YMCA DOWNSLINK GROUP

ANNUAL REPORT 2021

Safer, Smarter, Stronger

(A Company Limited by Guarantee)
Registered company number: 03853734
Registered charity number: 1079570
Registered housing provider: 4644

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Welcome to YMCA DownsLink Group's Annual Report 2020/2021

1. CHAIR'S INTRODUCTION

I joined the Board in June 2020 succeeding John Slater as Chair in October 2020. John handed on a dynamic and ambitious YMCA, and I have enjoyed getting to know the organisation and working with such a skilled and committed Board and Leadership Team.

Our organisational year has been defined by the Covid 19 pandemic. We have spent the year operating under a business continuity plan, safer, smarter, stronger. With our aims to keep people safe, use of technology to support service delivery and to support staff and protect the organisation through the Covid crisis.

We have worked hard to contain the impact and spread of the virus amongst staff, clients (beneficiaries) and residents. In March 2020 we quickly adapted services to ensure our essential housing services remained open and the mental health and targeted youth work we provide transitioned to digitally accessible services. It is a testament to the hard work of the organisation that through the lockdowns we were still able to provide services to over 6000 children, young people & residents, which is only a 30% reduction on our normal annual reach.

Safer, Smarter, Stronger

Our staff have shown great commitment to the work of the organisation and supporting our service users and residents through the pandemic; including our key workers continuing to staff our supported housing through lockdown, counsellors and youth workers adapting and delivering digital engagement model, and central services teams as they transitioned to remote working without any business interruption.

As a Board we prioritised supporting staff through salary enhancements for key workers during lockdown, developing flexible homeworking options and where we furloughed staff topping up the government assistance programme to ensure staff's livelihoods weren't impacted through the pandemic.

One of our strategic priorities this year was the further development and investment in the safeguarding of children & vulnerable adults. We have seen year on year 50% increases in safeguarding alerts with safeguarding now being rated as the organisation's biggest risk area. Safeguarding alerts have been dominated by the impact of increasing levels of mental health needs in YMCA DLG's services leading to increased self-harm and suicide ideation amongst the young people we work with. This year we strengthened the central safeguarding team employing a Head of Safeguarding and two safeguarding officers. We also recruited a specialist safeguarding trustee role and invested in external audit assurance to support governance responsibilities for safeguarding. At a service level we focused on the training and development of staff and the development of safeguarding recording systems.

As we went into business continuity in March 2020, we reset the annual budget to ensure we protected the organisation's long-term finances. The government's furlough scheme was an important contribution to YMCA DLG's financial viability; we were also grateful for the financial support of our key partners and the generosity of people linked to a successful fundraising year.

As the year went on and the longer-term implications of the pandemic became clearer, we needed to take some difficult decisions and refocus some services. These changes did reduce the total workforce by 14 roles, refocusing youth involvement & resident engagement work and we were sad to say goodbye to some long serving staff who have made significant contributions to the organisation.

Over the year we felt it was important to respond directly to the issues raised by the Black Lives Matter movement. We recognise that the organisation should be more racially diverse than it is, and this is especially true in the decision-making functions of our YMCA. Consequently, the Board recently approved a new Equity, Diversity and Inclusion Plan to ensure we are taking a lead on this important societal issue.

This year we had a number of trustees step down from the Board and would like to thank John Slater, Peter Jeffrey, Deborah Pepper and Andrew Wilson for their service to the organisation and I would like to welcome Erin Barnes our new safeguarding specialist trustee, who joined us this year. On behalf of the Board, a huge thanks to the organisation's staff and volunteers for working through an exceptionally difficult year and our partners and supporters for their continuing support of our YMCA.

Fran Beckett

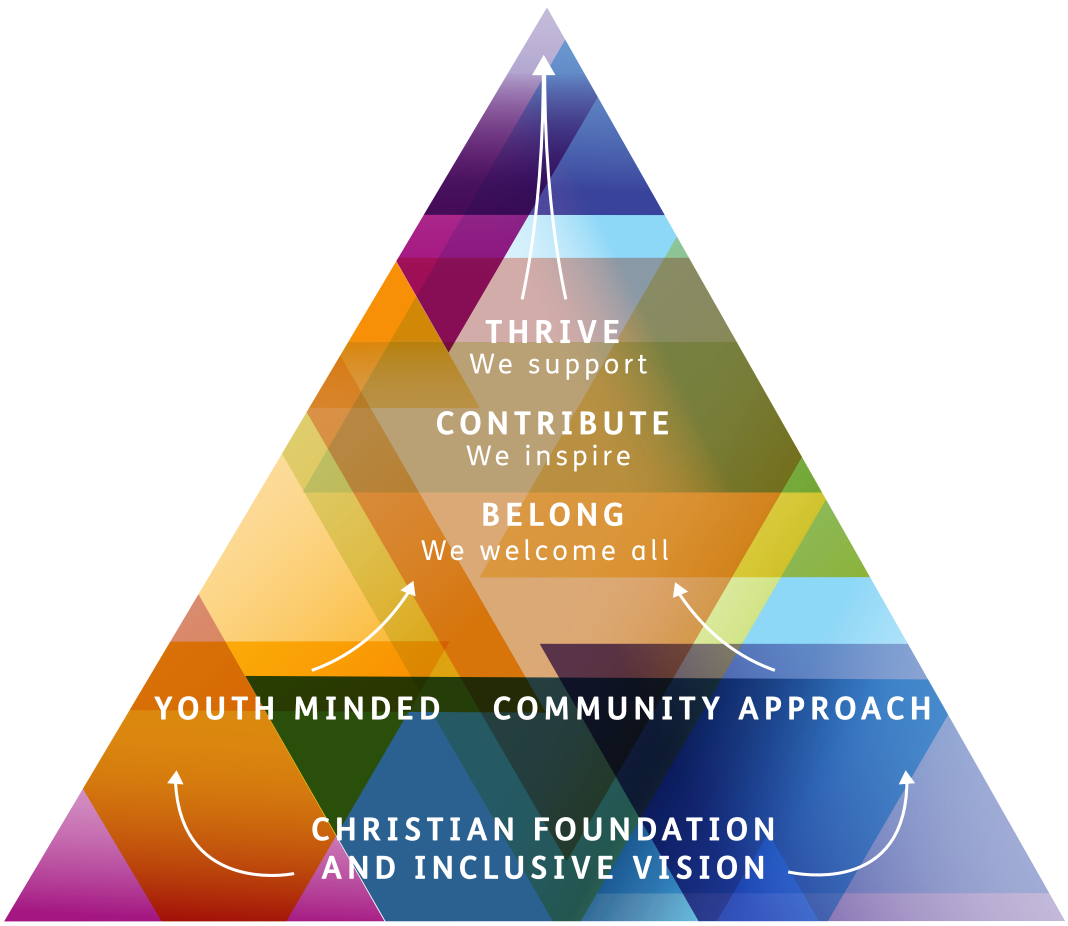
Fran Beckett
Chair of Board of Trustees

Safer, Smarter, Stronger

2. YMCA DLG MISSION

The organisation shares a common vision with the wider YMCA Federation of England & Wales. A vision that all young people can belong, contribute & thrive in their local community. As a local YMCA Association, we translate this vision into four missional priorities

TRANSFORMING YOUNG LIVES



- Helping young people belong in their local community
- Keeping children & young people safe
- Supporting children & young people's emotional wellbeing & mental health
- Helping young people achieve

Helping young people belong in their local community

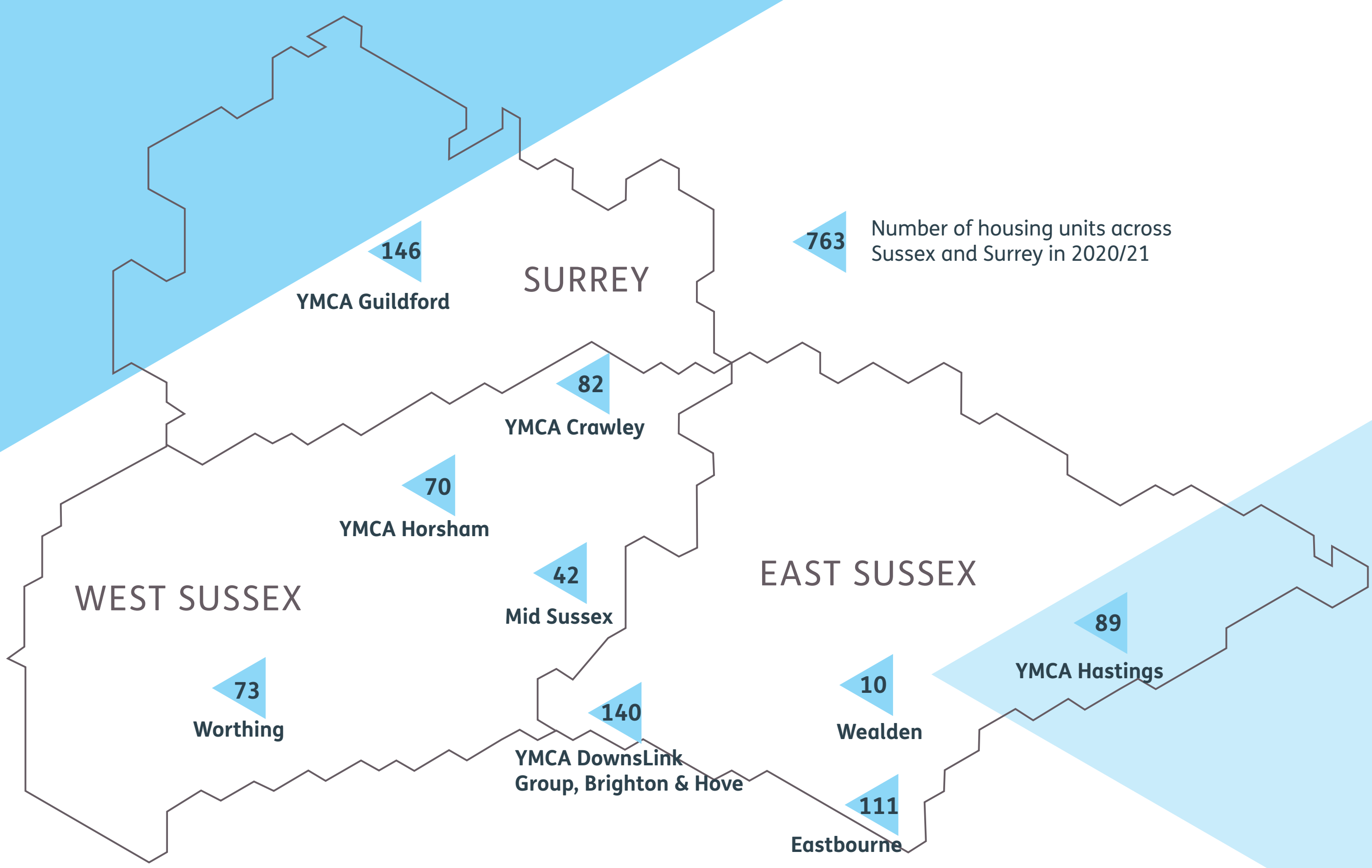
One of the most important ways we help young people belong in their local community is the investment we make in developing and running supported accommodation for homeless and vulnerable young people.

Over the year we maintained our supported housing stock at **763 units of accommodation**. This stock base enabled us to offer **1181 young people a safe place to stay** last year.

Over the year we established the new rough sleeper service, St Patricks in Brighton. We were pleased to play an active role, through this service, to support the Covid pandemic 'everyone in' programme and establish a partnership with Arch Health supporting step down from hospital accommodation for rough sleepers.

Move on accommodation from supported housing, in Sussex & Surrey, is in short supply and we were very disappointed to have to pull out of a modular build development project in Brighton due to being unable to secure a development contract within the resources we had available. In this year's accounts we have included the £304k write off of costs incurred trying to bring this scheme to fruition.

YMCA DLG is particularly proud of its work with young asylum seekers. At YMCA Guildford Foyer we provided accommodation to 23 young asylum seekers, some the most marginalised and vulnerable young people in our communities. Read Kian's story on the next page.



Kian's story

Kian arrived in the UK to seek asylum in October 2020 and was required, under Covid rules, to quarantine for 14 days at the Guildford Foyer, whilst Social Services looked for a more permanent placement.

Quarantine was 'very difficult'. He was alone in a new country and was not allowed to come out of his room due to the protective restrictions. When he was allowed out of his room, Kian did not want to be at the Foyer or in Guildford and felt that no one was listening to him about being moved to London. He wanted to join a football academy and pursue his dreams to become a professional footballer. He says that playing football is the only time that he feels free from his troubles.

It was tough, he was very isolated in a new country and under lock down conditions. After some adjustment and a lot of 1:1 support, Kian settled at the Foyer and decided to stay until the right place in London became available. He engaged in English lessons and improved quickly. He began to trust staff and was a permanent feature at the front desk, always looking for opportunities to improve on his English. He enrolled in college and has joined in with the local football opportunities.

Kian will shortly be moving to London to join a football academy and enrolling in a new college in September. Kian found the asylum journey and restrictions of Covid very challenging for his mental health but looks forward to his future in London and is grateful for the support, care and understanding that he has received at the YMCA Guildford Foyer.

We would like to take the opportunity to recognise the important partnerships connected with our supported housing work and how these partnerships help support the housing needs of so many young people.

Brighton & Hove City Council

East Sussex County Council

Surrey County Council

West Sussex County Council

Mid Sussex District Council

Horsham District Council

Crawley Borough Council

Worthing Borough Council

Hastings Borough Council

Guildford Borough

Eastbourne Borough Council www.eastbourne.gov.uk

Keeping children and young people safe

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

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

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

The single biggest priority for YMCA DLG is the safety and welfare of the children, young people and residents we support. Our experience on the ground has reflected many of the national headlines of increasing mental health problems, rising levels of vulnerability and child poverty in our society. We have seen a significant rise in the vulnerability of young people living in our supported housing. A detailed analysis of the needs profile revealed the growing impact of mental health and increasing percentage of care leavers.

NO. CURRENT RESIDENTS (EXCLUDES STUDENT HOUSING)	538
% Young people who have been in care	23%
% residents 16 to 18 years old at referral	40%
% Have a diagnosed mental health issue	33%
% Have expressed suicidal thoughts and/or have suicide ideation	6%
% Have attempted suicide whilst in the project	1%
Safeguarding alerts as % of residents	10%
Max % of residents for whom we were carrying out welfare checks at any one time	15%

This increasing level of need in our supported housing and increasing referral thresholds in our community counselling services saw the number of safeguarding alerts rise by 54% from 1,077 in 2020 to 1,664 in 2021. This is even more significant noting that the total number of young people we supported last year dropped by 30% linked to Covid lock downs

A significant focus of our targeted youth work services is to keep children and young people safe. It is over 15 years since we first started campaigning on the issue of the exploitation of young people. This campaigning developed into our WISE service (what is sexual exploitation). Last year the service worked with 111 young people and 259 professionals to support our aim to keep children & young people safe. The case study below demonstrates how important this work is.

Tina's story

Tina (not her real name) found the support she received from YMCA WiSE invaluable following a difficult period in her life when she had been groomed by two older men.

At 17 Tina and a friend had been befriended by two much older men, invited to parties and given alcohol. Following an incident Tina was referred to the YMCA WiSE service that supports children and young people at risk of, or subject to sexual exploitation. It was recognised that Tina was very vulnerable and had already been subjected to grooming at an earlier age.

The YMCA WiSE worker was able to give Tina a good deal of helpful information around healthy relationships, recognising grooming, growing self-esteem and assertiveness and the issue of consent. They met every week, and Tina appreciated being in a safe place where they could discuss anything that was on her mind. They carried on meeting for about six months, and during that time Tina's self-confidence grew significantly. Role play sessions helped her to grow in assertiveness. She even shared her discomfort about the family's lodger who was behaving inappropriately, and he was asked to leave the family home.

They were able to address other issues too, such as Tina having had no money of her own. As the family income was low, the YMCA WiSE worker supported Tina and her Mum to claim a Personal Independence Payment, which enabled Tina to buy herself some clothes and materials for her college course.

At the end of her time with YMCA WiSE Tina was very positive about the value of having someone she could talk to confidentially about private issues that she couldn't share with her family or friends. She started volunteering in a charity shop, completed a first year at college and plans to go on to a second year. With a new understanding of what a healthy relationship looks like, she started a relationship with a boyfriend her own age.

With support from her YMCA WiSE worker Tina grew significantly over the course of six months and is now well on the way to building a more positive future for herself.

Supporting children & young people's mental health & emotional wellbeing

YMCA DIALOGUE

Counselling and therapeutic support for children, young people and families

YMCA Dialogue is our Children & Young People's emotional health and wellbeing service. The service operates across Sussex through two large community counselling and therapy services and 46 individual counselling and therapy contracts with schools. Last year our YMCA Dialogue services offered 2,896 children & young people mental health and emotional wellbeing support.

YMCA Dialogue saw the single biggest change in responding to Covid. Moving from face-to-face service to a digital service overnight. Below is an account of what that change felt and looked like by one of our therapists.

Lape Odebode works within the West Sussex Dialogue Counselling Service as a Counselling Coordinator. She reflects, below, on the last year of working as a counsellor through the Covid-19 pandemic.

A lot of change can happen in 12 months!

Yet while it has been a year of significant challenges, I feel very proud of the way YMCA Dialogue Services adapted and provided support for children and young people who experience difficulties with their mental health.

As a Counselling Coordinator, my working week is a diverse range of activities including providing therapy sessions for children and young people, writing reports, attending meetings and training, assessing new referrals, and providing consultation and advice for external agencies. No day is the same!

I am based in one of YMCA DLG's Youth Information and Advice Centres (YACs), and pre-pandemic, I also used to provide therapy sessions for young people in a local college and run a weekly young women's group in a housing project, so I was used to working with young people in different locations throughout the week.

At the start of the pandemic in March 2020, our service model changed instantly, and we moved from face-to-face therapy sessions to providing remote support. This required a quick response of contacting young people and external professionals to notify them of the change, with the aim of minimising as much disruption to therapy sessions as possible. As a service we also moved to maintaining our client files electronically to support a safe and accessible way for our service to begin 'working from home'-this was a big transition!

Initially these major changes required some adjusting to, (and a lot of document scanning!), but I soon understood the new system and received needed technical equipment to support video calls over the NHS Attend Anywhere platform that we use for our therapy sessions.

Interestingly, and thankfully, I had a smooth transition into virtual working. A typical 'Clinical Day' for me involves 4 regular therapy sessions, and 1 assessment session for a child or young person who is accessing our support for the first time. For many of my clients, the pandemic presented an additional layer of disadvantage, for example, further isolation due to the social restrictions, and an increase in symptoms of anxiety and depression. Weekly therapy is something that many clients experience as being positively impactful on their wellbeing, and it has been encouraging to receive feedback how the continued support throughout the pandemic, has been valued.

Sometimes during everyday activity, it can be hard to see the wider impact of our support, however I have found that the end of a course of therapy with a child or young person can be a positive time of reflection. I recently had my last virtual therapy session with a young woman, who I will call E, who experienced an unexpected home move,

breakdown in parental support, end of a significant peer relationship, and a decline in her mental wellbeing all within the last year of the pandemic. For E, her therapy sessions presented a safe (virtual!) space in which she could express her emotions, learn strategies to support her mental health, develop the confidence to talk about her difficult experiences, and connect with wider support. In our final session, we reflected on the increase in E's confidence, E shared about all that she was 'taking away' with her, and I was reminded about the importance of what we do. In addition to E, I have many other stories of young people who have valued receiving therapy during the pandemic, as well as positive feedback from parents and school staff members.

While I sometimes miss the 'in-person' experience of providing therapy, the last year has contributed to a deep desire to support the mental health of children and young people. I have also learnt about the importance, as therapists, of engaging in self-care to support us in the process.

With that in mind, I am going to end this reflection to go out for a walk before my next meeting!

Schools and children and young people's education were massively disrupted this year by Covid. We were pleased to be able to work with over **50 schools across Sussex to ensure children and young people were able to access counselling** support through YMCA Dialogue.

The work of YMCA Dialogue is delivered through a number of important partnerships and we would like to recognise and thank our partners for their support over the past year.

Brighton & Hove City Council

west sussex county council

NHS Sussex Partnership NHS Foundation Trust

Helping young people achieve

YMCA POSITIVE PLACEMENTS

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

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

We are proud that our work is focused on supporting the most marginalised young people in our local communities to achieve their potential. Covid has further increased the inequalities amongst young people, with those young people who experience poverty and exclusion slipping further behind in terms of their life chances. We measure how many young people who live in our supported housing are accessing education, employment and training. Over Covid that slipped from an 53% average to an average of 38% with homeless young people really struggling to access further education and entry employment opportunities seriously declining. We have a huge concern about this trend and we intend to continue the investment of over £300k a year of our own charitable funds into our More Than a Room Programme into prioritising how we help young people achieve.

Our YMCA Chaplaincy services, and associated volunteer chaplains, were unable to deliver their normal hosted meals across our supported housing projects this year, because of Covid. But they did ensure our residents still had access to home cooked food bringing in meals that young people could collect. We would like to thank all our volunteers who continued to support us and our residents through the Covid pandemic.

YMCA DLG volunteer chaplains at the Crawley Foyer Garden

Below is a fantastic case study from our Brighton young families' scheme about how we support young people to achieve. The Brighton young families' scheme provides young families with housing and housing related support to support them to live independently and fulfilling family lives.

T and R's journey as residents of the Brighton Young Families Project began 15 months ago, during which time their personal progress and achievements have been inspiring.

Alongside raising their firstborn child and living independently for the first time, T and R have always maintained their engagement with the service for a positive future. R gained experience in part-time work in landscaping and plastering jobs. Inspired by his father and grandfather who are still in the trade, he has gone on to study Construction for which he is now at a diploma level, as well as completing a Level 1 Sports course at Brighton MET.

T is currently studying Nail Tech and Beauty Therapy – something that she always wanted to do but had to delay when she became pregnant. Never losing sight of this, T re-engaged after the birth of their first child and continues to do so through the pregnancy and birth of their second child – as well as also engaging in a sports course at a local college, including A Level English and GSCSE Maths skills.

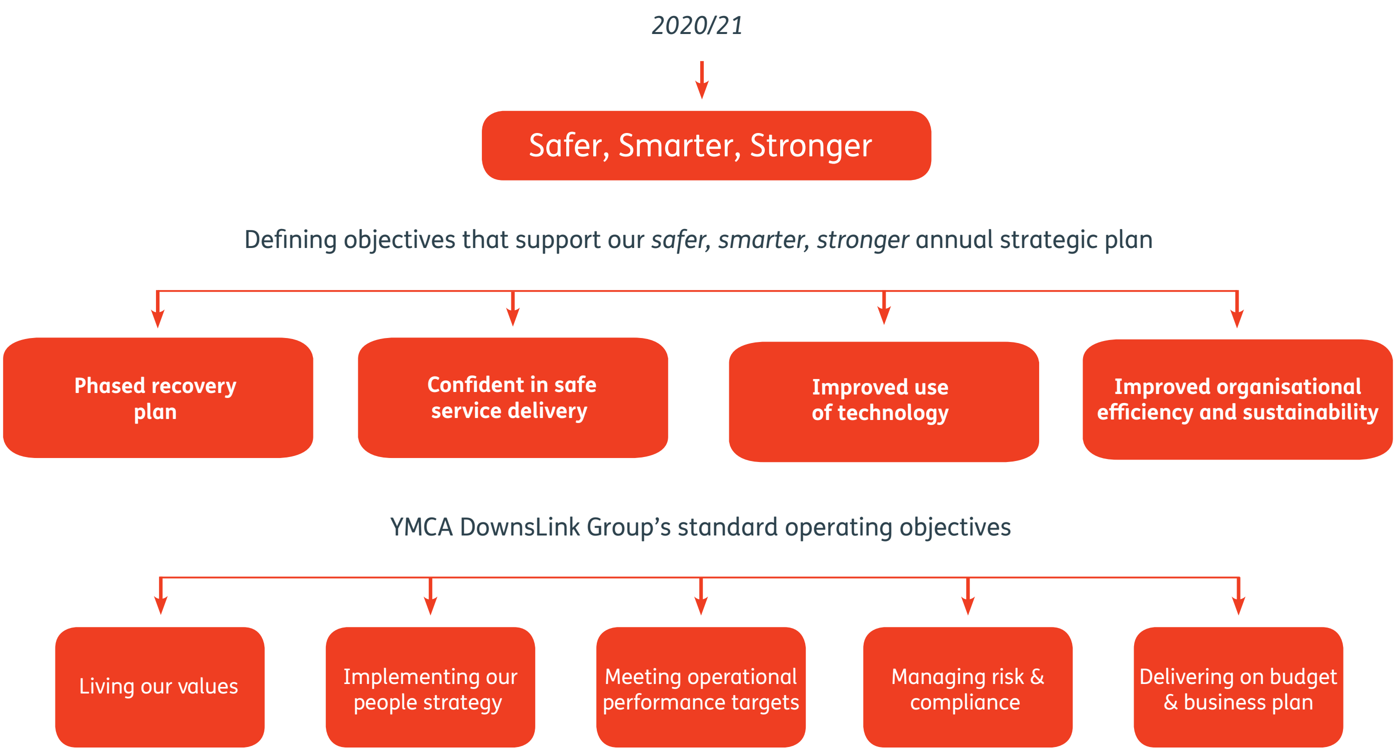
With the recent birth of their second child, T and R's ability to successfully manage both their family and education/work lives is commendable. They are a wonderful family unit and have been an excellent example for other young families to follow, being always a positive and welcoming influence around the project. They engage well with staff support – regularly attending and taking part in key work sessions focused on employment and education goals, budgeting, and home management, as well as with group work activities such as bake offs, art and craft challenges and parent and child coffee mornings (subject to Covid restrictions!).

They have both made it clear how important the mutual trust and support between them as a couple and as parents has been in their achievements, with T praising the BYFP staff team for their positive impact, specifically mentioning support given during a challenging time with their older child and her nursery school; funding and grants for equipment for their studies; and the long-term support around their independent living skills - enabling them to set up an account and begin bidding for their own property via Homemove.

Looking to the future – T and R are excited to make this natural move away from supported accommodation and take the next step in their lives. Once she has completed the English and Maths qualifications on her MET course, T would like to progress to university and study criminology and law as well as continuing to build on her nail and beauty training. R surely has a bright future in trades and in his lifelong (but still growing) passion for sport and fitness but has stated very clearly that his deepest fulfilment comes from his family and supporting them, no matter what he or T go on to do in the coming years.

3. ORGANISATIONAL PERFORMANCE AND STRATEGIC OBJECTIVES

This year we report on our performance against our ***interim strategy: Safer, Smarter, Stronger*** summarised below:



This section sets out how we performed in the following areas:

- Living our values
- Implementing our People Strategy
- Meeting operational performance targets
- Managing risk and compliance
- Delivering on budget and business plans

Living our values

YMCA DLG values are:

- **We welcome all**
  We offer people the space they need to feel secure, respected, heard and valued; and we always protect, trust, hope and persevere
- **We inspire**
  We strive to inspire each person we meet to realise their full potential in all they do
- **We support**
  We are committed to the wellbeing of the communities we serve and believe in the positive benefit of participation, locally and in the wider world

What do YMCA DLG clients say about us?

This year's clients' survey presented us with some really useful insights into what clients felt we were doing well, and where we could improve. As a result of client feedback we feel we are performing well against 2 of our values in particular. We want to do more to improve how the people we work with feel inspired:

We Welcome All: 91% found staff and volunteers welcoming

We Support: 87% of clients felt supported in YMCA DLG services

We Inspire: 68% felt inspired to achieve their goals

"From the first time I met my Counsellor, he was a very kind and warm soul. Made me feel like I was valid in everything I feel/do."

"I feel the level of welcoming people of different backgrounds and cultures at Eastbourne Foyer is really good."

"If it wasn't for the support I've had, I wouldn't of coped at all and would have been in a dark place."

"I'm not sure what my dream goal is but the staff here completely understand your situation and they help with a bit of advice that you can either take that advice and use it or you can ignore it it's completely up to you.."

Compliments and Feedback
This year we collected over **350 compliments** from stakeholders including clients, family members and other professionals, here are a few:

Parents and carers

"Thank you. You are so appreciated. You are the first person he has trusted and opened up to for a very long time. You are offering him something he has needed his whole life."
- Parent of a client at YMCA YAC

"He really benefits from coming to counselling, he is talking much more about the things that worry him rather than letting it build up and become explosive." **- Parent/carer of a counselling client at YMCA Dialogue**

Professionals that work with us

"[The YMCA Dialogue counsellor] has been wonderful in helping us through these tricky times and we very much appreciate her professionalism and care for both staff and pupils. Secondly, a big thank you to YMCA Dialogue for all your services too." - **School**

"It's always a pleasure working with YMCA DLG - even when there are tricky times for whatever reason, the staff and management have a drive to improve relationships and find better ways of working, because we all know it will benefit the young people and it's great to work with this shared ethos" **- Senior Mental Health Practitioner**

"I have been working with [staff member at YMCA YAC] in order to support a homeless client into permanent housing. This has proved extremely difficult for a variety of reasons, but [the YAC worker] has shown considerable resilience, patience and commitment. I wanted my appreciation of her work to be formally recorded" **- Professional**

Implementing our People Strategy

Reward and Recognition Plan
We need to employ staff with the right skills for their role. Salaries offered are usually significantly lower than those available for comparable roles in the commercial or public sectors.

As part of our People Strategy, in 2020 we committed to reviewing our approach to reward and recognition, to ensure that every person in YMCA DLG is fairly rewarded for the work that they do, in a way which is affordable for the organisation.

In 2021, we completed the first phase of this review. We developed a new Pay Policy and designed a new salary structure which aimed to ensure that salaries were internally consistent and externally benchmarked against the market.

Our new salary structure links every role to a job level and a job family (ensuring greater consistency), and over the next three years we aim to ensure that everyone at DLG is paid between 90-100% of the mid-point (market tested).

In July 2021, 79% of staff received the first phased salary uplift. We aim for every member of staff to reach their target salary within the next three years, and we commit to ensuring that the gap between the highest paid employee remains between 5-8 times (ratio 5:1-8:1) the base salary of the lowest paid employee (not including apprentices).

It is our intention to report on our salary ratio every year in this report. Once the uplifts are complete in July 2021, the salary ratio at YMCA DLG will be 5.6-1.

Equity, Diversity and Inclusion
Our aim is for YMCA DLG to be an organisation that people want to join, where they feel welcome and want to stay. This is reflected on our organisational values, which underpin our People Strategy.

Early in 2020, YMCA DLG's active Diversity and Inclusion Forum (comprised of colleagues, trustees and service users) embarked on developing a new action plan which aims to ensure our YMCA becomes a more inclusive organisation and employer so that we can continue to play our part in addressing some of society's most deep-rooted inequalities.

The plan recognises the organisation has a way to go – and that we intend to share our learnings and questions along the way. It is centred around three goals: becoming a more inclusive organisation, becoming a more inclusive employer and becoming a more inclusive service provider.

In 2021/22, we will focus on creating a more systemic approach to enable us to take practical action across the organisation, clarifying the organisation's stance to equity, diversity and inclusion, and making a commitment to sustained action through providing visible leadership and demonstrating a willingness to change.

We have agreed we will also have a sustained focus on efforts to become an anti-racist organisation, recognising that this requires individual, organisational as well as societal change. The individual change starts with education – and all members of the Leadership Team and the board of trustees will complete unconscious bias training by the end of this financial year. As leaders, we recognise that we need to commit to deep personal understanding and reflection if we are to achieve our goal of creating a more inclusive organisation at YMCA DLG.

Meeting operational performance

Missional KPIs

		Target	End 19/20	Annual Position	Trend on 19/20
Total reach (no of children, young people)	All	Trend Up	10,800	**6,439**	↓
Total of number of accommodation units	CAPS	Trend Up	763	**763**	↔
Positive move-on rates from YMCA accommodation	CAPS	70%	78%	**90%**	↑
Supporting wellbeing: number of clients in Dialogue	CYP	Trend Up	3152	**2896**	↓
Number of Dialogue schools contracts - missional	CYP	trend up	n/a	**46**	↓
Helping young people achieve: More than a room, YP in EET (employment/education/training) as % of total	CAPS	70%	53%	**38%**	↓
Number of young people involved in influencing opportunities (e.g. interviewing staff, focus groups - excl surveys)	All	Trend up	3032	**607**	↓

The table shows the end of year report to the Board

- Overall, YMCA DLG's reach reduced as we saw services have to restrict access, or close completely during the pandemic lockdowns; we are proud to have reached over 6,400 individuals keeping most services running during difficult times
- 2,900 clients' wellbeing supported through YMCA Dialogue counselling and therapeutic services despite the barriers of lockdown and reduction in face-to-face meetings
- 1,181 residents in YMCA DLG accommodation
- 90% of residents leaving YMCA DLG, moved on in a positive, planned way
- A decline in residents' employment/ education status - unfortunately only 38% of 16–25-year-olds were in employment, education or training at the end of the year, demonstrating the devastating impact of Covid-19 on young people's opportunities – many of the residents we support work in hospitality or retail, which was badly hit by lockdown rules

Improvement in CAPs recruitment and retention performance

Last year we had a high turnover of staff in accommodation projects indicating there was work to do to improve staff experience and retention. This year, work included progression pathways for staff, management training and a review of pay with a plan to improve salaries where they had been identified as moving up to a target level. We have also improved our recruitment and application process, use of social media and employment brand. We saw a reduction in total turnover of 10% over the year to 24%. As this figure is for total turnover, it has been impacted by the reduction in posts from restructuring at the end of this year.

We are just behind the target of 20% or less, however we believe that as the People Strategy continues, we will achieve this.

Managing Risk and Compliance

Risk Management KPIs

		Target	End 19/20	Annual Position	Trend
Number of incidents	All	Monitor Trend	191	**285**	↑
Number of safeguarding incidents	All	Monitor Trend	1077	**1664**	↑
Fire Risk Assessments,Gas Safety **and** 5 yr electrical inspections	All	100%	99%	**100%**	↔
Actions from above completed, none overdue	All	0	n/a	**0**	n/a
Compliance with water testing at properties that require it	CAPS	100%	67%	**91%**	↑
Maintenance response target	CAPS	95%	89%	**88%**	↓
Reportable personal data breaches	All	0	0	**1**	↑
No of complaints	All	trend down	71	**87**	↑
% complaints upheld	All	trend down	n/a	**40%**	n/a
No of subject access requests received	All	monitor	6	**14**	↓

Page 1

This table shows the KPIs that were reported to the Board at the end of year on risk management.

Landlord and Health and Safety obligations
This year we have continued to keep a close eye on health and safety in buildings and even through lockdown we ensured we were meeting our obligations by continuing to test equipment, and ensure the right checks and assessments were carried out. This work is overseen by the Audit and Risk Committee which receives regular reports on compliance performance. We have implemented a new weekly report which ensures better oversight from managers about actions that are due, and important health and safety checks that are coming up.

Fire Safety
Improvements to fire safety at YMCA DLG have been a key priority; we commissioned an external assessment of fire safety policy and procedure and conducted an inhouse review. Improvements to regular reporting on fire safety related repairs and maintenance have strengthened the fire safety approach at YMCA DLG; we recognised where we need to improve as a result of the reviews and have an improvement plan which we are working to, approved by committee.

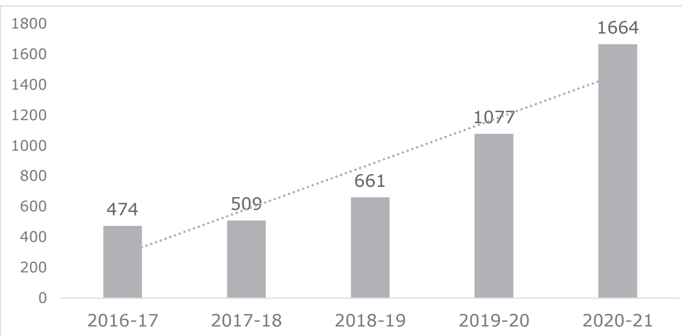
Embedding highest standards in safeguarding

We achieved a significant improvement in safeguarding practice through:

- achieving our target for employees undertaking mandatory safeguarding training
- trustees completing further training this year in safeguarding and governance
- three external safeguarding audits for assurance
- implemented internal high risk case reviews with the safeguarding team working alongside staff and managers to oversee high risk cases

The above steps have resulted in improved quality of reports and improved oversight of concerns. This ultimately helps us keep clients safe, where necessary working with statutory agencies to get the right support to people.

The chart below shows this year has seen another year of increased alerts reflecting both the difficult times children and young people face (particularly a rise in mental health concerns during lockdowns) and improved reporting and awareness of staff.



Safeguarding alerts across YMCA DLG for last 5 years

There is a robust reporting policy and where concerns reach the threshold for reporting to statutory services (about 50% of the cases this year), we work in partnership with Social Care and Police to keep people safe.

We also saw an increase in incidents most notably in the first six months of the year, during pandemic restrictions.

Complaints

We had an increase of 14% in complaints, a total of 87 for 2020-21. The most frequent type of complaint was related to anti-social behaviour, from neighbours, which spiked in the first 6 months of the year during the first lockdown.

> *"I am replying to say that I have received your email. Thank you for taking my complaint seriously and handling it professionally."*
> **- YMCA DLG resident**

We launched new complaints training for complaint leads and improved the monitoring of complaints to accurately report on outcomes and learning.

Information Technology – IT security and data protection

We embarked on a discovery exercise, holding 8 workshops with staff and managers looking at IT. This was to develop a clear 5-year strategy for IT development work to ensure we have the right systems, secure storage and access to data to manage risk in the organisation. The strategy will be approved by the Board in 2021-22.

Covid-19 recovery planning

We are proud of the work we did to ensure business continuity, to protect people and adapt client-facing services during the crisis. The senior management team developed a clear plan to prioritise services and conducted risk assessments to ensure the right measures were and are in place to prevent the spread of the virus in YMCA DLG's services and work. The work of staff following these procedures was successful and we did not see contagion between staff this year, and only one confirmed outbreak amongst residents which we contained through self-isolation of the project and residents.

Delivering on Budget and Business Plan

The 2020/21 business plan responded to the challenge of the Covid 19 pandemic in developing an organisation which is 'safer, smarter and stronger'.

In addition to taking steps to mitigate the impact of the pandemic, we had the following specific goals:

Review of central services
We concluded our review of YMCA DLG's central services functions, which included benchmarking our central service functions against similar organisations. The results of this review focused on strengthening our systems and processes which has been fed into the 5 year IT strategy above. In addition we are investing in an Executive Director of People and Culture to strengthen and develop our corporate services and will do further work on our procurement processes.

Investment in Modular build development project in Brighton
Unfortunately, due to increasing costs we took the decision to terminate this project and write off costs accumulated to date (see Finance section below).

Investment in Hastings Foyer
This is an acquisition of a large residential building in Hastings which is being converted into a 47 unit Foyer scheme. The scheme is nearing completion and is expected to be available to let from October 2021. It benefits from a significant capital funding grant from Homes England to support the acquisition costs and revenue contract funding from East Sussex County Council.

Continued investment in Empty Homes
11 Empty Homes units were completed during the year compared to a forecast of 18 units. In addition, the development of 6 West Sussex County Council refocus properties were forecast to complete during the year and have been rolled over into 2021/22.

Eastbourne asset review
This was delayed due to the pressure of responding to the pandemic. The review has now started and will be reported to the Board in October this year as part of the wider Business Plan refresh work.

Fundraising achievements

Fundraising KPIs

		Target	End 19/20	Annual Position	Trend
Financial value of trusts and foundation applications - income received	All	£203k pa	£101.5k	**£246,667**	↑
Number of trust applications completed	All	trend up	n/a	**37**	n/a
Financial value of corporates	All	£25k pa	0	**£27,580**	↑
Number of potential Supporters opting in	All	trend up	800	**1219**	↑
Number of regular supporters	All	trend up	24	**47**	↑
traffic to website	F&C	trend up	17,086	**67,108**	↑
social media followers - facebook	F&C	trend up	1201	**4,490**	↑
social media followers - Twitter	F&C	trend up	2998	**3,043**	↑

This was the first full year's implementation of the new Fundraising Strategy and despite the impact of Covid, we had a strong year. It ended with a final fundraised income, excluding amounts brought forward and carried forward, of £442,254. Trust funding was particularly strong, and we were extremely grateful to have received a continuation of support from The Blagrave Trust, the National Lottery and BBC Children in Need. With a targeted approach to trust funding we were also successful in applications to new trust funders like Garfield Weston and Nationwide.

The impact of Covid meant that our outreach strategy had to be more focussed on digital engagement and we had strong results with our Covid Emergency Appeal, our Love in Box Christmas Campaign and our annual Sleep Easy event which we moved to being a digital based event with supporters taking part at home.

Impactful, simplified messaging, enabled us to increase the awareness of the organisation within our local community which drove increased traffic to the website and hugely increased our social media following. We were also increasingly proactive in our approach to our supporter base and to local companies which has enabled us to increase engagement within both sectors.

We would like to take this opportunity to thank all of the donors for their generous and continued support and we hope they will be excited to take part in our planned new events and engagement opportunities in 2021/22.

Fundraising Team

4. REVIEW OF FINANCIAL PERFORMANCE 2020-21

Financial KPIs

		Target	End 19/20	Annual Position	Trend
Staying within budget	Finance	y/n	y	**y**	↔
Compliance with loan covenant	Finance	y/n	y	**y**	↔
Achieving full cost recovery	All	y/n	n	**y**	↔
Void loss as a % of gross rent	CAPS	3%	4.5%	**4%**	↓
Income collected as % of gross rent charged - *excl students*	CAPS	97%	98.5%	**99%**	↑

This year, the greatest driving force has been Covid-19 creating unprecedented economic uncertainty. The Job retention ('furlough') scheme enabled us to retain the staff who work within our face-to-face missional activities, although towards the end of the year we had to make the difficult decision to restructure some of these activities to ensure the ongoing viability of the organisation, resulting in some redundancies costing £94,000. With construction costs increasing, we took the decision not to proceed with the modular development in Brighton that would have provided 30 self-contained move-on flats, as it was no longer a viable option.

The development costs of £304,000 have been written off in this year's accounts. We are a participating employer in the YMCA pension plan and, following the triennial revaluation of the scheme in May 2020, the deficit had increased resulting in a charge to our annual accounts of £179,000.

Income and Expenditure Summary	**2021**	**2020**	**Movement**
	£'000	**£'000**	
Income	16,203	15,099	7.3%
Operating Costs	(15,638)	(15,120)	-3.4%
Underlying operating surplus / (deficit)	565	(21)	2,790.5%
Pension revaluation	(179)	7	-2,657.1%
One off development and redundancy costs	(398)	-	-100.0%
Operating (deficit)	**(12)**	**(14)**	14.3%
Net Interest & investment revaluation	(62)	(71)	12.7% -
Deficit for the year	**(74)**	**(85)**	**12.9%**

With the above costs included, we are pleased to be reporting a deficit of only £74,000 (2020: £85,000). Our income for the year increased by 7.3% to £16,203,000 (2020 - £15,099,000) benefiting from: the Job Retention Scheme; a full year of two Brighton and Hove based housing projects that commenced the previous year and improved voids in housing projects. This excluded our student accommodation at 'The Bridge' based in Guildford where we suffered poor occupancy rates during the pandemic. The continuation of our fundraising strategy meant that we were ahead of our target at the end of the year, mainly due to successful applications to Trusts and Foundations.

Operating costs increased by 7.3% in line with income growth to £16,214,000 (2020- £15,113,000). We continued to pay staff on furlough at 100%, of which the Government scheme funded 80%, offset by savings on travel and meetings.

Earnings before interest, taxation, depreciation and amortisation (EBITDA), on which our banking covenants are based, were £434,000 (2020 - £395,000) 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 charity has accumulated reserves of £9,901,000 including restricted reserves of £236,000. 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 £1,500,000 cash which is more than a month of cash outflow. At the end of the financial year the charity had cash cover of 2.1 months (2020 was 1.6 months) compared to a target of just over 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 85% of our annual income falls into certain income criteria, an increase on last year due to a reduction in our uncertain income from the student accommodation.

We retain a £2,500,000 loan facility with Charity Bank, of which £1,000,000 remains to be drawn down for the acquisition of the Hastings Foyer which is due to complete during the next financial year. In addition, we have a £450,000 loan on a fixed interest rate with the Rosaz Trust which is repayable no earlier than September 2044.

5. YMCA DLG PLANS FOR 2021-22

We are proud of what we achieved in 2020-21 even though we did not complete all the intended work planned for the year. The long running nature of the Covid situation affected our ability to complete the following in particular:

- Long term homeworking policy was paused and will be replaced this year with a hybrid working policy in Autumn of 2021
- Rent strategy – was paused but will be completed in 2021-22

Our key aims this year are to:

1. Implement a Covid recovery plan ensuring we respond and develop the organisation in line with the changing national guidance on Covid recovery
2. Develop a new long-term strategy and business plan for the organisation with an agreed focus on rebalancing mission, people and financial resources. This reflects the significant growth the organisation has experienced over the past five years and the need to underpin that growth through better systems and processes. It also reflects the toll responding to the pandemic alongside ever-increasing social need amongst our service users and residents has taken on our staff together with the importance of ensuring that we live our values as an organisation in the expectations we have of our staff.

The priorities we will focus on in developing our new five-year strategy are:

- Operational review of our service against our missional priorities, risk thresholds & financial operating rules
- Review our referral thresholds to ensure that our services are safe for service users, residents and staff and reflect our YMCA vision and values. Working closely with our partners to set clearer referral thresholds and service model and delivery expectations
- A specific review of our services delivered through YMCA Guildford and how these support our mission and business plan
- Continue to invest in our people strategy through the implementation of our equity, diversity & inclusion plan, the establishment of our new staff reward & recognition plan and the development of our organisational culture to underpin our new five year strategy
- Develop and commence implementation of our new IT strategy

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
Fran Beckett, Chair Appointed 18 Jun 2020
John Slater, Chair Resigned 16 Oct 2020
Ingrid Beatty, Vice Chair
Peter Jeffrey (resigned 3 Dec 2020)
John Holmstrom
James Lister
Richard Nerurkar
Deborah Pepper (Resigned 16 Oct 2020)
Caroline Stearman (resigned 3 Dec 2020)
Andrew Wilson (resigned 3 Dec 2020)
David George (resigned 3 Dec 2020)
Michael Chawatama
Andrew Taylor
Michael Gercke
Erin Barnes (appointed 27 Jan 2021)

Audit and Risk Committee
Michael Gercke, Trustee and Chair
Peter Jeffrey, Trustee (resigned 3 Dec 2020)
John Holmstrom, Trustee
Carol Long, Independent member

People and Participation Committee
Ingrid Beatty, Trustee and Chair
Deborah Pepper, Trustee (resigned 16 Oct 2020)
Andrew Wilson, Trustee (resigned 3 Dec 2020)
Caroline Stearman, Trustee (resigned 3 Dec 2020)
Michael Chawatama, Trustee

Business Planning and Finance Committee
Andrew Taylor, Trustee and Chair
John Slater, Trustee (resigned 16 Oct 2020)
Peter Jeffrey, Trustee, (resigned 3 Dec 2020)
Michael Gercke, Trustee,
Fran Beckett, Trustee

Executive Team
Charles Walker, Chief Executive Officer
Anne Cairns, Chief Operating Officer
Simon Braid, Director of Finance
Jayne Grier, Director of People & Culture (from 14 Jun 21)

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Bankers
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The Charity Bank Ltd
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Tonbridge
Kent TN9 1BE

Auditors
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Internal Auditors Mazars
Tower Bridge House St
Katharine's Way
London E1W 1DD

Company Secretary
Kirsty Bunning
Reed House
47 Church Road
Hove BN3 2BE

6. TRUSTEES' STATEMENTS ON REGULATORY COMPLIANCE AND INTERNAL CONTROLS

Regulator of Social Housing

Housing regulation standards
Over the year we reviewed our compliance with the different social and affordable rent regimes and standards that form part of wider social housing regulation and have sought legal advice. From this review we have concluded that up to 314 properties we have not calculated affordable rents in line with the rent standard, so are not fully compliant with the Housing Regulator's rent standard. We have therefore reported ourselves to the Housing Regulator and are in the process of quantifying the precise financial impact. Our initial sampling, 40% of affected rents, suggests that the difference is not material to the accounts

Value for Money
We continue to focus on Value for Money (VfM) as part of YMCA DLG's strategic development plans. VfM means managing the resources, both staff and monetary, economically, efficiently and effectively, achieving the optimum balance between all three in order to achieve the mission, values and objectives. We regularly monitor these by reviewing key performance indicators, impact measures and conducting an annual client satisfaction survey.

During the year we have undertaken a reward and recognition exercise as part of our people strategy to recruit and retain quality staff. The work involved developing a salary structure that rewards staff fairly for the work they do, is internally consistent, externally benchmarked and affordable to the organisation.

After an initial pandemic related slow down, much of the classroom-based learning was switched to remote learning seeing an improved uptake and attendance from quarter 2 onwards. We made use of 53% of the apprenticeship levy pot with 9 staff benefitting to a value of £15,000.

YMCA DLG's fundraising strategy is progressing with successful applications to Trusts and Foundations enabling us to fund missional work in areas where public finances are being cut. We continued the project review in terms of financial performance and social and missional impact and had to make the difficult decision to close and restructure some areas.

The pandemic has resulted in the organisation reviewing working practices. Future plans include more home working, better use of the offices, virtual meetings and savings in time and travel. During the last year, transport costs reduced by £100,000, a saving that we are looking to maintain. A review of the YMCA DLG vehicle fleet is underway, to optimise the number of vehicles in use and improve our environmental credentials. We disposed of one underutilised minibus and are currently renting three vans rather than running older unreliable vehicles.

During the year we renewed utility contracts, contracting with the Green Energy Advice Bureau to assist with administration, streamlining the process of moving new properties onto the contract and reducing the period of paying standard rates to the incumbent supplier. The roll out of smart meters for gas has continued, reaching 70% of properties, resulting in more accurate costings and savings in staff time. We have started a programme with the electricity supplier to replace the meters.

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

1. Reinvestment percentage: 1% (2020 2%)
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 2020/21 the charity undertook a refurbishment programme at the Worthing Foyer.

2. New supply (Social housing units) delivered percentage: 4% (2020 15%)
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.

YMCA DLG only provides supported social housing, is not a volume developer and owns less than half the units operated. The percentage increase demonstrates new social housing units entering the market as a whole. The charity took on 13 new units during the year, however 13 units came to the end of their lease resulting in the number of units remaining static 0%. (2020 7%).

3. Gearing: -5% (2020 2%)
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 negative figure reflects the amount of cash held pending investment in the Hastings Foyer. Our main lender, Charity Bank, requires gearing of less than 70%.

4. EBITDA major repairs included interest cover %: 363% (2020 328%)
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: £13,923 (2020 £12,658)
As a specialist supported housing provider, this reflects the extent of support provided to YMCA DLG residents, the cost of the Empty Home’s development programme, and the fact that we own only 43% of the units we manage. In addition, one off costs include a significant increase to the holiday pay provision due to the pandemic and restructuring costs are included in the calculation.

6. Operating margin (housing): 3.9% (2020 2.1%)
Operating margin (overall): 1.8% (2020 -0.1%)

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

7. Return on capital employed: -0.1% (2020 -0.1%)
This metric compares the operating surplus to total assets less current liabilities and it measures the efficient investment of capital resources.

The National Housing Federation Code of Governance
As a Registered Provider we 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. The YMCA constitution allows for up to 15 trustees whereas the NHF Code requires no more than 12. At the time of this report YMCA DLG has 10 trustees and so complies with the Code.

The Housing Ombudsman

Complaints
This year, the Housing Ombudsman launched a new Complaints Code against which we have self-assessed and reported our compliance against, publishing the self-assessment on our website.

The Board approved a new complaints policy and procedure which is compliant with the Housing Ombudsman's Complaints Code and we have an implementation plan to ensure we comply with the Code.

The Charity Commission

Constitution of the charity
YMCA DownsLink Group is governed by its Articles of Association and was incorporated on 24 September 1999 as a company limited by guarantee, taking over the charity Hove YMCA. The charity has since evolved through a number of YMCA mergers, including Mid Sussex, Horsham and Lewes & District, Guildford and finally 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 10 trustees at the time of signing.

Board and committee meetings
The Board meets at least 6 times a year and this year there were more frequent meetings due to the pandemic. The sub-committees are

- People and Participation committee
- Audit and Risk committee
- Business Planning and Finance committee

These committees have defined Terms of Reference, and report to the Board at each meeting.

Code of Governance
YMCA DLG meets the requirements of the Charity Commission Code of Governance introduced in 2017. The trustees undertake an evaluation of the Board and its performance each year. This year we intended to carry out a full governance review as part of the developing our new five year strategy. With the Covid Pandemic forcing us to

operate under a business continuity plan for the year the governance review has been pushed back to 2021

At the time of this report YMCA DLG complies with all necessary regulations and reporting requirements set out by the Charity Commission. We reported one critical incident to the Charity Commission in March 2021 and can confirm that there were no other serious incidents reportable.

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 YMCA DLG 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 pages 1 to 30 of this report.

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.

Equity, Diversity and Inclusion
Inclusiveness is fundamental to the ethos of the YMCA Movement. At our YMCA, we have a wholehearted commitment to become an organisation where people want to work, where they feel welcome and want to stay. We also want to provide diverse, innovative, and distinctive services that transform young lives, based on our organisational values: we welcome all, we inspire, and we support.

The events of 2020, following the killing of George Floyd and the subsequent focus on racial justice and the Black Lives Matter movement, has seen staff and trustees place an increased emphasis on ensuring we fulfil these commitments.

As a board of trustees, we are committed to achieve equality of opportunity, diversity and inclusion in all DLG activities, and in our own composition (NHF Code of Governance, & Charity Code of Governance) seriously.

A member of the board sits on the YMCA DLG Diversity and Inclusion Forum (alongside staff and service users), and we welcome their efforts to renew our efforts towards inclusion through the development of a new Action Plan. The Plan sets out how we intend to reach our goals of being a truly inclusive organisation, employer, and service provider.

The Plan includes a commitment for all board members and the leadership team to undertake unconscious bias training, to evaluating our commitment to diversity and inclusion in our forthcoming governance review, and delegating responsibility to the People & Participation Committee to regularly review progress against the Plan.

This is only a start, and we commit to continuing a robust and honest conversation, so we can truly say we embed diversity and inclusion in all our efforts to offer access to life-changing opportunities for young people.

The Fundraising Regulator

YMCA DLG's 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.

YMCA DLG's 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 on page 24.

We are registered with The Fundraising Regulator and have adopted and abide by the Code of Fundraising Practice, which ensures we have a strong fundraising framework and 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.

The Information Commissioner's Office (ICO)

We are registered with the ICO (registration Z6157129) and comply with the Data Protection Act 2018. This year we reported ourselves for one personal data breach and the ICO was satisfied with the actions we took to resolve the breach.

Companies Act 2006

The Companies (Miscellaneous Reporting) Regulations 2018 require trustees to have 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 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

We confirm that we, as trustees, comply with this legislation; it applies to us because we have more than 250 employees.

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 review 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 undertaken 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

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 operational 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.

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.

Streamlined energy and carbon reporting
The UK government's Streamlined Energy and Carbon Reporting (SECR) requires organisations in scope to disclose energy use, greenhouse gas (GHG) emissions and actions taken to address energy efficiency. This includes:

- Scope 1 (Direct emissions): Emissions from activities owned or controlled by the organisation that release GHG into the atmosphere (e.g. gas from onsite boilers and fuel used by fleet vehicles)
- Scope 2 (Energy indirect): Emissions released into the atmosphere associated with the consumption of purchased electricity
- Scope 3 (Other indirect): Emissions that are a consequence of actions which occur at sources not owned or controlled and are not classed as scope 2 (e.g. staff mileage claims)

In addition, at least one intensity ratio, information on energy efficiency action and methodology used in calculation of disclosures must be provided.

The regulations are designed to increase awareness of energy costs and provide data to inform adoption of energy efficient measures, reducing the impact on climate change.

Emissions Performance

	Direct emissions		Energy indirect	Other indirect	Total
	Gas (Scope 1)	Fuel for transport (Scope 1)	Electricity (Scope 2)	Business travel (Scope 3)	
Energy consumption - kilowatt hours (kWh)	3,101,653	134,607	1,611,897	58,291	4,906,448
Greenhouse gas emissions - tonnes of carbon dioxide	569	31	376	14	990
Intensity ratio kWh per unit/resident	5,609	-	2,309	-	-
Intensity ratio kWh per FTE employee	-	449	-	194	-

The footprint is calculated in accordance with the Greenhouse Gas (GHG) Protocol and Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance. The activity data has been converted into greenhouse gas emissions using the UK Government GHG Conversion Factors for Company Reporting.

Intensity Ratios
Intensity ratios compare emissions data with an appropriate business metric or financial indicator. This allows comparison of energy efficiency performance over time and with other similar types of organisations. As most of our gas and electricity usage is within our residential properties, we are reporting kWh of gas and electricity per unit. The intensity ratios for transport fuel and staff mileage are based on a per head rate.

Exclusion Statement
This is our first SECR report as following the retendering of our utility contracts the data is now held in a more readily accessible format to support the calculation of the required metrics. Consequently, the data for the previous year is not available.

Energy Efficiency Action
During the reporting period we changed electricity provider to one with a higher renewable energy performance than the UK standard fuel mix. We are rolling out smart meters with 70% of our gas meters updated and starting a programme for electricity meters to be replaced. We have continued with our programme to replace old lighting with LED lights, and gas boilers have been replaced with more energy efficient ones at one of our hostels. The recycling of paper, glass and plastic has saved 1,730kg of carbon dioxide, the equivalent of 14 trees. Due to the pandemic, working practices changed with greater use of virtual meetings and a significant reduction in our Scope 3 transport costs. We have replaced 3 vans in our fleet with cleaner and more fuel efficient vehicles. Staff across the organisation are undertaking other energy and environmental initiatives including aspiring to have paperless offices, arranging for old technology to be recycled, and reducing single use plastics.

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 29 September 2021, and was signed for and on behalf of the Board by:

Fran Beckett
Chair of Board of Trustees

7. AUDITOR'S REPORT

Opinion
We have audited the financial statements of YMCA DownsLink Group for the year-ended 31 March 2021 which comprise the consolidated and company statements of comprehensive income, the consolidated and 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 2021 and of the group's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Housing and Regeneration Act 2008 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.

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

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

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

Other information
The trustees are responsible for the other information. The other information comprises the information included in sections 1-6. 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 (contained within sections 1-5) and the Directors' Report (contained within section 6) prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report contained within the Report of the Board, the Operating and financial review and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of 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 Report of the Board, the operating and financial review or the strategic report.

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

- adequate accounting records have not been kept by the parent 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.

Responsibilities of trustees for the financial statements

As explained more fully in the Statement of Responsibilities of the Trustee Board set out on page 37, 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.

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulation of registered charities and registered providers of social housing, and Health and Safety regulation, and we considered the extent to which non-compliance might have a material effect on the financial statements.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011 and the Housing and Regeneration Act 2008, and we considered other factors such as tax compliance.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to areas of estimation uncertainty and manual accounting journals. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing a sample of manual journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

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

Use of our report

This report is made solely to the 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 Auditor

10 Queen Street Place
London EC4R 1AG

Date:

8. FINANCIAL ACCOUNTS AND STATEMENTS

Consolidated Statement of Comprehensive Income, for Year Ended 31 March 2021

	Notes	Social Housing Activities £	Trading Activities £	Charitable Activities and Other Income £	2021 Total £	2020 Total £
Turnover from continuing operations						
Social housing lettings	2	**12,154,810**	**-**	**-**	**12,154,810**	10,924,288
Trading activities	10	**-**	**10,539**	**-**	**10,539**	85,967
Charitable activities and other income	4	**-**	**-**	**4,037,475**	**4,037,475**	4,088,691
		12,154,810	**10,539**	**4,037,475**	**16,202,824**	15,098,946
Operating costs						
Social housing lettings	3	**(11,986,763)**	**-**	**-**	**(11,986,763)**	(10,690,804)
Trading activities	10	**-**	**(10,230)**	**-**	**(10,230)**	(85,474)
Charitable activities and other costs	5	**-**	**-**	**(4,217,489)**	**(4,217,489)**	(4,336,872)
		(11,986,763)	**(10,230)**	**(4,217,489)**	**(16,214,482)**	(15,113,150)
Operating (deficit)/ surplus		**168,047**	**309**	**(180,014)**	**(11,658)**	(14,204)
Interest receivable and other income		**-**	**-**	**1,127**	**1,127**	6,162
Interest payable and similar charges		**(67,153)**	**-**	**-**	**(67,153)**	(71,948)
Unrealised gain / (deficit) on investments		**-**	**-**	**4,151**	**4,151**	(4,670)
(Deficit)/ Surplus on ordinary activities		**100,894**	**309**	**(174,736)**	**(73,533)**	(84,660)
Net movement in funds		**100,894**	**309**	**(174,736)**	**(73,533)**	(84,660)

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 29 September 2021 and signed on their behalf by:

Director
29 September 2021

Director
29 September 2021

The notes set out on pages 46 - 57, form part of these financial statements

Consolidated Statement of Financial Position as at 31 March 2021

Registered number: 3853734

	Notes	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
FIXED ASSETS					
Social housing properties	9	**20,204,240**	**20,204,240**	20,423,154	20,423,154
Other properties	9	**464,929**	**464,929**	473,026	473,026
Other tangible assets	9	**379,351**	**379,351**	461,739	461,739
		21,048,520	**21,048,520**	21,357,919	21,357,919
Investment in subsidiary	10	**-**	**2**	-	2
		21,048,520	**21,048,522**	21,357,919	21,357,921
CURRENT ASSETS					
Debtors	12	**1,370,153**	**1,385,028**	1,490,111	1,573,387
Investments	11	**34,583**	**34,583**	30,432	30,432
Cash at bank and in hand		**2,840,843**	**2,815,658**	2,021,160	1,924,486
		4,245,579	**4,235,269**	3,541,703	3,528,305
CREDITORS					
Amounts falling due within one year	13	**(3,188,790)**	**(3,188,790)**	(2,913,477)	(2,910,573)
NET CURRENT ASSETS		**1,056,789**	**1,046,479**	628,226	617,732
TOTAL ASSETS LESS CURRENT LIABILITIES		**22,105,309**	**22,095,001**	21,986,145	21,975,653
CREDITORS					
Amounts falling due after one year	14	**(12,204,703)**	**(12,204,703)**	(12,012,006)	(12,012,006)
NET ASSETS		**9,900,606**	**9,890,298**	9,974,139	9,963,647
FUNDS					
Unrestricted funds	16	**9,664,633**	**9,654,325**	9,884,328	9,873,836
Restricted funds	15	**235,973**	**235,973**	89,811	89,811
		9,900,606	**9,890,298**	9,974,139	9,963,647

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

Director
29 September 2021

Director
29 September 2021

The notes set out on pages 46 - 57, form part of these financial statements

Consolidated Statement of Cash Flows for Year Ended 31 March 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Cash flow from operating activities					
(Deficit)/ surplus for the year			**(73,533)**		(84,660)
Adjustments for non-cash items:					
Depreciation	8	**546,345**		514,283	
Decrease / (Increase) in debtors		**119,958**		(122,449)	
Increase in creditors		**519,079**		325,930	
Deficit on disposal of property		**10,363**		712	
Deficit on disposal of other assets		**416**		2,666	
Unrealised investment (gain) / loss		**(4,151)**		4,670	
Interest payable		**67,153**		71,948	
Interest receivable		**(1,127)**		(6,162)	
			1,258,036		791,598
Net cash inflow from operating activities			**1,184,503**		706,938
Cash flow from investing activities:					
Purchase of tangible fixed assets	9	**(248,143)**		(523,172)	
Sale of tangible fixed assets		**418**		180	
Interest received		**1,127**		6,162	
			(246,598)		(516,830)
Cash flow from financing activities:					
Loan interest paid		**(67,153)**		(71,948)	
Repayment of loan		**(51,069)**		(46,108)	
New loan		**-**		450,000	
			(118,222)		331,944
Increase / (decrease) in cash in the year			**819,683**		522,052
Net cash funds at beginning of year			**2,021,160**		1,499,108
Net cash funds at end of the year			**2,840,843**		2,021,160

Reconciliation of net cash flow to movement in (net debt)/net funds

	1 Apr 2020	Cash Flows	Non cash changes	31 Mar 2021
Cash	2,021,160	819,683	-	2,840,843
Debt due within one year	(51,070)	51,069	(52,304)	(52,305)
Debt due after one year	(1,852,822)	-	52,304	(1,800,518)
	117,268	870,752	-	988,020

The notes set out on pages 46 - 57, form part of these financial statements

Notes to the Financial Statements for Year Ended 31 March 2021

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 2020 and the resulting changes to the schedule of contributions are included in YMCA DLG's financial statements for the year ended 31 March 2021.

- 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 is it 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 uncertainly 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 2029. Accordingly, the present value of the liability is shown in note 19 to these accounts.

In addition, YMCA DLG is required to contribute £17,390 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 whist 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

	2021	2020
	£	£
Rent and Service charges:		
Rent receivable	**3,468,662**	3,029,023
Service charge receivable	**4,765,409**	4,073,310
Personal service charge receivable	**234,067**	335,929
Amortised Government grant	**106,428**	106,430
	8,574,566	7,544,692
Other revenue:		
Supporting people	**1,844,501**	1,736,320
OLAC, Leaving care & Step down service	**356,398**	256,633
Empty homes development income	**383,373**	496,913
More than a room activities	**213,084**	375,823
Fundraising income	**86,047**	59,915
Job retention scheme	**393,530**	-
Other social housing income	**303,311**	453,992
	12,154,810	10,924,288
Rent and service charge losses from voids	**(761,309)**	(388,957)

3. OPERATING COSTS FROM HOUSING ACTIVITIES

	2021	2020
Housing accommodation – number of units	**763**	763
Managed Housing – number of units included in above total	**117**	141
	£	£
Housing Services	**5,596,275**	5,293,217
Housing Support	**2,297,285**	1,982,938
More than a room costs	**592,963**	624,300
Share of central overheads	**1,824,757**	1,527,674
Development costs	**334,666**	149,850
Repairs and maintenance	**778,774**	486,992
Rent losses from bad debts and provision	**44,047**	153,466
Depreciation of housing properties	**390,096**	372,561
Depreciation of equipment, fixtures & fittings, motor vehicles	**127,900**	99,806
	11,986,763	10,690,804

4. TURNOVER FROM CHARITABLE ACTIVITIES AND OTHER INCOME

	2021	2020
	£	£
Therapeutic Services	**2,135,797**	2,068,303
Support Services: Children, Young People and Families	**1,288,941**	1,740,895
Horsham YMCA Football Club	**70,549**	39,577
Fundraising income	**417,163**	195,966
Job retention scheme	**90,317**	-
Other Income	**34,708**	43,950
	4,037,475	4,088,691

5. OPERATING COSTS - CHARITABLE ACTIVITIES AND OTHER COSTS

	2021	2020
	£	£
Therapeutic Services	**2,256,098**	2,219,956
Support Services: Children, Young People and Families	**1,685,644**	1,821,578
Horsham YMCA Football Club	**50,266**	71,993
Depreciation	**28,349**	41,916
Other costs	**197,132**	181,429
	4,217,489	4,336,872

6. STAFF COSTS

	2021	2020
	£	£
Salaries and wages	**8,234,328**	7,379,368
Social security	**687,631**	607,413
Pension costs	**268,399**	222,778
Apprentice Tax	**26,040**	22,109
Life Assurance	**44,908**	28,349
Healthcare	**29,495**	28,256
Redundancy/Compensation	**50,319**	32,391
	9,341,120	8,320,664
The average number of employees paid during the year was:		
Full Time and Part Time Employees	**391**	386
Full Time equivalent	**300**	285

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	**3**	1
£80,000 - £89,999	**1**	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. No Directors (2020: 2) received reimbursed expenses (2020: £846). The Charity has Directors' and Officers' Liability insurance in place.

The aggregate emoluments of the Executive Team were £223,741 – 2.4 FTE (2020: £223,437 – 2.4 FTE). The remuneration of the Chief Executive comprised salary of £93,890, pension contributions of £14,084 and private health insurance of £602 (2020 £93,311, £13,997 and £641 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

The operating surplus is stated after charging:	2021	2020
	£	£
Losses from bad debts	**52,374**	156,277
Operating Leases - equipment	**24,549**	21,028
- land and buildings	**1,337,093**	1,172,020
Deficit on disposal of fixed assets	**10,779**	3,378
Depreciation of equipment, fixtures & fittings, motor vehicles	**144,132**	129,605
Depreciation of properties and components	**402,213**	384,678
Auditor's remuneration: External audit	**27,550**	26,000

9. FIXED ASSETS

	Social Housing Properties	Other Properties
	£	£
Cost		
1st April 2020	**21,898,608**	**523,147**
Additions	**185,565**	**-**
Disposals	**(38,500)**	**-**
31st March 2021	**22,045,673**	**523,147**
Depreciation		
1st April 2020	**1,475,454**	**50,121**
Charge for the year	**394,116**	**8,097**
Eliminated on disposal	**(28,137)**	**-**
31st March 2021	**1,841,433**	**58,218**
Net Book Amount		
31st March 2021	**20,204,240**	**464,929**
31st March 2020	20,423,154	473,026

	2021	2020
Properties at cost comprise:	**£**	£
Freeholds	**15,844,088**	15,698,533
Long leaseholds	**6,724,732**	6,723,222
Cost of properties	**22,568,820**	22,421,755

The additions during the year are mainly a result of the refurbishment at Worthing Foyer.

OTHER TANGIBLE FIXED ASSETS

	Vehicles	Fixtures, Fittings and Equipment	Total
	£	£	£
Cost			
1st April 2019	**123,294**	**1,242,600**	**1,365,894**
Additions	**4,910**	**57,668**	**62,578**
Disposals	**(15,408)**	**(57,066)**	**(72,474)**
31st March 2020	**112,796**	**1,243,202**	**1,355,998**
Depreciation			
1st April 2019	**82,099**	**822,056**	**904,155**
Charge for the year	**14,238**	**129,894**	**144,132**
Eliminated on disposals	**(14,574)**	**(57,066)**	**(71,640)**
31st March 2020	**81,763**	**894,884**	**976,647**
Net Book Amount			
31st March 2021	**31,033**	**348,318**	**379,351**
31st March 2020	41,195	420,544	461,739

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:

	2021	2020
	£	£
Turnover	**10,539**	85,967
Cost of sales and administrative expenses	**(10,230)**	(85,474)
Net Profit	**309**	493

11. INVESTMENTS

	2021		2020	
	Market Value	**Cost**	Market Value	Cost
	£	**£**	**£**	**£**
Blackrock Charinco Common Investment Acc Fund	**9,186**	**8,426**	9,049	8,426
Blackrock Charinco Common Investment Inc Fund	**3,605**	**3,664**	3,690	3,664
M & G Charifund	**21,792**	**24,282**	17,693	24,282
	34,583	**36,372**	30,432	36,372

12. DEBTORS

	2021		2020	
	Group	**Charity**	Group	Charity
	£	**£**	£	£
Accommodation debtors	**883,830**	**883,830**	881,907	881,907
Bad debt provision	**(494,735)**	**(494,735)**	(582,281)	(582,281)
Trade debtors	**483,477**	**483,477**	507,835	506,465
Prepayments	**367,836**	**367,836**	547,947	547,947
Accrued income and other debtors	**129,745**	**129,745**	134,703	134,703
Amounts owed by subsidiary undertakings	**-**	**14,875**	-	84,646
	1,370,153	**1,385,028**	1,490,111	1,573,387

13. CREDITORS FALLING DUE WITHIN ONE YEAR

	2021		2020	
	Group	**Charity**	Group	Charity
	£	**£**	£	£
Deferred income	**1,396,190**	**1,396,190**	1,312,101	1,312,101
Other creditors	**770,493**	**770,493**	566,907	566,907
Trade creditors	**547,604**	**547,604**	556,812	556,812
Other taxes & social security	**233,903**	**233,903**	240,677	237,773
Bank loan	**52,305**	**52,305**	51,070	51,070
Pension deficit	**81,867**	**81,867**	79,482	79,482
Housing Grants	**106,428**	**106,428**	106,428	106,428
	3,188,790	**3,188,790**	2,913,477	2,910,573

14. CREDITORS FALLING DUE AFTER ONE YEAR

	2021		2020	
	Group	**Charity**	Group	Charity
	£	**£**	£	£
Loans – Not wholly repayable within five years	**1,800,518**	**1,800,518**	1,852,822	1,852,822
Deferred Income – grants in advance	**832,415**	**832,415**	574,934	574,934
Dilapidations provision	**196,500**	**196,500**	200,000	200,000
Defined Benefit Pension Deficit	**579,739**	**579,739**	482,292	482,292
Housing Grants	**8,795,531**	**8,795,531**	8,901,958	8,901,958
	12,204,703	**12,204,703**	12,012,006	12,012,006

Loan Maturity Analysis				
In more than one year but not more than two years	**53,548**	**53,548**	52,305	52,305
In more than two years but not more than five years	**168,312**	**168,312**	164,407	164,407
In more than five years	**1,578,658**	**1,578,658**	1,636,110	1,636,110
	1,800,518	**1,800,518**	1,852,822	1,852,822

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 2021 £1.5m had been drawn down of which £97,177 had been repaid.
There is an additional loan of £450,000 with The Rosaz Charity on a fixed 3% rate which is repayable no earlier than September 2044 and is unsecured.

15. RESTRICTED FUNDS – GROUP

	1 April 2020	**Income**	**Expenditure**	**Transfers**	**31 March 2021**
Funds	**£**	**£**	**£**	**£**	**£**
Special Needs Reserve	4,610	-	(900)	-	3,710
Young Homeless Fund	1,258	-	(433)	-	825
Legacy – Horsham Y Centre	47,265	-	(3,229)	-	44,036
Counselling	-	31,319	(13,416)	-	17,903
Homelessness Prevention	1,000	12,500	(6,190)	-	7,310
More than a room	24,362	3,500	(24,362)	-	3,500
Chaplaincy	-	35,982	(22,934)	-	13,048
Positive Placements	1,667	35,000	(9,807)	-	26,860
WiSE	9,649	239,200	(218,476)	-	30,373
Youth Advice Centres	-	87,375	(3,920)	-	83,455
Girls Mentoring Programme	-	2,795	(1,142)	-	1,653
Football club pitch upgrade	-	2,500	-	-	2,500
Living our values award	-	1,000	(200)	-	800
Total	89,811	451,171	(305,009)	-	235,973

RESTRICTED FUNDS – CHARITY

Funds	1 April 2020 £	Income £	Expenditure £	Transfers £	31 March 2021 £
Special Needs Reserve	4,610	-	(900)	-	3,710
Young Homeless Fund	1,258	-	(433)	-	825
Legacy – Horsham Y Centre	47,265	-	(3,229)	-	44,036
Counselling	-	31,319	(13,416)	-	17,903
Homelessness Prevention	1,000	12,500	(6,190)	-	7,310
More than a room	24,362	3,500	(24,362)	-	3,500
Chaplaincy	-	35,982	(22,934)	-	13,048
Positive Placements	1,667	35,000	(9,807)	-	26,860
WiSE	9,649	239,200	(218,476)	-	30,373
Youth Advice Centres	-	87,375	(3,920)	-	83,455
Girls Mentoring Programme	-	2,795	(1,142)	-	1,653
Football club pitch upgrade	-	2,500	-	-	2,500
Living our values award	-	1,000	(200)	-	800
Total	89,811	451,171	(305,009)	-	235,973

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 a West Sussex school for children and young adults with learning difficulties and provision of a BAME therapeutic offer in West Sussex

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

Chaplaincy – to provide pastoral care to residents and staff

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

Youth Advice Centres – to provide advice, support and guidance to young people

Girls mentoring programme – an early and effective mentoring initiative that matches trained volunteer mentors with female identifying young people to support them to overcome challenges and achieve their fullest potential in life

Football Club Pitch upgrade – towards an artificial grass pitch in Horsham

Staff Values Award - for a staff member and a volunteer who have demonstrated our values

16. RESERVES – GROUP

	1 April 2020	Income	Expenditure	Transfers	31 March 2021
	£	£	£	£	£
Unrestricted funds:					
General reserve	6,402	15,646,352	(15,240,189)	(378,275)	34,290
Fixed asset reserve	10,445,640	106,428	(557,123)	298,793	10,293,738
Pension reserve	(561,774)	-	(179,314)	79,482	(661,606)
Investment revaluation reserve	(5,940)	4,151	-	-	(1,789)
Total unrestricted funds	9,884,328	15,756,931	(15,976,626)	-	9,664,633
Restricted funds	89,811	451,171	(305,009)	-	235,973
	9,974,139	16,208,102	(16,281,635)	-	9,900,606

RESERVES – CHARITY

	1 April 2020	Income	Expenditure	Transfers	31 March 2020
	£	£	£	£	£
Unrestricted funds:					
General reserve	(4,090)	15,635,813	(15,229,959)	(377,782)	23,982
Fixed asset reserve	10,445,640	106,428	(557,123)	298,793	10,293,738
Pension reserve	(561,774)	-	(179,314)	79,482	(661,606)
Investment revaluation reserve	(5,940)	4,151	-	-	(1,789)
Total unrestricted funds	9,873,836	15,746,392	(15,966,396)	493	9,654,325
Restricted funds	89,811	451,171	(305,009)	-	235,973
	9,963,647	16,197,563	(16,271,405)	493	9,890,298

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 2021 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 2020. The assumptions used which have the most significant effect on the results of the valuation are those relating to:

- the assumed rates of return on assets held before and after retirement of 2.59% and 1.09% respectively,
- the increase in pensions in payment of 2.99% (for RPI capped at 5% p.a.),
- the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.0 years, female 24.4 years, and for those retiring in 20 years' time, 23.7 years for a male pensioner, female 26.1 years.

The result of the valuation showed that the actuarial value of the assets was £146.1m. This represented 79% of the benefits that had accrued to members.

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

The valuation prepared as at 1 May 2020 showed that the YMCA Pension Plan had a deficit of £36 million. YMCA DLG has been advised that it will need to make monthly contributions of £6,839 from 1 May 2021. This amount is based on the current actuarial assumptions (as outlined above) and may vary in the future as a result of actual performance of the Pension Plan. The current recovery period is 8 years commencing 1st May 2021. As a result of the revaluation during the current year, the deficit increased by £179,314 less recovery payments made during the year of £79,482.

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 2021 £'000	TOTAL 2020 £'000
As at 31 March 2021	81,867	80,890	246,972	251,877	579,739	661,606	-
As at 31 March 2020	79,482	78,688	240,722	162,882	482,292	-	561,774

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 £139,589.

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. During the year there were no employees in this scheme (2020: 1) resulting in no costs (2020: £378).

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 £1,346 (2020: £4,897) in respect of 1 employees (2020: 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 £44,717 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.

	2021	2020
	£	£
Land and Buildings:		
Within one year	**1,186,558**	904,883
Between one and five years	**2,555,192**	2,202,793
In more than five years	**588,824**	207,387
	4,330,574	3,315,063
Equipment:		
Within one year	**16,256**	19,928
Between one and five years	**8,310**	24,566
In more than five years	**-**	-
	24,566	44,494

21. GROUP AND RELATED UNDERTAKINGS

During the year ended 31 March 2021, 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 LIABLITIES

At the 31 March 2021 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 £2,742,500 less a grant from Homes England of £1,495,450 for the purchase of a supported living hostel based in Hastings.