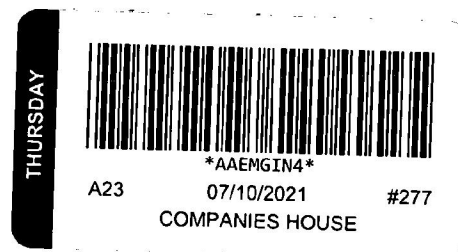


Company Registration No. 02067523 (England and Wales)
Charity Registration No. 801606
RSH No. H3868

**YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)**

**REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**



YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

CONTENTS

	Pages
Chairman's report	1
Chief Executive Officer's annual report	2
Report of the directors (incorporating Strategic Report)	3 - 13
Auditor's report	14 - 16
Statements of comprehensive income	17
Statements of financial position	18
Statements of changes in reserves	19
Statement of cash flows	20
Notes to the financial statements	21 - 36

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

CHAIRMAN'S REPORT

This time last year as we sat down to consider the period 2019/20, our thoughts were dominated by the emergence of the covid-19 virus. We were in lockdown and facing great uncertainty from the point of view not only of health but also from an economic and organisational viewpoint. At YMCA Norfolk, we had responded quickly with arrangements for remote working, selected furlough and prioritising the well-being of our young people, staff and volunteers.

One year on, we are able to publish our latest accounts, 2020/21, and to reflect on a year that has been every bit as challenging as we expected. I am delighted to say that in spite of the many challenges thrown our way, we are able to celebrate a year in which we have been able to continue in our mission to serve the young people of our county.

We are thrilled that we have been able to open our community hub on Aylsham Road in Norwich. We started trading in April 2021 and the response has been tremendous. Williams' Kitchen, Explorers soft play area and Muddy Puddles day care nursery are all operating successfully and there is a real buzz about the place. Aylsham Road also serves as our head office now.

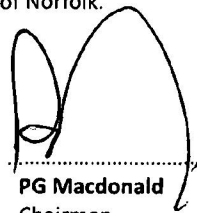
As we reached the end of this financial year, our CEO Tim Sweeting announced that he had been appointed Secretary to the Norwich Diocese and that he would be leaving YMCA Norfolk having served for twelve years. Tim has been a wonderful example of servant hearted leadership, has demonstrated integrity in all dealings and has been active on the national stage, being particularly influential as YMCA England and Wales has wrestled with a number of issues across the movement. Tim's faith has driven his

leadership and he has been a great example to the young people and staff.

I am delighted to report that we have appointed John Lee to lead the YMCA forward in this next season. His broad range of skills and passion to make a difference to the lives of young people shone through in an intensive selection process involving a national field of candidates. There are huge pressures on Norfolk's young people and families, and the YMCA is needed more than ever to support their wellbeing as we emerge from lockdown. With this key appointment, we are confident that we will be in a great position to make a difference at this critical time.

In closing I would like to pay tribute to our young people who have shown immense maturity and resilience in this most difficult of periods; I would like to say a huge thank you to all staff at YMCA Norfolk who have demonstrated unstinting determination to support and look after the young people in their care; I would like to thank my fellow Trustees for the way you have undertaken your role to ensure good governance of the organisation with additional meetings and personal involvement in a number of areas continuing to offer your experience and expertise freely and without hesitation; finally to all our supporters, thank you to you. We know we are not in this alone and for that we remain truly grateful.

We look to the future with continued hope and confidence as we seek to serve the young people of Norfolk.



PG Macdonald
Chairman

Aylsham Road
Norwich

CHIEF EXECUTIVE OFFICER'S ANNUAL REPORT

It is the responsibility of charities to step up when our communities face difficulty and we worked to adapt all of our services to maximise delivery through the period. Our 'products' are all based on people contact and so when restrictions came, we developed new ways of working, such as a youth work online platform, to continue to support young people at a time when they needed it most.

These changes inevitably brought financial impacts and, although the Coronavirus Job Retention Scheme and other schemes offered some support, swift action was required to control expenditure. I am immensely grateful to the staff who handled the additional requirements with less staff resource. As a result, we achieved a positive outturn for the year across the Group of £17k excluding contributions towards the establishment of Aylsham Road, Norwich, against a budgeted deficit.

This financial and operational achievement is all the greater considering the time and money invested in our new community hub on Aylsham Road in Norwich, which opened in April 2021. It was certainly not the easiest time to be completing a £2.1m building project, but it was successfully completed and the contractors handed over the site in January 2021, ready for the fit out to commence. This new endeavour, consisting of a day care nursery, soft play and café provides an opportunity to engage with 0-5s and their families in order to grow their potential in key areas, such as education and family stability, that can help to prevent homelessness later in life. This vital prevention will be delivered sustainably through a commercial offering that removes the reliance on public sector funding that is the major risk facing most charities. The local community and grant funders supported this vision to the tune of £1.838m, £1.544m in the year in question, including the donation of a building worth £0.55m, for which huge thanks go to the Lind Trust in particular.

Extensions to contracted services such as the On Track employability programme, Rapid Response emergency family support, as well as new funding from Nationwide for life coaching support for residents of our Umbrella family homes, meant that our services grew in scale and impact, as measured

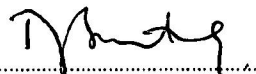
by our comprehensive outcomes-monitoring system, InForm.

Our E-Learning Service delivered another year of vital education and pastoral support to children who were not able to access mainstream education, cementing its position as provider of choice by supporting 84 of the 85 young people offered a Medical Needs service by Norfolk County Council.

We remain committed to empowering those we serve by providing opportunities to make informed decisions about who they want to be and what they want to do with their lives, as part of their holistic development in body, mind and spirit. To support this, our Chaplaincy service expanded this year giving more young people and families the opportunity to access pastoral and spiritual support.

This year will be long remembered for the impact of the pandemic. For YMCA Norfolk, we will remember the hard work and commitment of our staff and volunteers who continued to serve, at risk to themselves, so that we could continue to deliver supported housing and family support to those facing crisis and difficulty. We will remember the young people who overcame these additional challenges to thrive, achieving a university place, or being a fantastic neighbour. We are constantly surprised by the courage, resilience and potential of those we serve, and this year gave even more opportunities for us to see the very best of those who face some of the greatest challenges in our society.

As I come to the end of my 12 years' service to the Association, I continue to believe that YMCA Norfolk offers a unique contribution to the county as a Christian organisation that puts its faith into action to empower, inspire and give hope. I feel blessed to have worked with such incredible colleagues and trustees, and to have served amazing young people and families. I feel sure that the Association will continue to grow in impact, showing God's love in service of those who need us.



TJ Sweeting
Chief Executive Officer

**YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE DIRECTORS (INCORPORATING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2021**

The directors have pleasure in submitting their annual report and the audited financial statements for the year ended 31 March 2021. The financial year ran from 1 April 2020 to 31 March 2021; the previous financial year ran from 1 April 2019 to 31 March 2020.

Objectives and activities

YMCA is a Christian Federation which seeks to unite those who, regarding Jesus Christ as their God and Saviour according to the Holy Scriptures, desire to be His disciples in their faith and in their life, and to associate their efforts for the extension of His Kingdom.

It welcomes into its fellowship persons of other religious faiths and of none.

In accordance with its Christian values the YMCA stands for:

- A worldwide fellowship based on the equal value of all persons
- Respect and freedom for all, tolerance and understanding between people of different opinions
- Active concern for the needs of the community
- United effort by Christians of different traditions

As the expression of its Christian purposes the YMCA aims to:

- Provide a welcome to members for themselves, in a meeting place which is theirs to share, where friendships can be made and counsel sought
- Develop activities which stimulate and challenge members in an environment that enables them to take responsibility and find a sense of achievement
- Involve all members in care and work for others
- Create opportunities for exchanging views, so that members can improve their understanding of the world, of themselves and of one another

YMCA Norfolk Vision and Mission

YMCA Norfolk's vision is to be an inclusive Christian organisation, transforming communities across Norfolk so that young people truly belong, contribute and thrive. The mission of YMCA Norfolk is to transform young lives.

The vision and mission of the organisation are furthered by our staff and volunteers in line with our values which are to be: hope-filled, inspiring and empowering.

The YMCA Federation

Through its affiliation to YMCA England & Wales, YMCA Norfolk as an independent local charity is part of the YMCA Federation which was founded 177 years ago. The Federation is the largest and oldest youth charity in the world working in 120 countries reaching 64 million people worldwide. In England and Wales there are 101 YMCAs supporting people in housing and homelessness, sport, health, exercise and fitness, education and skills, and much more.

**YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE DIRECTORS (INCORPORATING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2021**

Reference and administrative details

The company is a registered charity and also a registered social housing provider within the meaning of the Housing and Regeneration Act 2008.

Charity registration number: 801606
Company registration number: 02067523
RSH Number: H3868
Registered office: Aylsham Road, Norwich, NR3 2HF

Our advisers

Auditors: Stephenson Smart & Co, 36 Tyndall Court, Commerce Road,
Lynch Wood, Peterborough, PE2 6LR

Bankers: Barclays Bank PLC, Whitefriars, Norwich, NR3 1RJ

Management and governance

The company is governed by a Memorandum and Articles of Association dated 27 October 1986 as amended by Special Resolution dated 29 January 2010. The association was formed in 1856.

Directors

The directors who have served during and since the year are as follows:

PG Macdonald (Chairman)
J Currey (Treasurer)
DH Bedford (retired 19 November 2020)
JD Bryant (retired 23 November 2020)
G Duffy (retired 10 September 2020)
JA Fosten
GJ Green
NL Ingham
RW Pennington
JS Rockliff
RA Scott
FJ Stuart

The Board of directors approved the co-option of F P Harmer as a trustee on 07 December 2020.

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (INCORPORATING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2021

The trustees act as directors of the company and are appointed by election from the membership by simple ballot at the AGM. They serve for a period of three years and then become eligible for re-election for two further periods of three years. The Treasurer and President of the Association are elected annually by simple majority of all the members present at the AGM. The Chairman of the Board is elected by the directors by simple majority at the first meeting of the Board after the AGM. The governance of the company is regulated by the Charity Commission and the Regulator of Social Housing. The Board of Directors ensures that its lay leadership is appropriately trained and qualified. During the year ended 31 March 2021 it delivered the implementation of its policies and strategic vision through the following sub-committees, each chaired by a trustee:

Audit and Remuneration Committee	J Currey
Finance and Resources Committee	J Currey
Performance and Monitoring Committee	RW Pennington

Principal officers

President:	General the Lord Dannatt GCB CBE MC DL
Chairman:	PG Macdonald
Treasurer:	J Currey

Key management personnel

Chief Executive Officer:	TJ Sweeting
--------------------------	-------------

Compliance with the Regulator of Social Housing Regulatory Standards

The Board of Directors have undertaken a review to ensure compliance with the Standards. No material breaches have been highlighted as a result of this review.

YMCA Norfolk has adopted the National Housing Federation Code of Governance 2015.

Director induction and training

On appointment a new director is provided with copies of relevant documents including the Articles of Association, Financial Regulations, YMCA Norfolk Board Members Handbook, a list of Policies, and the Charity Commission leaflet CC3 – (The Essential Trustee: What you need to know). Directors are encouraged to read guidance published by the YMCA Federation, the Regulator of Social Housing and the Charity Commission and to attend courses designed to keep them abreast of their duties and responsibilities.

In addition, the Board of YMCA Norfolk arranges, at least once a year, training sessions to deal with current issues of concern and strategic importance. Members are also encouraged to attend national YMCA gatherings in order to broaden their understanding of the national and international YMCA Federation.

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (INCORPORATING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2021

Public benefit

The directors confirm that, in exercising their powers and duties, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Significant activities undertaken during the year to further its charitable purposes for the public benefit were:

1. Housing assistance and support to 381 single people and single parent families who are otherwise homeless, provided in residential centres in Norwich, Great Yarmouth and King's Lynn as well as in dispersed locations across the county of Norfolk. This was provided in:
 - 141 units owned
 - 85 units managed (but not owned)
2. Personal development and positive activities for young vulnerable people, including:
 - An engagement programme to help young people grow their self-esteem, team working and resilience
 - A varied programme of life skills activities including independent living skills
 - Employability programmes including job clubs leading to young people securing employment or volunteering opportunities
 - Support to help young people engage in training and education
3. Families support, including:
 - Intensive support for 161 individual families in community settings
4. Development opportunities and support for young people:
 - Youth work undertaken in youth clubs with 934 young people
 - Youth projects and engagement work with 1484 young people
 - Mental health support and awareness raising in schools
 - Support for teachers and other professionals to support young people with mental health issues including delivery of Mental Health First Aid and Youth Mental Health First Aid training
 - Provision of the SOS bus for interactions with young people in the Kings Lynn night-time economy

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (INCORPORATING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2021

Value for Money statement 2020-21

The format of this statement reflects the publication in April 2018 by the Regulator of Social Housing (RSH) of a Value for Money Standard for registered providers. Performance against YMCA Norfolk value for money targets and those specified by the RSH is summarised below; comments on performance are provided in respect of those metrics which are most appropriate for YMCA Norfolk.

Metrics specified by the regulator:	2020-21 (Group)	2019-20 (Group)	2018-19	Sector 2019-20
1 Reinvestment % Investment in housing properties in the year as a percentage of the gross book value at the year end	0.8%	0.5%	1.8%	5.4%
2A New supply delivered (social housing units) The number of social housing units acquired or developed in the year as a proportion of total social housing units owned at the year end	Nil	Nil	Nil	7.3%
2B New supply delivered (non-social housing units)	Nil	Nil	Nil	Nil
3 Gearing % Net debt (loans - cash) as a percentage of the gross value of housing properties	-8.5%	-12.6%	-2.1%	9.5%
4 Earnings before interest, tax, depreciation, and amortisation (EBITDA, major repairs included) interest cover % The level of surplus generated compared to interest payable	3,885%	3,788%	1,874%	264%
5 Headline social housing cost per unit	£12,729	£13,214	£12,837	£15,134
6A Operating margin (social housing lettings only) %	2.3%	-4.7%	-2.2%	5.8%
6B Operating margin (overall) %	27.9%	7.3%	3.0%	3.3%
7 Return on capital employed %	11.1%	10.5%	1.2%	2.4%

Other YMCA Norfolk value for money targets: Target

8 Occupancy of owned and leased properties %	95.0%	92.2%	94.3%	94.4%	96.2%
9 EBITDA % The level of surplus generated as a percentage of turnover	10.0%	30.0%	9.6%	5.7%	4.3%

We seek to make a surplus in our work, to generate funds to reinvest in future services. The surplus for the year includes significant restricted non-housing capital grants.

**YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE DIRECTORS (INCORPORATING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2021**

Value for Money statement 2020-21 (continued)

Sector comparator figures have been derived from providers' Value for Money metrics for 2019-20 published by the RSH in May 2021, which included all registered providers with more than 1,000 properties. The comparator figures are calculated as weighted averages of the published consolidated metrics for the nine providers included where at least 70% of the units owned or managed were supported housing units.

We believe that we achieve added value through the range of services and activities that we provide. Many of the young people and families we support have complex needs including those affected by homelessness, family breakdown, domestic violence, isolation, disrupted education, offending and poor physical and mental health. Our services directly impact on their life chances. Although difficult to quantify, we are confident in claiming that our services also prevent or reduce the need for other interventions both short and long term with obvious benefits for individuals as well as the public purse.

Our business model is based on seeking to make a surplus in our work to reinvest in future services. As a charity, we also fundraise for projects that meet specific needs in our community. Unrestricted fundraised income is also targeted to add value to our existing work and to support costs that can be difficult to secure grant fundraising to cover. Overall, we are seeking a balance of funding that enables us to operate sustainably at scale and ensure that we can utilise economies of scale and complementary funding to offer our funders and customers even better value for money.

Fundraising

YMCA Norfolk follows the Institute of Fundraising's voluntary Code of Fundraising Practice. The Finance and Resources Committee monitors and oversees fundraising activity on behalf of the Board, and the in-house fundraising team reports to each meeting of the committee on all fundraising activities. Any proposals for new fundraising initiatives are considered by the committee and approved by the Board of trustees before implementation. YMCA Norfolk enlisted the services of external professional fundraisers in the year in respect of the capital development at Aylsham Road, Norwich.

Development and performance

YMCA Norfolk housed 381 young people over the course of the year. 176 young people moved out of our housing services; 78% of these moves occurred in a planned positive way. We work hard to minimise evictions and use restorative approaches to restore relationships but due to the chaotic behaviours of a proportion of our client group, there is a high risk of evictions. This last year there were 50 evictions across all services, this was due to significant breaches of occupancy agreements including severe rent arrears and violent behaviour.

Key performance data:

- Over 79,000 bedspace nights were offered across the year
- Occupancy averaged over 92% across our owned and leased properties
- 99% of rent due was collected.

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (INCORPORATING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2021

Development and performance (continued)

The Board has a strategic plan for 2019-22, *to deliver our mission to transform young lives*.

The plan consists of four main elements, set out below.

More mission work – to grow the numbers of young people and families who engage with our services.

- The number of young people we served through online interactions grew
- We have worked with young people in 73% of postcode areas over the course of the year

Build sustainably – to build strong foundations that enable longer term delivery of efficient and effective services.

- Our group surplus for the year was £1,361,000, which includes fundraised income. This represents 25.3% of turnover.
- We developed the E-Learning Service Ltd to grow mission delivery opportunities.
- We completed the refurbishment of a new Community Hub on Aylsham Road in Norwich, in preparation to deliver new services, provide further opportunities for mission delivery, and diversify our income streams.

Better client outcomes - to work towards the highest standards in all areas of our work.

- Of the young people leaving our housing services with sufficient data to measure their progress, 92% exhibited development growth as measured by the Outcomes Star measurement tool.
- 71 families saw a step down in intervention, as measured by Norfolk County Council Children's Services, as a result of our Families Team.

Better staff outcomes – to grow our distinctiveness as a Christian organisation and to be an employer of choice.

- In our annual staff survey, 99% of staff rated YMCA Norfolk as a good employer.
- We maintained our chaplaincy support for residents
- We delivered Mental Health First Aid training to 110 staff to equip them to better support each other and those we serve.

Contribution of volunteers

During the year the charity had over 60 volunteers donating their time and expertise. The directors acknowledge the valuable contribution made by all its volunteers. In addition to this the directors very much appreciate the monetary donations given by so many organisations, trusts and individuals.

**YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE DIRECTORS (INCORPORATING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2021**

Principal risks and uncertainties

The directors conduct a review of the company's activities on a quarterly basis including an assessment of the risks to which it is exposed. The assessment of risks encompasses a methodical appraisal of the likelihood of occurrence of each event and the significance of its potential impact. This assessment provides the direction for action to manage the risks identified in order to minimise or mitigate their impact. This approach is reinforced through regular formal methodical reviews including a stress testing exercise recommended by the Regulator of Social Housing. The most significant risks identified are:

- Our ability to continue to deliver vital services in the context of reductions in public sector funding for non-statutory work with children, young people and families.
- Increased reliance on short-term contracts.
- Safeguarding, considering the vulnerable children, young people and families with whom we work.
- Rent arrears open us up to the risk of not securing income we are owed for services delivered, and represent a risk of eviction for young people and families.

The directors have approved a strategy that seeks to manage risks and monitor relevant performance on a quarterly basis. Action to manage the risks includes:

- Diversifying our income sources and growing the proportion of non-public sector sources to better manage reductions in individual streams of income, particularly from the public sector.
- Working with commissioning authorities to maximise the opportunities for renewal of short-term contracts.
- Self-assessment of safeguarding and independent scrutiny of practice through the Norfolk Safeguarding Children Board s11 review, both on an annual basis. Update reports are provided to each directors' meeting.
- Establishing targets for each housing service for former and current tenant debt, and action plans for income recovery. Monitoring reports are provided to each governance committee meeting.

Directors' statement on internal controls

The directors acknowledge their ultimate responsibility for ensuring that the company has in place a system of controls that is appropriate to the various business environments in which it operates. These controls are designed to give reasonable assurance with respect to:

- the reliability of financial information used within the association or for publication;
- the maintenance of proper accounting records; and
- the safeguarding of assets against unauthorised use or disposition.

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (INCORPORATING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2021

Directors' statement on internal controls (continued)

It is the directors' responsibility to establish and maintain systems of internal controls. Such systems can only provide reasonable and not absolute assurance against material financial mis-statement or loss. Key elements include ensuring that:

- formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the association's assets;
- experienced and suitably qualified staff take responsibility for important business functions. Annual appraisal procedures exist to maintain standards of performance;
- forecasts and budgets are prepared which allow the Board and management to monitor the key business risks and financial objectives, and progress towards financial plans set for the year and the medium term; regular management accounts are prepared promptly providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate;
- all significant new initiatives, major commitment and investment projects are subject to formal authorisation procedures;
- the Finance and Resources Committee reviews reports from management and from the Finance Director to provide reasonable assurance that control procedures are in place and are being followed. The Finance and Resources Committee makes regular reports to the Board. In addition the Board reviews reports on risk assessment and management at every meeting.
- The Audit and Remuneration Committee is responsible for liaising with the external auditors and ensuring that significant findings and recommendations are received, discussed and acted upon by the directors.

Formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports.

In respect of the year ended 31 March 2021, no weaknesses were found in internal 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.

Financial review

The budget set for the year was for a deficit of £135,555, against which the charity achieved a surplus of £1,376,000 including grants and donations totalling £1,344,000 towards the establishment of the new Community Hub at Aylsham Road, Norwich. During the year the charity acquired a trading subsidiary, YMCA Norfolk (Services) Ltd on its incorporation date of 26 February 2021, which had not commenced trading by 31 March 2021. The results of Charity's other trading subsidiary, The E-Learning Service Ltd, are included in the group income statement, showing a group surplus for the year of £1,361,000.

**YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE DIRECTORS (INCORPORATING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2021**

Reserves policy

The directors seek to maintain free reserves in unrestricted funds at a range of between eight and twelve weeks' budgeted expenditure. The directors consider that this level will provide sufficient funds to respond to fluctuations in income levels and in the financial performance of the company, while enabling funds to be utilised for public benefit in accordance with its charitable objectives.

The directors seek to maintain reserves at around this level by setting and approving annual budgets consistent with the reserves policy and by monitoring financial performance against budget.

For this purpose free reserves are measured by net current assets, excluding any element represented by restricted reserves. This measure excludes funds tied up in tangible fixed assets and excludes the extent to which long-term liabilities, principally those resulting from the external funding of tangible fixed assets, fall due after more than one year.

At the time of approving the financial statements for the year ended 31 March 2021, the directors assessed that the target level of free reserves was between £675,000 (eight weeks) and £1,040,000 (twelve weeks) based on the expenditure budget approved for 2021-22. Free reserves on the basis described above amounted to £1,138,000 at 31 March 2021, and therefore exceeded the targeted range. It is expected that free reserves will be within the target range by 31 March 2022.

Investment policy

YMCA Norfolk will seek to maximise income from its investments within approved levels of risk whilst at the same time maintaining cash required for current expenditure. For this purpose investments includes cash balances.

Charitable giving

The company made no donations during the year.

Maintenance and repairs

Maintenance and repairs consists mainly of:

- day-to-day repairs; and
- planned maintenance - internal decorations, cyclical maintenance and major repairs.

Major repairs are funded through revenue on a planned cyclical basis.

**YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE DIRECTORS (INCORPORATING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2021**

Directors' responsibilities for the financial statements

The directors are responsible for preparing this report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the surplus or deficit for that period. In preparing those financial statements, the directors are required to:

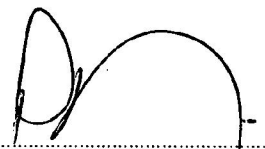
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement on disclosure of information to the auditors

So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware. Each director has taken all the steps that they ought to have taken in their duty as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD



PG Macdonald
Chairman

Aylsham Road
Norwich

Date:

20 September 2021

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YMCA NORFOLK

Opinion

We have audited the financial statements of YMCA Norfolk (the 'parent company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Cash Flow Statement and the 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 group's and of the parent company's affairs as at 31 March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The board is responsible for the other information. The other information comprises the information included in the report of the directors and strategic 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.

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YMCA NORFOLK

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 report of the directors (incorporating the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the report of the directors (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 group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the report of the directors (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 by the parent company or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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

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

Responsibilities of the board

As explained more fully in the board's responsibilities statement set out on page 13, the board members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board is responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board either intends to liquidate the group or the parent company or to cease operations, or has no realistic alternative but to do so.

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YMCA NORFOLK

Auditor's responsibilities for the audit of the financial statements

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

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

- In addressing the risk of fraud through the use of management override of controls, testing the appropriateness of journal entries and other adjustments;
- Assessing whether the judgements made in accounting estimates are indicative of a potential bias;
- Evaluating the rationale of any significant transactions that are unusual or outside the normal course of business;
- Analytical procedures are performed as well as substantive testing to identify any potential misstatement due to fraud; and
- The audit procedures would also involve being aware of any such items from reviewing minutes and third party communications and reports and discussions held with staff and management to obtain an understanding.

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 company'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 company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Kerry Hilliard ACA FCCA CTA (Senior Statutory Auditor)
For and on behalf of Stephenson Smart & Co
Statutory Auditor
36 Tyndall Court
Commerce Road
Lynchwood
Peterborough
PE2 6LR

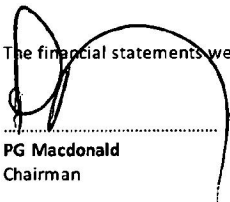
Date: 23/9/2021

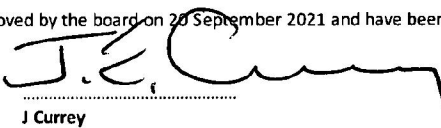
YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021

	<i>Notes</i>	Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
Turnover	2, 4	5,369,751	4,616,449	5,158,483	4,314,994
Gain on disposal of housing property		–	786,361	–	786,361
Other operating income		123,639	–	123,639	–
Operating expenditure	2	(4,031,574)	(4,289,511)	(3,805,016)	(3,981,990)
Operating surplus	5	1,461,816	1,113,298	1,477,106	1,119,364
Interest receivable	6	2,165	5,260	2,161	5,236
Interest and financing costs	7	(14,364)	(11,740)	(14,364)	(11,740)
Surplus for the year		1,449,617	1,106,818	1,464,903	1,112,860
Net gain/(loss) in respect of pension schemes		(89,065)	–	(89,065)	–
Total comprehensive income for the year		1,360,552	1,106,818	1,375,838	1,112,860

The financial statements were approved by the board on 20 September 2021 and have been signed by:


 PG Macdonald
 Chairman


 J Currey
 Treasurer

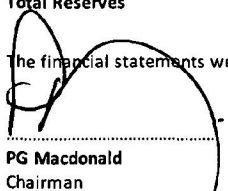
The group's results relate wholly to continuing operations. The notes on pages 21 to 36 form an integral part of the financial statements.

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Notes	Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
Fixed Assets					
Tangible fixed assets	11, 14	11,617,935	9,452,841	11,617,935	9,452,841
Investments	15	1	1	245,853	245,753
Goodwill	16	105,185	140,246	-	-
		11,723,121	9,593,088	11,863,788	9,698,594
Current Assets					
Stock		7,541	8,247	6,598	6,372
Trade and other debtors	17	336,457	547,516	306,735	403,338
Cash and cash equivalents		1,924,316	1,348,023	1,810,351	1,327,732
		2,268,314	1,903,786	2,123,684	1,737,442
Creditors:					
Amounts falling due within one year	18	(861,315)	(853,095)	(836,023)	(786,214)
Net Current Assets		1,406,999	1,050,691	1,287,661	951,228
Total assets less current liabilities		13,130,120	10,643,779	13,151,449	10,649,821
Creditors:					
Amounts falling due after one year	19	(7,093,699)	(5,967,910)	(7,093,699)	(5,967,909)
Total net assets		6,036,421	4,675,869	6,057,750	4,681,912
Reserves					
Income and expenditure reserve		5,886,421	4,510,817	5,907,750	4,516,860
Restricted reserves		150,000	165,052	150,000	165,052
Total Reserves		6,036,421	4,675,869	6,057,750	4,681,912

The financial statements were approved by the board on 20 September 2021 and have been signed by:


PG Macdonald
Chairman


J Currey
Treasurer

The notes on pages 21 to 36 form an integral part of the financial statements.

Company Registration No. 02067523 (England and Wales)
Charity Registration No. 801606
RSH No. H3868

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

STATEMENTS OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31 MARCH 2021

	Income and expenditure reserve £	Restricted reserve £	Total £
GROUP			
Balance at 31 March 2019	3,419,052	150,000	3,569,052
Total comprehensive income for the year	812,967	293,850	1,106,817
Release of restricted capital funds spent in the year	278,798	(278,798)	-
Balance at 31 March 2020	4,510,817	165,052	4,675,869
Total comprehensive income for the year	16,241	1,344,311	1,360,552
Release of restricted capital funds spent in the year	1,359,363	(1,359,363)	-
Balance at 31 March 2021	5,886,421	150,000	6,036,421
CHARITY			
Balance at 31 March 2019	3,419,052	150,000	3,569,052
Total comprehensive income for the year	819,010	293,850	1,112,860
Release of restricted capital funds spent in the year	278,798	(278,798)	-
Balance at 31 March 2020	4,516,860	165,052	4,681,912
Total comprehensive income for the year	31,527	1,344,311	1,375,838
Release of restricted capital funds spent in the year	1,359,363	(1,359,363)	-
Balance at 31 March 2021	5,907,750	150,000	6,057,750

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

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

	2021 £	2020 £
Net cash (consumed in) / generated from operating activities (as below)	1,444,770	638,227
Cash flow from investing activities		
Proceeds of disposal of tangible fixed assets	–	865,720
Purchase of tangible fixed assets	(1,853,433)	(330,714)
Purchase of subsidiary (net of cash acquired)	–	(116,444)
Interest received	2,165	5,260
Cash flow from financing activities		
Loans advanced	994,000	–
Interest paid	(7,888)	(7,259)
Repayment of borrowings	(3,321)	(713)
Net change in cash and cash equivalents	576,293	1,054,077
Cash and cash equivalents at beginning of the year	1,348,023	293,946
Cash and cash equivalents at end of the year	1,924,316	1,348,023
 Net cash flow generated from operating activities is calculated as:		
Operating surplus for the year	1,461,816	1,113,298
Adjustment for non-cash items:		
Depreciation of tangible fixed assets	201,174	199,700
Amortisation of goodwill	35,061	35,061
Deferral of capital grants	200,000	–
Release of deferred capital grants	(89,211)	(87,223)
Donation in kind	(550,000)	–
Adjustment to pension liability on change of discount rate	6,588	(10,362)
(Increase) / decrease in stocks	707	(1,467)
(Increase) / decrease in trade and other debtors	211,059	16,510
Increase / (decrease) in trade and other creditors	(69,916)	151,048
Net (gain) / loss on disposal of tangible fixed assets	37,492	(778,339)
Net cash generated from operating activities	1,444,770	638,227

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

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

1. PRINCIPAL ACCOUNTING POLICIES

1.1 Legal status

YMCA Norfolk is incorporated in England under the Companies Act 2006, is registered with the Regulator of Social Housing as a private registered provider of social housing and is a registered charity. The registered office is Aylsham Road, Norwich NR3 2HF.

1.2 Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 and the Statement of Recommended Practice for registered housing providers: Housing SORP 2018. As a public benefit entity, the charity has applied the public benefit entity 'PBE' prefixed paragraphs of FRS 102.

The financial statements comply with the Companies Act 2006, the Housing Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing 2019. The accounts are prepared on the historical cost basis of accounting and are presented in sterling £.

1.3 Going concern

The financial statements have been prepared on a going concern basis which assumes that the group will continue in operational existence for the foreseeable future. The board have considered a period of at least 12 months from the date of approval of these financial statements and have raised no significant concerns. *On this basis the board consider it appropriate that the accounts are prepared on a going concern basis.*

The group has not suffered significant negative financial impact as a result of COVID-19 to date. There has been some disruption to project work and support services, however, core services have remained in operation throughout the pandemic. The group has received a number of COVID-19 related support grants and has obtained further support from the government in the form of the Coronavirus Job Retention Scheme enabling some of its project work to be deferred to a future date.

The new premises at Aylsham Road, Norwich, which were originally due to complete in September 2020, reached practical completion in January 2021 after a delay to construction largely caused by restrictions and other impacts of the pandemic. New facilities to be provided at the site comprise a café, a pre-school (day care) nursery and a children's soft play. Expectations surrounding the projected financial performance of these operations were reassessed and substantially revised in view of both the short-term effects and the potentially longer-lasting effects of COVID-19 on these industries. Following this exercise, the operations are still expected to be surplus-generative following an initial period of deficits as the operations commence and gradually build to mature trading levels.

As part of the going concern assessment and conclusion, the continuing effects of COVID-19 have been considered more generally, together with mitigating actions that may be required in the event of a further period of lockdown or government restrictions. The group has a two-year cash flow forecast, in addition to a twenty-year business model for the new operations at Aylsham Road, which shows that it is able to support its ongoing operations and service its loan facilities. At 31 March 2021 there were significant available cash balances to support the group going forward.

On this basis, the board has a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the report and financial statements are signed. The Board therefore continues to adopt the going concern basis in the financial statements.

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

1. PRINCIPAL ACCOUNTING POLICIES (continued)

1.4 Basis of consolidation

The consolidated financial statements include YMCA Norfolk and its subsidiary undertakings, details of which are given in note 15. Intra-group transactions and balances are eliminated on consolidation. The acquisition method of accounting has been adopted for the subsidiary undertaking.

1.5 Significant judgements and estimates

The preparation of financial statements requires judgement in the process of applying the accounting policies and the use of accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

The following key estimates and judgements apply:

a) Useful lives of depreciable assets

Management reviews the estimated useful lives of depreciable assets at each reporting date. Uncertainties in these estimates may relate to the impact of technological change and/or to changes in government regulation that may require components of property to be replaced more frequently.

b) Apportionment of operating expenditure

The group is required to allocate its expenditure between social housing activities and activities other than social housing. There is a degree of judgement that must be applied in determining the basis of apportionment for indirect costs, which may change over time and is reviewed and applied annually.

1.6 Turnover

Turnover represents rents receivable, contract income, grants, sales, donations and other fundraised income.

1.7 Revenue Recognition

Rental income is recognised in turnover over the periods for which each property is let, net of voids.

Government grants relating to revenue are recognised in turnover over the same period as the expenditure to which they relate, once reasonable assurance has been gained that the performance conditions will be met. Government grants relating to capital are recognised in accordance with note 1.11 below.

Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the association is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as deferred income.

Donations are recognised in turnover when received or receivable.

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

1. PRINCIPAL ACCOUNTING POLICIES (continued)

1.8 Housing properties

Housing properties are initially measured at cost and are subsequently measured at cost less depreciation and any impairment. Freehold land is not depreciated. Other major components of housing properties are identified and treated as separable assets and are depreciated on a straight line basis over their expected economic useful lives at the following rates:

Property structure	100 years	Lifts	20 years
Kitchens	15 years	Roofs	70 years
Bathrooms	20 years	Windows	30 years
Central heating system	15 years		

1.9 Other tangible fixed assets and depreciation

Other tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on a reducing balance basis as follows:

Furniture and equipment	20% reducing balance
Motor vehicles	25% reducing balance

1.10 Investment in subsidiary undertakings

YMCA Norfolk acquired the entire issued capital of The E-Learning Service Ltd on 13 May 2019 as a part of its strategic plan to increase its presence in education. This subsidiary undertaking makes qualifying donations under Gift Aid to the parent charity which reduce the extent to which its profits would be taxable. The investment in the subsidiary undertaking is stated in the charity's own balance sheet at cost less impairment and is eliminated on consolidation. Goodwill arising on the acquisition is calculated using the purchase method and is amortised over five years.

The charity acquired the entire issued capital of YMCA Norfolk (Services) Ltd on its incorporation on 26 February 2021. At the reporting date, this subsidiary undertaking had not commenced trading.

1.11 Government capital grants

Where the capital cost of a development has been financed wholly or partly by social housing (SHG) or other government grant funding, the amount of the grant received or receivable is initially treated as deferred income and recognised as a liability in the balance sheet. The grant is then recognised in turnover over a period based on the useful life of the structure and other major components of the related property using the accruals model. The unamortised grant is included in liabilities as deferred income.

SHG must be recycled under certain conditions by the charity, if the property is sold, or if another relevant event takes place. In these cases, the SHG may have to be repaid if certain conditions are not met. If the grant is not required to be recycled or repaid, any unamortised grant is recognised as turnover. In certain circumstances, SHG may be repayable and in that event is a subordinated unsecured repayable debt. To the extent that SHG is expected to be recycled by the charity, amounts are disclosed in a designated Recycled Capital Grant Fund (RCGF).

1.12 Taxation

YMCA Norfolk is a registered charity and qualifies for relief from corporation tax under Sections 466 to 493 of the Corporation Tax Act 2010. Consequently no liability to taxation arises. Irrecoverable Value Added Tax is included within operating expenditure.

1.13 Apportionment of support costs

In the analysis of social housing turnover and costs (note 2), operating expenditure attributed to social housing activities consists of direct costs and a share of support costs, being general management staff costs, general overheads and non-housing asset depreciation. Support costs are apportioned in proportion to the direct costs of the revenue-generating activities.

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

1. PRINCIPAL ACCOUNTING POLICIES (continued)

1.14 Operating leases

Rentals applicable to operating leases where subsequently all the benefits and risks of ownership remain with the lessor are charged to the statement of comprehensive income.

1.15 Stock

Stock is valued at the lower of cost and net realisable value.

1.16 Pension schemes

YMCA Norfolk 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. The plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to YMCA Norfolk, therefore the scheme is accounted for as a defined contribution scheme. As described in note 23 YMCA Norfolk has a contractual obligation to make pension deficit recovery payments over the period to April 2029, accordingly this is shown as a liability in these accounts. In addition, YMCA Norfolk is required to contribute to the operating expenses of the Pension Plan and these costs are charged to the statement of comprehensive income.

The group also operates a number of defined contribution schemes and an auto enrolment scheme for the benefit of its employees. Contributions are charged to the statement of comprehensive income as they are paid.

1.17 Financial instruments

The group only has financial instruments which meet the criteria of a basic financial instrument as defined by section 11 of FRS 102. Short term debtors are measured at transaction price less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any impairment. Short term creditors are measured at the transactions price, other financial liabilities including bank loans are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

1.18 Impairment

Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the statement of comprehensive income. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. A cash generating unit is normally an individual property whose cash income can be separately identified.

Following a trigger for impairment, the group performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from sales transactions in an arm's length transaction on similar cash generating units (properties) or observable market prices less incremental costs for disposing of the properties.

The value in use calculation is based on either a depreciated replacement cost or a discounted cashflow model. The depreciated replacement cost is based on available data of the cost of constructing or acquiring replacement properties to provide the same level of service potential to the group as the existing property.

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

1. PRINCIPAL ACCOUNTING POLICIES (continued)

1.19 Reserves

The balance on the income and expenditure account reserve represents the accumulated surplus including surpluses on the sale of properties. The reserve may be utilised entirely at the discretion of the group's officers. It is intended that the charity's general reserves will be utilised to extend the charitable purposes of YMCA Norfolk in support of its work with young people.

The restricted reserve at 31 March 2020 was for a capital grant recognised in the year ended 31 March 2019 to be spent on the purchase of housing accommodation as determined by the Trustees. At 31 March 2021 this grant remained unspent. In the years ended 31 March 2020 and 31 March 2021, grants and donations were received towards the establishment of the Community Hub at Aylsham Road, Norwich, which had been fully expended by 31 March 2021.

1.20 Donated Land

Land and donated assets from non-government sources are recognised as income. Initial recognition is measured at fair value at the time of the donation.

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

2. SOCIAL HOUSING TURNOVER AND COSTS

Social housing income generated by accommodation and other housing support	Group and Charity	
	2021 £	2020 £
Rent receivable excluding voids	2,053,667	1,995,397
Accommodation charges re supported lodgings	173,157	218,203
Revenue grants	404,127	453,554
Release of deferred grant income (see note 21)	89,211	87,223
Other housing income	185,290	154,178
Total housing income before interest receivable	2,905,452	2,908,555

	Regulated Social Housing £	Non- Regulated £	2021 £	2020 £
GROUP				
Turnover	2,905,452	2,464,299	5,369,751	4,616,449
Gain on disposal of housing property	-	-	-	786,361
Other operating income	-	123,639	123,639	-
Operating expenditure	(2,876,848)	(1,154,726)	(4,031,574)	(4,289,511)
Operating surplus / (deficit)	28,604	1,433,212	1,461,816	1,113,298
Interest and investment income	-	2,165	2,165	5,260
Interest payable	(8,577)	(5,787)	(14,364)	(11,740)
Surplus / (deficit) for the year	20,027	1,429,590	1,449,617	1,106,818
Rent losses from voids			173,809	120,871
CHARITY				
Turnover	2,905,452	2,253,031	5,158,483	4,314,994
Gain on disposal of housing property	-	-	-	786,361
Other operating income	-	123,639	123,639	-
Operating expenditure	(2,876,848)	(928,168)	(3,805,016)	(3,981,990)
Operating surplus / (deficit)	28,604	1,448,502	1,477,106	1,119,364
Interest and investment income	-	2,161	2,161	5,236
Interest payable	(8,577)	(5,787)	(14,364)	(11,740)
Surplus / (deficit) for the year	20,027	1,444,876	1,464,903	1,112,860
Rent losses from voids			173,809	120,871

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

3. ACCOMMODATION IN MANAGEMENT

The stock of social housing accommodation owned and managed by YMCA Norfolk as a Registered Social Landlord at the beginning and end of the year was as follows:

		2021 Number	2020 Number
Supported housing and lodgings:	Owned and managed	141	141
	Managed but not owned	85	90
		226	231

4. NON-REGULATED GRANT INCOME

	Group and Charity 2021 £	2020 £
Turnover includes the following grants partly funding specific activities:		
Youth Investment Fund, for Youth-West Partnership	173,772	154,762
Big Lottery Fund and European Social Fund, for On Track	101,808	91,560
West Norfolk Clinical Commissioning Group, for SOS Bus	16,296	37,476
Active Norfolk, for various youth activities	17,250	31,823
Norfolk Museums Service, for Kick the Dust	22,918	22,649
Oak Grove Community Church, for youth clubs	5,500	16,001
Homeless Link	45,354	-
Norwich City Council Grant, for Stepping Stones café	15,343	-
Norwich City Council Grant, for Pathways bedspace accommodation	20,000	-
Anguish's Educational Foundation, for Life Ready Norwich	24,709	-
National Lottery Community Covid-19, for On Line Delivery	10,000	-
The Coronavirus Job Retention Scheme (CIRS)	123,639	-
Broadland YAB, for Wellbeing project	-	11,000
Capital grants for the establishment of YMCA Aylsham Road, Norwich:		
The Lind Trust - Jubilee Centre (donation in kind)	550,000	-
The Lind Trust - contributions to the redevelopment	500,000	-
The Bernard Sunley Foundation	30,000	-
The Clothworkers Foundation	100,000	-
Anguish's Educational Foundation	15,000	-
The Norwich Freeman's Charity	90,000	-
Anne French Grant	2,000	-
All Churches Trust Ltd	25,000	-
Norfolk County Council	2,311	-
Lord Cozens Hardy Trust	5,000	-
The Paul Bassham Charitable Trust	25,000	25,000
Garfield Weston Foundation	-	100,000
The Geoffrey Watling Charity	-	40,000
Norwich Consolidated Charities	-	50,000
Beatrice Laing Trust	-	50,000

In addition to those listed in turnover, a grant amounting to £200,000 was received within the year from Norfolk County Council towards the establishment of YMCA Aylsham Road. This grant features within Deferred Grant Income.

Grants recognised in the year were credited to separate restricted funds, and were fully spent by the year end.

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

5. OPERATING SURPLUS	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
The operating surplus is stated after charging / (crediting):				
Depreciation on housing properties	141,810	139,839	141,810	139,839
Depreciation on other tangible fixed assets	59,364	59,861	59,364	59,861
(Gain) / loss on disposals of tangible fixed assets	37,492	(778,339)	37,492	(778,339)
Operating lease agreements	138,554	156,019	138,554	156,019
Rent losses from bad debts	21,996	46,181	21,996	46,181
Other bad debts	901	–	–	–
Auditor's remuneration (including irrecoverable VAT):				
audit fees	10,562	10,362	8,244	8,112
non-audit fees	201	490	–	–
6. INTEREST RECEIVABLE AND OTHER INCOME			Group and Charity	
			2021	2020
			£	£
Interest receivable from deposits			2,162	5,236
7. INTEREST PAYABLE AND FINANCING COSTS				
On loans wholly or partly repayable in more than five years			7,650	7,259
Interest on liability for pension deficit recovery payments (note 23)			6,714	4,481
			14,364	11,740

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

8. KEY MANAGEMENT PERSONNEL

Key management personnel are defined as board members, the charity's Chief Executive Officer (CEO) and any other person who is a member of the senior management team.

The remuneration paid to the CEO is set out below:

	Group and Charity	
	2021	2020
	£	£
CEO gross salary	58,243	57,231
CEO benefits-in-kind	1,116	5,604
CEO employer pension contributions	6,437	6,329
Total	65,796	69,164

The aggregate remuneration for the four (2019-20: four) key management personnel (including the CEO) charged in the year was:

Gross salaries	172,501	160,936
Pension contributions	17,253	17,032

The gross salaries and pension contributions reported above reflect salary sacrifice arrangements under which, in common with other employees, key management personnel have sacrificed amounts of pay in return for additional employer pension contributions.

The Audit and Remuneration Committee leads the consideration of the pay and remuneration of key personnel taking due regard of internal salary bands, benchmarking with other YMCAs nationally and other charitable organisations. The Audit and Remuneration Committee makes recommendations for the Board of Trustees to review on an annual basis.

The CEO is the only employee paid in excess of £60,000.

No remuneration was paid to Trustees.

9. EMPLOYEE COSTS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Wages and salaries	1,915,796	1,940,097	1,867,989	1,910,254
Social security costs	146,995	143,956	142,494	141,769
Pension costs: current employees	155,317	187,029	150,506	146,044
	2,218,108	2,271,082	2,160,989	2,198,067
The average number of employees expressed as full time equivalents (based on 37.5 hours per week) was	78	81	76	80
The average number of full and part time persons employed was	102	106	100	105

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

10. TAXATION

YMCA Norfolk is a registered charity and only applies its funds in accordance with its charitable objectives, therefore corporation tax is not chargeable.

11. TANGIBLE FIXED ASSETS - HOUSING PROPERTIES

Social housing properties held for letting:

	Group and Charity	
	Freehold Property	Total
	£	£
Cost		
As at 31 March 2020	10,103,467	10,103,467
Additions	81,122	81,122
Disposals	(41,137)	(41,137)
As at 31 March 2021	10,143,452	10,143,452
Depreciation		
As at 31 March 2020	1,180,489	1,180,489
Charge for the year	141,810	141,810
Eliminated on disposals	(6,405)	(6,405)
As at 31 March 2021	1,315,894	1,315,894
Net Book Value		
As at 31 March 2021	8,827,558	8,827,558
As at 31 March 2020	8,922,978	8,922,978
	Group and Charity	
	2021	2020
	£	£
The net book value of housing properties pledged as security for loan liabilities (see note 19) outstanding at the year end was:	3,569,422	243,976

12. SOCIAL HOUSING GRANTS

Total accumulated social housing grant received or receivable at 31 March:	6,454,581	6,454,581
Recognised in statement of comprehensive income	821,413	732,202
Held as deferred income	5,434,280	5,523,491
Held as Recycled Capital Grant	198,888	198,888
	6,454,581	6,454,581

13. EXPENDITURE ON WORKS TO EXISTING HOUSING PROPERTIES

	2021	2020
	£	£
Amounts capitalised	81,122	52,027
Amounts charged to income and expenditure	163,757	167,265
	244,879	219,292

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

14. TANGIBLE FIXED ASSETS - OTHER

	Freehold Property in construction £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
As at 31 March 2020	278,798	649,710	68,145	996,653
Additions	2,072,271	250,367	–	2,322,638
Disposals	–	(30,592)	–	(30,592)
As at 31 March 2021	2,351,069	869,485	68,145	3,288,699
Depreciation				
As at 31 March 2020	–	435,637	31,153	466,790
Charge for the year	–	50,117	9,247	59,364
Eliminated on disposals	–	(27,832)	–	(27,832)
As at 31 March 2021	–	457,922	40,400	498,322
Net Book Value				
As at 31 March 2021	2,351,069	411,563	27,745	2,790,377
As at 31 March 2020	278,798	214,073	36,992	529,863

15. INVESTMENTS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Investment in subsidiary undertakings at cost	–	–	245,852	245,752
Other unlisted investment - Norwich Housing Society Ltd	1	1	1	1
Total	1	1	245,853	245,753

YMCA Norfolk acquired 100% of the issued share capital of The E-Learning Service Ltd, a company incorporated in England and Wales, on 13 May 2019. Consideration of £245,752 was payable by the charity. At 31 March 2021, following a review for impairment, the carrying value of the investment remained unchanged at £245,752.

YMCA Norfolk acquired 100% of the issued share capital of YMCA Norfolk (Services) Ltd, a company incorporated in England and Wales, on its incorporation date of 26 February 2021. At 31 March 2021, this subsidiary undertaking had not commenced trading. Consideration of £100 was payable by the charity, representing the nominal value of the subsidiary undertaking's share capital.

16. GOODWILL

	Group	
	2021	2020
	£	£
As at 31 March 2020	140,246	–
Cost: acquisition in the year	–	175,307
Amortisation: charge for the year	(35,061)	(35,061)
Net book value	105,185	140,246

The goodwill arising from the acquisition of The E-Learning Service Ltd is attributable to the acquired customer base and the reputation of the service provided. Management have estimated the useful life of goodwill to be 5 years from the date of acquisition. A review for impairment at 31 March 2021 did not reveal a need to reflect adjustments to the carrying value of goodwill after application of the amortisation charge for the year.

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

17. DEBTORS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Rent and service charges receivable	167,984	185,075	167,984	185,075
Less: Bad debt provision	(57,517)	(73,595)	(57,517)	(73,595)
Revenue grants receivable	121,113	191,692	121,113	191,692
E-Learning trade debtors	34,862	147,723	–	–
Balances due from subsidiary undertaking	–	–	6,449	11,415
Prepaid expenditure	61,674	74,218	61,674	73,365
Other debtors	8,341	22,403	7,032	15,386
	336,457	547,516	306,735	403,338

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade creditors	121,553	172,506	110,047	149,968
Rent and service charges received in advance	80,323	65,519	80,323	65,519
Taxation and social security	18,159	81,827	6,791	40,974
Other creditors	6,803	4,551	6,903	4,551
YMCA pension plan deficit contributions (note 20)	42,508	41,167	42,508	41,167
Accruals and deferred income	468,730	399,769	466,212	396,279
Current portion of housing loan	585	533	585	533
Current portion of bank loan	35,934	–	35,934	–
Deferred grant income (note 21)	86,720	87,223	86,720	87,223
	861,315	853,095	836,023	786,214

19. CREDITORS: AMOUNTS FALLING AFTER MORE THAN ONE YEAR

	Group and Charity	
YMCA pension plan deficit contributions (note 20)	316,634	257,245
Housing loan to be repaid within five years	2,968	2,705
Housing loan to be repaid after five years	71,978	72,803
Bank loan to be repaid within five years	169,351	–
Bank loan to be repaid after five years	786,320	–
Deferred grant income (note 21)	5,547,560	5,436,268
Recycled Capital Grant Fund (note 22)	198,888	198,888
	7,093,699	5,967,909

The housing loan included in creditors at 31 March 2021 is repayable by instalments, the last instalment falling due in 2050. Interest is payable at a fixed rate of 9.5% and the loan is secured by fixed charges on individual properties (see note 11).

The bank loan included in creditors at 31 March 2021 is repayable by instalments, the last instalment falling due in 2040. Interest is payable at a fixed rate of 2.96% and the loan is secured by fixed charges on individual properties (see note 11).

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

20. PENSION LIABILITY

	Group and Charity	
	2021	2020
	£	£
Opening balance	298,412	344,718
Contributions payable in the year	(41,638)	(40,425)
Adjustment on change in discount rate	6,588	(10,362)
Adjustment following triennial valuation May 2020	89,065	–
Interest on liability	6,714	4,481
	359,142	298,412

Future deficit recovery payments to the YMCA Pension Plan (see note 23) have been discounted at an annual rate of 1.75% (2020: 2.25%) to calculate the liability at the balance sheet date.

	Within one year £	One to two years £	Two to five years £	After five years £	Total £
As at 31 March 2021	42,508	43,062	132,384	141,188	359,142
As at 31 March 2020	41,167	41,507	126,357	89,381	298,412

21. DEFERRED GRANT INCOME

	Group and Charity	
	2021	2020
	£	£
As at 31 March 2020	5,523,491	5,809,602
Grant transferred to YMCA Norfolk in the year	200,000	–
Grant released on disposal of property	–	(198,888)
Recognised in statement of comprehensive income	(89,211)	(87,223)
As at 31 March 2021	5,634,280	5,523,491
Amounts to be recognised within one year	86,720	87,223
Amounts to be recognised in more than one year	5,547,560	5,436,268
	5,634,280	5,523,491

Comparative information has been reclassified to separately disclose the Recycled Capital Grant Fund.

22. RECYCLED CAPITAL GRANT FUND

	£
As at 31 March 2020	198,888
New grants to be recycled	–
Grants recycled in the year	–
As at 31 March 2021	198,888

The balance on the Recycled Capital Grant Fund relates exclusively to the sale of a housing property on 03 May 2019.

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

23. PENSION COSTS

YMCA Pension Plan

YMCA Norfolk participated in a contributory pension plan providing defined benefits based on final pensionable pay for employees of YMCAs in England, Scotland and Wales. The plan was closed to new members and future service accrual with effect from 30 April 2007. With the removal of the salary linkage for benefits, all employed members became deferred members as from 1 May 2011.

The assets of the YMCA Pension Plan are held separately from those of the charity and at the year end these were invested in the Mercer Dynamic De-risking Solution and Schroder (property units only).

The plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to YMCA Norfolk.

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%, 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 £146.1 million. This represented 79% of the benefits that had accrued to members.

The valuation prepared as at 1 May 2020 showed that the YMCA Pension Plan had a deficit of £36 million. The plan's trustees have determined a recovery plan to pay off this shortfall over the eight years commencing 1 May 2021. YMCA Norfolk has been advised that its monthly deficit recovery contributions will increase by 3% annually. The monthly deficit recovery contribution payable in March 2021 was £3,478, increasing to £3,583 from May 2021. These amounts are 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.

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

Other schemes

YMCA Norfolk also operates three defined contribution schemes, the assets of which are held separately from those of the charity. The charge for the year to the income and expenditure account in relation to these schemes was £155,317 (2020: £147,029). Contribution rates were in the following ranges:

Minimum employee contributions	3%
Employer contributions	Between 5% and 5.5%

24. SHARE CAPITAL

YMCA Norfolk is limited by guarantee and therefore has no share capital. Each member (see numbers below) or person ceasing to be a member within one year of the company being wound up undertakes to contribute to the assets of the company. This contribution must not exceed £1 per member.

	2021 Number	2020 Number
At beginning of the year	29	26
New members during the year	–	4
Leavers during the year	(1)	(1)
At end of the year	28	29

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

25. OPERATING LEASES

The future minimum operating lease payments to which YMCA Norfolk is committed are as follows:

Land and buildings:	2021 £	2020 £
Leases with non-cancellable periods expiring within one year	60,702	56,142
Leases with non-cancellable periods expiring between one and two years	–	67,458
Leases with non-cancellable periods expiring between two and five years	37,565	22,440
	98,267	146,040

Commitments are stated based on the non-cancellable period for which the lessee has contracted to lease the asset together with any further terms for which the lessee has the option to continue to lease the asset, with or without further payment, when at the inception of the lease it is reasonably certain that the lessee will exercise the option. At the year-end there were no leases with non-cancellable periods over five years.

26. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.

27. CHANGES IN NET DEBT

	As at 31 March 2020 £	Cash flows £	Other non-cash movements £	As at 31 March 2021 £
Cash	1,348,023	576,293	-	1,924,316
Loans due within one year	(713)	(35,806)	-	(36,519)
Loans due after one year	(76,041)	(954,576)	-	(1,030,617)
	1,271,269	(414,089)	-	857,180

28. POST BALANCE SHEET EVENT

On 12 April 2021, the charity commenced new trading operations at YMCA Aylsham Road, Norwich as part of its strategic plan to increase the charity's presence in and offering to the local community, and to increase its presence in early-years preventative work. These operations consist of Muddy Puddles (pre-school) nursery, Williams Kitchen café, Explorers softplay, and the provision of multi-use spaces for hire.

YMCA NORFOLK
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

29. ASSOCIATED UNDERTAKINGS

YMCA Norfolk has two associated undertakings:

The charity's board of directors, represented by the chairman, act as managing trustee for the Josiah Vavasour YMCA Fund, a separately registered charity (number 250526), the income of which may be applied in furthering the charitable work with young people in the Norfolk area. The fund is held in trust until 2034.

YMCA Norfolk is also managing trustee for The Norwich Lads' Club, a separately registered charity (number 304031) that has different objectives. The main objective is the general benefit of young people under the age of 25 in the Norwich area.

A brief summary of the associated undertakings' results for the year and financial position at 31 March 2021 is provided below:

	2021	2020	2021	2020
	Surplus for the year	(Deficit) for the year	Capital and reserves	
	£	£	£	£
Josiah Vavasour YMCA Fund	6,942	(5,369)	41,009	34,067
The Norwich Lads' Club	29,026	(22,989)	171,630	142,604

30. FINANCIAL INSTRUMENTS

The group's financial instruments may be analysed as follows:

	2021	2020
	£	£
Financial assets:		
Financial assets measured at amortised cost	2,069,645	1,607,226
Financial liabilities:		
Financial liabilities measured at amortised cost	1,269,012	238,558

Financial assets measured at amortised cost comprise cash at bank and in hand and trade debtors.

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade creditors and rent received in advance.