

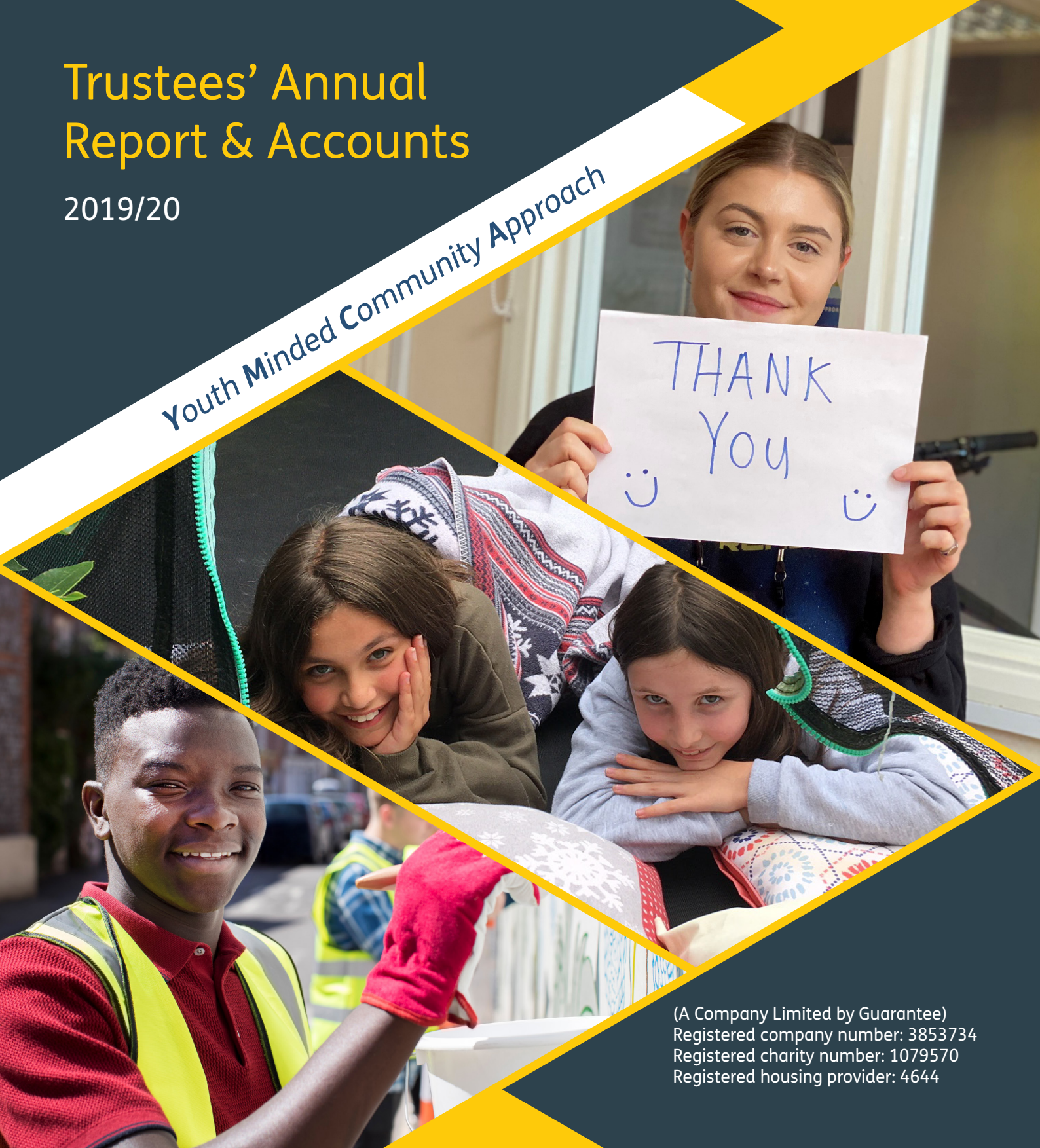


YMCA
DOWNSLINK GROUP

Trustees' Annual Report & Accounts

2019/20

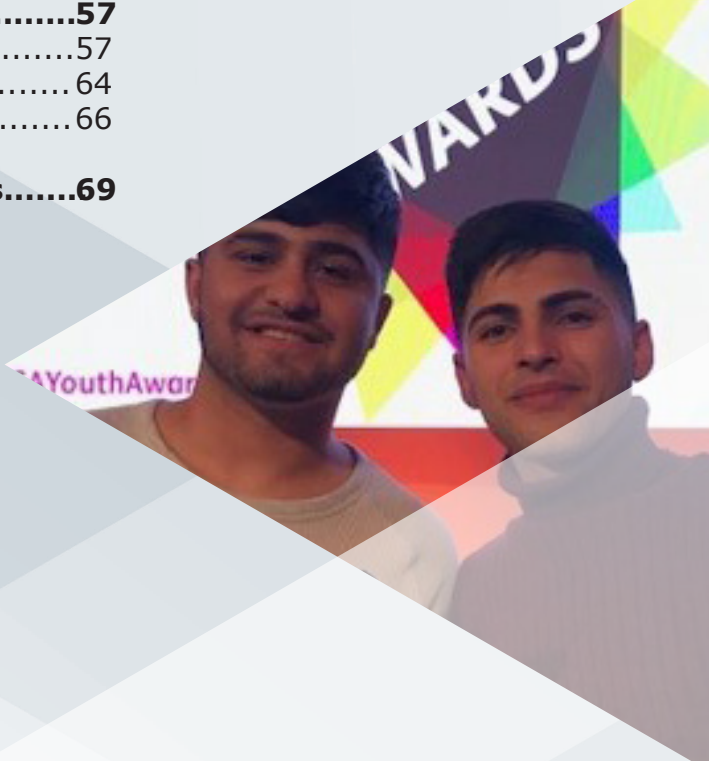
Youth Minded Community Approach



(A Company Limited by Guarantee)
Registered company number: 3853734
Registered charity number: 1079570
Registered housing provider: 4644

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SECTION A: Introduction



John Slater
Chair of YMCA
DownsLink Group

Welcome from the Chair

2020 has been another productive year for YMCA DownsLink Group. With our aim to provide safe and welcoming accommodation for our residents, we have again extended and grown our accommodation services. Brighton and Hove has a significant number of homeless people so I am particularly proud that we have been able to take over a hostel and night shelter based in St. Patrick's Church, Hove, that would have otherwise closed. I am grateful to those who are partnering with us on this project – Local churches' night shelter project, Riverside Housing Association, the City Council, St Mungo's and to Willmott Dixon who refurbished the accommodation at their own cost. We are also investing in a new 47 room Foyer in Hastings which is scheduled to open next year. It is also good to see that we have been able to put our new Foyer in Guildford to good use in accommodating unaccompanied asylum seeker children.

The wellbeing and mental health of children and young people is also a key focus for our attention, and we have worked hard again this year to further develop the work of YMCA Dialogue in responding to the increasing need for mental health support amongst children and young people. We are particularly excited by the launch of our new e-wellbeing digital offer to young people.

In a time of austerity and public sector funding cuts we are pleased to report that for the fourth year in succession we have grown our income increasing by £2 million this year to £15.1 million. Our cash resources are in a healthy position supported by a loan from Charity Bank with £1 million still to be drawn down to support future development programmes which are in the pipeline. We have recorded a small deficit which takes into account our declared intent to invest in our services, particularly our More Than A Room programme, our safeguarding, new housing projects and our fundraising capability. During the year we have put in place a new fundraising team and a new fundraising strategy which is already showing results.

Our people are central to all we do. During the year we said farewell to Pete Brayne who has been a long-serving and committed member of our organisation. He served as Company Secretary since our formation in 2014 and prior to that as Chief Executive of Guildford YMCA. We greatly appreciate all he has given to our YMCA over many years. We welcomed Kirsty Bunning as Pete's successor in the Company Secretary role. We welcomed Dr. Celia Lesquerre as our new head of Clinical Development. We are also pleased to welcome new trustees Mike Gercke, Andrew Taylor, Michael Chawatama and Fran Beckett who will succeed me as Chair later in the year.

2020 has presented us with a unique set of circumstances as we have faced the challenge of the COVID – 19 pandemic. This has produced both challenges and opportunities. We have transferred as much of our services as we can on-line; a number of our staff have been on furlough; our head office staff have had to adjust to working remotely; we had to cancel our Sleep Easy event which is normally our major fundraiser of the year and we had to temporarily close our Guildford Bridge Street facility as students in residence retreated to their homes at the height of the COVID- 19 crisis. We have, however, seen an increasing demand for our accommodation and services. I would like to applaud our staff and volunteers who adjusted rapidly and brilliantly to the changing circumstances and particularly those who committed themselves to work on the front line looking after our young people. As a result, we have had very few instances of people suffering symptoms of the virus.

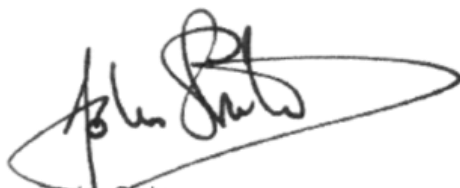
2020 sees the conclusion of our “2020 Vision” strategy which we began back in 2016. This strategy, which has driven what we have done over the past four years, has clearly directed our energies towards our mission of supporting young people to *belong, contribute and thrive in their local communities*. It has also produced much improved efficiencies and quality in our work allowing us to significantly enhance the value for money invested in our organisation. Embracing all this has been our vision to be an organisation which *welcomes all, supports and inspires*.

We have achieved much of what we set out in our strategic plan and we are now a very different and stronger organisation from the one we established in 2014, to bring our unique YMCA offering to communities of young people across Sussex and Surrey. For the coming year we now look to pursue a new strategy entitled “Safer, Smarter, Stronger” as we come to terms with the many uncertainties generated by the COVID - 19 pandemic.

2020 marks my last year as your Chair. As I look to retire from the Board in October, I look back over 10 years involved with this YMCA in its present and previous forms with a real sense of pride and privilege to be part of an organisation which:

- ▶ makes such a positive difference in the lives of so many young people in Sussex and Surrey
- ▶ lives out its Christian heritage and through the power of love looks to welcome all whatever their creed, colour, background or beliefs
- ▶ is full of amazing people who are passionate about wanting the best for those they support

My thanks to my colleagues and everyone involved – staff, volunteers, supporters and partners – working with us to inspire so many young lives.

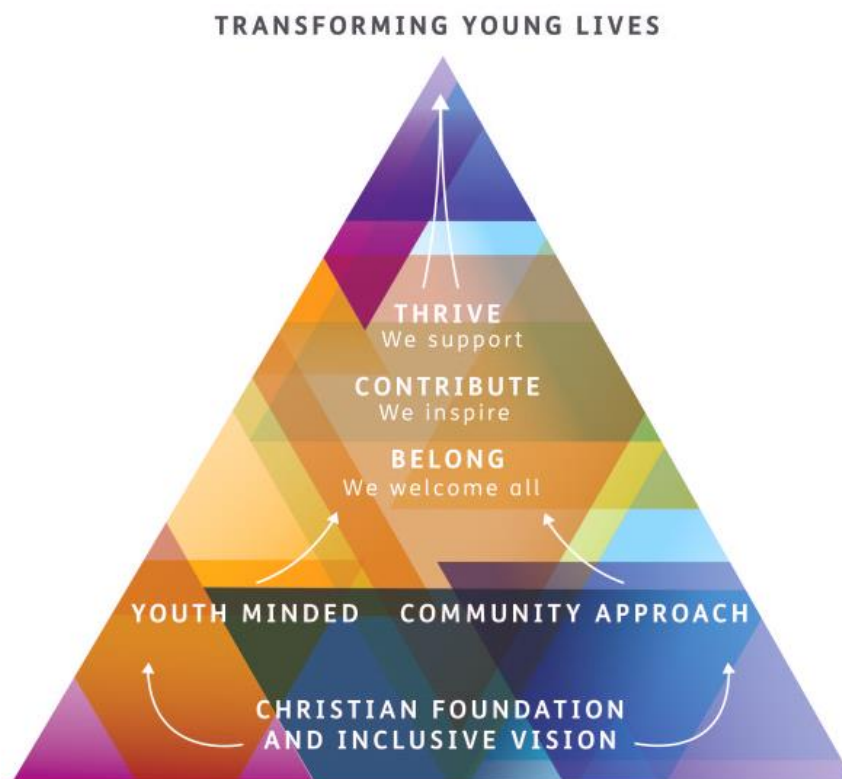


John Slater
Chairman

Introduction to YMCA DownsLink Group

Our vision and values

The vision triangle below frames the vision and values of the YMCA Movement, and includes our local organisational values that drive the work of YMCA DownsLink Group (YMCA DLG).



YMCA DownsLink Group organisational structure

The 2020 Vision to be a *youth minded community approach* organisation led to restructuring of the way we work, with a stronger focus on the local communities we work in. We established the local YMCA branch structure that better identifies with individual communities we work in across Sussex and Surrey. Our local YMCAs are supported by a wide range of housing and charitable services and programmes that bring our vision to life.

Where we work



Our projects



YMCA ACCOMMODATION



YMCA DIALOGUE
Counselling and therapeutic support for children, young people and families



YMCA POSITIVE PLACEMENTS
Supporting young people in their journey towards education, employment or training



YMCA YAC
Advice and support for young people aged 13-25



YMCA WiSE PROJECT
Supporting children and young people to stay safe in their relationships



YMCA CHAPLAINCY
Providing a non-judgemental space to discuss, explore, listen and support



YMCA MORE THAN A ROOM
Housing, support and groupwork, enabling young people to live independently and achieve their work and learning goals



YMCA SOCIAL ENTERPRISE SERVICES
Grounds maintenance, landscape gardening, painting & decorating and handyman



YMCA RIGHT HERE
Young people promoting health and wellbeing through education, campaigning and influencing



YMCA SAFE SPACE
Support and first aid for people intoxicated, distressed or injured during a night out

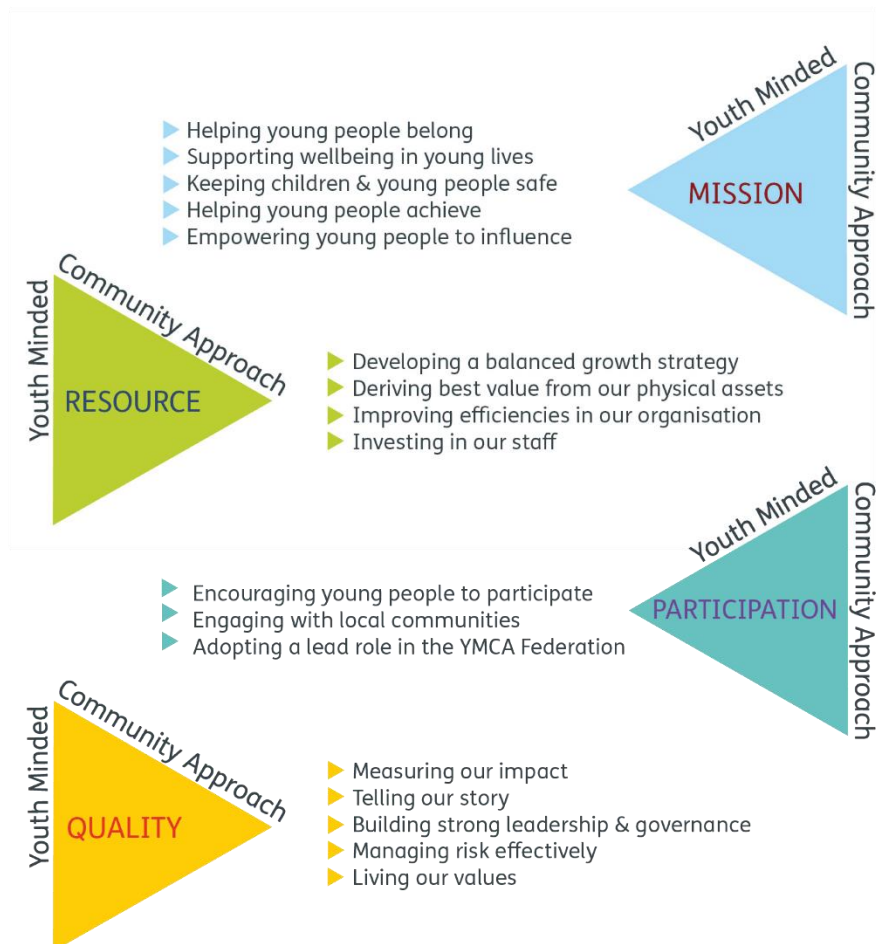


SECTION B: Our 2020 Vision achievements

Our 2020 Vision *youth minded community approach*

At the end of our financial year in March 2020 we completed the 2020 Vision strategic plan that we launched back in April 2016. The aim of the 2020 Vision was to ensure YMCA DLG reflected the national YMCA Vision of *all young people belonging, contributing & thriving in their local communities*. This vision is captured in the YMCA mission statement **youth minded community approach**, which is a modern adaptation of the initials YMCA and we adopted as the title for our 2020 Vision.

Our 2020 Vision had four overarching themes and 18 objectives. You can access the full strategy document here [2020 Vision YMCA DLG](#)



For this year's annual trustees report we wanted to capture the achievements of the 2020 Vision, alongside our annual achievements and impact for 2019-20.

MISSION

MISSION

2020 Vision achievements- helping young people belong

Providing young people with a safe place to live

Our accommodation services are focused on young people on the margins of society, who experience issues of homelessness, family breakdown, unemployment and challenges accessing training and education. These experiences often leave them feeling disenfranchised, that they don't belong anywhere.

The aim of our 2020 vision was to create local YMCA branches, across Sussex & Surrey where young people had a safe place to live, felt valued and from where they could put down positive roots in their local communities.

Our key 2020 Vision achievements:

- ▶ we have developed work in East Sussex through three new local YMCA branches - YMCA Hastings, YMCA Eastbourne and YMCA Hailsham
- ▶ we have increased the number of accommodation units we can offer young people from 550 to 763 and over the four years of the 2020 Vision provided housing & support to 1,652 different young people
- ▶ we rebranded and launched our student housing and community café offer at The Bridge in Guildford

1,652
young people
provided with
housing &
support



- ▶ we have undertaken two major refurbishment and extension projects at YMCA Crawley and YMCA Guildford
- ▶ we increased the number of young people who can move on to independence from our accommodation services. Over the four years of our 2020 Vision 1,305 (79%) of YMCA DLG young residents have moved on positively into their local communities



YMCA Guildford Foyer

- we launched chaplaincy services in 2016

YMCA Chaplaincy



Over the 4 years we have had 85 volunteer chaplains supporting young people in YMCA DLG housing projects, and supporting staff too. On average each chaplain helps for about 2 years.

We currently have chaplains of Christian, Jewish, Buddhist and Humanist faith/beliefs.

We have had 4,880 attendances by young people at our chaplaincy groups, which usually consist of a shared meal prepared by the volunteers. Chaplaincy started out at just one location, Horsham Y Centre, but over the strategy's life time it has expanded to reach into all our areas, with weekly chaplaincy sessions (mostly meals) at seven projects: Horsham Y Centre, Worthing Foyer, Crawley Foyer, Eastbourne Foyer, McKendrick House (Eastbourne), Gareth Stacey House (Brighton) and Lansworth House (Hove).

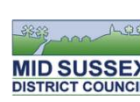
Although we deliver chaplaincy through a team of volunteers, we now have 3 paid chaplain roles, who work hard to support and co-ordinate the chaplaincy offer in the different areas. We started the strategy with just one Lead Chaplain.

Residents regularly provide positive feedback and find it an important way to feel valued, supported and enjoy food together. We have found chaplaincy to be an excellent way for residents to feel like they belong.

"The chaplains are amazing, friendly, and lovely and make me feel so welcome"

"There is something about sitting down for a meal which I really like – it is like a family aspect – I know I haven't really had that and it's nice...I like the whole thing... preparing the food, cooking, eating.... The family aspect makes me feel more relaxed "

We would like to take the opportunity to recognise the important partnership relationships with our local District, Borough and County Council partners and how these support the work of our local YMCAs and our shared aim of providing homeless young people with safe and good quality accommodation and services.



MISSION

Our 2020 Vision achievements- supporting wellbeing in young lives

Over the past four years the increasing prevalence of mental health problems in children and young people has never been far from the front pages of our media with the issues attracting support from some of the highest profile individuals in our society. We were really pleased when the Duke of Sussex chose to visit the YMCA and find out about the important work we deliver in this area.



Duke of Sussex meets YMCA Right Here Co-ordinator in 2018-19

In our 2020 Vision, we prioritised investment into supporting wellbeing in young lives, through YMCA Dialogue, our specialist wellbeing service focused on positive mental health in children, young people and families.



YMCA DIALOGUE

Counselling and therapeutic support for children, young people and families

Our key 2020 Vision achievements:

16,518
children, young
people and families
accessed YMCA
Dialogue counselling

- we have developed partnerships with over 60 schools across Sussex providing counselling therapeutic support

- ▶ working in partnership with Clinical Commissioning Groups, Local Authorities and Sussex Partnership Foundation Trust we have delivered the Brighton all ages wellbeing community wellbeing services and the West Sussex children & young people's wellbeing service
- ▶ we launched our new digital wellbeing application E-wellbeing. This online resource for young people promotes access to high quality wellbeing information and services; it was developed with partner NHS organisations to make sure that it met the highest clinical practice and safeguarding standards <https://e-wellbeing.co.uk/>



- ▶ we have recruited a Head of Clinical Services, to support high standards of clinical practice and to further develop our psychologically informed service provision

YMCA Dialogue is a partnership service and we would like to take this opportunity to recognise and thank the stakeholders and partners who support our work. A special thanks to Sussex Partnership NHS Foundation Trust and their support in the development of YMCA Dialogue.

"We have been delighted to continue to build on our partnership with YMCA. Bringing together our collective skills and knowledge has demonstrated what can be achieved in providing support for children and young people. I very much look forward to growing our partnership working together."

Sam Allen, CEO Sussex Partnership NHS Foundation Trust

Our partners:



MISSION

2020 Vision achievements- keeping children and young people safe

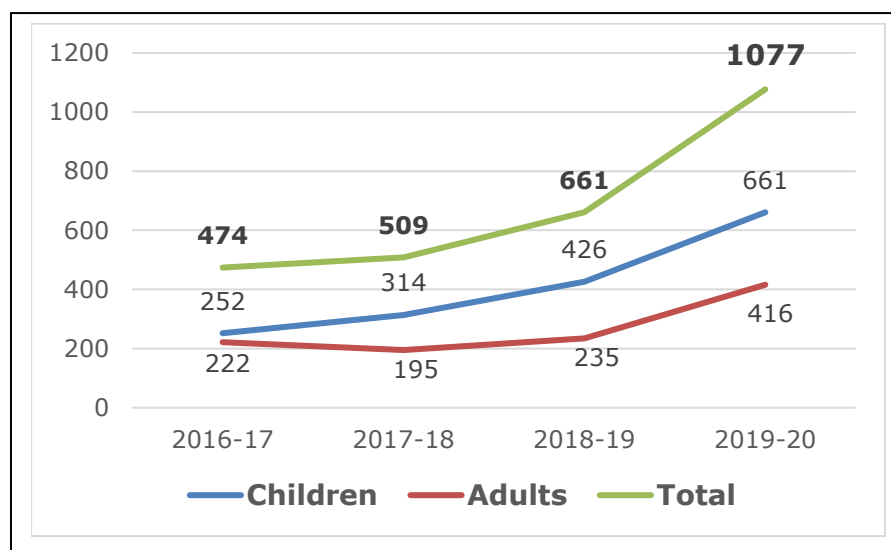
Keeping children and young people safe has been a central theme in our 2020 Vision, reflecting the growing national issue of ensuring that our children and young people can grow up safely in our society.

In developing our work to *keep children & young people safe* we focused on:

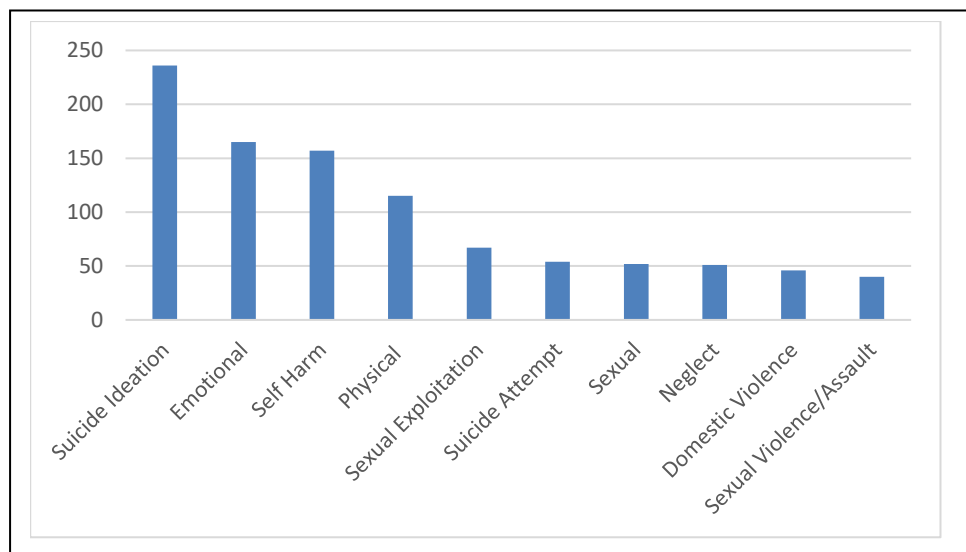
- ▶ our internal safeguarding services
- ▶ our external youth work programmes

Our Internal Safeguarding Services

The graph below shows the increasing level of safeguarding alerts YMCA DLG is managing, reflecting the growth in our services and reductions in public funding leading to the biggest reduction in a generation to public services. This has left the charitable sector to fill in ever increasing gaps in provision of services to the most vulnerable in our communities. We have seen both an increase in the numbers of people using our services, but also increasing levels of need they present with



The table below shows the type of safeguarding incidents the organisation is managing; data is taken from the first six months in 2019-20 and demonstrates the complex emotional wellbeing issues that children and young people at YMCA DLG are facing as well as other safeguarding issues that are presenting such as physical abuse and neglect.



In meeting our 2020 Vision objective of keeping children & young people safe and in responding to an increasing prevalence and complexity of safeguarding we have invested £32,000 a year in an internal safeguarding team who provide:

- ▶ organisational safeguarding oversight
- ▶ staff safeguarding learning and development

Our External Youth Work Programmes



YMCA YAC

Advice and support for young people aged 13-25



YMCA WISE PROJECT

Supporting children and young people to stay safe in their relationships



YMCA SAFE SPACE

Support and first aid for people intoxicated, distressed or injured during a night out



A recent national [YMCA report on youth services](#) highlighted the amount of public funding that has been withdrawn in real terms from supporting youth work in this country; in 2010/11 £1.36 billion was spent across England but by 2018/19 this figure was down to £398 million . This equates to a 71% reduction in funding since 2010.



YMCA DLGs 2020 Vision supported investment in extending our youth work programmes to help fill the void being left by the cuts to public funding. We have established four targeted youth work programmes - YMCA YAC (advice services), YMCA WiSE (child sexual exploitation prevention), YMCA Safe Space (supporting people in Brighton and Hove who are vulnerable due to injury or intoxication during the night time economy) and Reboot (crime prevention):

Last year we achieved the following:

£1.5 million
invested in our
youth work
programmes with
the support of
our partners

4,598
children and
young people
reached

- ▶ extended our YMCA Youth Advice Centres; establishing new centres in Worthing, Crawley and Eastbourne
- ▶ maintained the national accredited Matrix quality standard for YAC advice services, which is a quality standard we have held for over 15 years
- ▶ saved the public purse £0.5 million through YMCA Safe Space alone, through preventing ambulance or paramedic call outs



Please click [here](#) for a short film on the YMCA YAC in Brighton and Hove



REBOOT is partnership project commissioned by the Sussex & Surrey Police Commissioner. YMCA DLG is the lead partner working with a number of community sector partners to deliver a five stage early intervention programme aiming to reduce the risks of young people being either the victim or suspect of serious violence in the future, by intervening in those early 'teachable' moments.

This non-criminal pathway takes a strengths-based approach and aims to provide a consistent approach across Sussex for diverting young people away from crime, focusing on the positive aspects of young people's lives as opposed to the negatives.

The aim is to build young people's self-confidence, skills and resilience and encourage them to engage positively with society, help them to build positive and trusted relationships with adults who are there to support them and encourage them to engage in positive activities. This reduces their risk of abuse, exploitation and involvement in violence.

Our youth work is based on important partnership and stakeholder relationships. We were pleased to partner with some other amazing youth work charities. We were also pleased to work with key stakeholders in Sussex who invested in our services - Brighton and Hove City Council, West Sussex County Council and Sussex & Surrey Police Crime Commissioner.



2020 Vision achievements- Helping young people achieve

We identified that young people in our supported housing had some of the poorest achievement outcomes. They also had very low expectations of themselves and lacked important support networks to encourage them in their journey into adult life.



**YMCA MORE
THAN A ROOM**

Housing, support and groupwork, enabling young people to live independently and achieve their work and learning goals

In response to this, in 2017 we launched our own supported housing achievement programme called **More Than a Room (MTAR)**. Its aim is to support

better life, education and employment outcomes for young people living in our supported housing.

Over the four years of the 2020 Vision we have made MTAR available to all young people living in all our local YMCA branches. This investment (currently running at £215,00 per annum) has enabled us to:

- ▶ expand YMCA Positive Placements mentoring schemes to all the areas in which we work
- ▶ recruit four new Skills Advisors so all residents now have access to skilled staff who can help them assess their education, training and employment options
- ▶ set up our charitable life change fund to support individual residents through hardship and invest in their futures. Over the four years we have invested £39,350 through the life change fund



97
individual
young people
supported

Our More Than a Room programme has contributed to:

843
young people
accessing
education,
training &
employment

136
young people
gaining accredited
learning
results through
our inhouse
programmes, many
more achieving
non-accredited
programmes

400
young people
accessing
mentoring
support through
YMCA Positive
Placements

56
different group
programmes we
ran for young
people

6,849
individual spaces
attended by young
people





YMCA POSITIVE PLACEMENTS

Supporting young people in their journey towards education, employment or training

This mentoring scheme involves experienced and trained volunteers working with young people to improve their confidence, build life skills and write CVs in order to move on to education, training or employment.

Over the four years, the project has managed and trained 103 mentors to support 400 young people through the mentor programme. Young people achieved the following outcomes through the programme:

16
young people
completed
apprenticeships

36
went into
volunteer work

76
were successful
in gaining
employment (part
time or full time)

48
went into
education
or training
opportunities



Ashley's story, YMCA Positive Placements Mentee



"I have lived in YMCA DLG housing for three years. When the mentoring started I had a zero hours contract with a local cinema but was unwell and unable to work shifts.

My mentor's help and support have been life changing. It has given me the tools to continue working towards my dream job and goals. She has mentored me for a year and has helped me with getting me to where I am now, helping me to persevere when times get too tough for me to want to try anymore.

At the beginning, I was shy about the mentoring and meeting new people. Now, I can comfortably sit down and have long chats about anything really. My mentor has helped me to build my CV up and to have more confidence in myself. She always took an interest in anything I said.

She understood how bad my anxiety and depression was and always said to try and that there's always a next time. She never forced me to do anything I don't want to do. I have done lots of things though that I wouldn't normally have done – online gaming course and got a certificate, applied for education funding, started going back to work, entered a photography competition, fixed my CV, started attending more sessions at Parkour [free running].

When I was anxious about a 'return to work' interview she helped me by encouraging me to give it a try and explained what it was all about, what they would talk to me about and that the purpose was to help me be able to work without getting poorly again. This made a real difference.

I recently had the confidence to go along to a training session for new Positive Placements volunteer mentors and was able to talk about my experience of being mentored – it was really nice to know that the trainee mentors said it was the highlight of the day! "

We would like to take the opportunity to thank the many donors who have supported our More Than a Room programme:

*The Blagrove Trust
Nationwide
Chichester Mission Fund
Guildford Poyle
Fonthill Foundation
Goodnews Evangelical Mission
London Learning Consortium (ESF)
Skills Training UK (ESF)
B&CE Charitable Trust
YMCA Training
Sussex Community Foundation
The Groundwork South Trust Ltd
David Colegrave Foundation
Community Foundation for Surrey
Diocese of Chichester
Horsham District Council
Mid Sussex District Council
Surrey Educational Trust
Police Crime Commission
Ernest Kleinworth*

2020 Vision achievements- empowering young people to participate & influence



George Williams, founder
of the YMCA

YMCA is the oldest and largest youth Movement in the world. One of the inspirational elements of our founding story is that George Williams was 22 years of age when he founded the YMCA in London in 1844.

As part of our 2020 Vision we wanted to amplify the work of the YMCA movement to promote the voice of young people across societies and communities around the world. Our contribution to this work is our YMCA Right Here programme which is a young people led influencing and campaigning programme with a focus on young people's health and wellbeing.



YMCA RIGHT HERE

Young people participating, campaigning
& influencing to promote health & wellbeing

The YMCA Right Here team has delivered a number of campaigns, supported several key organisational projects and involved itself in national and international YMCA events:

- ▶ #IAMWHOLE mental health campaign launched in 2016 with a global reach of over 121 million people



- ▶ YMCA England and Wales Health and Wellbeing Conference in 2016, where YMCA Right Here delivered workshops on health promotion in schools

- ▶ YMCA 175 international conference in 2019 where YMCA Right Here led two workshops on engaging and involving young people



- ▶ Psychological Professions Network Conference in November 2019
- ▶ Shape My Future, research commissioned earlier this year to explore amongst our young people, their thoughts and concerns about their future prospects



Click [here](#) to watch a short film that captures the *Shape my Future* research project

We would like to take this opportunity to thank our partners and funders who have supported our YMCA Right Here programme over the past four years:

Paul Hamlyn Foundation
Comic Relief
Brighton & Hove City Council
Brighton & Hove CCG
West Sussex County Council
West Sussex CCG
Jagex
Healthwatch Brighton & Hove
The Met College Brighton
YMCA England & Wales
BHASVIC
The Blagrove Trust
The Mental Health Foundation

Floss' story, YMCA Right Here volunteer



Floss, YMCA Right
Here

"I started volunteering for YMCA Right Here in June 2016, having just finished school and my GCSEs. YMCA Right Here gave me the opportunity to develop my knowledge on young people's mental health within the city of Brighton and Hove and on a national level; it allowed me to develop skills and experience in workshop facilitation (on topics like exam stress, social media and help-seeking), public speaking in schools, at external events like at a Sussex Police conference and on national platforms like the BBC, campaign designing and developing such as the [#IAMWHOLE](#) Campaign, digital resource designing, producing resources for parents and carers, carrying out vital research and finally training GPs and other health professionals on young people's mental health.

I thoroughly enjoyed my time at YMCA Right Here and am forever grateful for all the wonderful opportunities I had access to at such a young age which I believe I could not have gained anywhere else! As well as gaining invaluable experience, I enjoyed meeting and working with lots of new people, attended fabulous training events, and even won YMCA's National Youth Matters Award, Young Campaigner of the Year 2017. "

Floss successfully went on to complete a degree and is currently employed as Vice Principal at the Pauline Quirke Academy.

PARTICIPATION



2020 Vision achievements- *engaging with local communities*

There is a famous African saying 'that it takes a village to raise a child'. For many of the young people we house and support they have had difficult experiences in their local communities contributing to a sense of disenfranchisement. Key to our 2020 Vision was greater involvement of our local communities in their local YMCAs.

Volunteering

To support our aim of engaging with local communities, over the four years of the 2020 Vision we have been able to invest £178,000 in supporting volunteer programmes:

- ▶ YMCA Positive Placements – a mentoring programme which pairs an experienced mentor with a young person to help them achieve their goals around employment and education
- ▶ YMCA Chaplaincy – volunteer chaplains cook a meal and eat with residents offering listening support and fun activities
- ▶ YMCA Right Here – youth ambassadors volunteer to campaign and raise awareness on wellbeing related issues that matter to young people
- ▶ YMCA YIACs – volunteer advisors support the advice drop-ins at our Youth Advice Centres
- ▶ YMCA Dialogue – volunteer counsellors offer therapeutic support in community settings
- ▶ St Patricks Partnership – volunteers support the night shelter which opens to people who are experiencing homelessness

In our 2020 Vision we forecast an increase in volunteers from 150 to 225. By the end of last financial year these programmes have supported 243 active volunteers which is a 62% increase from 2016.

A volunteer's story: Paula

"After completing numerous on-line searches for voluntary work in my area I registered with a UK-wide voluntary platform which passed my details on to YMCA Positive Placements. I always wanted to get involved in doing something that would make a difference, rather than just giving only my time to charity, and YMCA Positive Placements offered that. During the training sessions I realised how important this work is and the real difference it makes to young lives. ... within a month I was paired with a mentee, 'Amy' and we met and communicated regularly. As time went by she began to take the reins. She started a six-week training programme in youth mental health but dropped out after a few days. The course had upset Amy. She was finding it hard to cope with the behaviour issues that confronted her. We discussed various other options, went on-line to research apprenticeships and, after discussion, Amy enrolled on another six-week training course about care of the elderly.

This was much better for Amy and she completed the course with a lot of enthusiasm and was offered a permanent placement.

During this period too, Amy and I discussed other ways of reaching independent goals and booked driving lessons. She passed her test, boosting her self-confidence as well as enabling her to travel to and from work on her own.

Our time together lasted just over five months. During this time the biggest thing for me was the support I received from my YMCA Positive Placements coordinator as well as the monthly mentor peer support sessions. Here we could discuss various issues we were experiencing, with ideas and solutions then shared. After my mentor/mentee relationship concluded, I still attended the mentor monthly sessions as they keep me 'in the moment' and we receive valuable insight in the services offered for the young people as well as various presentations on different issues the young people face. This develops our understanding and the best ways to overcome obstacles that often seem like mountains to our young people.

I've since gone on to mentor a second young person for a year and helped him overcome a range of hurdles to gain employment!

I'm delighted I found my way into YMCA Positive Placements."



YMCA DLG volunteers are supported by an accredited training programme and we have held celebration events each June to mark National Volunteers' Week. We have calculated the financial value of the volunteer input over the life of the 2020 Vision and it is estimated to be £846,450 - a staggering 113,626 hours of volunteering.



Volunteers' Week Celebration Event
2017



YMCA Positive Placements volunteers

YMCA DLG volunteers have consistently fed back through the annual surveys that they are happy and satisfied with their experiences at YMCA DLG:

"It's great to be part of an organisation that makes a real difference"

"I am always wanting opportunities to tell people I work here and stand proud and tall at any event in my YMCA Right Here T-Shirt!"

"I have thoroughly enjoyed my time over the last 2 years as a counsellor, now I am qualified I would love to continue my career with the YMCA"

We would like to take this opportunity to thank all our volunteers for their amazing support and contribution to the work of YMCA DLG.

Fundraising

Alongside the growth of our building assets and local government funded partnerships, we also recognised the importance of developing our fundraising supported by local communities. So, in January 2019 we took the significant step of implementing a new fundraising strategy which included the decision to invest £230,000 a year in a new fundraising team. It is a four-year fundraising strategy with the aim of increasing donations and trust and foundation income to net £1 million a year to support the development of our charitable programmes alongside our contracted work.

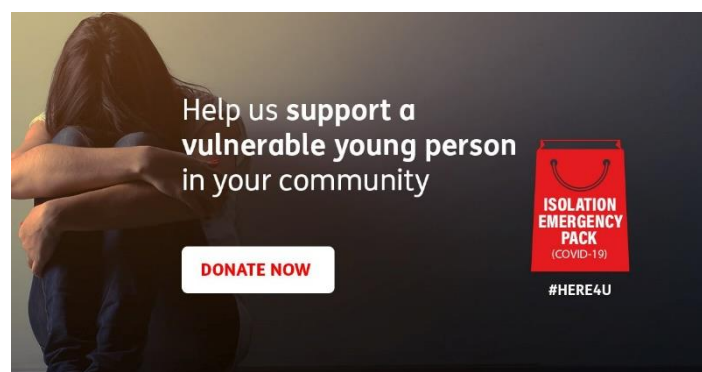
Our fundraising strategy is still in its early stages, but we are pleased with the progress of the strategy thus far with the following highlights:



£256,000
total fundraised
income in
2019-20

- ▶ analytics have revealed that in the last two years our website visits have increased by 51%. In the last financial year (to March 31st 2020) 59,000 people visited the YMCA DLG website
- ▶ social media channels have also increased over the past 2 years. From 2018 – 2020 our Facebook fans have increased by 38%

We would like to take this opportunity to thank all our generous donors, for their support of YMCA DownsLink Group.



COVID Emergency Packs
community appeal

YMCA Horsham Football Club



YMCA Horsham Football Club is one of the oldest members of our YMCA, formed back in the late 1890s. Today, as well as playing first team football in the Southern Combination League, it supports a wide range of youth sports activities and community events at its well-equipped club house.

We would like to recognise the commitment of the local Football Club Committee who volunteer so much of their time and bring such passion and commitment to the club.

PARTICIPATION

2020 Vision achievements- adopting a leading role in the YMCA Federation

In our 2020 Vision we prioritised the importance of being part of the National YMCA Federation of England & Wales and the international YMCA Movement.

Our key 2020 Vision achievements:

- ▶ helping lead the introduction of a new nationwide YMCA Federation membership agreement
- ▶ supporting the development of the national YMCA brand through our CEO chairing the national Brand Development Group
- ▶ engaging in the 2018 International YMCA Conference in Thailand



- ▶ participating in the 2019 global youth conference in London as part of the YMCA 175 anniversary celebrations, sending 24 young people to the conference



Emily Kemp, a resident at YMCA DLG, and national Youth Ambassador for YMCA England and Wales, wrote of her experience below:

"People from YMCAs around the world attended the ExCel in London. The focus of the event was empowering and inspiring young people from YMCAs under of the age of thirty.

The ExCel is a pretty darn huge building! The event was held across three levels, with the ground level containing a huge YMCA heritage exhibition which taught people about the YMCAs history. For example, did you know that the YMCA invented basketball and that YMCA's helped support soldiers and provide respite centres during WWI and WWII? There were even YMCA tea trucks where women would come to the front line and serve tea to the soldiers. I was volunteering on this floor, where we had a wide range of stuff like the #IAMWHOLE session, global citizenship, youth governance and more."



Emily Kemp (right) in a YMCA tea truck

YMCA DownsLink Group history project

In 2019 we celebrated our own local centenary anniversary, the founding of Hove YMCA in November 1919. We decided to mark this occasion by commissioning a local history project to capture the history, timeline and landmark moments in the development of the YMCA in Sussex and Surrey, you can read it [here](#). We were pleased to use one of our former CEOs, David Standing to support this work.



RESOURCE



2020 Vision achievements- developing a balanced growth strategy

In 2016 we embarked on an ambitious plan to grow the work of the organisation to help meet the increasing support needs of children, young people and families in our local communities across Sussex & Surrey.

This year's income of £15.1 million, is £3 million ahead of what we originally forecast in our 2020 Vision. Over the four years of our 2020 Vision we have generated an EBITDA (earnings before interest, tax, depreciation and amortisation) of £1.6 million, which has been reinvested into our building assets and the development of the charity. The table below shows how we have grown our income, assets and earnings over the past four years.



RESOURCE

2020 Vision achievements- deriving best value from physical assets

Our 2020 Vision focused on developing good quality supported housing for young people with additional and communal spaces to deliver services to the wider community. In 2014 we commissioned a professional asset optimisation report. This work provided the basis for our building investment programme.

Over the four years of our 2020 Vision we have:

133

units of leased accommodation acquired through the Empty Homes partnership scheme with Homes England



- ▶ acquired the following buildings - YMCA Horsham Y Centre, YMCA Eastbourne Y Centre, Eastbourne Foyer, Charlies Flats, Barnabas House and we have a contract to acquire YMCA Hastings Foyer. This has increased our total number of units of accommodation by 112 with a further 52 units in our development pipeline
- ▶ completed a major refurbishment and extension in Guildford, investing £1,715,457 of YMCA DLG funds and £1,664,571 Homes England grant to convert Midway House into the YMCA Guildford Foyer providing accommodation for 34 young people



YMCA Guildford
Foyer building

- ▶ completed a major refurbishment of YMCA Crawley Foyer investing £472,625 of YMCA DLG funds and £450,000 from Homes England into the building

- ▶ invested £346,546 into our general building improvement programmes
- ▶ re-opened the supported housing and night shelter based at St. Patrick's church in Hove



We would like to recognise the importance of our Partnership with Homes England who have funded £2,114,571 into our development and improvement programmes.

We would also like to thank our lending partner Charity Bank for supporting our asset programme with a loan facility of £2,500,000, and The Rosaz Trust for their loan of £450,000.

"We are delighted to be working with YMCA DLG to help finance their expansion plans. We believe that YMCA DLG delivers very strong social impact through the much needed help and support that they provide to young people and which enables them to transform their lives."

Carolyn Sims, Director of Lending, Charity Bank



2020 Vision achievements- *Improving efficiencies*

In our 2020 Vision we committed to take a value for money approach, scrutinising all our costs to make sure we are working as efficiently as we can, to provide the best value for our clients (beneficiaries), commissioners and supporters.

Over the four years of our 2020 Vision we have:

- ▶ undertaken an extensive staffing restructure in Communities and Property Services, following a number of TUPE transfers, saving over £206,000 per annum
- ▶ successfully incorporated the Eastbourne and Wealden YMCA operations within the charity saving £105,000 in economies of scale through merging the central administration costs
- ▶ improved our income collection in our properties resulting in being able to release some of our bad debt provision
- ▶ retendered and renegotiated contracts for mobile phones, broadband, photocopiers, insurance and utilities

2020 Vision achievements- Investing in our staff

We have a highly skilled and committed work force who are the beating heart of our organisation; our current staff numbers are 432 and we have seen a steady increase in our contracted staff numbers to support the growth and development of the organisation.

We wanted to ensure that one of the foundational objectives in the strategy was the investment in our people. This work has been supported by our new People Strategy and an annual staff survey which we implemented as part of our 2020 Vision; the People Strategy sets out how we will invest in the development, remuneration and recognition of our staff. The People Strategy is underpinned by a set of principles driven by our values.

YMCA DLG's annual staff survey provides the organisation with three Key Performance Indicators (KPIs). We are proud of our performance across the years and have scored highly for staff feeling safe, satisfied, and for wellbeing. The table below shows the average staff survey rating for the four years of our 2020 Vision:

KPI TYPE	Target	2016-20 Vision
Safety	85%	88%
Satisfaction	85%	88%
Wellbeing	85%	83%

"The YMCA has a strong link with the community and is known for the work it does with children and young people. I feel proud to come to work and be linked to the organisation."
(comment in Staff and Volunteer Survey)

"Lots of training opportunities and lots of encouragement from managers to attend these and develop."
(comment in Staff and Volunteer Survey)

"The organisation offers a lot to both staff and services users - far more supportive than any other organisation I have worked in."
(comment in Staff and Volunteer Survey)

Our key 2020 Vision achievements:

- ▶ increased staff remuneration by 4.46% through consolidated pay increases

£264,514

invested in
training
development,
equivalent to
8,028 staff
training sessions



- ▶ invested in leadership talent and development training
- ▶ established staff diversity & inclusion forum
- ▶ consistently reported a negative gender pay gap over the four years of the strategy (this means that YMCA DLG pays women more than men at all levels in our organisation, which means we have a pay gap in favour of women. We are looking at ways to reduce this gap, but our results are consistent with the charity sector as a whole)
- ▶ completed an external benchmarking of our remuneration and used results to inform our people strategy
- ▶ ensured all our salaries were above the living wage
- ▶ celebrated with staff, the YMCA 175 anniversary with an all staff event with over 350 volunteers and staff together for the day



We involved our staff in an evaluation of our 2020 Vision. The table below shows the percentage of staff who agreed or strongly agreed we had achieved each of our 2020 Vision objectives. The results and the qualitative data we got from the survey will inform our next five-year strategy

Keep children and young people safe	96%
Support wellbeing in young lives	94%
How well have we done- managing risk effectively	88%
Creating a balanced growth strategy	85%
How well have we done- measuring our impact	83%
Help young people achieve	81%
Telling our story (internally i.e. Macy and externally i.e, in gaining greater community	80%
Adopting a leading role in the YMCA Federation (nationally and internationally)	78%
Building strong leadership & governance	75%
Help young people feel they belong in their local community	74%
Investing in our staff	72%
Improving efficiencies in our organisation	70%
Empower young people to have influence	64%
Engaging with our local communities	63%
Deriving best value from our physical assets	56%

QUALITY

QUALITY

2020 Vision achievements- Measuring impact and telling our story

As part of our 2020 Vision we wanted to connect far better with our local communities. We recognised that these communities did not always have a clear understanding of the work of the YMCA so, in conjunction with the fundraising strategy, we invested in and focused on building a positive brand awareness of our local YMCA branches and YMCA DownsLink Group.

Our key 2020 Vision achievements:

- ▶ invested in a professional fundraising & communications team

over
21,000
social media
connections a year
(Instagram,
Facebook, Twitter)

- ▶ reviewed and invested in our website, increasing website traffic to an average of 5,600 per month
- ▶ partnered with Brighton & Hove NHS and YMCA England to lead on #IAMWHOLE campaign in 2016, this connected with 120 million people across the globe
- ▶ developed our supporter base with 1,300 supporters now receiving a regular e-newsletter from YCMA DLG
- ▶ engaged more effectively with local and national media including widely read local newspapers like the Argus and BBC South East which featured a story about one of our housing projects in Brighton during lockdown
- ▶ used case studies to better tell our story
- ▶ established Sleep Easy as our major annual fundraising event with 471 participants taking part over four years



YMCA Sleep Easy 2019
participants

QUALITY

2020 Vision achievements- building strong leadership and governance

During the four years of our 2020 Vision we have established YMCA DownsLink Group as the largest charity in Sussex supporting the accommodation and mental health needs of children & young people and one of the largest YMCA Associations in the country. Inherent in our 2020 Vision was the need to invest in the development of the organisation's governance, executive and leadership functions.

Below are the governance & leadership teams that have led our 2020 Vision

YMCA DownsLink Group Board of Trustees:



John Slater: Chair



Ingrid Beatty: Vice Chair and Chair of the People & Participation Committee



Fran Beckett OBE



Pete Jeffrey



Deborah Pepper



Andy Wilson



James Lister



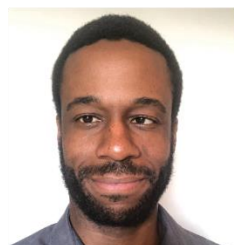
Richard Nerurkar



Caroline Stearman



John Holmstrom



Michael Chawatama



David George



Mike Gercke: Chair of the Audit & Risk Committee



Andrew Taylor: Chair of the Business Planning & Finance Committee

YMCA DownsLink Group the Senior Management Team:



Chas Walker: Chief Executive Officer



Anne Cairns: Chief Operating Officer



Rachel Brett: Director of Children and Young People's Services



Julie Myers: Director of Housing and Support



Simon Braid: Chief Finance Officer



Ann Longhurst: Assistant Director of Finance



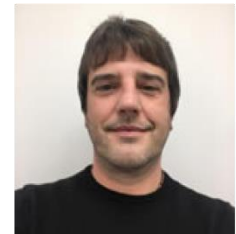
Nikki Mason: Director of Fundraising & Communications



Fiona Hall: Head of People



Eleanor Clarke: Head of Quality and Compliance



Jamie Guest: Head of Learning



Mark Cull: Head of Youth Involvement & Influence



Sarah Weston: Head of Therapeutic Services



Paul Napthine: Head of Operations YMCA Guildford



Anna Cooley-Greene: Head of Operations (East Sussex)



Sheldon McMullan: Head of Operations (West Sussex)



Rachael Toner: Head of YIACS and Targeted Services



Julia Harrison: Head of Safeguarding



Celia Lesquerre: Head of Clinical Development



Ruth Cobb: Head of Communications



Kirsty Bunning: Executive Assistant and Company Secretary

As we conclude our 2020 Vision, John Slater, our Chair for the past five years will be retiring from the Board in October. John has overseen the 2020 Vision achievements and development of YMCA DownsLink Group. We are pleased to announce that he will be succeeded by Fran Beckett. Fran has a long and distinguished career in the charity sector including Chairing the Home Office Advisory Group and Prison Fellowship England & Wales and we are excited about her appointment as Chair of YMCA DownsLink Group.



Fran Beckett OBE

"I am delighted to have the privilege of taking up this appointment with YMCA DownsLink Group, and very much look forward to getting involved with this exciting organisation. My thanks go to John Slater for the excellent foundations he has laid as Chair which will make my task all the easier, and I do wish him well in this next season."



John Slater
YMCA DLG Chair

"As I step down from the Board this year, I am very proud of what we have achieved since we established YMCA DownsLink Group in 2014. I leave an organisation that is in an excellent position to make the most of the challenges and opportunities ahead under the leadership of a strong Board and leadership team. My successor as chair, Fran Beckett, brings a wealth of expertise and experience to the role and I wish her and the whole team every success for the future."

2020 Vision achievements- managing risk effectively

We are committed to being a mission focused organisation working with some of the most marginalised young people in our local communities. We have been delivering this work in a landscape of austerity and public sector funding cuts. Our operations and the environment we operate in bring with it inherent risk. We have established a clear risk appetite statement that acknowledges these risks and our commitment to the work we do:

YMCA DownsLink Group's history and present root us firmly in working with young people on the margins of our society. These young people bring inherent risk into all aspects of our work and consequently we are open to taking risks in the following areas:

- ▶ *our mission*
- ▶ *safeguarding in terms of supporting the most vulnerable young people with whom we work but not in staffing, recruitment, and policy & process*
- ▶ *in taking financial risks in order to optimise our delivery and reach, subject to taking a prudent approach to managing our borrowing covenants*

We have a more cautious approach to risks in connection with Health and Safety, legal and regulatory compliance.

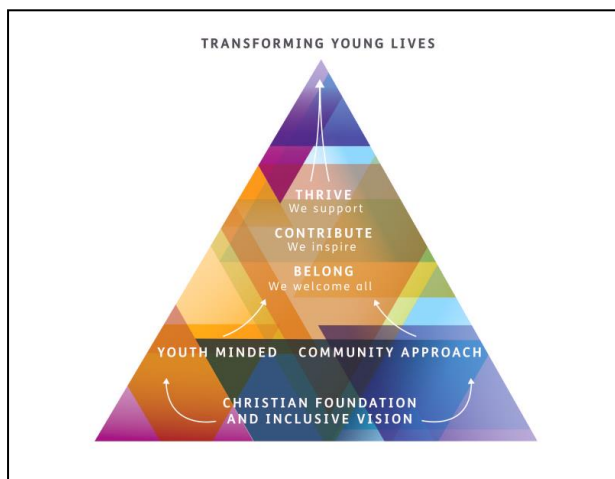
As part of our 2020 Vision and reflecting a fast-changing operating environment we undertook a complete review of the organisation's risk register and policies. The following are our top risk areas that we are actively engaged in managing:

- ▶ *death/serious harm of child/young person through suicide, or suicide attempt*
- ▶ *contagious disease*
- ▶ *serious incident endangering staff or clients*
- ▶ *significant reduction in public funding*
- ▶ *patient care compromised*
- ▶ *safeguarding failure*
- ▶ *poor conduct/ service delivery of volunteers*
- ▶ *Brexit*

As part of our overall approach to risk management and to provide governance risk assurance, we established an internal audit programme and selected Mazars as our preferred internal audit partner. Over the four years of our 2020 Vision Mazars have carried out 18 internal audits which have helped us make important improvements, for example rolling out lone worker training in 2018, and developing a Risk Management Strategy in 2019.

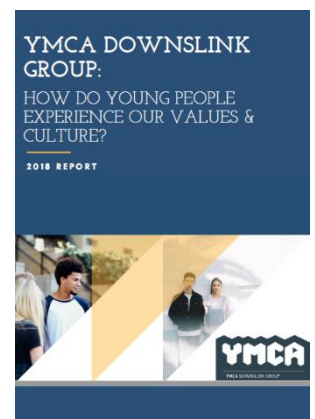
2020 Vision achievements- being a values led organisation

We started our 2020 Vision by refocusing on the vision, mission and values of the YMCA Movement. We focused our mission around the national YMCA mission statement *youth minded community approach*, developing a local set of values that reflected our culture and how we wanted to act as a charity. We did this work in consultation with staff and developed three core values- *we welcome all, we inspire, we support*.



We also conducted a review with young people about how well we live our values. In 2018 YMCA Right Here's Youth Ambassadors were asked to develop and deliver a peer to peer consultation. Here is a [link to the full report](#) and here are some of the highlights:

- ▶ 89% of young people felt that 'We welcome all' and 94% felt that 'We support', however, 23% of young people did not feel 'We inspire'
- ▶ the physical environment in which young people accessed services makes a difference to how our values come across
- ▶ residents want projects to have a homely and welcoming feel, with a daily structure, shared meals and group activities
- ▶ Reed House, YMCA DLG's registered office, was not felt to be young person-friendly
- ▶ residents were inspired by being listened to and seeing opportunities to grow and develop professionally



The report was disseminated throughout the charity with action plans developed to respond to what young people told us. A 'you said, we did' poster was created to ensure young people knew that their feedback had been heard and acted upon.

YMCA Chaplaincy



YMCA CHAPLAINCY

Providing a non-judgemental space to discuss, explore, listen and support

The YMCA Movement was founded as a Christian organisation and today those founding values are still an active part of the YMCA Movement across the world. The original founding principles of the YMCA were captured in the iconic red triangle with the three sides symbolizing *mind, body, spirit*. The triangle is balanced on its point to demonstrate that when these three areas of our lives are in balance they create a sense of wholeness.



Charities, in general, do well at supporting the physical body, caring for people and providing the basic physical necessities of life. Charities are getting better at recognising the need to support people's mental health, but mainstream charities don't like to acknowledge 'spirit'; what does it mean to be a human being, when you strip away the physical, what provides us with meaning to our lives? At YMCA DLG we have wanted to ensure the founding Christian values of the YMCA are reflected in the work of our YMCA and that the young people we support have an opportunity to explore the 'depth and meaning of life'. Through our 2020 Vision we developed our YMCA Chaplaincy service.

Lucy our Lead Chaplain writes about YMCA Chaplaincy:

God's unconditional welcome of each and every one of us inspires YMCA chaplaincy and last year we had around 2000 attendances at our weekly chaplaincy sessions, mainly shared meals, at six different housing projects in East and West Sussex and Brighton and Hove. These shared meals are prepared by volunteer chaplains, sometimes with help from young people. All residents (and their guests) are welcome to the meal, as are staff, helping to create a homely environment in our houses and hostels.

We welcome volunteer chaplains of different faiths and beliefs and are blessed to have a team of over 40 which includes people of Christian, Buddhist, Jewish and Humanist beliefs.

By providing a safe space for young people to come together to chat with volunteer chaplains over food, YMCA chaplaincy also offers support and nurture, and importantly enables young people to support each other as well. These times can be sources of inspiration both to chaplains and to young people. Last year a couple of volunteers described being deeply moved and inspired at a chaplaincy meal when a young man who had moved in that day (and who was in a bad way) was gently supported by other residents. Having listened while he talked about a very difficult home situation, a couple of residents encouraged him to have hope that life would get better, that they had found it hard too, and that the YMCA was a good place to be.

As well as coordinating the volunteer teams and meals, our employed chaplaincy team are also privileged at times to be able to offer support, a listening ear, and sometimes prayer with staff members.

"The chaplain for Eastbourne has brought an energy, yet calmness to the projects in Eastbourne and is such a lovely person to have about. When she comes in, she is cheery and lends a hand to everything that needs to be done. For me, it is about having someone there who doesn't expect anything from me; who will listen to my moans and groans, but is also observant to make sure I am ok too... The volunteer chaplains all love the chaplain. They all do such a good job in integrating with our young people and this has made the uptake of the weekly meals more sociable, friendly and a success."

Kirsten McCarthy, Projects Manager, Eastbourne

YMCA DLG funds YMCA Chaplaincy from its own resources and from support from a number of local Church Communities, significant individual supporters and Christian Trusts, we would like to thank the following for their ongoing support:

*Good News Evangelical Mission
Diocese of Chichester Mission Fund
Rosaz Trust
Bishop of Guildford's Foundation
St Nicholas's Church
Joy Sofaer
Holland Road Baptist church
John Slater
Bob Wright*

SECTION C: 2019-20 Impact Report

We are pleased to report our performance over the past year by reference to the plans stated for the year in last year's annual report, including:

- ▶ performance against our key organisational Performance Indicators
- ▶ last year's strategy objectives
- ▶ commentary on the financial performance for the year
- ▶ a value for money statement

Key Performance Indicators (KPIs)

As part of our 2020 Vision we developed a set of organisational key performance indicators that would enable us to measure the success of the strategy. The performance indicators are based on our four key strategy areas of mission, resource, participation and quality. Below is a summary of last year's performance:

MISSION

Total reach
(number of children and young people)



10,800 in 2019/20 ↓
10,889 in 2018/19

Helping young people belong

Total number of accommodation units
755 in 2019/20 ↑
711 in 2018/19

Positive move-on rates from YMCA accommodation
78% in 2019/20 ↑
73% in 2018/19



Supporting wellbeing in young lives

number of clients in YMCA Dialogue



3,142 in 2019/20 ↓
3,650 in 2018/19

Helping young people achieve

More Than a Room: young people in EET (employment/education/training) as % of total

53% in 2019/20 ↓
62% in 2018/19



Keeping young people safe

Number of incidents
191 in 2019/20 ↑
141 in 2018/19

Number of safeguarding incidents
1077 in 2019/20 ↑
661 in 2018/19

Client Survey - feeling safe rating
91% in 2018/19

Being Trauma Informed Organisation

% of contracted staff trained in T.I. approach

35% in 2019/20 ↑
34% in 2018/19



Our overall reach, which is the total number of people that benefited from our services, was consistent with last year at 10,800. We did see an increase in the young people we house and support but experienced a drop in the numbers of people accessing our wellbeing services. This was linked to an agreement with our commissioners to change the model of counselling support, which meant offering a more in-depth service to young people which did reduce slightly the numbers of young people who were able to access the service.

We continued to see a rise in the number of accommodation units we were able to provide and the success of our support programmes to help young people move on successfully. An area we still need to invest further in is improving access to employment, training & education for the young people we accommodate through our More Than a Room Programme.

We continued to see a rise in levels of support need in all our services last year, which explains the increase in both incidents and safeguarding levels. In relation to this we are continuing to invest in our trauma informed work with the recruitment last year of a new Head of Clinical Development.

RESOURCE

Delivering a balanced growth strategy

Staying within budget

2019/20 ✓

2018/19 ✓

Compliance with loan covenant

2019/20 ✓

2018/19 ✓



Delivering best value from our physical assets

Void loss as a % of gross rent

4.5% in 2019/20 ↑

4.0% in 2018/19

Income collected as % of gross rent charged - excl students

98.5% in 2019/20 ↑

97.0% in 2018/19



Investing in our staff

Internal Learning and Development Programme - places taken up per quarter (e-learning and classroom based)

3,591 in 2019/20 ↑

1,845 in 2018/19

Annual leave left untaken (wellbeing - annual) - more than 5 days (or equivalent hours) left at end of year

36% in 2019/20 ↑

8% in 2018/19

Staff satisfaction rating in annual survey

87% in 2019/20 ↓

88% in 2018/19

Voluntary staff turnover per annum

16% in 2019/20

16% in 2018/19

Days sick per staff member over the year

4 in 2019/20 ↑

3.2 in 2018/19



We met our key budget and bank covenant financial targets last year. Our property management saw void performance slip by 0.5% linked to the implementation of St Patricks and start of Covid 19, but rent collection performance increased.

We were pleased to meet our staff satisfaction target again this year. We have some work to do to ensure all staff take their full annual leave entitlement and to continue our focusing on the wellbeing of our staff. Staff turnover remained at the same level as last year and there was a slight increase in staff sickness, but within our performance target. We have continued to invest in the development of our staff and this year were pleased with the growth in our staff training offer

PARTICIPATION

Empowering YMCA services

Response rate of contracted staff to annual Staff Survey

62% in 2019/20 ↓

76% in 2018/19



Empowering young people to influence

Number of young people involved in influencing opportunities (e.g. interviewing staff, focus groups - excl surveys)

3032 in 2019/20 ↑

453 in 2018/19



Empowering local communities

Number of volunteers

243 in 2019/20 ↑

213 in 2018/19



We did see a reduction in response rates to our annual staff survey this year and will use this as an opportunity to review how we best engage staff and get their feedback. Volunteer numbers increased again this year, but we were 7 short of the 250 target we set ourselves at the start of the 2020 Vision. We saw a significant increase in the number of young people we engaged through consultation work linked to an increase in the level of consultations we carried out this year and the *shape my future* project.

QUALITY

Managing risk effectively and ensuring high standards

Water testing assessments - buildings/sites tested

67% in 2019/20 (new)
- in 2018/19

Fire risk assessments, gas safety and 5 year electrical inspections

99.5% in 2019/20 ↓
100% in 2018/19

Maintenance response target

89% in 2019/20
89% in 2018/19

Mandatory learning: employees completing Data Protection

92% in 2019/20 ↑
90% in 2018/19

Mandatory learning: employees completing safeguarding children e-learning

92% in 2019/20
92% in 2018/19

Mandatory learning: employees completing safeguarding adults e-learning

53% in 2019/20 (new)
- in 2018/19

Mandatory learning: employees completing Health & Safety

87% in 2019/20 ↑
83% in 2018/19

Mandatory learning: lone workers completing lone worker required learning

83% in 2019/20 ↓
85% in 2018/19



Property compliance- our water and electric testing was affected by the Covid 19 lock down at the end of the year, but we can confirm that at the time of publishing our annual report we are at 100% compliant. We can also confirm that our gas servicing has consistently remained at 100%. Our maintenance response performance remained the same as last year and is 6% below the target we have set ourselves. This is an area where we will be focusing our attention over the next 12 months.

We continued to work on improving compliance levels in our mandatory training and we have generally seen levels of completion increase, but there is still some work to do in meeting our performance targets.

Performance against our plans 2019-20

Last year the organisation set itself 19 strategic objectives in support of completing our 2020 Vision. Below is a summary of our performance against the objectives:

✓ Achieved
 🟡 In progress
 ✗ Not achieved

MISSION

1. West Sussex Mitigation Planning

- ✓ We successfully mitigated against the threat of 100% cuts to our housing support contracted income. We would like to recognise the West Sussex service provider coalition, which we supported, and was successful in influencing a change in local government policy



2. YMCA Guildford- establish 'the Bridge' project

- ✓ We successfully implemented our new student housing model at YMCA Guildford as a social enterprise we call 'the Bridge'



3. Establish More than a Room project

- ✓ We were successful in ensuring that all our local YMCA branches were able to deliver our More Than a Room Project



YMCA Eastbourne Foyer Sparks Awards

4. Establish our Youth Advice offer in our local YMCA branches

- ✓ We were successful in developing our Youth Advice offer into YMCA Eastbourne, YMCA Worthing and YMCA Crawley

5. Refresh our trauma informed approach

- ✓ We successfully recruited a new Head of Clinical Development who is in the process of reviewing our operating practices, supporting our teams and developing additional staff training resources

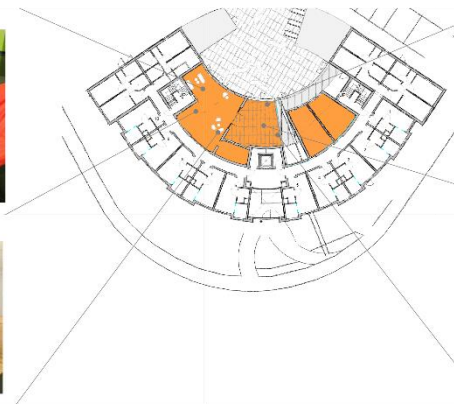
RESOURCE

6. Develop the organisation's business plan

- ✓ We established three new housing development projects; Eastergate Rd, Brighton; St Patricks, Brighton; and Western Rd, Hastings. We implemented our new fundraising strategy and recruited a new fundraising team

7. Asset review and long-term maintenance plan

- ✓ We completed the asset review of YMCA Horsham with an exciting plan for investing in YMCA Horsham Football Club over the next two years and a longer-term ambition to redevelop the YMCA Horsham Y Centre. We did not complete the asset review of YMCA Eastbourne and this is part of our strategic objectives for the current year. We also completed our cyclical building investment plans for YMCA Guildford



Proposed ideas for the redevelopment of the YMCA Horsham Y Centre

8. Implement a People Strategy

- ✓ We successfully launched our People Strategy to support investment in and development of our staff

9. Review of Central Services

- ✗ We did not complete the planned review of our central services and have rolled this into this year's objectives

10. Review of our rent setting policies and processes

- ✗ We did not complete the planned review of our rent setting and have postponed this work until we have completed the recruitment of a new Director of Property Services

11. Review governance of YMCA Dialogue

- ✓ The Board considered a number of recommendations on the structuring and governance of YMCA Dialogue with the result that we continue to operate and govern this activity as part of the main charity and through its Board of Trustees

PARTICIPATION

12. Refresh young people involvement plan

- ✓ This work was delayed by Covid 19 and will be completed this year

13. Implement formal partnership with Hastings YMCA

- ✓ The two Boards have agreed heads of terms for a merger of Hastings YMCA, but we are currently waiting for final decision from the YMCA Federation pension trustees on the proposed merger approach

14. Increase community involvement

- ✓ We exceeded volunteer, business partner and supporter reach targets, but decided to postpone the implementation of a CRM system



YMCA DLG supporter cycling
26 miles, 26 times over 26
days straight

15. YMCA 175 anniversary

- ✓ We delivered over 10 different anniversary events including local community engagement events, a history project, fundraising challenge events and an all staff celebration event



Crawley Foyer staff
celebrating YMCA's 175th
birthday

QUALITY

16. **Develop Governance & leadership**

- ✓ We successfully recruited three new trustees and a Chair designate to support the development of our Board. The leadership team completed a leadership development programme that supported their individual and collective development

17. **Review organisation's risk register and risk appetite & assurance**

- ✓ We successfully refreshed the organisation's risk register and risk appetite statement. We continued our internal audit partnership with Mazars, who completed an audit of our approach to risk management

18. **Develop YMCA Dialogue clinical practice**

- ✓ We successfully recruited a Head of Clinical Development and her work to develop and improve clinical practice will be captured in this year's objective to develop a new YMCA Dialogue strategy and business plan

19. **Implement a plan for living our values**

- ✓ The plan has been approved by the Board and will support us over the next three years to ensure we live our values as an organisation

In YMCA DLG's trustees' report last year, we set out 52 separate operating objectives for 2019-20. We completed 85% of them, progressed a further 6%, and have 5 objectives (9%) to implement next year.

Review of financial performance 2019-20

The charity is reporting a deficit for the year of £85,000 as a direct consequence of investing in new initiatives. The year saw substantial investment in our new fundraising strategy, with the new staff team in place, external research undertaken, and the first campaigns promoted. We also invested in new housing projects in Brighton and Hove; a Young Parent's project and a hostel and night shelter based at St Patricks.

The ahead of target performance by our Empty Homes project, with 51 transitional housing units coming on-line, ensures that our housing stock continues to grow, despite 43 units returning to the landlords at the end of their leases. We benefitted from the Reboot early intervention programme that commenced at the beginning of the year and our Brighton and Hove Wellbeing Counselling contract increasing in size through funding to reduce waiting lists.

The income for the year increased by 14.4% to £15,099,000 (2019 - £13,195,000). This was driven by additional housing income, including a full year of income from the Eastbourne based projects and the new Brighton and Hove based housing projects that came online during the autumn of the financial year.

The operating costs increased by 16%, due to the growth in the organisation and our planned investment strategy including investment in our fundraising capability.

Our earnings before interest, taxation, depreciation and amortisation (EBITDA), on which our banking covenants are based, were £395,140 (2019 - £436,577) giving us clear headroom to meet our bank covenants. Our principal bank covenant is the requirement for our EBITDA to be 1.2 times our debt servicing costs (interest and capital repayment) and we have achieved this consistently. The financial performance this year takes account of our planned investments in a number of areas; we invested:

- ▶ £232,000 in the establishment of a new fundraising strategy and recruitment of a new fundraising team
- ▶ £32,000 in additional safeguarding resources
- ▶ £51,000 implementing two new housing projects in Brighton and Hove, a Young Parent's contract and a hostel and night shelter based at St Patrick's, Hove
- ▶ £111,000 in our More Than a Room programme supporting positive outcomes for young people

The charity has accumulated reserves of £9,974,000 including restricted reserves of £90,000. These reserves are entirely invested in property and therefore used to meet the charity's strategic objectives of supporting vulnerable young people to belong, contribute and thrive. As a registered social housing provider, as well as a charity, our financial viability is managed by means of a rolling five-year business plan, which takes into account cash flows, borrowings, bank covenant compliance and the repairs and

maintenance of our existing properties together with the acquisition and development of new projects. Furthermore, the business plan is subjected to a series of stress tests, which are reviewed by the Board together with mitigation plans. This ensures the charity remains financially viable into the future.

The charity also has a cash management policy to hold a minimum of £1,000,000 cash which equates to approximately one month of cash outflow. At the end of the financial year the charity had cash cover of 1.6 months (2019 was 1.5 months) compared to a target of 1 month. In addition to this, the charity monitors its 'certain' income levels linked to property asset income and contracted income against its fundraised income. Currently 78% of our annual income falls into certain income criteria.

During the year, the Rosaz Trust provided £450,000 funding towards the development of additional supported housing. We retain a £2,500,000 loan facility with Charity Bank, of which £1,000,000 remains to be drawn down for future projects which are in the pipeline.

Value for Money Statement

The charity's work has been reviewed to ensure YMCA DLG services deliver value for money in both impact and reach to clients. This year was a year of investment, particularly in our fundraising strategy. The charity:

- ▶ performed well against budget, largely due to a strong performance in Empty Homes and its control of costs
- ▶ developed our fundraising strategy following the recruitment of the Fundraising and Communications Director
- ▶ improved our income collection in our properties
- ▶ undertook a salary benchmarking exercise
- ▶ restructured our offer in East Sussex, saving £105,000 in central services costs
- ▶ closed Engage, a loss-making project saving £12,000
- ▶ reordered our use of space at Reed House increasing the number of workstations resulting in reducing the per head office cost by 12.5%; the lease on the building has been extended until 2023
- ▶ obtained gifts in kind from Willmot Dixon at our new project, St. Patrick's in Hove with an estimated value of £20,000
- ▶ undertook a project to upgrade Bridge Street with low energy lighting targeting a saving of £10,000 per annum
- ▶ renegotiated the mobile phone contract saving £12,000 per annum
- ▶ agreed a joint procurement initiative for VAT advice through our relationships with other regional YMCAs
- ▶ renegotiated our IT support service provision from the Brighton Housing Trust at a cost of £122,790
- ▶ achieved free positive publicity (press releases and other articles) about our services to the value of £47,000 with an audience reach of reach of 3,174,388

We also commenced a review of all YMCA DLG projects in terms of financial performance and social and missional impact.

Value for money metrics

The revised Value for Money Standard issued by the Regulator for Social Housing requires the publication of new value for money metrics. These are not entirely applicable to the charity given the breadth of its charitable activities. An explanation of the 7 metrics is set out below where necessary.

1. Reinvestment percentage: 1% (2019 1%)

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.

During 2019/20 there was an increase in reinvestment as the charity undertook a refurbishment programme at The Bridge in Guildford and increased the number of Empty Homes Project properties that were refurbished and brought into management.

2. New supply (Social housing units) percentage: 15% (2019 3%)

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 period end. The metric does not include social housing properties transferred from another provider.

The charity only provides social housing and is not a volume developer. The percentage increase demonstrates new social housing units entering the market as a whole. The new supply in terms of units managed by the charity was 7% (2019 11%); in total new units were 96 less 44 disposals leading to a net increase of 52.

3. Gearing: 2% (2019 0%)

The gearing percentage assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance, demonstrating the proportion of borrowing in relation to the size of the asset base. The low figure reflects the amount of cash held pending investment into new properties and projects.

Our main lender, Charity Bank, requires our gearing ratio of Borrowings (to include operating leases at a multiple of 4 times the annual operating lease commitment) to Net Worth (net of pension liabilities, but including public sector capital grants) of less than 70%.

4. EBITDA major repairs included interest cover %: 328% (2019 301%)

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.

Our main lender, Charity Bank, requires debt servicing cover of at least 1.2 times.

5. *Headline social housing cost per unit: £12,658 (2019 £11,742)*

As a specialist supported housing provider, this reflects the extent of support provided to our residents, and the cost of our Empty Homes development programme. The development of our More than a Room offer has resulted in an increase in the unit cost.

6. *Operating margin (housing): 2.1% (2019 4.2%)*

Operating margin (overall): -0.1% (2019 0.5%)

The operating margin demonstrates the profitability of operating assets before exceptional expenses are taken into account.

7. *Return on capital employed: -0.1% (2019 0.3%)*

This metric compares the operating surplus to total assets less current liabilities and it measures the efficient investment of capital resources.

SECTION D: Our Plans for 2020-21

Comment from Chief Executive Officer:

I am very proud of what our organisation has achieved over the past four years of our 2020 Vision to be a *youth minded community approach organisation*.

My personal highlight of the 2020 Vision has been the development of our local YMCA branches. I am passionate about the YMCA Movement and its bottom up approach. It's been great to replicate this in our own YMCA with our nine local YMCA branches being supported by local leadership, local teams and their local communities.

It has been a year of anniversaries and it has been great to celebrate with colleagues from across the worldwide movement, 175 years of the YMCA and being part of the oldest and largest youth movement in the world. As a local YMCA association, we also celebrated one hundred years since the founding of Hove YMCA, which is where the legal roots of YMCA DLG are traced back to.

Many times through the year, I have reflected back on the role of the YMCA in the community of Hove in 1919; about the support the community and young men would have needed returning from the first world war; a community gripped by the last worldwide pandemic Spanish Flu.

As I look to the future I see our YMCA will be needed more than ever to support the communities in which we work and young people and families in those communities recover from the covid-19 crisis through our supported housing services, our wellbeing services and our targeted youth work. This year our focus is on that recovery model with our strategic plan to be a *safer, smarter & stronger organisation*.

Our Strategic Plan 2020-21

Rather than try and launch a new five-year strategy in the middle of a global pandemic we are implementing a twelve-month strategy focused on recovery from the Covid-19 crisis and preparing the foundations for us to launch a new five-year strategy in April 2021.

Our strategic plan is entitled ***safer, smarter, stronger***. The themes reflect our focus on prioritising safety through the Covid-19 pandemic and responding to the highest risk on our risk register, safeguarding. It emphasises the considerable learning opportunities there will be from the Covid-19 experience and how we capture these and embed them into our organisation. It also focuses on remaining a strong and sustainable organisation into the future that is there to support the communities we work in and the children, young people and families we work with, to recover from the impacts of Covid-19.

Below is our Strategic Plan to be a safer, smarter, stronger organisation with its four defining objectives and our five standard operating objectives:



SECTION E: Directors' and Trustees' report

Corporate governance information

Constitution of the charity

The charity is governed by its Articles of Association and was incorporated on 24 September 1999 as a company limited by guarantee (registered company number 3853734) and commenced activities on 1 April 2000. On that day it took over the activities of Hove YMCA (registered charity number 305261). The charity has been formed through the merger of a number of YMCAs, including Mid Sussex, Horsham and Lewes & District, and more latterly Guildford in 2014 and Eastbourne & Wealden in 2018.

The charity has Directors and Officers' Liability insurance in place. The Board of Trustees is the central decision-making body of the Company, and it comprises of 14 trustees at the time of signing.

Board and committee meetings

The Board meets at least 6 times a year. There are three sub-committees of the Board: The People and Participation committee, the Audit and Risk committee and Business Planning and Finance committee. These committees have defined Terms of Reference, and report to the Board at each meeting. A number of trustees also act as champions supporting the executives and particular aspects of our work.

Statements on internal controls and Trustees' responsibilities regarding regulatory and statutory obligations

1.0 Charity Commission

YMCA DLG meets the requirements set out by the Charity Governance Code. The trustees regularly undertake an evaluation of the Board and its performance. The last Board evaluation was undertaken during the year and reviewed by the Board at its meeting last December.

At the time of this report YMCA DLG complies with all necessary regulations and reporting requirements. We reported one critical incident to the Charity Commission in December and can confirm that there were no other reportable serious incidents.

Public Benefit statement

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities.

The trustees consider that our activities are a true reflection of our aims and objectives, and that they are designed to provide accessible services and activities that benefit the public in accordance with our charitable objectives.

We demonstrate the public benefit of our work in sections A, B & C of the annual report.

2.0 Regulator of Social Housing

The trustees have conducted a self-assessment this year against the Governance and Financial Viability Standard and can confirm that we comply with the standards set by the Regulator of Social Housing.

3.0 National Housing Federation Code of Governance

As a Registered Provider we aim to comply with the National Housing Federation (NHF) Code of Governance.

We have one area in which our formal constitution does not meet the NHF Code of Governance requirements. At the date of this report we had 14 trustees whereas the Code of Governance requires no more than 12. This includes four new trustees recruited in the last twelve months. We have five trustees due to stand down during the current year.

4.0 Companies Act 2006

As required by the Companies (Miscellaneous Reporting) Regulations 2018 our trustees have had regard to the requirements of section 172 (10) of the Companies Act 2006 as to:

- The likely consequences of their decisions in the long term
- The interests of our employees
- The need to foster relationships with suppliers, customers and other stakeholders
- The impact of our operations on the community and the environment
- The desirability of maintaining a reputation for high standards of business conduct

and accordingly confirm compliance with the relevant legislation.

5.0 Energy and Carbon Reporting

New regulations relating to the reporting of energy consumption and associated greenhouse gas emissions have come into place. The benefits of reporting will provide us with a better understanding of our exposure to the risks of climate change, help us link environmental and financial performance together and enable us to deliver cost savings. Currently the data is not held in a format that makes it practical for us to gather the required information. As part of the retendering of our utility contracts the data will be held in a more readily accessible format which will support the calculation of the required metrics.

6.0 Fundraising Statement

The aim of our fundraising approach is to support the generation of unrestricted funding to complement our contract and commercial income streams. We will also generate restricted fundraising income to support existing YMCA DLG projects from philanthropic trusts and foundations. It must be noted that some income may also be generated to support new strategically important projects or services.

Our fundraising strategy was launched in September 2019 which involved a team restructure as all our fundraising is organised within YMCA DLG. The new team was established by December and is led by Director of Fundraising and Communications, Nikki Mason. Nikki states, "the fundraising approach is very much based on proactive awareness raising in local communities, organisations and groups to reach individuals, companies and organisations in our localities. This is supported by investment in both staff and resources in PR, social media, digital marketing and more specific corporate/trusts and foundation support." The achievements of this team are outlined in section A, B & C of the Trustees' Report.

This year we registered with The Fundraising Regulator, an important step to take to strengthen our fundraising framework and practices; this means we adopted and abide by the Code of Fundraising Practice.

We have spent time interrogating our fundraising data to ensure that it is compliant with the Data Protection Act 2018; for example, we only send fundraising emails to contacts who have given us consent to do so, we record that consent and always offer the option to opt out of receiving further emails, in line with current legislation. We do not employ third parties to fundraise for us and this helps to ensure we are abiding by the Code. For fundraising campaigns sent by post, these will only be authorised following the completion of a Legitimate Interests Assessment drawn using Information Commissioner's Office guidelines and again the option to ask us to stop sending fundraising material will be included in the communication. By taking these steps we aim to protect people (especially vulnerable people) from unwanted marketing or fundraising contact.

Most of our campaigns and marketing work is based around PR on social media, as opposed to postal or telephone campaigns; people have already opted in to receive information from us.

We have a clear complaints process which enables us to monitor all complaints received and the nature of the complaints. The process is available to the public through the website and through complaints leaflets. This year we received no complaints about our fundraising or marketing work.

7.0 Statement on investment powers

The trustees confirm that the investments made by the charity are made in accordance with the trustees' powers as provided in the Articles of Association.

8.0 Statement on internal financial controls and trustees' responsibilities

As trustees for YMCA DLG we acknowledge our ultimate responsibility for ensuring that the charity 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 charity or for publication
- ▶ the maintenance of proper accounting records
- ▶ the safeguarding of assets against unauthorised use or disposition

Controls and procedures in place include the following:

- ▶ formal policies and procedures including the documentation of the key systems and rules relating to delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the charity's assets
- ▶ experienced and suitably qualified staff take responsibility for important business functions with annual appraisal procedures in place to maintain standards of performance
- ▶ forecasts and budgets are prepared which allow the trustees and management to monitor the 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 commitments and investment projects are subject to formal authorisation procedures, through relevant sub-committees comprising trustees and others
- ▶ the Audit and Risk committee reviews reports from management and from the external auditors to provide reasonable assurance that the control procedures are in place and are being followed
- ▶ a general review of the major risks facing the charity is done by the Audit and Risk committee which makes regular reports to the trustees
- ▶ formal procedures have been established for instituting appropriate action to correct weaknesses in the above procedures

Our approach to risk management is set out in section A & B of the Trustees' Report. Risk management is overseen by the Audit and Risk Committee and approved by the Board. It includes:

- ▶ a risk management strategy and policy

- ▶ a process for identifying and assessing risks, including strategic risks, operational risks and risks relevant to individual projects
- ▶ determining YMCA DLG's overall risk appetite
- ▶ engendering among all levels of staff a positive attitude towards risk management and ensuring this is embedded within YMCA DLG's operations
- ▶ management processes to ensure there are agreed mitigation responses to all significant risks and to offset the impact of adverse events
- ▶ ensuring a risk assurance process under which there are audit arrangements that cover the major risks on a regular basis
- ▶ decisions on which risks shall be insured
- ▶ arrangements to keep both the risks and risk management processes under review

The Audit and Risk Committee considers reports on risk at each of its meetings and these are reported at each Board meeting together with a formal report on risk management annually to the Board.

9.0 Trustees' responsibilities

As trustees, we are also directors of YMCA DLG for the purposes of company law. We are responsible for preparing this trustees' report and the financial statements; this is in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law requires us to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, we are required to:

- ▶ select suitable accounting policies and then apply them consistently
- ▶ observe the methods and principles in the Social Housing SORP
- ▶ make judgments and estimates that are reasonable and prudent
- ▶ state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- ▶ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

We are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable us to ensure that the financial statements comply with the Companies Act 2006.

We are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

10.0 Diversity and Inclusion

YMCA DownsLink Group (YMCA DLG) is an organisation that recognises and values diversity and inclusion.

We promote and support diversity in our workplaces and recognise our legal obligations under the Equality Act 2010 with regard to the protected characteristics of gender, gender identity, marital status, sexual orientation, race or ethnic origin, religion, faith and belief, age and disability.

We also recognise our broader obligations to ensure all our people are valued as individuals and that we create inclusive environments in all our working places and spaces.

Our aim is to ensure that these commitments, reinforced by our culture and values, are embedded across our strategic policies and activities, and in our day-to-day working practices. We recognise that promoting diversity and inclusion in the workplace is good management practice and makes sound business sense.

We are committed to the continued improvement, and development of diversity and inclusion in our organisation, and to addressing inequality in our workplaces, policies and practices and the communities in which we work.

We will apply the principles and practices set out in this policy through:

- the employment of people, including paid staff, volunteers and trustees
- how we treat each other and expect to be treated as fellow employees
- working with our clients, or service users, customers, colleagues and partners

As an organisation with a Christian ethos, YMCA DLG has some designated paid posts for which there is an Occupational Requirement for the post-holder to demonstrate a clear commitment to the Christian faith. This is for reasons of providing spiritual leadership and/or maintaining the Christian ethos of the organisation and includes the Chief Executive and Lead Chaplain, and our trustees. For all other post holders, there is an expectation to respect our Christian ethos and uphold its values. To these posts, we welcome those of other faiths and those of none.

11.0 Statement as to disclosure of information to auditors

So far as we are aware, there is no relevant audit information (as identified by section 418 of the Companies Act 2006) of which the charity's auditors are unaware.

Each trustee has taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.



Auditors

A resolution to reappoint the auditors, Haysmacintyre LLP will be proposed at the forthcoming annual general meeting.

This report, including both the trustees' Report and Strategic Report, was approved by the trustees on 10 September 2020, and was signed for and on behalf of the Board by:

John Slater
Chair of the Board of Trustees
10 September 2020

List of Trustees and Advisers

Registered Office

Reed House, 47 Church Road
Hove, East Sussex BN3 2BE

Charity Number	1079570
Company Number	3853734
Homes England Registered Number	4644

List of Board Members

John Slater	Chair
Ingrid Beatty	Vice Chair
Peter Jeffrey	
John Holmstrom	
James Lister	
Richard Nerurkar	
Deborah Pepper	
Caroline Stearman	
Andrew Wilson	
David George	
Michael Chawatama	Appointed 18 Oct 2019
Andrew Taylor	Appointed 18 Oct 2019
Michael Gercke	Appointed 18 Oct 2019
Fran Beckett	Appointed 18 Jun 2020

Audit and Risk Committee

Don Bawtree	Independent Chair, resigned 12 Nov 2019
Michael Gercke	Trustee and Chair, appointed 5 Dec 2019
Peter Jeffrey	Trustee
Carol Long	Independent member

People and Participation Committee

Ingrid Beatty	Trustee and Chair
Deborah Pepper	Trustee
Andrew Wilson	Trustee
Caroline Stearman	Trustee

Business Planning and Finance Committee

John Slater	Trustee
Peter Jeffrey	Trustee, Chair until 15 Jan 2020
Andrew Taylor	Trustee, appointed 15 Jan 2020, appointed Chair from 11 Mar 2020
Michael Gercke	Trustee, appointed 15 Jan 2020

Executive Team until 31 January 2020

Charles Walker
Anne Cairns
Simon Braid
Rachel Brett
Julie Myers
Nikki Mason
Ann Longhurst

Chief Executive Officer
Chief Operating Officer
Chief Finance Officer
Director of Children and Young People
Director of Housing and Support
Director of Fundraising and Communications
Assistant Director of Finance

Executive Team from 1 February 2020

Charles Walker
Anne Cairns
Simon Braid

Chief Executive Officer
Chief Operating Officer
Chief Finance Officer

<p>Solicitors Griffith Smith LLP 47 Old Steine Brighton BN1 1NW</p> <p>DMH Stallard Gainsborough House Pegler Way Crawley RH11 4FZ</p> <p>Trowers and Hamlins 55 Princess Street Manchester M2 4EW</p> <p>Bankers The Royal Bank of Scotland plc PO Box 300 Brighton BN1 9TE</p> <p>The Charity Bank Ltd Fosse House 182 High Street Tonbridge Kent TN9 1BE</p>	<p>Auditors Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG</p> <p>Internal Auditors Mazars Tower Bridge House St Katharine's Way London E1W 1DD</p>	<p>Company Secretary Kirsty Bunning Reed House 47 Church Road Hove BN3 2BE</p> <p><i>Started 16 December 2019 following the resignation of Peter Brayne on 5 December 2019</i></p>
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Independent auditor's report to the Trustees

We have audited the financial statements of YMCA DownLink Group for the year-ended 31 March 2020 which comprise the consolidated statement of comprehensive income, the consolidated and charitable company balance sheets, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2020 and of the group's and parent charitable company's deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Housing and Regeneration Act 2018 and the Accounting Direction for Private Registered Providers of Social Housing from January 2019; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

Responsibilities of Trustees for the financial statements

As explained more fully in the statement of Trustees' responsibilities set out on page 61, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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.

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.

Conclusions relating to going concern

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

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

Other information

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

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 strategic report and the directors' report prepared for the purposes of company law (contained the Trustees' Annual Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law).

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 charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Adam Halsey (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP,
Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

SECTION F: Financial Accounts and Statements

Consolidated Statement of Comprehensive Income, for Year Ended 31 March 2020

	Notes	Social Housing Activities	Trading Activities	Charitable Activities and Other Income	2020 Total	2019 Total
		£	£	£	£	£
Turnover from continuing operations						
Social housing lettings	2	10,924,288	-	-	10,924,288	9,239,205
Trading activities	10	-	85,967	-	85,967	428,939
Charitable activities and other income	4	-	-	4,088,691	4,088,691	3,527,223
		10,924,288	85,967	4,088,691	15,098,946	13,195,367
Operating costs						
Social housing lettings	3	(10,690,804)	-	-	(10,690,804)	(8,847,837)
Trading activities		-	(85,474)	-	(85,474)	(428,608)
Charitable activities and other costs	5	-	-	(4,336,872)	(4,336,872)	(3,855,528)
		(10,690,804)	(85,474)	(4,336,872)	(15,113,150)	(13,131,973)
Operating (deficit)/ surplus		233,484	493	(248,181)	(14,204)	63,394
Interest receivable and other income		-	-	6,162	6,162	3,675
Interest payable and similar charges		(71,948)	-	-	(71,948)	(49,250)
Unrealised (deficit) on investments		-	-	(4,670)	(4,670)	(1,270)
Fair value of net assets received from Eastbourne & Wealden YMCA		-	-	-	-	666,049
(Deficit)/ Surplus on ordinary activities		161,536	493	(246,689)	(84,660)	682,598
Net movement in funds		161,536	493	(246,689)	(84,660)	682,598

The consolidated income and expenditure of the Charity and its subsidiary relate wholly to continuing operations.

These financial statements were approved and authorised for issue by the Directors on 10 September 2020 and signed on their behalf by:

Director
10 September 2020

Director
10 September 2020

The notes set out on pages 72-83, form part of these financial statements

Consolidated Statement of Financial Position as at 31 March 2020

Registered number: 3853734

		2020		2019	
	Notes	Group	Charity	Group	Charity
		£	£	£	£
FIXED ASSETS					
Social housing properties	9	20,423,154	20,423,154	20,564,711	20,564,711
Other properties	9	473,026	473,026	481,123	481,123
Other tangible assets	9	461,739	461,739	306,754	306,754
		21,357,919	21,357,919	21,352,588	21,352,588
Investment in subsidiary	10	-	2	-	2
		21,357,919	21,357,921	21,352,588	21,352,590
CURRENT ASSETS					
Debtors	12	1,490,111	1,573,387	1,367,662	1,375,720
Investments	11	30,432	30,432	35,102	35,102
Cash at bank and in hand		2,021,160	1,924,486	1,499,108	1,478,200
		3,541,703	3,528,305	2,901,872	2,889,022
CREDITORS					
Amounts falling due within one year	13	(2,913,477)	(2,910,573)	(2,722,764)	(2,720,246)
NET CURRENT ASSETS		628,226	617,732	179,108	168,776
TOTAL ASSETS LESS CURRENT LIABILITIES		21,986,145	21,975,653	21,531,696	21,521,366
CREDITORS					
Amounts falling due after one year	14	(12,012,006)	(12,012,006)	(11,472,897)	(11,472,897)
NET ASSETS		9,974,139	9,963,647	10,058,799	10,048,469
FUNDS					
Unrestricted funds	16	9,884,328	9,873,836	9,980,930	9,970,600
Restricted funds	15	89,811	89,811	77,869	77,869
		9,974,139	9,963,647	10,058,799	10,048,469

These financial statements were approved and authorised for issue by the Directors on 10 September 2020 and signed on their behalf by

Director
10 September 2020

Director
10 September 2020

The notes set out on pages 72 to 83, form part of these financial statements

Consolidated Statement of Cash Flows for Year Ended 31 March 2020

		2020		2019	
	Notes	£	£	£	£
Cash flow from operating activities					
(Deficit)/ surplus for the year			(84,660)		682,598
Adjustments for non-cash items:					
Depreciation	8	514,283		469,582	
Decrease in stocks		-		2,572	
(Increase) in debtors		(122,449)		(322,785)	
Increase / (decrease) in creditors		325,930		(371,119)	
Deficit on disposal of property		712		12,083	
Deficit/(surplus) on disposal of other assets		2,666		(70)	
Unrealised investment loss		4,670		1,270	
Interest payable		71,948		49,250	
Interest receivable		(6,162)		(3,675)	
			791,598		(162,892)
Net cash inflow from operating activities			706,938		519,706
Cash flow from investing activities:					
Purchase of tangible fixed assets	9	(523,172)		(3,086,396)	
Sale of tangible fixed assets		180		2,494	
Grants received		-		1,637,500	
Interest received		6,162		3,675	
Donated investments from E&W YMCA		-		(36,372)	
			(516,830)		(1,479,099)
Cash flow from financing activities:					
Loan interest paid		(71,948)		(49,250)	
Repayment of loan		(46,108)		-	
New loan		450,000		-	
			331,944		(49,250)
Increase / (decrease) in cash in the year			522,052		(1,008,643)
Net cash funds at beginning of year			1,499,108		2,507,751
Net cash funds at end of the year			2,021,160		1,499,108
Reconciliation of net cash flow to movement in (net debt)/net funds					
	1 Apr 2019	Cash Flows	Non cash changes	31 Mar 2020	
Cash	1,499,108	522,052	-	2,021,160	
Debt due within one year	(46,108)	46,108	(51,070)	(51,070)	
Debt due after one year	(1,453,892)	(450,000)	51,070	(1,852,822)	
	(892)	118,160	-	117,268	

The notes set out on pages 72 to 83, form part of these financial statements

Notes to the Financial Statements for Year Ended 31 March 2020

1. ACCOUNTING POLICIES

a) Status

YMCA DownsLink Group (YMCA DLG) Limited is incorporated under the Companies Act 2006 and registered with Companies House in England and Wales under number 3853734. Its registered office is Reed House, 47 Church Road, Hove, East Sussex BN3 2BE. It is also registered as a charity with the Charity Commission in England and Wales (number 1079570) and as a Registered Provider of Social Housing with the Homes and Communities Agency in England (number 4644).

The charity meets the definition of a public benefit entity under Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (FRS102).

Basis of Preparation

The financial statements of the group and association are prepared in accordance with applicable legislation UK Generally Accepted Accounting Practice (UK GAAP) including FRS 102, and the Housing SORP 2014: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2015. A separate SORP for charities also exists. However, the RSHP SORP takes precedence over the Charities SORP as the former represents the more specialised guidance, but the Trustees may have regard to the Charities SORP where its recommendations are not contrary to the Housing SORP.

Basis of accounting

Assets and liabilities are initially recognised at historical cost or transaction values unless otherwise stated in the relevant accounting policy notes. Those assets measured at fair value are re-measured at each balance sheet date.

The main areas of estimation and judgement affecting the accounts:

- depreciation

Assets are depreciated over their expected useful economic lives as set out in note 1(h). These lives have been determined with reference to both internal experience and external comparisons but will be kept under review in future periods. It may be necessary to lengthen or shorten these lives depending on further actual experience.

- accrual for deficit contribution to the defined benefit pension scheme

As set out in note 1(g) a liability is recognised in respect of the present value of the expected future contributions to alleviate the pension deficit arising from past service. The liability recognised is affected by the discount rate applied and the undiscounted underlying liability will also vary depending on the results of the triennial actuarial valuation of the pension scheme. The triennial valuation was completed as at 1 May 2017 and the resulting changes to the schedule of contributions are included in YMCA DLG's financial statements for the year ended 31 March 2020.

- provisions

Full provision is made for the value of all personal debts relating to past residents in YMCA DLG's accommodation projects. It is possible that some of these amounts may be recovered or that amounts related to current residents and currently unprovided may prove to be irrecoverable.

Provisions are made for other items where it is considered probable that a liability has arisen and these are quantified based on the best available information. Such provisions are updated as more and better data become available.

In the opinion of the trustees none of the above items are likely to be subject to material estimation uncertainty but the largest area of uncertainty relates to the pension deficit contributions.

No complex financial instruments are held.

YMCA DLG is required by the Companies Act 2006 to prepare group accounts. The results, assets and liabilities of the subsidiary company YMCA DLG Services Ltd is included on a line by line basis.

Going concern

Having had regard to the group's financial position and its forecast financial performance and cash flows, the Trustees have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

b) Turnover

Turnover represents trading income, rent and service charges income receivable in the year net of rent and service charge losses from voids, revenue grants, including those from local authorities and Homes England, contracts and charitable receipts, all net of vat.

c) Supporting People Contract

The charity receives funding from Supporting People which is accounted for on an accruals basis, matching income and expenditure and disclosures are made in accordance with the relevant standards and legislation.

d) Donations and grants

Donations and grants other than Social Housing Grant are included when the criteria of entitlement, probability and measurability have been met. The associated Gift Aid tax recoverable is recognised on receipt.

Social Housing Grants (SHG) are recognised on the balance sheet as a liability and amortised over the life of the assets funded (accrual model) with the exception of SHGs related to those assets that were revalued at their deemed cost at 1 April 2015 where the grant was recognised in full as an addition to reserves (performance model).

e) Investment income

Investments are included in the financial statements at market value.

f) Empty Homes

The grant income is included on completion of the building work. If there are no associated development costs, a proportion of the grant income is released over the term of the lease and the balance on signing the lease.

g) Pension costs

YMCA DLG participated in a multi-employer defined benefit pension plan for employees of YMCAs in England, Scotland and Wales which was closed to new members and accruals on 30 April 2007. Due to insufficient information, the plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to YMCA DLG.

As described in note 19, YMCA DLG has a contractual obligation to make pension deficit payments over the period to April 2027. Accordingly, the present value of the liability is shown in note 19 to these accounts.

In addition, YMCA DLG is required to contribute £26,666 pa to the operating expenses of the Pension Plan and these costs are charged to the Statement of Comprehensive Income as made.

h) Fixed Assets

i) Housing Properties

Definition and recognition

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 with the exception of those properties revalued at a deemed cost on adoption of FRS102.

Depreciation:

The major components of the properties are identified, and depreciation is charged to write off the cost of each component over their expected useful economic lives.

Depreciation is charged on a straight line basis over the following number of years:

Structure	50 - 100
Pitched Roof	50 - 75
Flat Roof, Windows, External Doors	25 - 30
Wiring, lift and heating systems	10 - 30
Bathrooms	5- 25
Kitchens	20

Freehold land is not depreciated.

Housing properties are assessed annually for impairment indicators. Where indicators are identified, an assessment for impairment is undertaken comparing the property's carrying amount to its recoverable amount. Where the carrying amount of a property is deemed to exceed its recoverable amount, the property is written down and the resulting impairment loss recognised as operating expenditure.

Expenditure on existing housing properties is capitalised when it is either capable of generating increased future rents, extends their useful economic lives or significantly reduces future maintenance costs. All other expenditure in respect of general repairs is charged to the income and expenditure account as it is incurred.

ii) **Other Fixed Assets**

Cost:

Individual fixed assets costing £500 or more and are of a capital nature for ongoing use by YMCA DLG are capitalised.

Depreciation:

Other fixed assets are depreciated in order to write off each asset over its estimated useful life at the following annual rates:

Freehold Land	Not depreciated
Motor Vehicles	25% on reducing balance basis
Fixtures, Fittings and Equipment	10 - 25% on cost
Leasehold Improvements	25 % on cost or over the remaining life of the lease whichever is shorter
Cycles	100% on cost

i) **Stocks**

Stocks are consistently valued at the lower of cost and net realisable value.

j) **Volunteers, Donated Services and Facilities**

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the trustees' annual report.

k) **Irrecoverable VAT**

All expenditure is classified under activity headings that aggregate all costs related to that category. Irrecoverable VAT is charged directly where possible or apportioned as part of central costs.

l) **Operating Leases**

The charity classifies the lease of printing, photocopy, and catering equipment as operating leases. The title of the equipment remains with the lessor and the equipment is replaced every three to five years whilst the economic life of such equipment is normally in excess of this. Rental charges are charged on a straight line basis over the term of the lease.

m) **Commitments**

Commitments which are legally binding are included as liabilities.

n) **Taxation**

The Charity is exempt from tax on income and gains falling within Sections 466 to 493 of the Corporation Tax Act 2010 to the extent that these are applied to its charitable objects.

o) **Funds and Reserves**

The Charity has various types of funds for which it is responsible and require separate disclosure:

Unrestricted reserves

Unrestricted reserves are reserves which are expendable at the discretion of the Trustees in the furtherance of the objects of the charity.

Restricted Reserves

Restricted reserves are funds which are expendable as directed by the donor.

Revaluation reserves

Revaluation reserves arise when investments are revalued.

2. TURNOVER FROM HOUSING ACTIVITIES

	2020	2019
	£	£
Rent and Service charges:		
Rent receivable	3,029,023	2,821,932
Service charge receivable	4,073,310	3,455,422
Personal service charge receivable	335,929	350,398
Amortised Government grant	106,430	98,804
	7,544,692	6,726,556
Other revenue:		
Supporting people	1,736,320	1,493,261
OLAC & Leaving care	256,633	342,152
Empty homes development income	496,913	194,580
More than a room activities	435,738	-
Other social housing income	453,992	482,656
	10,924,288	9,239,205
 Rent and service charge losses from voids	 (388,957)	 (515,563)

3. OPERATING COSTS FROM HOUSING ACTIVITIES

	2020	2019
Housing accommodation – number of units	763	711
Managed Housing – number of units included in above total	141	121
	£	£
Housing Services	5,293,217	4,671,277
Housing Support	1,982,938	1,825,940
More than a room costs	624,300	-
Share of central overheads	1,556,231	1,333,191
Development costs	149,850	93,398
Repairs and maintenance	486,992	297,529
Rent losses from bad debts and provision	153,466	217,315
Depreciation of housing properties	372,561	343,872
Depreciation of housing assets	71,249	65,315
	10,690,804	8,847,837

4. TURNOVER FROM CHARITABLE ACTIVITIES AND OTHER INCOME

	2020	2019
	£	£
Sports, Youth and Community	-	464,580
Therapeutic Services	2,068,563	1,582,865
Support Services: Children, Young People and Families	1,755,362	1,130,931
Horsham YMCA Football Club	43,841	50,127
Other Income	220,925	298,720
	4,088,691	3,527,223

5. OPERATING COSTS - CHARITABLE ACTIVITIES AND OTHER COSTS

	2020	2019
	£	£
Sports, Youth and Community	-	703,438
Therapeutic Services	2,232,176	1,783,211
Support Services: Children, Young People and Families	1,841,124	1,099,864
Horsham YMCA Football Club	82,143	100,925
Other costs	181,429	168,090
	4,336,872	3,855,528

6. STAFF COSTS

	2020	2019
	£	£
Salaries and wages	7,379,368	6,691,329
Social security	607,413	541,719
Pension costs	222,778	180,361
Apprentice Tax	22,109	18,568
Life Assurance	28,349	28,857
Healthcare	28,256	19,641
Redundancy/Compensation	32,391	63,219
	8,320,664	7,543,694

The average number of employees paid during the year was:

Full Time and Part Time Employees	386	369
Full Time equivalent	285	256

The full time equivalent number of staff receiving remuneration, including pension contribution in excess of £60,000:

£60,000 - £69,999	2	2
£70,000 - £79,999	1	2
£80,000 - £89,999	1	-
£90,000 - £99,999	-	-
£100,000 - £109,999	1	1

7. EMOLUMENTS OF DIRECTORS AND LEADERSHIP TEAM

None of the Directors received any remuneration in the current or prior year. Two Directors (2019: 4) received reimbursed expenses amounting to £846 (2019: £1,660). The Charity has Directors' and Officers' Liability insurance in place.

The leadership of the organisation was restructured during the year with a pared down Executive team. The aggregate emoluments of the Executive Team were £223,437 – 2.4 FTE (2019: £369,164 - 4.9 FTE). The remuneration of the Chief Executive comprised salary of £93,311, pension contributions of £13,997 and private health insurance of £641 (2019 £89,730, £13,460 and £599 respectively). The Chief Executive is a member of the current stakeholder pension scheme with no special terms or rights to enhanced benefits.

8. OPERATING SURPLUS

	2020	2019
	£	£
The operating surplus is stated after charging:		
Losses from bad debts	156,277	217,315
Operating Leases - equipment	21,028	18,591
- land and buildings	1,172,020	1,037,304
Deficit on disposal of fixed assets	3,378	12,013
Depreciation of equipment, fixtures & fitting, motor vehicles	129,605	114,262
Depreciation of properties and components	384,678	355,320
Auditor's remuneration: External audit	26,000	23,750

9. FIXED ASSETS

	Social Housing Properties £	Other Properties £
Cost		
1 st April 2019	21,664,372	523,147
Additions	235,736	-
Disposals	(1,500)	-
31 st March 2020	<u>21,898,608</u>	<u>523,147</u>
Depreciation		
1 st April 2019	1,099,661	42,024
Charge for the year	376,581	8,097
Eliminated on disposal	(788)	-
31 st March 2020	<u>1,475,454</u>	<u>50,121</u>
Net Book Amount		
31st March 2020	<u>20,423,154</u>	<u>473,026</u>
31 st March 2019	<u>20,564,711</u>	<u>481,123</u>
	2020	2019
Properties at cost comprise:	£	£
Freeholds	15,698,533	15,633,674
Long leaseholds	6,723,222	6,553,845
Cost of properties	<u>22,421,755</u>	<u>22,187,519</u>

The additions during the year are a result of the refurbishment of Bridge Street.

OTHER TANGIBLE FIXED ASSETS

	Vehicles £	Fixtures, Fittings and Equipment £	Total £
Cost			
1 st April 2019	102,980	1,005,022	1,108,002
Additions	28,746	258,690	287,436
Disposals	(8,432)	(21,112)	(29,544)
31 st March 2020	<u>123,294</u>	<u>1,242,600</u>	<u>1,365,894</u>
Depreciation			
1 st April 2019	74,262	726,986	801,248
Charge for the year	14,292	115,313	129,605
Eliminated on disposals	(6,455)	(20,243)	(26,698)
31 st March 2020	<u>82,099</u>	<u>822,056</u>	<u>904,155</u>
Net Book Amount			
31st March 2020	<u>41,195</u>	<u>420,544</u>	<u>461,739</u>
31 st March 2019	<u>28,718</u>	<u>278,036</u>	<u>306,754</u>

10. INVESTMENTS IN SUBSIDIARIES

The wholly owned trading subsidiary, YMCA DLG Services Limited, which is incorporated in England and Wales pays its profits chargeable to corporation tax to the charity by gift aid. The charity owns the entire issued share capital of 2 ordinary shares of £1 each. A summary of the trading results is shown below:

	2020	2019
	£	£
Turnover	85,967	428,939
Cost of sales and administrative expenses	(85,474)	(428,608)
Net Profit	493	331

11. INVESTMENTS

	2020		2019	
	Market Value	Cost	Market Value	Cost
	£	£	£	£
Blackrock Charinco Common Investment Acc Fund	9,049	8,426	8,675	8,426
Blackrock Charinco Common Investment Inc Fund	3,690	3,664	3,655	3,664
M & G Charifund	17,693	24,282	22,772	24,282
	30,432	36,372	35,102	36,372

12. DEBTORS

	2020		2019	
	Group	Charity	Group	Charity
	£	£	£	£
Arrears of accommodation charges	305,864	305,864	421,169	421,169
Prepayments	547,947	547,947	189,522	189,522
Other debtors	636,300	634,930	756,971	750,070
Amounts owed by subsidiary undertakings	-	84,646	-	14,959
	1,490,111	1,573,387	1,367,662	1,375,720

13. CREDITORS FALLING DUE WITHIN ONE YEAR

	2020		2019	
	Group	Charity	Group	Charity
	£	£	£	£
Deferred Income	1,312,101	1,312,101	1,071,491	1,071,491
Other creditors	566,907	566,907	789,555	789,555
Trade creditors	556,812	556,812	400,994	400,994
Social security and other taxes	214,199	214,199	197,370	197,370
VAT creditor	26,478	23,574	33,651	31,133
Bank loan	51,070	51,070	46,108	46,108
Pension deficit	79,482	79,482	77,167	77,167
Housing Grants	106,428	106,428	106,428	106,428
	2,913,477	2,910,573	2,722,764	2,720,246

14. CREDITORS FALLING DUE AFTER ONE YEAR

	2020		2019	
	Group	Charity	Group	Charity
	£	£	£	£
Loans – Not wholly repayable within five years	1,852,822	1,852,822	1,453,892	1,453,892
Deferred Income – grants in advance	574,934	574,934	317,347	317,347
Dilapidations provision	200,000	200,000	124,000	124,000
Defined Benefit Pension Deficit	482,292	482,292	569,269	569,269
Housing Grants	8,901,958	8,901,958	9,008,389	9,008,389
	12,012,006	12,012,006	11,472,897	11,472,897
Loan Maturity Analysis				
In more than one year but not more than two years	52,305	52,305	47,630	47,630
In more than two years but not more than five years	164,407	164,407	151,656	151,656
In more than five years	1,636,110	1,636,110	1,254,606	1,254,606
	1,852,822	1,852,822	1,453,892	1,453,892

There is a loan facility in place with the Charity Bank for £2.5m at a rate of 2.25% plus base. The loan is secured on Crawley and Worthing Foyers. At the 31 March 2020 £1.5m had been drawn down of which £46,108 had been repaid.

During the year we took out a further loan of £450,000 with The Rosaz Charity on a fixed 3% rate.

15. RESTRICTED FUNDS – GROUP

	1 April 2019	Income	Expenditure	Transfers	31 March 2020
Funds	£	£	£	£	£
Special Needs Reserve	4,928	-	(318)	-	4,610
Young Homeless Fund	1,258	-	-	-	1,258
Legacy – Horsham Y Centre	55,292	-	(8,027)	-	47,265
Counselling East Sussex	1,539	-	(1,539)	-	-
Homelessness Prevention	-	12,500	(11,500)	-	1,000
More than a room	-	50,226	(25,864)	-	24,362
Unique	9,319	-	(9,319)	-	-
Chaplaincy	-	40,982	(40,982)	-	-
Engage	5,200	-	(5,200)	-	-
Positive Placements	333	15,500	(14,166)	-	1,667
WiSE	-	208,984	(199,335)	-	9,649
Right Here	-	10,000	(10,000)	-	-
Total	77,869	338,192	(326,250)	-	89,811

RESTRICTED FUNDS – CHARITY

	1 April 2019	Income	Expenditure	Transfers	31 March 2020
Funds	£	£	£	£	£
Special Needs Reserve	4,928	-	(318)	-	4,610
Young Homeless Fund	1,258	-	-	-	1,258
Legacy – Horsham Y Centre	55,292	-	(8,027)	-	47,265
Counselling East Sussex	1,539	-	(1,539)	-	-
Homelessness Prevention	-	12,500	(11,500)	-	1,000
More than a room	-	50,226	(25,864)	-	24,362
Unique	9,319	-	(9,319)	-	-
Chaplaincy	-	40,982	(40,982)	-	-
Engage	5,200	-	(5,200)	-	-
Positive Placements	333	15,500	(14,166)	-	1,667
WiSE	-	208,984	(199,335)	-	9,649
Right Here	-	10,000	(10,000)	-	-
Total	77,869	338,192	(326,250)	-	89,811

Restricted Funds

Special Needs Reserve – to fund exceptional requirements for those in supported housing

Young Homeless Fund – to fund temporary accommodation for the young homeless people of Guildford

Horsham Y Centre Legacy – to be spent on activities or equipment that will benefit the young people of Horsham

Counselling – to provide counselling to Eastbourne service users to enable them to make positive changes to their lives

Homelessness Prevention – to deliver workshops in secondary schools

More than a room – to enable young people to live independently and achieve their work and learning goals

Unique – to deliver workshops in schools to improve self-esteem, promote a sense of individual responsibility and encourage safe and healthy living

Chaplaincy – to provide pastoral care to residents and staff

Engage – to provide meaningful activity for older adults whilst training young people in a care specific coaching environment

Positive Placements – to recruit adult volunteers to be trained as mentors to support young people in their journey towards education, employment or training

WiSE – to support children and young people to stay safe in their relationships

Right Here – to provide a youth-led wellbeing and influencing initiative in Brighton and Hove

16. RESERVES – GROUP

	1 April 2019	Income	Expenditure	Transfers	31 March 2020
	£	£	£	£	£
Unrestricted funds:					
General reserve	(109,134)	14,660,486	(14,352,061)	(192,889)	6,402
Fixed asset reserve	10,737,770	106,430	(514,282)	115,722	10,445,640
Pension reserve	(646,436)	-	7,495	77,167	(561,774)
Investment revaluation reserve	(1,270)	-	(4,670)		(5,940)
Total unrestricted funds	9,980,930	14,766,916	(14,863,518)	-	9,884,328
Restricted funds	77,869	338,192	(326,250)	-	89,811
	10,058,799	15,105,108	(15,189,768)	-	9,974,139

RESERVES – CHARITY

	1 April 2019	Income	Expenditure	Transfers	31 March 2020
	£	£	£	£	£
Unrestricted funds:					
General reserve	(119,464)	14,574,520	(14,266,588)	(192,558)	(4,090)
Fixed asset reserve	10,737,770	106,430	(514,282)	115,722	10,445,640
Pension reserve	(646,436)	-	7,495	77,167	(561,774)
Investment revaluation reserve	(1,270)	-	(4,670)		(5,940)
Total unrestricted funds	9,970,600	14,680,950	(14,778,045)	331	9,873,836
Restricted funds	77,869	338,192	(326,250)	-	89,811
	10,048,469	15,019,142	(15,104,295)	331	9,963,647

Within the fixed asset reserve is a revaluation amount of £2,547,827 relating to Crawley Foyer and Guildford Y Centre introduced on adoption of FRS102.

17. GUARANTEES

As part of its direct charitable work, YMCA DLG provides Letters of Guarantee to landlords to provide limited cover against lost rent and/or damage to property. The likely liability for guarantees in place at 31st March 2020 is under £1,000. This system enables more places to be facilitated with minimal exposure.

There is no provision for guarantees which may be called upon within these financial statements.

18. MEMBERS

YMCA DLG is limited by guarantee having no share capital. In accordance with the Memorandum of Association every Member is liable to contribute a sum of £1 in the event of the charity being wound up.

19. PENSION COMMITMENT

YMCA DLG participated in a contributory pension plan providing defined benefits based on final pensionable pay for employees of YMCAs in England, Scotland and Wales. The assets of the YMCA Pension Plan are held separately from those of YMCA DLG and at the year-end these were invested in the Mercer Dynamic De-risking Solution, 40% matching portfolio and 60% in the growth portfolio and Schroder (property units only).

The most recent completed three-year valuation was as at 1 May 2017. The assumptions used which have the most significant effect on the results of the valuation are those relating to:

- the assumed rates of return on assets held before and after retirement of 3.75% and 2.25% respectively,
- the increase in pensions in payment of 3.35% (for RPI capped at 5% p.a.),
- the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.2 years, female 24.1 years, and for those retiring in 20 years' time, 24.0 years for a male pensioner, female 26.0 years.

The result of the valuation showed that the actuarial value of the assets was £141.2m. This represented 81% of the benefits that had accrued to members.

The Pension Plan was closed to new members and future service accrual with effect from 30 April 2007. With the removal of the salary linkage for benefits all employed deferred members became deferred members as from 1 May 2011.

The valuation prepared as at 1 May 2017 showed that the YMCA Pension Plan had a deficit of £33.6 million. YMCA DLG has been advised that it will need to make monthly contributions of £6,640 from 1 May 2020. 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 1st May 2020.

The table below sets out the value of the liabilities included in the Balance Sheet

	Within one year £'000	One to two years £'000	Two to five years £'000	After five years £'000	After more than one year £'000	TOTAL 2020 £'000	TOTAL 2019 £'000
As at 31 March 2020	79,482	78,688	240,722	162,882	482,292	561,774	-
As at 31 March 2019	77,167	77,455	240,252	251,562	569,269	-	646,436

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

Supplementary to the above scheme, employees starting with Sussex Central YMCA after 1 April 2001 were eligible to join a stakeholder pension scheme, which is a defined contribution scheme, into which the Charity pays contributions. The employee paid any sum up to legal thresholds but with a minimum contribution of £20 per month. The employer's contribution is set at a maximum of 6% of gross pensionable salary. The employee contribution has been increased to a minimum of 1.6% from April 2019. The scheme is administered by Legal and General. In addition, those employees who were in the YMCA Pension Plan and members of the Leadership Team make contributions of 8% of salary to the stakeholder pension scheme and the employer's contribution is 15%. During the period a total of 33 employees benefited from the scheme at a cost of £120,413.

In 1998 Guildford YMCA commenced a scheme with Prudential. This is a group personal plan arrangement. The contributions are expressed as a percentage of an employee's salary. The average number of employees in this scheme during the year was 1 (2019: 1) and costs for the year were £378 (2019: £272).

In 2007 Guildford YMCA commenced a scheme with Aviva. This is also a group personal plan arrangement and the contributions are expressed as a percentage of the employee's salary. This scheme was to replace the now closed defined benefit scheme discussed above. The cost for the year was £4,897 (2019: £5,240) in respect of 5 employees (2019: 5).

With the introduction of auto enrolment, the schemes were closed to new entrants on 31 January 2014 and the Charity now offers a stake holder defined contribution pension scheme in line with legislative requirements administered by Legal and General.

At the end of the year there was a liability of £42,002 relating to all the schemes that was settled the following month.

20. OPERATING LEASE COMMITMENTS

The future minimum lease payments of leases are as set out below.

	2020 £	2019 £
Land and Buildings:		
Within one year	904,883	798,317
Between one and five years	2,202,793	1,352,385
In more than five years	207,387	277,809
	<u>3,315,063</u>	<u>2,428,511</u>
Equipment:		
Within one year	19,928	15,557
Between one and five years	24,566	27,582
In more than five years	-	-
	<u>44,494</u>	<u>43,139</u>

21. GROUP AND RELATED UNDERTAKINGS

During the year ended 31 March 2020, YMCA DLG had the following related and associated undertakings:

	Relationship	Status	Regulated by Social Housing Regulator
YMCA DLG Services Ltd	100% subsidiary	Trading Company	Non-regulated

22. CONTINGENT LIABILITIES

At the 31 March 2020 there were contingent liabilities in respect of grants received in relation to the following properties:

- Crawley Foyer - Social Housing Grant of £873,140 and Local Authority Grant of £1,500,226
- Worthing Foyer - Social Housing Grant of £823,632
- Guildford Y Centre - Social Housing Grant of £3,050,481
- Guildford Foyer - Social Housing Grant of £2,021,986
- Horsham Y Centre - Social Housing Grant of £4,057,690
- Eastbourne Y Centre - Social Housing Grant of £771,910
- Eastbourne Foyer - Social Housing Grant of £1,525,000

There is potential for repayment or recycling of these grants in the event the sites are disposed of and/or taken out of social housing use. All these assets remain in social housing and the organisation has no plans to change the status of these sites.

On the purchase of Horsham Y Centre and Eastbourne Y Centre from YMCA England and Wales, grants were received for £873,000 and £247,500 respectively. If YMCA DLG resigns as a member of YMCA England and Wales Federation, or disassociates itself from the organisation, or ceases to participate in any of its operations, the grants will become refundable. It is considered unlikely that this will occur.

23. CAPITAL COMMITMENTS

At the year-end we had committed capital expenditure of £2,722,500 less a grant from Homes England of £1,614,950 for the purchase of a supported living hostel based in Hastings.