>2022</b>	<b>2021</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>TURNOVER</b>	2	4,993,965	4,973,975
Operating costs	2	(5,230,388)	(5,343,732)
<b>OPERATING DEFICIT</b>	2	(236,423)	(369,757)
Gain on disposals of fixed assets		302,892	-
(Loss)/gain on investments		7,840	31,439
Dividend income		4,989	4,701
Interest receivable	6	910	9,691
Donations		8,021	9,673
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>	3	88,229	(314,253)
Actuarial gain/(loss) in respect of pension schemes		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>88,229</b>	<b>(314,253)</b>

There were no discontinued operations during the year.

The notes on pages 17 to 28 form part of these financial statements.

The financial statements were approved by the Board on 21/9/2022 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 2022**

	<b>Income and Expenditure Reserve £</b>	<b>Restricted Reserve £</b>	<b>Revaluation Reserve £</b>	<b>Total £</b>
Balance as at 1 April 2021	5,077,771	-	-	5,077,771
Surplus from statement of comprehensive income	88,229	-	-	88,229
Transfer from revaluation reserve to income and expenditure reserve	-	-	-	-
Transfer of restricted expenditure from unrestricted reserve	-	-	-	-
<b>Balance at 31 March 2022</b>	<b>5,166,000</b>	<b>-</b>	<b>-</b>	<b>5,166,000</b>

The notes on pages 17 to 28 form part of these financial statements.



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

**STATEMENT OF FINANCIAL POSITION**  
**At 31 MARCH 2022**

	Note	£	2022	£	£	2021	£
<b>FIXED ASSETS</b>							
Tangible assets - housing properties	9		7,892,771			8,237,890	
Tangible assets - other	10		148,024			182,097	
Investments	11		284,091			277,578	
<b>TOTAL FIXED ASSETS</b>			<b>8,324,886</b>			<b>8,697,565</b>	
<b>CURRENT ASSETS</b>							
Stock of provisions		6,325			6,325		
Debtors and prepayments	12	507,261			420,002		
Cash and cash equivalents		2,151,034			2,034,428		
			2,664,620		2,460,755		
<b>CREDITORS: amounts falling due within one year</b>	13	(483,370)			(448,526)		
<b>NET CURRENT ASSETS</b>			<b>2,181,250</b>			<b>2,012,229</b>	
Monies held for residents		438			438		
Amounts due to residents		(438)			(438)		
			-		-		
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>10,506,136</b>			<b>10,709,794</b>	
<b>CREDITORS: amounts falling due after more than one year</b>	14		(4,632,434)			(4,822,911)	
<b>Provisions for liabilities</b>							
– Defined Benefit Pension Scheme	19		(707,702)			(809,112)	
<b>TOTAL NET ASSETS</b>			<b>5,166,000</b>			<b>5,077,771</b>	
<b>CAPITAL AND RESERVES</b>							
Revenue reserves	16		5,166,000			5,077,771	
			<b>5,166,000</b>			<b>5,077,771</b>	

The notes on pages 17 to 28 form part of these financial statements.

The financial statements were approved by the Board on ~~21st September 2022~~ 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 2022**

	Note	£	2022 £	£	2021 £
<b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>	17		(234,689)		(132,242)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Purchase of tangible fixed assets		(39,701)		(79,221)	
Proceeds from sale of tangible fixed assets		386,633		-	
Interest received		910		9,691	
Purchase of investments		(11,355)		(43,317)	
Sale of investments		12,682		43,391	
Dividend income		4,989		4,701	
Investment charges		(2,863)		(2,614)	
			351,295		(67,369)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		-		-	
			-		-
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>			116,606		(199,611)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>			2,034,428		2,234,039
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>			2,151,034		2,034,428

The notes on pages 17 to 28 form part of these financial statements.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 MARCH 2022**

**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.

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 2022 was £1,561,290.

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 2022 was £707,702.

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

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
Year ended 31 MARCH 2022**

**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 Associations. 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.**  
**(Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**Year ended 31 MARCH 2022**

**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 £99,908pa (2021:£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 £22,333pa (2021: £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.**  
**(Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**Year ended 31 MARCH 2022**

**2. TURNOVER AND OPERATING SURPLUS/(DEFICIT)**

	Supported housing £	Other £	2022 £	2021 £
<b>a) Income from lettings and projects</b>				
Rent receivable net of identifiable service charges	3,853,843	-	3,853,843	3,799,300
Service charges receivable	344,874	-	344,874	342,353
Extra support services	4,400	-	4,400	1,800
	<u>4,203,117</u>	<u>-</u>	<u>4,203,117</u>	<u>4,143,453</u>
Rent losses from voids	(177,638)	-	(177,638)	(114,212)
Service charge losses from voids	(15,257)	-	(15,257)	(10,322)
	<u>4,010,222</u>	<u>-</u>	<u>4,010,222</u>	<u>4,018,919</u>
Supporting People	787,159	-	787,159	755,255
London Learning Consortium	3,127	-	3,127	9,324
School of Applied Social Science	2,980	-	2,980	-
Government grants taken to income	190,477	-	190,477	190,477
<b>Total income from lettings and projects</b>	<u>4,993,965</u>	<u>-</u>	<u>4,993,965</u>	<u>4,973,975</u>
<b>b) Expenditure on lettings and projects</b>				
Services	2,985,571	-	2,985,571	3,078,198
Management	1,436,099	-	1,436,099	1,568,589
Routine maintenance	394,564	-	394,564	373,331
Depreciation of housing properties	283,925	-	283,925	286,198
Rent losses from bad debts	119,311	-	119,311	34,414
Service charge losses from bad debts	10,918	-	10,918	3,002
<b>Total expenditure on lettings and projects</b>	<u>5,230,388</u>	<u>-</u>	<u>5,230,388</u>	<u>5,343,732</u>
<b>Operating deficit from letting and project activities</b>	<u>(236,423)</u>	<u>-</u>	<u>(236,423)</u>	<u>(369,757)</u>

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

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**Year ended 31 MARCH 2022**

**2. TURNOVER AND OPERATING SURPLUS (continued)**

b)

2022	Operating Turnover	Operating Costs	Operating (Deficit)	Investment Income	Interest Payable	Surplus / (Deficit)
	£	£	£	£	£	£
<b>Income and Expenditure from Social Housing Lettings</b>						
Hostels	4,993,965	5,230,388	(236,423)	-	-	(236,423)
	<u>4,993,965</u>	<u>5,230,388</u>	<u>(236,423)</u>			<u>(236,423)</u>
Interest receivable				910	-	910
Donations				8,021	-	8,021
Gain on disposal of motor vehicle				166	-	166
Gain on disposal of freehold property				302,726	-	302,726
(Loss)/gain on investments				7,840	-	7,840
Dividend income				4,989	-	4,989
<b>Surplus/(deficit) for the year</b>				<u>324,652</u>	<u>-</u>	<u>88,229</u>
<b>2021</b>						
<b>Income and Expenditure from Social Housing Lettings</b>						
Hostels	4,973,975	5,343,732	(369,757)	-	-	(369,757)
	<u>4,973,975</u>	<u>5,343,732</u>	<u>(369,757)</u>			<u>(369,757)</u>
Interest receivable				9,691	-	9,691
Donations				9,673	-	9,673
(Loss)/gain on investments				31,439	-	31,439
Dividend income				4,701	-	4,701
<b>Surplus/(deficit) for the year</b>				<u>55,504</u>	<u>-</u>	<u>(314,253)</u>



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

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**Year ended 31 MARCH 2022**

**3. SURPLUS/(DEFICIT) FOR THE YEAR**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>The deficit for the year has been arrived at after charging/(crediting):</b>		
Auditor's remuneration	12,450	9,000
Directors' and senior management emoluments	234,567	254,733
Depreciation of properties	283,926	286,198
Depreciation of other tangible fixed assets	54,133	57,984
Operating lease rentals -- land and buildings	20,000	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 306. The number of bed spaces available at the end of the year was 301.

**5. VOIDS AND BAD DEBTS**

The cost of vacant accommodation and bad debts, £323,124 (2021: £161,950), amounts to 7.6% of the relevant income receivable (2021: 3.9%).

**6. INTEREST RECEIVABLE**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
On bank deposits	910	9,691
On investments	-	-
	<hr/>	<hr/>
	910	9,691
	<hr/>	<hr/>

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

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**Year ended 31 MARCH 2022**

**7. EMPLOYEES AND EMPLOYEE COSTS**

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
The average number of persons (including the Chief Executive) employed during the year was as follows:		
Administration	18	18
Professional	93	101
Domestic	19	20
	—	—
	130	139
	—	—
Employee costs (including the Chief Executive):	<b>£</b>	<b>£</b>
Wages and salaries	3,062,263	3,122,783
Defined contribution pension costs	78,977	86,426
Social security costs	237,957	243,356
Other pension costs	123,373	117,749
	<u>3,502,569</u>	<u>3,570,314</u>

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

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
£60,001 to £70,000	0	0
£70,001 to £80,000	1	1
£80,001 to £90,000	1	1
£90,001 to £100,000	0	1

**8. KEY MANAGEMENT PERSONNEL**

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Basic salary	190,118	205,059
Benefits in kind	13,106	12,638
Pension contributions	31,343	37,036
	<u>234,567</u>	<u>254,733</u>

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

There were no payments made to board members during the year (2021: £Nil).

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

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**Year ended 31 MARCH 2022**

**9. FIXED ASSETS**

**HOUSING PROPERTIES**

	<b>Held for Letting £</b>
<b>Cost:</b>	
At 1 April 2021	14,309,902
Additions	11,214
Disposals	(124,844)
At 31 March 2022	<u>14,196,272</u>
<b>Depreciation:</b>	
At 1 April 2021	6,072,012
Charge for year	283,926
Disposals	(52,437)
At 31 March 2022	<u>6,303,501</u>
<b>Net book value:</b>	
At 31 March 2022	<u>7,892,771</u>
At 1 April 2021	<u>8,237,890</u>



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

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**Year ended 31 MARCH 2022**

**10. OTHER FIXED ASSETS**

	<b>Furniture, Fixtures, Fittings and Equipment £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>Cost:</b>			
At 1 April 2021	1,646,079	61,613	1,707,692
Additions	28,487	-	28,487
Disposals	-	(26,865)	(26,865)
At 31 March 2022	<u>1,674,566</u>	<u>34,748</u>	<u>1,709,314</u>
<b>Depreciation:</b>			
At 1 April 2021	1,486,097	39,498	1,525,595
Charge for the year	48,531	2,695	51,226
On Disposals	-	(15,531)	(15,531)
At 31 March 2022	<u>1,534,628</u>	<u>26,662</u>	<u>1,561,290</u>
<b>Net book value:</b>			
At 31 March 2022	<u>139,938</u>	<u>8,086</u>	<u>148,024</u>
At 1 April 2021	<u>159,982</u>	<u>22,115</u>	<u>182,097</u>

**11. FIXED ASSETS**

**INVESTMENTS**

	<b>Investment Fund £</b>
<b>Valuation:</b>	
At 1 April 2021	277,578
Additions	11,355
Disposals	(12,682)
Revaluations	7,840
At 31 March 2022	<u>284,091</u>
<b>Carrying amount at fair value:</b>	
At 31 March 2022	<u>284,091</u>
At 1 April 2021	<u>277,578</u>

**BRIGHTON Y.M.C.A.**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**Year ended 31 MARCH 2022**

**12. DEBTORS: amounts falling due within one year**

	2022 £	2021 £
Trade debtors	192,332	-
Income due from residents	222,634	255,707
Other debtors	-	63,339
Prepayments	92,295	100,956
	<u>507,261</u>	<u>420,002</u>

**13. CREDITORS: amounts falling due within one year**

	2022 £	2021 £
Trade creditors	141,078	174,450
Taxation and Social Security	59,580	732
Other creditors	31,174	18,594
Accruals and deferred grant income (note 15)	251,538	254,750
	<u>483,370</u>	<u>448,526</u>

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

	2022 £	2021 £
Deferred grant income (note 15)	4,632,434	4,822,911
	<u>4,632,434</u>	<u>4,822,911</u>

**15. DEFERRED GRANT INCOME**

	2022 £	2021 £
At 1 April	5,013,388	5,203,865
Grant received in the year	-	-
Released to income in the year	(190,477)	(190,477)
At 31 March	<u>4,822,911</u>	<u>5,013,388</u>
	2022 £	2021 £
Amounts to be released within one year	190,477	190,477
Amounts to be released in more than one year	4,632,434	4,822,911
	<u>4,822,911</u>	<u>5,013,388</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**Year ended 31 MARCH 2022**

**16. REVENUE RESERVE**

	2022 £	2021 £
Balance at 1 April	5,077,771	5,392,024
Surplus/(Deficit) for the year after transfers to/from reserves	88,229	(314,253)
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Balance at 31 March	5,166,000	5,077,771
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**17. CASH FLOW FROM OPERATING ACTIVITIES**

	2022 £	2021 £
Surplus/(Deficit) for the year	88,229	(314,253)
Adjustments for non-cash items:		
Depreciation charges		
- housing properties	283,926	286,198
- furniture, fixtures, fittings and equipment	48,531	50,613
- motor vehicles	2,695	7,372
(Increase)/Decrease in debtors	(87,259)	(16,560)
Increase/ (Decrease) in creditors	34,844	(32,694)
Pension deficit payments made	(99,883)	(96,974)
Increase/(Decrease) in pension liability	(1,527)	217,750
Carrying amount of tangible fixed asset disposals	-	-
Adjustments for investing or financing activities:		
(Profit)/Loss on sale of fixed assets	(302,892)	-
Government grants utilised in the year	(190,477)	(190,477)
Interest receivable	(910)	(9,691)
Dividends received	(4,989)	(4,701)
Investment losses/(gains)	(7,840)	(31,439)
Investment charges	2,863	2,614
Net cash outflow from operating activities	(234,689)	(132,242)
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**18. OPERATING LEASES**

	Land and Buildings 2022 £	Land and Buildings 2021 £
Future minimum lease payments for non-cancellable		
Operating leases payable in:		
Less than one year	20,000	20,000
Between one and five years	80,000	80,000
Over five years	31,667	51,667
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	131,667	151,667
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**BRIGHTON Y.M.C.A.**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**Year ended 31 MARCH 2022**

**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, 63% matching portfolio and 37% 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 £39 million. The Association has been advised that it will need to make monthly contributions of £8,326 from 1 May 2022. 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 7 years commencing 1<sup>st</sup> May 2022.

	Within one year £	Repayable			After more than one year £	TOTAL 2022 £	TOTAL 2021 £
		One to two years £	Two to five years £	After five years £			
As at 31 March 2022	99,927	99,908	299,725	208,142	607,775	707,702	
As at 31 March 2021	99,883	100,127	300,379	308,723	709,229		809,112

	2022 £	2021 £
Balance at 1 April	809,112	688,336
Increase/(Decrease) in provision	(1,527)	217,750
Payments in year	(99,883)	(96,974)
Balance at 31 March	707,702	809,112

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.