

YMCA ST. PAULS GROUP

**YMCA ST PAULS GROUP
(Limited by guarantee)**

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

Registered company:	2971930
Registered charity:	1041923
Registered housing provider:	LH4078

YMCA ST. PAULS GROUP

ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

CONTENTS

Corporate information	2
Trustees' report (incorporating strategic report)	3
Independent auditor's report	30
Income and expenditure account	33
Balance sheet	34
Statement of changes in reserves	35
Cash flow statement	36
Notes to the financial statements	37

CORPORATE INFORMATION

TRUSTEES AND DIRECTORS

Andy Palmer	Chair
Gerald Chifamba	
Howard Dawson	(Resigned 25 November 2019)
Louise Hedges	Chair of People & Governance Committee
Helen Posner	Vice Chair & Chair of Performance Committee
Albie Stadtmiller	(Resigned 17 July 2019)
Edward Weiss	Vice Chair & Treasurer
Kenneth Youngman	Chair of Audit Committee
Roni Savage	Chair of Development & Assets Committee (Appointed 18 May 2019)
Duncan Ingram	Vice Chair (Appointed 16 April 2019)
Carol Bailey	(Appointed 23 January 2020)
Graham Beech	(Appointed 23 January 2020)

COMPANY SECRETARY

Heather Renton	(Resigned 19 March 2020)
Fred Angole	(Appointed 19 March – Resigned 1 April 2020)
David Martin	(Appointed 1 April 2020)

EXECUTIVE TEAM

Richard James	Chief Executive
Fred Angole	Group Finance Director and Deputy Chief Executive
Marjorie James	Group Director of People
Mark Agnew	Group Director of Property and Places
Jessica Laryea	Group Director of Operations
Angela Garrett	Assistant Group Director of Operations

CORPORATE INFORMATION

Registered office	St James House, 9-15 St James Road, Surbiton, Surrey KT6 4QH
Company	2971930
Charity	1041923
Registered Social Housing Provider	LH4078
Ofsted	RP524773
CQC provider	1-101652524

AUDITORS, PRINCIPAL BANKERS AND PRINCIPAL SOLICITORS

Auditor (External)	BDO LLP, 55 Baker Street, London W1U 7EU
Auditor (Internal)	Mazars LLP, Tower Bridge House, St Katharine's Way, London 1W 1DD
Principal solicitors	Devonshires LLP, 30 Finsbury Circus, London EC2M 7DT Bates Wells LLP, 10 Queen Street, London EC4R 1BE
Principal bankers	NatWest Bank plc, 2nd Floor - Argyll House, 246 Regent Street, London, W1B 3PB Metro Bank, One Southampton Row, London WC1B 5HA

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

TRUSTEES' REPORT

The Trustees, who are also directors for the purpose of the Companies Act, present their annual report (incorporating the Association's strategic report) and financial statements of the Association for the year ended 31 March 2020. This report covers:

- Structure, governance and management,
- Achievements and performance,
- Financial and operating review (including Value for Money),
- Risk management.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

The Association is a company limited by guarantee and incorporated in England & Wales (number: 2971930), a registered provider (number: LH4078) and a registered charity (number: 1041923). It is governed by its Trustee Board.

Governance framework

YMCA St Pauls Group ('Association') is governed by its Articles of Association, which provide the constitutional framework. These are available for inspection on the Companies House website or from the Company Secretary.

The Association is committed to sound corporate governance and has adopted the National Housing Federation's Code of Governance (2015) and Trustee Code of Conduct (2012). The Board review its compliance with these Codes annually and they confirm that the Association is compliant with them.

The Association is affiliated, via a membership agreement, to the National Council of YMCAs for England and Wales (otherwise known as YMCA England and Wales) and, through them, to the world YMCA family.

Charitable Objectives

The Association's charitable objectives are for the public benefit. They are:

- (i) to advance the Christian faith, including by:
 - a. promoting a Christian environment inspired and motivated by the life, example and teaching of Jesus Christ, where people of faith and people of none can work together for the transformation of communities; and
 - b. enabling people of all ages and, in particular, young people, to flourish through experiencing and responding to the love of God demonstrated by the life, example and teaching of Jesus Christ.
- (ii) to provide or assist in the provision of social welfare facilities for recreation and other leisure time occupation for men and women with the object of improving their conditions of life;
- (iii) to provide or assist in the provision of education for people of all ages and in particular young people, with the object of developing their physical, mental or spiritual capacities;
- (iv) to relieve or assist in the relief of people of all ages and, in particular, young people, who are in conditions of need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances; and
- (v) to provide residential accommodation, including Social Housing, for people of all ages and, in particular, young people, who are in need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

Vision, Mission and Values

The Association articulates its charitable objects for everyday use in its vision and mission statement. The **Vision** is of “places where young people thrive and communities flourish” and the **Mission** is to be “an inclusive Christian Association transforming communities so that all young people can belong, contribute and thrive”.

The Association's **Values** and accompanying behaviours framework set out how the promotion of a Christian environment is to be delivered. These values are the Association will seek to be “inclusive, aspirational, honest and excellent”.

Principal Activities

The largest activity of the Association is providing safe places to stay and support for homeless people, particularly those who are young. The Association also provides social, educational, sports, fitness and wellbeing activities for people of all ages in the community, particularly for those most at risk.

In all the Association does with young people and communities, it seeks to promote an inclusive approach that demonstrates its Christian values and ethos in action.

Promoting the success of the Association - Section 172 statement

The Trustees are committed to promoting the success of the Association as required by Section 172 of the Companies Act 2006 and have:

- Engaged with employees, suppliers, customers and others, and
- Had regard to employee interest, the need to foster the Association's business relationships with suppliers, services users and others along with taking into account its principal decisions and the effect that they have.

This Section 172 statement focuses on matters of strategic importance and the information disclosed is consistent with the size of the Association. The Association's governance processes have been deployed in good faith so that decisions taken (see page 8 below) are those that would most likely promote the Association's success for the public benefit and having regard to:

- The likely consequences of any decision in the long term,
- The interests of employees,
- The need to foster good relationships with service users, commissioners, customers and suppliers,
- The impact upon the community and environment,
- The desirability of the Association maintaining a reputation for high standards of conduct,
- The need to act fairly.

The Trustee report and, in particular, the section on achievements and performance, sets out how the Association is delivering on its objects, vision and mission by:

- Delivering services and supporting service users in the pursuit of short, medium and long term goals;
- Engaging with employees to develop organisational effectiveness and be a great place to work;
- Listening and working with service users and customers to ensure that activities meet the needs of individuals;
- Working closely with commissioners to provide effective and efficient services that deliver public benefit and positive outcomes for the people that are served;
- Liaising with suppliers to secure value for money;
- Measuring the impact of activities through nationally accredited metrics so that social value can be established;
- Promoting environmental efficiency particularly in relation to energy use;
- Striving for good governance and regulatory verification in how the organisation is run.

As a Christian charity, the Association is committed to fairness and equality.

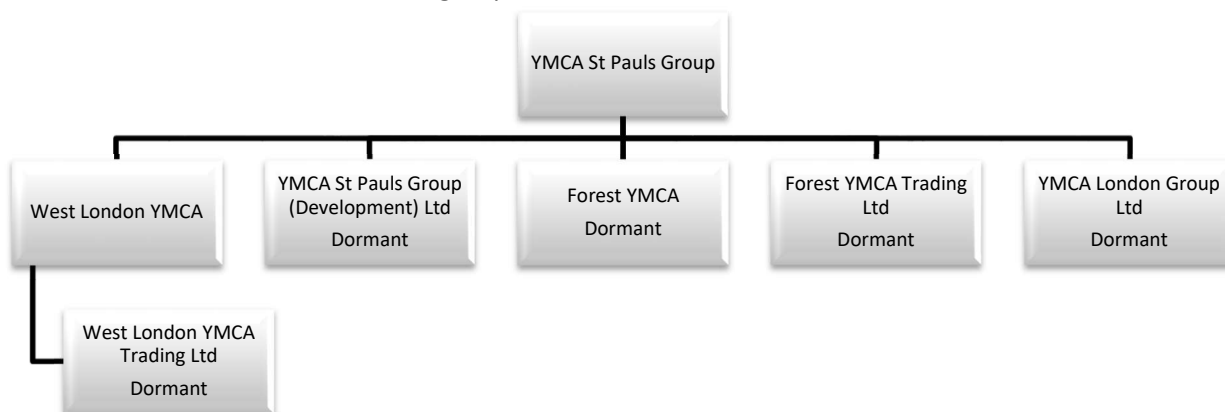
YMCA ST. PAULS GROUP

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

The Association is committed to the long-term prospects of its work and is currently working on its Re-imagination Project, which is the pathway to the new 2021/24 Strategic Plan. This aligns to the post-Covid-19 operating environment and aims to position the Association so that it is best placed to serve its beneficiaries in the years ahead. This work is being externally facilitated and engaging with key partners through consultation. It is expected that the new 2021/24 Strategic Plan will be approved towards the end of 2020 in readiness for April 2021.

Group structure

The Association is the parent charity of a group of companies. The Association is the sole corporate or beneficial owner of all entities in the group.



The Association's Trustee Board

The Trustees met on nine occasions during the year, two of these meetings were away days that included visits to the local sites: Surbiton, Hawker, Hampton Pool and Hayes. During the visit to Hayes, the Trustees spent an evening consulting with young residents about the work of the Association. The remainder of the away days were spent doing deep dives into aspects of YMCA work. The final away day of the year to Parsons Green in March 2020 was cancelled due to Covid-19. The general trustee meetings focused on business performance, strategy and policy updates.

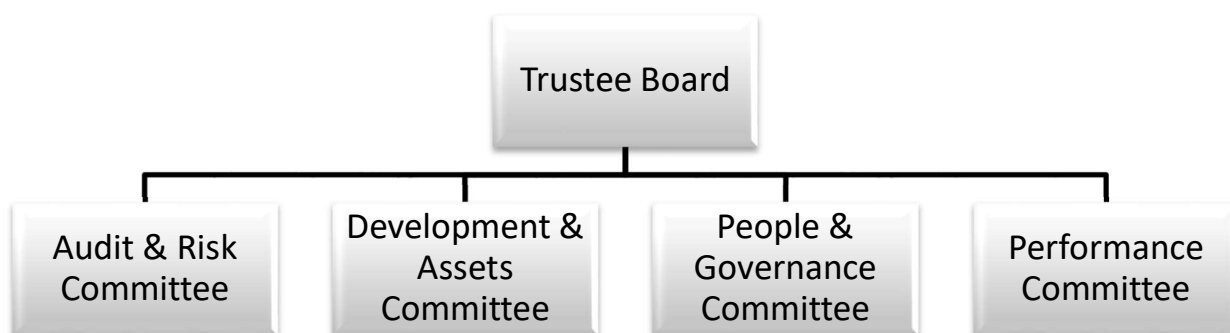
Alongside the visit to local projects, the Trustees also received training in strategic finance, health & safety and the social housing Regulatory Standards. Trustees also attended several courses and seminars to help their development.

Trustee & committee member engagement remains strong with an attendance rate of 87% over the year.

Delivering good governance using a committee structure

The Trustees expanded their effectiveness by deploying a committee structure to gain further assurance and access specialist skills.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)



All of the Committees are committees of the main Trustee Board and comprise a mix of trustees and independent members who have specialist skills. The Trustees are grateful for the diligent service of the independent members in the financial year under review. They were:

Audit and Risk Committee

- Alan Botterill
- James Agar (resigned April 2019)
- Chris Stern (appointed January 2020)
- John Swarbrick (appointed January 2020)

Performance Committee

- Philippa Alisioglu
- Hala Osman (appointed January 2020)
- Ian Golding (appointed January 2020)

Development and Asset Committee

- Sue May (resigned July 2020)
- Keith Everitt
- Colin Archer
- Mike Kelly (resigned April 2020)

The trustees would like to record their appreciation for James Agar, Sue May and Mike Kelly who stood down during the year after a period of good service.

Audit & Risk Committee

The Audit & Risk Committee met four times in the financial year and reported its activities to the Board.

This Committee is tasked with overseeing compliance, risk and regulatory reports. It supervises the external and internal audit/controls and advises the Board on the effectiveness of risk measures. It is responsible for advising the Board on the Association's compliance with the Regulator's Economic Standards.

Development & Assets Committee

The Development & Assets Committee met four times in the financial year and reported its activities to the Board.

This Committee is concerned with new property development and existing asset management, including health & safety assurance. It is responsible for compliance with the Regulator of Social Housing's Homes Standard.

People & Governance Committee

The People & Governance Committee met four times in the financial year and reported its activities to

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

the Board.

This Committee is responsible for overseeing the governance strategy as well as supporting the recruitment, appraisals and board & committee effectiveness. The Committee also deals with matters relating to Executive Team recruitment and remuneration.

During the year, the Committee oversaw the successful recruitment and appointment of Graham Beech and Carol Bailey as trustees as well as Ian Golding, Hala Osman, Chris Stern and John Swarbrick as independent committee members. The departure during the year of Albin Stadtmiller and Howard Dawson meant that the Association finished the year with half of its trustees having joined since merger, which provided a balance to the Board with those who knew the corporate history working with those who bring a fresh vision for the future.

Performance Committee

The Performance Committee met five times during the year. It has specific delegated advisory responsibilities relating to all operational service delivery.

The purpose of the Performance Committee is to oversee, on behalf of the Board, a forward-looking programme of consistent service design in respect of the Association's key strategic services. This includes ensuring that the services to customers and its engagement with stakeholders and partners enable the achievement of the strategic vision, objectives and goals and deliver improved customer outcomes.

The Committee is responsible for advising the Board on the Association's compliance with the Regulator's Consumer and Rent Standard as well as operational requirements set out by CQC and Ofsted.

Executive Team

The Trustees delegate the day-to-day responsibility for running the Association to the Chief Executive. During the financial year, a restructure was undertaken to reduce the size of the Executive Team and invest in the next layer of management. Following restructure, the Executive Team consisted of:

- Chief Executive,
- Group Director of Finance & Deputy Chief Executive,
- Group Director of People,
- Group Director of Operations
- Group Director of Property & Places, and
- Assistant Director of Operations.

The Executive team met twice a month until the time of Coronavirus. At that point, the meetings became much more frequent to respond to the pandemic and the priority matters.

All Executive Team members are invited to attend all Board meetings. Each Executive Team member is responsible for a Committee and liaises with the respective trustee chair.

Employees

The Association recognises the strength of its employees who are committed to the objectives that service the best interests of its residents and service users. The Association shares information on its objectives, progress and activities through regular management and staff departmental meetings. In addition, staff conferences and team days are used to celebrate success, generate ideas and positively engage with staff.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

Health & safety

The Trustees are aware of their responsibilities on all matters relating to health and safety. The Association has prepared detailed health and safety policies and provides staff training and education on health and safety matters.

Information security

The Association is committed to information security and continues to promote good and appropriate collection and use of data and information.

Compliance with taxation

The Association is committed to conducting its business with integrity, transparency and fairness, and in compliance with all relevant rules, regulations and legislation. It values its reputation for ethical behaviour, financial probity and, as a charity, it disapproves of tax evasion in whatever form. The Association will not knowingly engage with any individual or business that does not share its commitment to the prevention of tax evasion. The Association requires all trustees and staff to demonstrate the highest standards of honesty at all times.

Indemnity insurance

The Association's insurance policies indemnify the Trustees and Officers against liability when acting for the Association providing their actions are not reckless or fraudulent.

Public Benefit

The Trustees held service users at the heart of its approach to formulating the strategic objectives and associated strategies. In doing so, The Trustees confirm that they have complied with Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity. Through the work that the Association undertakes in its service areas, it delivers public benefit and serves a wide range of people, many of whom are vulnerable.

Key Decisions

Key decisions taken by the Board during the financial year include the following:

- Confirmed that the Association has met Energy Savings Opportunity Scheme (ESOS) requirements
- Appointed Morgan Hunt as the Managed Service Provider for YMCA St Pauls Group for all Permanent, Fixed term and temporary (Agency) staff recruitment.
- Agreed to continue with the preschool, vulnerable families provision at the White House project until September 2020
- Recruited new Board and Committee members (see page 2 above)
- Agreed a reforecast of the 2020/21 Financial Budget to reflect the impact of Covid-19

ACHIEVEMENTS AND PERFORMANCE

2019-20 was the second year of the three-year strategic plan that was designed to bring the Association together as one organisation rather than four historically separate entities.

The four key strategic aims within this plan were

- Quality and Impact,
- Sustainability,
- Growing and Developing,
- Greater Influence.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

Under each of these strategic aims was a range of strategies that focused on bringing the work of the Association together post-mergers. By the end of the 2019-20 year, all the key strategies were being implemented which meant significant progress was made in giving clarity to the work of the Association as YMCA St Pauls Group.

One of the key targets within the year was to bring consistency to the performance reporting framework. This included not only agreeing metrics, but also consolidating software solutions so that data reporting could be more tightly controlled. As a result, a new performance scorecard was agreed that formed the basis of reporting both to the Trustee Board and the Performance Committee (see below).

As a result of the focuses since merger, the Association had a significant impact on the lives of many people in over 40 communities across London. This includes providing housing and support to around 2,000 people, health and wellbeing activities to thousands of people each week as well as a range of positive activities to young people and families. Whilst the Association supported many people, the individual stories of change are the most powerful communicators of success. The stories were many and varied and included the young lady who, with the support of the housing team, overcame her mental health challenges to get into work and her own flat to the different young people who recorded TED style videos talking about their commitment to the environment or community. These stories of success and transformation were the signs that from Walthamstow to Wimbledon and Surbiton to Slough, the association was delivering in the right way.

Alongside the personal stories, a significant achievement during the year was the Association's In-Depth Assessment (IDA) from the Regulator of Social Housing in Autumn 2019. The subsequent G2 V2 grading demonstrated the considerable progress made since 2018 as well as the strength of governance that was in place. As part of the regulatory feedback, an action plan was agreed that would lead to the requisite G1 award.

The year ended however with the shutdown brought about by the Coronavirus. Throughout March 2020 access to services had been slowing up however the decision by the UK government to request the closure of all non-essential services and the accompanying requirement to have people work from home brought about a strange end to the financial year.

Housing & Support

"Excellent support and involvement one to one and in groups. Open to suggestions and supportive with resident ideas for group involvement. Leading personally to myself regaining confidence and building relationships. Most importantly creating smiles throughout the groups (not a common site around residents) Wales trip a massive stepping stone for me and I believe for all that participated, it helped heal old wounds and move on." - Resident Survey Dec 2019

The year in numbers:

- 87% of residents who, during quarter 4, moved on in a successful manner, 7% ahead of target,
- 4.8% average number of voids across the year,
- 87% of residents either satisfied or very satisfied with the support they received from the Association.

People living in the Association's accommodation continued to be supported so that they not only had a safe place to stay, but the support needed to help them to make the most of the strengths whilst overcome their barriers and ultimately moving on.

Progress within the year was given over to achieving service delivery consistency across the group. This

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

included the recruitment and appointment of a new Head of Housing who started in March 2020 and was tasked with reviewing and implementing a common set of policies and procedures across the group. One area of focus was arrears management where different, historic procedures had led to inconsistent performance. This work continues into the new financial year.

A key achievement was the migration of the housing and support onto single platforms. The largest of these projects was moving the housing management services onto Pyramid, providing a single source of data for management. Alongside this all sites were moved onto the online version of Outcome Star which would allow for better data analysis and recording.

Sadly, during the year, the Supporting People contract in Hayes was not renewed. However, the remodelling of the service allowed support for single residents to be continued. At the same time, the Association was successful in a tender to provide an accommodation-based housing support service to young people in Waltham Forest. This contract will commence during the 2020-21 financial year.

The Association once again supported the running of the Merton Winter Night Shelter. During the first two blocks (up to the point of Covid-19) the Shelter supported 22 male guests who stayed for at least one night. There were nine guests that stayed for more than 28 days. Six guests were supported with a positive move away from homelessness and hopefully into more stable accommodation; including move-ons to the YMCA, Emmaus, Council supported. At the point of Covid-19 all Winter Night Shelter guests were successfully transitioned into hotel accommodation.

Services providing support to adults with learning disabilities continues at the YMCA Langdown and YMCA Rodney. Working relationships between the YMCA and Surrey County Council (SCC) remain strong. During the CV19 period, weekly monitoring between YMCA and SCC ensured that the homes stayed safe and secure.

The benchmarked annual resident satisfaction survey was carried out at the end of 2019. In this survey, (in line with questions set by the NHF Supported Housing Group), residents were sought to give feedback on the support, quality of accommodation as well as the way in which complaints were dealt with. In a survey that took in 524 responses 89% of residents were very satisfied or satisfied with the support they received, 82% felt the same about the quality of maintenance and repairs. 84% were very satisfied or satisfied that they had a say in how the service was run.

During the period of CV19 lockdown, residents were asked to isolate within their rooms and evictions were suspended for all but serious anti-social behaviour. Staff were moved to hot and cold shifts to reduce the risk and resident pulse surveys were carried out to ascertain how best the Association could continue to support residents. Feedback from the surveys demonstrated that 80% of residents felt that the Association was doing all it could to support people during this period.

Health and Wellbeing

"Without Hampton Pool my pain management is majorly interrupted. For me the water is a life line; out of reach I drown in pain."

"Thank you so much for all the classes you made available during lockdown -a brilliant way to exercise. I thoroughly enjoyed and benefited enormously from them. As you know my flexibility has changed with mum's situation and it made me think how carers need access to online classes: they can't always plan ahead and might have to leave part way for a minute of even seconds but can then re-join. There are lots more benefits and I'm sure you and others have thought of them."

The year in numbers:

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

- 100% Mystery Shopper score for YMCA Walthamstow in Dec 2019,
- 4.8 out of 5 the average result from the Scores on the Doors across the Group,
- 1 YMCA national recognition award for our H&WB apprentice in Walthamstow,
- 3 Community Choirs run during the year,
- 19 online classes run weekly during Covid-19,
- 80 people supported on average, each month through online counselling,
- 33 Net Promoter Score from Health & Wellbeing members,
- 240,148 visits to Hampton Pool including 1,427 on Christmas Day,
- 154 people trained to become a lifeguard.

The Association's health & wellbeing centres continued to support people and their desire of enjoying a good health and wellbeing so that they can live fulfilling lives. The department comprises a range of services including gyms, pool, counselling, community activities and catering.

In a challenging market, gym membership grew at all but two sites. However, the work at YMCA Wimbledon struggled in an aging building with tired facilities. Classes and courses continued to be popular and provided a means for people not only to be fit, but to connect with others. During the year, the Net Promoter Score was introduced to allow the Association to track customer satisfaction as well as suggestions on how services can be improved across all sites.

In September all the YMCA SPG gym sites, excluding YMCA Walthamstow, achieved compliance with the UK Active Code of Practice. This industry benchmark sets the external benchmark for the leisure sector. The Association continues to engage with UK Active to advocate for the health, wellbeing and leisure sector. YMCA Walthamstow's accreditation will be progressed when the post COVID lockdown implications are clear.

The Association also manages Hampton Pool (an open-air lido) on behalf of Hampton Pool Trust. Despite poor weather in the summer, the Pool continued to be popular with customers as well as weather reporters who regularly turn up to present morning weather bulletins from the Pool. Work continued throughout the year with Hampton Pool Trust on the plans to refurbish the site, improving the changing facilities as well as increasing the dry side facilities.

The YMCA Release counselling service seeks to provide therapeutic support to people in the community as well as YMCA residents. Originating in Surbiton, the service has started to expand to other sites across the Association. During the year, the work with residents was supported with a grant from the London Homeless Charities Group.

A survey with Release customers found that 90% of them were either satisfied or very satisfied with the support given by Release and would happily recommend it to their friends and family.

The YMCA community choir project (a joint scheme between Health and Wellbeing and Chaplaincy) is designed to be a place for all members to come, to sing, improve their mental health and wellbeing and get to know others. Combining both residents and local community members, it was expanded to take in Walthamstow and Wimbledon alongside the established choir in Surbiton. A number of performances took place throughout the year. Whilst those attending were passionate about the choir, sadly the Walthamstow choir was closed at the end of the year due to the low numbers. During Covid-19, a virtual coffee morning has maintained the support and community connection and a virtual choir has offered singing practice.

The Association's catering sites, including those that provide food for residents, maintained their high environmental standards with the café in Walthamstow proving to be increasingly popular throughout

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

the year for staff, residents as well as staff from the local authorities offices opposite.

During the period of Covid-19 lockdown, the Association froze all membership subscriptions and moved to provide an online offer that could be accessed free of charge by members as well as residents. The catering sites moved to resident take away only and YMCA Release counselling service moved to online support and saw an increase in referrals and use.

Children and Youth Services

"YMCA youth services have always been a part of my daily week and is something I always look forward to gym, cafe, football you name it I was there it's a pleasure to join in and meet tons of people as well as having a safe place to enjoy things for free".

Service user, Hillingdon.

The year in numbers:

- 2,860 families supported through the year,
- 5,800 young people involved in our youth services,
- 1 nursery kept open to support key worker families during Covid-19,
- 180 young people, on average engaging weekly with the online youthwork during Covid-19.

The work of the Children team aims to provide families with access to a range of activities to support them to live fulfilling lives. The Youthwork team focus on providing positive and engaging activities and education and training to young people in the community.

During the year, the Association was successful with a number of grant applications to support the work with young people in Walthamstow and West London was supported with new grants from the John Lyons Foundation, Children in Need and the Mayor of London Young Londoners fund. The £120,000 grant runs over three years and supports outreach and education work.

The quality of work delivered was recognised through an external audit of the Big Lottery funded services carried out in Waltham Forest. The review sought to identify the effectiveness of the provision on offer, its reach and how it was regarded by the (more than 1,000) young people supported in the London Borough of Waltham Forest. The review found that the work over delivered on the core outcomes of youthwork from informal outcomes to accredited (AQA) qualifications.

Stakeholder surveys were carried out throughout the year with families as well as young people attending the projects. These identified areas for feedback and improvement as well as giving reassurance that parents were happy with the work being carried out by the Association.

During the period of Covid-19 lockdown, the Association initially continued to deliver the pre-school at the White House and Jumpers Nursery at South Ealing. However, the pre-school was closed after a month, but the staff continued to support the families in their home environment. Jumpers Nursery stayed open providing support to families of key workers. The Youthwork Team moved their offer online providing resources, workshops and 1-2-1 support for young people across the Association.

Chaplaincy

'I have been encouraged to open up and share your experiences, let go of the past and embrace the future with optimism and hope. Take responsibility for your own life. Say a loving word to others every day. Explore the world and do things. I have noticed I have been more in touch with my feelings, emotions and others and my time has helped me grow in a more balanced way, more confidence, more in touch with God'

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

YMCA Surbiton resident speaking about the YMCA SPG Chaplaincy team

The year in numbers:

- 3 Chaplains (including 1 Lead), 16 volunteers, 7 active local clergy,
- 1,500 volunteer hours providing drop ins, groups facilitation, food, listening ear support, advocacy,
- 20% of residents engaged in support groups, in sites where they are run,
- 21 team/residents supported on average each week in planned one to ones - 627 sessions in a year,
- 88 meals served to senior community members in monthly lunch club,
- 59 residents taken away on one-day or five-day retreats,
- 8 local churches who have given 176 Christmas bag presents for residents,
- 11 churches, 25 faith leaders and 4 Bishops presented to or met with,
- Over 400 pastoral 1-2-1 support sessions during Covid-19.

Throughout the year, the Association's Chaplains ran issue-based groups e.g. anxiety, offered 1-2-1 mentoring, prayed, laughed, cried and supported many residents, took residents away on Christian retreats, blessed rooms, gave out free doughnuts, ran the community choirs, held memorial services, created a Chaplaincy circuit training project (with Health & Wellbeing), supported grieving team and residents, did hospital visits and nurtured new Christians.

Alongside the work within the Association, the Chaplaincy team were involved in setting up and running the Prayer Forest at the YMCA175 youth conference, praying for upwards of 300 young people as they came to add their own prayers and thoughts.

During the period of Covid-19 lockdown, the Chaplaincy team focused on providing emotional and spiritual support to residents and staff who felt anxious, isolated and vulnerable. This support of more than 400 sessions for individuals included 1-2-1 pastoral support as well as prayer. Over 40 Pastoral site visits supported frontline team during the lockdown.

HR & Organisational Development (People)

"The organisation is great. I love the ethos and values and we do try to adhere to them which is amazing"
... "We are trusted to come up with new ideas to achieve positive outcomes for our service users"
Great Places to Work survey feedback

The year in numbers:

- 54% Trust Index Score in the Great Places to Work Survey, 1% ahead of the national average,
- 79% the diversity score in the Great Places to Work survey (8% ahead of the sector average),
- 96 new starters joined the Association,
- 200 volunteers who have been supported across all services,
- 5% the mean gender pay gap,
- -5% the median gender pay gap.

In support of excellence, progress was made in aligning back office systems and services. The launch of a new HR Information system brought all staff onto the same platform for the first time. The platform, CORE HR, is seen as a key building block to support better recruitment, management of training and associated reporting.

To improve communications, a wide intranet was launched providing a platform for information sharing across the group including policies and information updates.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

In September, the Association also held its second Flourish Fest which was an opportunity to bring together staff from across the sites. Using the indoor and outdoor space at YMCA Hawker, Flourish Fest 2019 focused on how we can better support staff wellbeing as well as providing a chance for people to get to know each other over a range of fun and messy games run by the Youthwork Team.

In the Autumn, two awards events were held. The first was to celebrate the long serving commitment of some of our volunteers who have offered their time and knowledge over some considerable time alongside a willingness to go the extra mile. The second was the inaugural Stars of YMCA SPG which included awards for the best teams, unsung heroes as well as those who had demonstrated that they were embracing and living our values when delivering in their roles.

Two managers' conferences were planned for the year. The first in October provided a platform to discuss strategic planning. Unfortunately, the second one which was scheduled for March 2020 had to be cancelled due to Covid-19 and was replaced with a virtual crisis management workshop.

In September, the Association commenced its journey to becoming a recognised 'Great Place to Work'. A benchmarked survey was carried out across all sites and services with the results being reported in November. As a result, a staff engagement group was established which has been in regular discussion with management to deliver against a number of key priorities including: reward and recognition; values and ethics; communication and involvement. In order to address these areas a staff engagement group meets regularly to develop solutions and ideas. This has resulted in a number of new recognition schemes being launched. The Association has launched a new benefits portal where staff have access to a range of opportunities to save money through discount vouchers for over 850 major retailers, cashback schemes, free access to financial advice and wellbeing services. The Association has also created more regular opportunities to recognise and reward the performance of staff through instant e-cards, employee and team award schemes which celebrate great performance. It has also enlisted a number of new staff onto our Information and Consultation Committee which is the formal process with which the Management seeks to consult with staff over key organisational changes and decisions.

The Association's Gender Pay snapshot on 5 April 2019 showed the mean gender pay gap was -5% whilst the median gap was 5%. This result showed that the Association compared favourably with other organisations, including those within the same industry. That said, an action plan was agreed including:

- Introducing a suite of family friendly policies, to support employees to work whilst balancing care for elderly relatives and/ or children,
- Seeking to raise the profile of the organisation as one that aims to provide an environment that treats people fairly and has a commitment to Diversity and Inclusion,
- Setting out to become accredited by standards such as the Great Place to work or the Good Work Standard.

During the Covid-19 lockdown, the People team focused on ensuring that best practice was followed in supporting staff working from home, those still continuing to come in as well as those who were furloughed. The HR team were very busy in understanding the world of furlough as well as the Job Retention scheme. The Organisational Development team focused on the wellbeing of staff, launching a new wellbeing portal as well as ensuring that training was maintained. The Operations Team has also completed the configuration of the recruitment, talent and learning and development modules of the Core HR Personnel database, which will be launched in September 2020.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

Business Improvement

Following the senior management restructure, a new Business Improvement team was put in place. This team will support projects that help improve performance and processes across the different frontline and back office areas. The team track performance against our critical key performance indicators and have overhauled the previous set of measures to ensure targets are weighted and calculated appropriately and meet our overall objectives, as well as being relevant to all areas of the Association.

During Covid, this team has supported the development of an interim performance scorecard tracking key metrics, weekly, thereby enabling the Association to respond flexibly to the early challenges of maintaining essential services during lockdown and introducing a Covid-19 specific risk, issue and decisions log.

Property and Places

The year in numbers:

- 100% of compliance checks delivered,
- One planning application submitted for YMCA Wimbledon,
- 500 repairs (average) identified and fixed each month,
- 96% of repairs completed on time during Covid-19.

The development of YMCA Wimbledon progressed significantly during the year with the Association's development partners, Thornsett Group. Several public consultation events were held alongside meetings with the Design Review Panel and a pre-planning application. During this period, the designs went through several iterations before reaching a viable scheme at the end of the year, which was deemed to be appropriate to submit for planning permission.

Several sites received significant investment including:

- YMCA Brookcroft (Walthamstow) which was completely refurbished,
- YMCA Walthamstow where the corridors and lifts were refurbished,
- In response to LB Hillingdon bringing a Supporting People contract to an end, YMCA Hayes was also remodelled with twin rooms being moved into single units to accommodate more people.
- Finally, the offices at YMCA St James House were also remodelled to provide a more conducive, open plan working environment to bring staff closer together.

Sadly, the plans for the development of YMCA Chessington, at the St Mary's Church site were cancelled following a change of decision by the Royal Borough of Kingston. After developing and consulting on designs for 25 units of accommodation, a nursery, community centre and café, the Association was informed that the new Council administration was not prepared to support the progression of the proposal. Despite several attempts by both the YMCA and St Mary's Church to change this decision, it was decided that the Council's position was unlikely to change and the decision was taken to cancel the plans. The Association also gave notice on the agreement to manage the White House building in Hampton handing it back to the Hampton on Thames Community Association (HOTCA) in November. Following a discussion with HOTCA, it was agreed that the YMCA would continue to run the pre-school and café on the site through to the end of the 2019-20 academic year in order to provide stability to the vulnerable children and families that used those services.

During the period of Covid-19 lockdown, the Property and Places team focused on ensuring that 100% Health and Safety compliance was maintained alongside maintenance and repairs service. Feedback from the Regulatory reports showed that the Association was in the top tier of performance when compared to other housing providers with greater than 1,000 units.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

Fundraising and Communications

The year in numbers:

- 120 hostel rooms given WiFi for life for free,
- 1 Royal visit hosted,
- 1 Cathedral preached at,
- 1 Mayor of London report contributed to,
- 3 Fundraising campaigns launched.

The Association continued to promote itself with key stakeholders and was featured in several newspapers and journals. Support was given to the Mayor of London Fund's research into Social Mobility across London. The subsequent report 'One City, Two Worlds' featured interviews and feedback from Association residents and staff.

In May, the Association hosted a successful Royal visit from The Duke of Sussex (Prince Harry) to YMCA South Ealing. During the visit, the Duke spent time talking to residents, YMCA youth ambassadors as well as observing a children's ballet class. He also hosted a mental health round table with CEOs from a range of national mental health charities. The visit achieved considerable global media coverage as well as providing a highlight for staff and residents.

In November, the Chief Executive was invited to preach at a Sunday morning service at St Pauls Cathedral. The focus was the work of the YMCA and its historic connection to the Cathedral. It is hoped that going forward strategic links can be established with Cathedral staff.

Fundraising remained a lower priority during the year. However, the partnership with WiFinity, who provided and installed free WiFi at YMCA Surbiton in 2018, was continued with the installation of WiFi at YMCA South Ealing in Dec 2019. The Hampton Fund, a supporter of the YMCA over several years continued to support the work in Hampton.

YMCA Federation engagement

2019 was the 175th birthday of the world YMCA which was marked with a service at St Martin's in the Field and then a global youth conference in August at the Excel in East London. As the largest London-based YMCA, the Association played a key role in both of these events helping coordinate programme content as well as engaging its own staff, young people and residents to help out.

Alongside the YMCA 175 conference in August, there were also opportunities to engage with YMCAs from across the World including hosting visits from YMCA Sweden and YMCA of Greater New York as well as get involved in a partnership project between TED Ed and the YMCA which saw Association young people record and share their views on a range of issues from mental health to climate change.

Following the approval of the first ever YMCA England and Wales membership agreement in June 2019, the Association became the first YMCA in the country to sign the membership agreement. This solidified Association's position within the YMCA family whilst providing a framework for peer-to-peer quality assurance. The Association's Chaplaincy Team also supported the development of a YMCA National Chaplaincy Steering Group - helping shape the YMCA Christian ethos and delivery across the country.

Finally, as part of the relationship to the global YMCA family, the Association supported the work of Y Care International in a project supporting young entrepreneurs in Madagascar. In September 2019, two volunteers from YMCA France were also welcomed to YMCA Hayes to spend a year working with the Youthwork Team as part of a European exchange programme. In future years, the hope is to be able to continue to build links between young people the Association supports in the UK with their peers in other countries.

YMCA ST. PAULS GROUP

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

FINANCIAL AND OPERATING REVIEW (INCLUDING VALUE FOR MONEY)

At 31 March 2020, the Group had property assets of £57m, reserves totalling £28m and an annual turnover of £26m.

The Group's principal sources of income arise from its charitable activities of providing Accommodation, Health and Wellbeing services and Family, Youth and Children's Work.

The Group achieved turnover from our social housing and other activities for the year ended 31 March 2020 of £25.7m, a marginal increase of 0.4% year on year as shown in the table below:

Social Housing Lettings

	2020	2019
	£000	£000
Social housing lettings	15,272	14,838
Other social housing activities	2,731	2,772
Other activities	7,696	7,996
Total	25,699	25,606

Summary Consolidated Statement of Comprehensive Income:

	2020	2019
	£000	£000
Turnover	25,699	25,606
Operating cost	(23,891)	(23,556)
Operating surplus	1,808	2,050
Net interest payable	(988)	(1,009)
Surplus after interest	820	1,041
Surplus on business combination	-	13,137
Other recognised gains	(54)	27
Surplus for the year	766	14,205

The Group achieved a surplus of £766k compared to £14,205k (£1,068k when last year's business combination surplus is excluded). This was mainly due to the need to significantly increased expenditure on repairs and maintenance.

Summary Consolidated Balance Sheet:

	2020	2019
	£000	£000
Tangible fixed assets	56,788	56,477
Net current assets	3,351	2,788
Total assets less current liabilities	60,139	59,265
Long-term liabilities and provisions	(31,709)	(36,601)
Net assets/reserves	28,430	27,664

Housing properties are held at historic cost and unamortised grant is held in long-term creditors. The increased carrying cost of £311k of completed properties in 2019/20 includes an £1,376k spend on improvement and remedial work to the existing homes.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

Consolidated Cash flow:

	2020	2019
	£000	£000
Cash generated from operations	3,040	3,845
Cash from investment activities	(1,535)	(1,528)
Cash from financing activities	(318)	(1,332)
Net change in cash	1,187	985

At 31 March 2020 we had £5.1m cash and cash equivalents. In the year we:

- Received £3.0m from operating activities.
- Invested £1.4m in existing stock.
- Repaid £0.2m of loan balances.
- Paid interest of £1.0m.

Value for Money (VfM)

The Board believes the delivery of value for money is key to the delivery of our four main objectives of:

- quality & impact,
- sustainability,
- growing & developing and
- bringing greater influence.

Our overall aim is to gradually reduce unit costs through cost control, better use of technology and growth. The Association has the objective of achieving an operating margin of 10% in the medium-term, whilst working to make the business operate more economically, efficiently and effectively through a programme of incremental, sustainable improvements. The approach is captured in five value for money commitments:

1. **Cost Savings and Procurement:** We will scrutinise spending and challenge costs to ensure we achieve greater economy, reduce waste and deliver greater value
2. **Asset Management:** We will seek to maximise return on our current property assets
3. **Customer Service:** We will provide good quality services and increase customer satisfaction without exceeding the Supported Housing provider median for management costs
4. **Growth:** We will maximise the potential of our resources in order to deliver more homes and services
5. **Business Efficiency:** We will deliver efficiencies across the Association by reducing overheads, streamlining back office processes and systems, making better use of data, automating processing activity and improving cost analysis

The Association has produced the metrics prescribed by the Regulator and ensured they are consistent with the financial statements as a whole. The section below addresses the metrics and the comparative performance of the Association across these indicators and the Sector Scorecard.

In order to benchmark Group performance, the Association has established a small peer group with similar geography and housing provision that is predominantly Supported Housing. It has used the median from that peer group to provide a comparison in the table below. The Association is in the early stages of this work with Housemark and will be doing more detailed analysis in 2020/21 so the Trustees can better understand comparative cost drivers and see what we can learn from peers. **Note: the peer group figures are based 2018-19 Global Accounts statistics provided by Housemark.**

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

VfM performance

		2020	2019	Peer median	Target 2020	Target 2019
		%	%	%	%	%
Business health	- Operating margin	7.0	8.0	5.9	7.2	7.9
	- EBITDA MRI interest cover	226	280	166	150	230
Development	- New supply as a % of current units	0	0	0.7	0	0
	- Gearing	47	48	8.4	30	47
Outcomes	- Reinvestment %	0.8	1.5	3.2	0.8	0
Effective Asset Management	- ROCE	3.0	3.5	1.6	3.1	3.4
Cost per unit	- Headline social housing cost	£13.0k	£13.4k	£15.6k	£13.1k	£9.3k

Registered housing providers are required, by the Regulator of Social Housing ('Regulator'), to publish their performance against seven indicators, as shown above.

The operating margin has decreased year on year by 1% from 8% to 7% and remains higher than the peer median. This is, however, in line with expectations as there was agreed increased expenditure over 2019/20 which meant a lower operating margin result was expected.

EBITDA MRI interest cover decreased by 54% year on year and, when compared with the peer group, shows a 60% increase. The year on year decrease is mainly due to increased capital expenditure on stock improvement.

The Association does not currently have a development programme, but has developed an asset management and development strategy that entails significant re-investment in existing stock and investment in new supply.

The Board-approved VfM action plan for 2019-21 also includes a strategy to improve return on capital employed through improvement in the operating margin.

The Association's headline social housing cost per unit have decreased. We continue to review our management costs to identify areas for further efficiency and improvement. Our performance is now favourable compared to the peer median.

Sector Scorecard

In addition to the metrics prescribed by the Regulator the Association assesses its performance against a sector scorecard as well as performance scorecard. This ensures that the Board, Trustees and Association and stakeholders are able to assess performance against our overall strategy. The performance scorecard was reviewed over quarter four with the objective of ensuring targets and improvement trends were in place to enable the Association to meet its strategic goals and to benchmark performance against peers.

The Trustees continue to believe that transparency of cost and performance is an important element in driving organisational improvement. Targets continue to be agreed annually as part of the budget setting process.

YMCA ST. PAULS GROUP

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

Business Health	2020	2019	Peer median	Target 2020	Target 2019
	%	%	%	%	%
Operating margin	7.0	8.0	5.9	7.2	7.8
Operating Margin – SHL	14	13	9.5	17	14
EBITDA MRI interest cover	226	280	166.4	150	230

The above results show an operating margin that is better than the peer group of Supported Housing providers. The Trustees believe there is a need to improve this to strengthen the Association's resilience and a strategy has been set to achieve this.

The EBITDA MRI interest result shows that the liquidity and investment capacity has decreased over the previous year as a result of capital improvement expenditure on existing stock.

Development	2020	2019	Peer median	Target 2020	Target 2019
New Supply (number)	0	0	3	0	0
New Supply %	0	0	0.7	0	0
Gearing %	47	48	8.4	42	47

There have been no completions of new homes in the last two years. The Trustees have agreed a development strategy, which will lead to developing new homes over the next three years.

The Association's investment plans for 2020/21 have been severely impacted by Covid-19. Subject to supportive changes in Government policy and improved financial outcomes, the Association is limiting expenditure to committed capital maintenance expenditure and to cover emergencies, health and safety works and retentions.

In relation to new supply, the Association is de-converting 12 existing flats in Ventura House and creating a total of 36 rooms. The Association will, as a result of the investment, have a new supply of 24 rooms to let. In addition, unused space in the Forest Road Hostel is being converted to provide 14 additional rooms.

A planning permission application has been submitted to Merton Council for our 121-unit development in Wimbledon. Works on this development are expected to commence in 2021/22.

Asset Management	2020	2019	Peer median	Target 2020	Target 2019
ROCE	3.0%	3.5%	1.6%	3.1	3.4
Occupancy	94.6%	96.7%	96.8%	99.9%	99.8%
Ratio of responsive to planned maintenance	320%	630%	635%	270%	200%

ROCE is better than last year and the peer group. However, the ratio of responsive to planned maintenance expenditure remains higher than desired but is a substantial improvement on last year and better than the peer group. The asset management strategy aims to improve these metrics.

Occupancy levels have declined compared to the previous year. However, during the year, the Association transferred its housing reporting systems to ensure all sites and projects were using the same system. From October 2019, all our housing projects were using the new Pyramid Housing

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

Management System to manage their rental details and occupancy The Association can now be confident that the number is a true reflection compared to previous years that took averages from the different systems and combined them.

In March 2020, a review of void management across a number of sites was conducted identifying areas of improvement and recommendations were made to the Housing and Maintenance teams. Voids performance is now reviewed weekly and each site has a void target set according to their size and tenancy type.

Outcomes	2020	2019	Peer median	Target 2020	Target 2019
Customer satisfaction overall	87%	90%	86%	40%	25%
Reinvestment	0.8%	1.5%	3.2%	0.8%	0%

The Association's customer satisfaction score 87%. This was a slight decrease from last year's survey of 90% satisfaction rate and 1% ahead of peer median. It is very favourable to target 40% and potentially reflects the target has previously been too low. This is being addressed in the new financial year.

Whilst the Association normally only survey our residents bi-annually, given the extreme situation of the current pandemic, a Covid-19 specific survey was introduced. The objective of this was to ensure that the Association is providing the highest levels of customer service and support during the lockdown and in the days leading up to it. This was sent to all residents via email and WhatsApp with 95 responses.

The responses from this survey have helped to shape and refine the continued response to COVID-19, Including the creation of a Resident's Activities portal on the YMCA SPG app, a revised Resident's Resources website and a programme/timetable of activities to support people during "lockdown" or if residents are in isolation.

All of the targets and KPIs have been reviewed ensuring that the Association continues to track both business critical metrics and regulatory items. Part of this process has been to ensure that all targets are set proportionately and consistently across all areas of the operation. In addition, the Association has introduced HACT as a way to demonstrate the strategic impact of the Group using the HACT social value calculator. In 19/20, the Association was able to use HACT to calculate the social impact of the Wales Week held in October 2019. By using the Edinburgh Warwick scale at the start, end and a period after the retreat the impact on those attending can be calculated with an overall social impact of £28,827 against a cost of £4,380. Looking forward, the Association will use HACT to track social impact against all applicable interventions to demonstrate the full impact on our community.

Operating efficiency	2020	2019	Peer median	Target 2020	Target 2019
Cost per unit	£000	£000	£000	£000	£000
Headline social housing	13.0	13.4	15.6	13.1	9.3
Management	8.0	9.2	3.0	5.7	3.4
Maintenance	0.6	0.6	1.1	0.7	0.5
Major repairs	1.4	0.7	1.1	1.4	0.7
Service charge	2.6	2.7	2.9	3.0	2.2
Other social housing costs	0.4	0.3	6.4	0.3	0.3
Rent collected as % of rent due	105.1%	108.3%	100.9%	97.3%	97.1%
Overheads as a % of adjusted turnover	18.9%	15.8%	Not available	18.1%	15.0%

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

The above results show a slight decrease in our headline social housing cost per unit, which remains lower than the peer group. The result also demonstrates that whilst management costs per unit have decreased, year on year, they continue to be significantly higher than our peer median. The Association continues to review our management costs to identify areas of improvement.

Part of the review will consider why the peer median other social housing costs are significantly higher than our costs. It is possible that our method for analysing management and other social housing costs is inconsistent with that of our peer group.

The Impact of Covid-19

Covid-19 has had a substantial impact on the Association and our beneficiaries. The forced lockdown of most of the UK started just before the financial year-end, therefore, the impact on the financial results for year ended 31 March 2020 has been less than the impact on 2020/21. Government rules concerning which services could remain open meant that the Association had to shut down nearly all our Health & Wellbeing and Children, Youth & Family services. It also meant delivering repairs services was limited to 'emergency or essential services only' while the Association continued to deliver its statutory and health and safety compliance services. Other housing management services continued to be provided.

In responding to the financial impact of the pandemic YMCA SPG has taken a range of actions, including:

- Reviewing the 2020-21 budget and revising it under the Covid-19 conditions and factoring in assumptions such as suspension of non-essential expenditure, minimal non-housing operations, increase in arrears, voids, bad debt etc.
- Reviewing monthly cashflows under Covid-19.
- Tightening of internal liquidity rules to ensure the cash availability and the secured funding facility could cope with possible adverse situations.
- Reviewing the long term financial plan under Covid-19 and stress testing under a Covid-19 recession scenario.
- Development and monitoring of Covid-19 Risk Register

The Association has enacted Business Continuity Plans and a Covid-19 staff response group which, together with a panel of the Board, has been closely monitoring and responding to the evolving situation, as well as considering Government guidance, to ensure the safety and wellbeing of our residents, service users, staff and business partners, while still delivering our core services.

The Association has strong liquidity and monitors its position continuously.

Capital Structure and Treasury Policy

Borrowings at the year-end were:

	2020	2019
Loan facilities available	£32m	£38m
Loan drawings	£26m	£25m
Undrawn facilities	£6m	£13m

The debt is sourced from a number of UK banks.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

All drawn and undrawn loans were secured against social housing assets. Together with the available cash balance, these funds are sufficient to meet the funding commitments.

The Association has a treasury management policy, which is approved by the Trustees. The Treasury policy seeks to address funding and liquidity risk and covenant compliance.

Future Prospects

At the time of writing, it is difficult to quantify the potential full impact and length of the Covid-19 pandemic on every area of our operations, while severe restrictions remain in place and there remains uncertainty over whether there will be a second wave of Covid-19 and how the country and the economy will respond. However, the Association believes that it SPG remains in a strong financial position with good liquidity and a relationship with banks. The Association has a financial plan that demonstrates its ability to absorb the impact of the economic challenges currently facing it.

The impact of closing much of the non-housing services will continue to affect cash flow and stock improvement plans, even as they gradually re-open. The Association is continuing to manage cash carefully, enabling us to mobilise quickly as restrictions are lifted. Along with managing the impacts of the current crisis and implementing our recovery plan for shut down services, health and safety for staff, residents, service users and business partners, will remain at the top of the agenda.

The current environment does offer opportunities for the business to adapt and become more agile. The enforced move to home working has shown that the Association is able to work differently and remain effective. The Association is taking the opportunity to 'Reimagine the Future'. To this end, the Board has initiated a Re-Imagination project to reaffirm its purpose and vision of "places where young people thrive and communities flourish" and, together with key stakeholders, develop the elements required for a strategic transformation of the business. The results of the project will form the basis of the new Strategic Plan.

Compliance with the Regulator of Social Housing's Governance and Viability Standard

As a registered provider, the Association has undertaken an assessment of compliance as required by the Governance & Viability Standard of the Regulator of Social Housing. This report has been prepared in accordance with applicable standards and legislation. The Trustees confirms that the Association has complied with the Governance & Financial Viability Standard.

Group as a going concern

As a result of the Covid-19 pandemic and the Government's decision to impose lockdown restrictions during the last week of the financial year, the Board has considered the potential impacts from numerous multi-variant adverse scenarios, which include failure to control costs, increase in rental arrears, increase in voids, tightening of liquidity and adverse cost performance of on the Wimbledon Development, among other factors.

Options for mitigation to ensure the business can continue in the short and longer term have also been reviewed. Mitigations exist for all scenarios as a precaution, to ensure compliance with all covenant and regulatory requirements.

In addition to the scenarios outlined, the Board has stress tested a number of different scenarios which could affect YMCA SPG's future plans. The main areas the stress testing considered were redeveloping Marsham Court, operating income and costs. The outcome of stress tests performed focussed on liquidity, security and covenant compliance as a result of adjusting the key inputs.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

The resulting worst case scenario of the stress testing exercise, in which all adverse impacts described above would crystallise, indicates a covenant breach could occur 2022, if mitigating actions were not taken. Mitigating actions showed that the Association is able to withstand these external pressures.

Periodic updates to the financial business plan, management accounts forecasts and key performance indicator reporting enables continuous monitoring of the business. YMCA SPG maintains significantly higher liquidity levels than the funding requirement identified in its updated business plan; the Board considers this to be prudent in the current uncertain economic environment.

After making enquiries, the Board has a reasonable expectation that the overall Group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 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. No material uncertainties exist.

RISK MANAGEMENT

Risk Strategy

The Association regularly considers risk and has developed a detailed risk strategy that takes in to account strategic, operational and project risks.

The Association uses a dynamic, cloud-based, risk management system that allows the monitoring of strategic risks as well as subsequent controls and actions. The Risk Management Strategy was updated in July 2019. The Board also regularly considers its key risks as well as any changes to the Association's risk profile. The Audit & Risk Committee is tasked with reviewing the assurances that demonstrate risks are being managed. This is supported by independent internal auditors who report directly to the Audit & Risk Committee.

In relation to health & safety and fire risk, the Association employs an external auditor who undertakes an independent inspection of all the Association's property assets. This audit includes a review of all hazards as well as checking that all property related legal compliances have been adhered to and evidenced. The report from this external auditor is reported to the Development & Assets Committee. The Association employs a full-time Head of Health & Safety to oversee compliance and manage associated risks.

Operational risk assessments are developed by the departmental staff and managed by operational managers. Assurance is provided by both internal audit and performance and quality officers. Incidents, accidents and complaints are regularly reviewed with lessons learnt used to inform future risk assessments and policy and procedure development.

All Trustee reports include a consideration of risk and any new project or major development has its own risk register and is presented as part of the governance process.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

Key Strategic Risks

The key strategic risks and uncertainties under review by the Board are:

Risk	Mitigation
Breach of Health & Safety standards	Key aspects of our health and safety are audited by internal auditors, as part of a quarterly compliance check. Fire and gas safety, water hygiene and asbestos are also subject to in-depth audits on a three year rolling programme. Expert advisors are engaged in all these areas to ensure that the assessments and processes are thorough and remain in step with best practice. The Association has invested in its Property & Places department in order to ensure that it has the in-house expertise to deal with some complex major works projects related to safety.
IT Systems/Security failure	An IT Strategy has been approved by the Board that involves significant investment in IT security. The Association has also updated privacy notices and trained all staff on the new General Data Protection Regulations. In terms of system security, there is a well thought out security architecture, well developed framework of management controls and independent penetration testing.
Operational stretch	<p>A People Strategy is in place, which specifically addresses operational stretch through a new performance management arrangement as well as a focus on staff wellbeing.</p> <p>A review of the management structure has been undertaken to increase capacity at the management level. Future reviews of operational teams will take place to ensure staffing levels are adequate and fit for purpose.</p>
Wimbledon Development risk	With the UK facing a period of profound and sustained economic disruption, many businesses are vulnerable including businesses in the construction and maintenance sectors. Some of the usual controls such as periodic financial monitoring may not pick up some of the difficulties that could arise as a result of a sudden economic shock of this kind. The Association actively monitors risks on the Wimbledon project and closely engaging with partners and feeding any concerns back through to the Executive Team.
Financial viability risk	<p>The Board has approved a fully funded long-term financial plan. Our financial performance and position is closely monitored by the Executive Team and is reported to the Board regularly. Whilst the external factors that could lead to financial shock cannot be controlled or prevented by the Association, the Business/financial Plan is subjected to multivariate stress testing and we ensure that there is adequate headroom to withstand such events in the short term.</p> <p>The Association has in place a treasury policy, which includes a liquidity policy that the Board monitors. The policy is approved annually and is prepared jointly with our treasury advisors.</p>

YMCA ST. PAULS GROUP

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

Risk	Mitigation
Care & Support risk	<p>A safeguarding policy and procedure is in place along with a Board designated Safeguarding lead. Safeguarding training / workshop was provided to the Board in May 2018 so that they can understand their obligations.</p> <p>Safeguarding leads exist across the Association and posters are displayed which identify a chain of command. There is also a trustee safeguarding lead.</p>
Governance risk	<p>The Association has an experienced and skilled Board that has been strengthened over the last few months. There are regular Board member skills reviews and appraisals, as well as reflection on governance good practice.</p>

In March 2020, the breach of Health and Safety risk was expanded to include the risk of infection and specifically the risks associated with the Covid-19 pandemic. Due to the scale of the risk involved a Covid-19 specific risk register was created and maintained as a living document monitoring the risk to the entire association as well as the controls, mitigating actions and decisions made to reduce or accept these risk items.

Treasury Risk Management

The Association's operations expose it to some financial risks. Management continuously monitors these risks with a view to protecting the Association against the potential adverse effects of these financial risks.

Financial Instruments

The Association's basic financial instruments comprise cash at bank and in hand, debtors, loans and creditors that arise directly from its operations. There are surplus funds to fund future operating costs.

Credit Risk

It is the Association's policy to assess its trade receivables for recoverability on an individual basis and to make provisions where considered necessary. In assessing recoverability, management takes into account any indicators of impairment up until the reporting date. The trade debtors were not impaired; hence, no impairment losses have been recognised.

Holding funds with a commercial bank exposes the Association to counter-party credit risk. The amounts held at the year-end are with a bank with solid investment grade credit rating.

Interest rate risk

Loans held by the Association are basic financial instruments which are held at market value. This minimises the interest rate risk.

Risk is managed through the use of hedges. As at 31 March 2020, 56% of our debt portfolio was fully hedged and the remaining 44% was unhedged.

Liquidity risk

The Association maintains sufficient levels of cash and cash equivalents and manages its working capital by carefully reviewing forecasts on a regular basis to determine the requirements for its day-to-day operations.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

Fundraising

Charity law requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as 'soliciting or otherwise procuring money or other property for charitable purposes'. Such amounts receivable are presented in these accounts in other operating income.

Political Donations

The Association did not make any political donations during the financial year.

Donations and Gifts

Funders and supporters

- Hampton Fund: Funding the work at the Hampton Youth Project and the White House
- London Homeless Charities Group: Funding the work of YMCA Release counselling
- John Lyons Foundation: Funding youthwork in Hayes
- Children in Need: Funding youthwork in Walthamstow
- Mayor of London, Young Londoners Fund: Supporting youthwork in West London
- WiFinity: Donation and installation of free Wi-Fi for residents in YMCA South Ealing
- Noah's Box: Donation of 'starter' boxes for YMCA residents in Hayes
- Churches in SW London: Donation of parcels at Christmas for residents in Surbiton and at our Care Homes
- Jack Petchey Foundation: Grants to give to young people and residents in recognition of their contribution
- Wimbledon Foundation: Support for the running of the Merton Winter Night Shelter
- MOPAC - Hillingdon Safer Neighbourhood Board: supporting work with young people in West London
- Hillingdon Community Trust: supporting work with young people in West London
- Sport England: supporting work with young people in West London
- London Sport: supporting work with young people in West London
- Stockley Park Charity: supporting work with young people in West London
- Hillingdon Borough Council: supporting work with young people in West London
- Middlesex FA: supporting work with young people in West London
- John Lyon's Charity: supporting work with young people in West London

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the report and financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society law and social housing legislation require the Board to prepare financial statements for each financial year for the Association in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice (SORP) Accounting by Registered Housing Providers 2018 have been followed, subject to any material departures disclosed and explained in the financial statements; and

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy at any time the financial position of the Association and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. It is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of internal controls

The YMCA St Pauls Group's Board has overall responsibility for establishing and maintaining the Group's system of internal control and for reviewing its effectiveness.

The Board recognises that no system of internal control can provide absolute assurance against financial misstatement or loss or eliminate all risk. The system of internal control is designed to manage risk and to provide reasonable assurance that key business objectives and expected outcomes will be achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Group's assets and interests.

The Chief Executive/Group Finance Director presents a detailed report to the Audit and Risk Committee and Board each year on Internal Controls Assurance. As a result of the consideration of this report the Board is prepared to make this statement.

The Board confirms that there is an on-going process for identifying, evaluating and managing the significant risks faced by the Association and a robust and prudent business planning, risk and control framework is in place. This approach has operated throughout the year under review up to and including the date of approval of the annual report and financial statements.

Some of the key elements of the control process that the Board has established for the Group are as follows:

- The incorporation of key risks into a risk map with the Board considering significant risks as part of the decision-making process.
- The adoption of a business plan with a financial plan and the modelling and evaluation of long-term financial scenarios.
- The review and approval of detailed Standing Orders and Financial Regulations and documentation of policies and procedures for all key operational areas.
- The operation of an outsourced internal audit function, reporting directly to the Audit and Risk Committee, which follows a needs and risk based plan. The implementation of recommendations is monitored by the Audit and Risk Committee.
- The formal appraisal by the Board of new business opportunities including significant new schemes and a delegated framework for investment decisions.
- The use of Corporate Services Teams to seek continuous improvement and regularly audit compliance with agreed policies and procedures.
- The operation of a comprehensive budgeting system and the regular review of financial and operational performance, including key indicators.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

The Association has in place an Anti-Fraud and Corruption Policy and Procedure which is aimed at tackling fraud, corruption, theft and breaches of regulations.

There are whistleblowing and disciplinary policies and procedures in place for the Association which link in to the Anti-Fraud and Corruption Policy. There is a Fraud Response Plan which is aimed at ensuring the Association responds promptly to fraud or fraud allegations and is able to recover its assets where relevant.

There is a Fraud Register, which is reviewed at each Audit and Risk Committee meeting.

The Board confirms that there have been no regulatory concerns which have led the Regulator of Social Housing to intervene in the affairs of the Association, neither are there significant problems in relation to failures of internal controls which require disclosure in the financial statements.

The Board has reviewed the Association's compliance with the Regulator's Governance and Financial Viability Standard and are satisfied the Association meets the requirements.

AUDITORS AND AGM

At the date of this report, each Board member confirms the following:

- so far as each Board member is aware, there is no relevant information needed by the Association's auditors in connection with preparing their report of which the Association's auditors are unaware;
- each Board member has taken all of the steps that they ought to have taken as a Board member in order to make themselves aware of any information needed by the Association's auditors in connection with preparing their report and to establish that the Association's auditors are aware of that information.

By order of the Board



Andy Palmer
Trustee and Chairman
Date: 19 September 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YMCA ST PAULS GROUP

Opinion

We have audited the financial statements of YMCA St Pauls Group ("the Association") and its subsidiaries ("the Group") for the year ended 31 March 2020 which comprise the consolidated and Association statement of comprehensive income, the consolidated and Association balance sheets, the consolidated and Association statement of changes in reserves, the consolidated cash flow statement 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 Association's affairs as at 31 March 2020 and of the Group's and the Association's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YMCA ST PAULS GROUP

Other information (continued)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic report and the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Trustee's 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 Association and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and Trustee's 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 association, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent association financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of board member and or directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the board

As explained more fully in the board members responsibilities statement set out on page 27, the board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board are responsible for assessing the Group and the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YMCA ST PAULS GROUP

Responsibilities of the board (continued)

concern and using the going concern basis of accounting unless the board either intend to liquidate the Group or the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

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

BDO LLP

Philip Cliftlands (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Baker Street, London
Date 29 September 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

YMCA ST. PAULS GROUP

CONSOLIDATED AND ASSOCIATION STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 March 2020

	Notes	Group Year Ended 2020 £	Group Year Ended 2019 £	YSPG Year Ended 2020 £	YSPG Year Ended 2019 £
Income					
Letting activity		18,434,492	18,071,782	11,742,851	11,678,503
Health & Wellbeing and Children's and Youth Work		5,141,667	5,455,519	5,141,667	5,455,519
Grants and other donations		243,191	445,486	243,191	445,486
Office rent and hire of space		613,913	580,384	613,913	580,384
Amortisation of Housing Capital grants		289,386	294,386	289,386	294,386
Other income		976,674	758,773	272,987	92,295
	2a,2b,3	25,699,323	25,606,330	18,303,995	18,546,573
Expenditure					
Letting activities	2	18,068,774	17,511,963	10,816,877	11,214,749
Health & Wellbeing and Children's & Youth Work	4	5,532,295	5,646,162	5,532,295	5,646,162
Expenditure on office renting		289,632	397,445	289,632	397,445
	2a,2b	23,890,701	23,555,570	16,638,804	17,258,356
Operating Surplus		1,808,622	2,050,760	1,665,191	1,288,217
Interest and similar items					
Interest receivable	8	40,019	35,237	28,396	31,221
Interest payable and similar	9	(1,028,532)	(1,044,659)	(809,249)	(817,180)
Net income after interest		820,109	1,041,338	884,338	502,257
Other recognised gains/losses					
Gain on Business combination		-	13,136,565	-	-
Gain on investments	14	(54,016)	27,031	(54,016)	27,031
Surplus for the year	10	766,093	14,204,934	830,322	529,288

The notes on pages 37 to 53 form part of the financial statements.

All amounts derive from continuing activities

YMCA ST. PAULS GROUP

CONSOLIDATED AND ASSOCIATION BALANCE SHEETS

Registered Company Number: 2971930

At 31 March 2020

	Notes	Group 2020 £	Group 2019 £	YSPG 2020 £	YSPG 2019 £
FIXED ASSETS					
Tangible Assets	11	56,787,623	56,477,404	37,747,673	37,331,938
CURRENT ASSETS					
Stocks		128,825	128,338	124,395	118,478
Debtors	13	2,626,050	2,330,356	3,274,812	3,324,494
Investments	14	3	826,235	-	826,232
Cash in bank and in hand		5,116,676	3,929,677	3,951,206	2,171,121
		7,871,554	7,214,606	7,350,413	6,440,325
CREDITORS					
Amount falling due within one year	15	(4,519,717)	(4,426,441)	(3,135,720)	(3,060,573)
NET CURRENT ASSETS		3,351,837	2,788,165	4,214,693	3,379,752
TOTAL ASSETS LESS CURRENT LIABILITIES		60,139,459	59,265,569	41,962,366	40,711,690
CREDITORS					
Amount falling due after more than one year	16	(31,708,677)	(31,600,891)	(27,143,009)	(26,722,658)
NET ASSETS		28,430,783	27,664,678	14,819,357	13,989,032
FUNDS AND RESERVES					
Restricted: Housing					
Social housing reserves		22,348,838	21,396,062	8,821,928	7,804,925
Restricted: Charitable					
Pool Improvement fund		452,311	412,447	452,311	412,447
Other		59,127	62,010	-	-
Unrestricted					
Charitable Funds		5,545,118	5,771,660	5,545,118	5,771,660
Other		25,389	22,499	-	-
		28,430,783	27,664,678	14,819,357	13,989,032

The financial statements were approved by the Board and authorised for issue on 19 September 2020.



Andy Palmer
Chair



David Martin
Company Secretary

The notes on pages 37 to 53 form part of the financial statements.

STATEMENT OF CHANGES IN RESERVES

Consolidated statement of changes in reserves for year ended 31 March 2020

	Social Housing £	Restricted Pool Improvements £	Other £	Unrestricted Charitable £	Total £
As 1 April 2019	21,396,062	412,447	62,010	5,794,159	27,664,678
Surplus/(Deficit) for the year	952,776	39,864	(2,883)	(223,664)	766,093
Other		-	-	12	12
As at 31 March 2020	22,348,838	452,311	59,127	5,570,507	28,430,783

Consolidated statement of changes in reserves for year ended 31 March 2019

	Social Housing £	Restricted Pool Improvements £	Other £	Unrestricted Charitable £	Total £
As 1 April 2018	7,142,156	332,181		5,985,408	13,459,745
Surplus/(Deficit) for the year	662,769	80,266	-	(213,748)	529,287
Surplus on Business combination	13,591,137	-	-	-	13,591,137
Transfers	-	-	62,010	22,499	84,509
As at 31 March 2019	21,396,062	412,447	62,010	5,794,159	27,664,678

Association statement of changes in reserves for year ended 31 March 2020

	Social Housing £	Restricted Pool Improvements £	Unrestricted Charitable £	Total £
As 1 April 2019	7,804,925	412,447	5,771,660	13,989,032
Surplus/(Deficit) for the year	1,017,000	39,864	(226,542)	830,322
As at 31 March 2020	8,821,925	452,311	5,545,118	14,819,354

Association statement of changes in reserves for year ended 31 March 2019

	Social Housing £	Restricted Pool Improvements £	Unrestricted Charitable £	Total £
As 1 April 2018	7,142,156	332,181	5,985,408	13,459,745
Surplus/(Deficit) for the year	662,769	80,266	(213,748)	529,287
As at 31 March 2019	7,804,925	412,447	5,771,660	13,989,032

Pool improvements restricted fund is a share of the surplus on the operations at Hampton Pool that is set aside each year to provide funds for capital works at Hampton Pool. Control of the fund is shared equally between the Board of the Group and Hampton Pool Trust. The restricted Housing Reserves represent the accumulated surpluses for housing activities.

The notes on pages 37 to 53 form part of the financial statements.

GROUP CASHFLOW STATEMENT FOR YEAR ENDED 31 MARCH 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Surplus for the financial year		766,093	14,204,934
Depreciation charges		2,090,642	1,804,549
Write down of development costs		(53,681)	150,311
Capital grants amortisation		(289,386)	(276,886)
Net fair value gains recognised in deficit		54,016	(27,031)
Interest payable and finance costs		1,028,532	1,044,659
Interest received		(40,019)	(35,237)
Gain on Business combination		-	(13,136,565)
(Increase)/Decrease in stock		(486)	1,421
Decrease in debtors		288,949	356,836
(Decrease) in creditors and provisions		(804,582)	(242,242)
Net cash generated by operating activities		3,040,078	3,844,749
Cash flows from investing activities			
Purchase of fixed assets		(2,347,177)	(1,489,407)
Purchase of investments		-	(779,410)
Proceeds of disposal of investments		772,216	706,155
Interest received		40,019	35,237
Net cash from investing activities		(1,534,942)	(1,527,425)
Cash flows from financing activities			
Interest paid on bank overdrafts and loans		(1,028,532)	(1,048,644)
Capital element of lease repaid		-	(11,749)
Interest element of lease repaid		-	(134)
Loans repaid		(190,397)	(271,168)
Loan added		888,293	-
Capital Grant		12,499	-
Net cash used in financing activities		(318,137)	(1,331,695)
Net increase in cash and cash equivalents		1,186,999	985,629
Cash and cash equivalents at the beginning of the year		3,929,677	2,776,466
Cash and cash equivalents acquired through the transfer of charitable undertakings		-	167,582
Cash and cash equivalents at the end of the year		5,116,676	3,929,677

The notes on pages 37 to 53 form part of the financial statements.

Legal Status

YMCA St. Pauls Group is a company limited by guarantee (company number 2971930), a registered charity (number 1041923) and is registered with the Regulator of Social Housing as a social housing provider (number 1H4078)

Notes to the financial statements for the year ended 31 March 2020 (continued)

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for YMCA St. Pauls group includes FRS 102 "the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland", the Statement of Recommended Practice (SORP) for Registered Social Housing Providers 2014, "Accounting by registered social housing providers" 2018, the Accounting Direction for Private Registered Providers of Social Housing from April 2019 and the Companies Act 2006.

Parent company disclosure exemptions

In preparing the consolidated financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the parent company.
- Disclosures in respect of the parent company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole.
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.

The following principal accounting policies have been applied:

a) Basis of consolidation

The consolidated financial statements present the results of YMCA St. Pauls Group registered provider of social housing and its subsidiary "the group" as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

With effect from 1 April 2018, YMCA St Pauls Group became the sole corporate member of West London YMCA. A single Board was appointed to take responsibility for governance of both organisations.

The financial statements are prepared in accordance with the historical cost convention as modified by the revaluation of current asset investments. The results reflect the adoption of the "Statement of Recommended Practice: accounting by registered social housing providers: Update 2014", and reflect the adoption of component accounting on social housing properties.

Business combinations that are gifts

Where there is a business combination that is in substance a gift, any excess of fair value over the assets received over the fair value of the liabilities assumed is recognised as a gain in the income and expenditure account. This gain represents the gift of the value of one entity to another and is recognised as income.

Where the fair value of the liabilities exceeds the fair value of the assets, the loss represents net obligations assumed and is recognised as an expense.

b) Format of Accounts

The Directors have considered the format of the financial statements in the light of Section 474 (2) of the Companies Act 2006 and have adapted the arrangements, headings and sub headings otherwise required by the schedule where in their opinion the special nature of the Group's activities requires such adaptation.

c) Income

Income is measured at the fair value of the consideration received or receivable. Income represents rental income receivable, including for the provision of care services and supporting people services during the year, income from the sale of goods and services, income from membership fees and revenue grants from local authorities and government departments.

Notes to the financial statements for the year ended 31 March 2020 (continued)**ACCOUNTING POLICIES (continued)****d) Membership Subscriptions and Programme Activities**

Income is recognised in the period to which it relates.

e) Grant Income

Revenue income is recognised in the period to which it relates. Grants for capital projects are recognised as received and carried forward as restricted funds.

f) Donations

Donations are accounted for when received.

g) Social Housing Grant

Where property developments, have been financed wholly or partly by Social Housing Grant(SHG), the cost of those developments is no longer reduced by the amount of grant received. Under FRS 102 requirements the grant is treated as a long term liability to be released into income over the average expected life span of the development to which it relates, as calculated under component accounting. See note k.

h) Stocks

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

i) Expenditure

Where possible overheads are allocated specifically to social housing, care or charitable services; other overheads are apportioned between activities on the bases of staff time, turnover, or floor area as appropriate.

j) Housing properties

Under FRS 102 Housing property is stated at cost. The cost of housing property includes the cost of acquiring property, improvements, replacements and major repairs.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

SHG used to finance buildings is repayable under certain circumstances, primarily following the sale of such property. The amount, which would be repayable is the amount by which any sale proceeds exceed all other liabilities arising from the release of any loan charges on the property.

k) Depreciation**Fixed Assets**

Other than social housing assets, depreciation on other assets is charged so as to allocate the cost, less estimated residual value of each asset over its anticipated useful life using the straight-line method, as follows:

Short leasehold buildings	-	over term of the lease
Motor vehicles	-	5 years
IT equipment	-	3 – 4 years
Furniture and equipment	-	3 – 5 years
Fixtures and fittings	-	3 - 100 years

Notes to the financial statements for the year ended 31 March 2020 (continued)**ACCOUNTING POLICIES (continued)****k) Depreciation (continued)**

Social housing assets, whether freehold or long leasehold, are split, for the purposes of depreciation, between land and structure (major fabric) and a specific set of major components which require replacement and renewal more frequently than the major fabric. Each of these is depreciated according to its useful economic life. The major components and useful economic lives range as follows:

Building structure (hostel buildings)	-	50 years
Building structure (other houses)	-	100 years
Freehold structure	-	10 – 100 years
Freehold external works	-	30 years
Freehold engineering	-	5 – 100 years
Leasehold structure	-	70 – 100 years
Leasehold external works	-	30 years
Leasehold engineering	-	15 – 40 years

l) Housing Capital Grants

Grant received is accounted for using the accrual model. Grant is carried as deferred income in the balance sheet and released to the income and expenditure account on a systematic basis over the useful economic lives of the asset for which it was received. Where grant is restricted to a specified future expiry date the grant is amortised in equal instalments, so its fully amortised by the expiry date. Grant for mixed asset types is amortised using the weighted average depreciation rate of 3.33%. This is based on the rates used in component accounting.

m) Development Assets

These properties are YMCA Wimbledon, Tower Lodge and Olympic House. The head lease on Olympic House was bought on 29 June 2011 and merged with our freehold interest. The property was bought purely for land value and is not being depreciated. Additions to development properties are accounted for in line with FRS 102. It is anticipated that the existing building will be demolished. None of these assets have been dealt with under component accounting.

n) Interest Payable

The interest charged on loans that have been used for the purchase of Development Assets is capitalised to form part of the cost of the assets. Where a development project is deemed to be relatively inactive, capitalisation of interest is ceased until the development becomes active again.

o) Operating Leases

Rents payable under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

p) Investments

The Charities SORP provides that investments should be shown as fixed assets at their market value. YMCA St. Pauls Group has always regarded its investments as a source of working capital, interchangeable with cash as required, and treated as a current asset. As such they would, under normal accounting treatment, be stated at the lower of cost or net realisable value. In light of the Charities SORP and the use to which the investments are put, the Board consider that their inclusion as current assets at market value gives a true and fair view of the financial position of the Group. Any gain or loss is charged or credited to the Statement of Comprehensive Income.

q) Leased assets

Fixed assets acquired under finance leasing contracts are recorded on the balance sheet as tangible fixed assets at their equivalent capital value and are depreciated over the useful lives of the assets. The corresponding liability is recorded as a creditor and the interest element of the finance charge is charged to the Statement of Comprehensive income over the period of the lease.

Notes to the financial statements for the year ended 31 March 2020 (continued)

ACCOUNTING POLICIES (continued)

r) Pension Scheme

YMCA St. Pauls Group 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 St. Pauls Group.

As described in note 20, YMCA St. Pauls Group has a contractual obligation to make pension deficit payments to the plan. During the year ended 31 March 2020 deficit contributions totalling £134,738 were made to the plan. In accordance with the actuarial valuation the deficit payments increase by 3% each year. The present value of these payments is shown as a balance sheet liability in note 19 to these accounts. In addition, YMCA St. Pauls Group is required to contribute to the operating expenses of the pension plan. As at 31 March 2020 these costs were £30,742 (2019: £30,368) annually and are charged to the Statement of Comprehensive Income as made. The operating expenses contribution is also subject to the annual 3% increase.

s) Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, key judgements have been made in respect of the following:

- Whether there are indicators of impairment of the group's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. The Board have considered the measurement basis to determine the recoverable amount of assets where there are indicators of impairment based on existing use value for social housing or depreciated replacement cost. The Board have also considered impairment based on their assumptions to define cash or asset generating units.
- Whether leases entered into by the group either as a lessor or a lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risk and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Other key sources of estimation uncertainty

Tangible fixed assets

- Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as the condition of the asset and its future income generating potential are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset, technological advances and projected disposal values.

The residual values, useful lives and depreciation methods for assets are adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

- For housing property, the assets are broken down into components based on management's assessment of the properties. Individual useful economic lives are assigned to these components.

Rental and other trade receivables (debtors)

The estimate for receivables relates to the recoverability of the balances outstanding at year-end.

A review is performed on an individual debtor basis to consider whether each debt is recoverable

Notes to the financial statements for the year ended 31 March 2020 (continued)

ACCOUNTING POLICIES (continued)

Other areas of estimation uncertainty include:

Project or scheme costs which are capitalised on the basis that the scheme will be completed and the costs for each unit upon completion is apportioned on square footage or area of each unit.

Should a project or scheme become non-feasible the costs will be written off to the Statement of Comprehensive Income as abortive costs.

The Wimbledon development scheme and its carrying cost has been reviewed and the expectation is that it will proceed. However, if the development does not proceed the realisable value of the land exceeds the carrying cost of the land.

- Revenue recognition around particular contracts: income is generated from a range of sources, in particular, from rent and service charges to local authorities under a wide variety of contract types, durations and service specifications. Judgement is applied as to income recognition and recoverability on a source-by-source and / or contract by contract basis.

Group as a going concern

The Association's Trustees are required to give an opinion as to whether there is a reasonable expectation that adequate resources exist for the Association to continue in operational existence for the foreseeable future.

As a result of the Covid-19 pandemic and the Government's decision to impose lockdown restrictions during the last week of the financial year, the Board has considered the potential impacts from numerous multi-variant adverse scenarios, which include failure to control costs, increase in rental arrears, increase in voids, tightening of liquidity and adverse cost performance of on the Wimbledon Development, among other factors.

Options for mitigation to ensure the business can continue in the short and longer term have also been reviewed. Mitigations exist for all scenarios as a precaution, to ensure compliance with all covenant and regulatory requirements.

In addition to the scenarios outlined, the Board has stress tested a number of different scenarios which could affect YMCA SPG's future plans. The main areas the stress testing considered were redeveloping Marsham Court, operating income and costs. The outcome of stress tests performed focussed on liquidity, security and covenant compliance as a result of adjusting the key inputs.

The resulting worst case scenario of the stress testing exercise, in which all adverse impacts described above would crystallise, indicates a covenant breach could occur 2022, if mitigating actions were not taken. Mitigating actions showed that the Association is able to withstand these external pressures.

Periodic updates to the financial business plan, management accounts forecasts and key performance indicator reporting enables continuous monitoring of the business. YMCA SPG maintains significantly higher liquidity levels than the funding requirement identified in its updated business plan; the Board considers this to be prudent in the current uncertain economic environment.

After making enquiries, the Board has a reasonable expectation that the overall Group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 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. No material uncertainties exist.

Notes to the financial statements for the year ended 31 March 2020 (continued)

2. INCOME & EXPENDITURE FROM HOUSING ACTIVITIES

2a LETTINGS AND SUPPORTING PEOPLE CHARGES (YSPG)

	General Needs Housing £	Supported housing and housing for older people £	Housing Activities Total 2020 £	Housing Activities Total 2019 £
INCOME				
Rent receivable net of identifiable service charges	408,639	4,679,284	5,087,923	5,081,088
Service income	422,089	4,584,487	5,006,576	4,989,407
Net rents receivable income	830,728	9,263,771	10,094,499	10,070,495
Supporting people income	-	882,989	882,989	848,856
Lettings activities	830,728	10,146,760	10,977,488	10,919,352
Amortisation of government grant	-	289,386	289,386	294,386
Other income	41,448	3,431	44,879	3,428
Turnover from lettings and supporting people charges	872,176	10,439,577	11,311,753	11,217,165
EXPENDITURE				
Services	20,924	2,533,635	2,554,559	2,597,850
Management	153,673	5,387,329	5,541,002	6,026,920
Routine Maintenance	37,634	290,062	327,696	198,459
Planned Maintenance	-	120,232	120,232	73,268
Bad Debts	36,015	262,140	298,155	249,886
Depreciation of Housing Properties	216,881	668,996	885,877	818,676
Operating costs on social housing lettings	465,127	9,262,394	9,727,521	9,965,059
Operating surplus on social housing	407,049	1,177,183	1,584,232	1,252,106
Void losses	26,792	417,998	444,790	338,040
Void loss %	3.2%	4.5%	4.4%	3.4%
Gross Margin %	46.7%	7.5%	10.6%	11.2%

Notes to the financial statements for the year ended 31 March 2020 (continued)

2a LETTINGS AND SUPPORTING PEOPLE CHARGES (Group)

	General Needs Housing	Supported housing and housing for older people	Housing Activities Total 2020	Housing Activities Total 2019
	£	£	£	£
INCOME				
Rent receivable net of identifiable service charges	408,639	7,334,397	7,743,036	7,636,379
Service income	422,089	7,107,129	7,529,218	7,201,285
Net rents receivable income	830,728	14,441,526	15,272,254	14,837,664
Supporting people income	-	2,396,876	2,396,876	2,474,967
Lettings activities	830,728	16,838,402	17,669,130	17,312,631
Amortisation of government grant	-	289,386	289,386	294,386
Other income	41,448	3,431	44,879	3,428
Turnover from lettings and supporting people charges	872,176	17,131,219	18,003,395	17,610,445
EXPENDITURE				
Services	20,924	2,875,153	2,896,077	3,018,882
Management	153,673	8,638,804	8,792,477	10,131,153
Routine Maintenance	37,634	601,211	638,845	634,982
Planned Maintenance	-	199,568	199,568	73,268
Bad Debts	36,015	373,339	409,354	295,315
Depreciation of Housing Properties	216,881	1,054,371	1,271,252	1,187,984
Operating costs on social housing lettings	465,127	13,742,446	14,207,573	15,341,584
Operating surplus on social housing	407,049	3,388,773	3,795,822	2,268,861
Void losses	26,792	554,236	581,028	482,634

The number of units held for social housing need was 1,151 (2019: 1,156)

2b PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS (YSPG)

	Turnover 2020 £	Operating costs 2020 £	Operating Surplus 2020 £	Operating Surplus 2019 £
Social housing lettings (Note 2a)	10,094,499	8,844,532	1,249,967	954,294
Other social housing activities				
Supporting people	882,989	882,989	-	-
Amortisation of Government Grant	289,386	-	289,386	294,386
Other Income	44,879	-	44,879	3,427
Total letting and supporting people	11,311,753	9,727,521	1,584,232	1,252,107
Other activities (Note 3)	6,992,242	6,911,283	80,959	36,110
	18,303,995	16,638,804	1,665,191	1,288,217

YMCA ST. PAULS GROUP

Notes to the financial statements for the year ended 31 March 2020 (continued)

2b PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS (Group)

	Turnover	Operating costs	Operating Surplus	Operating Surplus
	2020	2020	2020	2019
	£	£	£	£
Social housing lettings (Note 2a)	15,272,254	13,324,584	1,947,670	2,195,614
Other social housing activities				
Supporting people	2,396,876	2,756,664	(359,788)	(224,567)
Amortisation of Government Grant	289,386	-	289,386	294,386
Other Income	44,879	-	44,879	3,428
Total letting and supporting people	18,003,395	16,081,248	1,922,147	2,268,861
Other activities (Note 3)	7,695,928	7,809,453	(113,525)	(218,101)
	25,699,323	23,890,701	1,808,622	2,050,760

3. PARTICULARS OF TURNOVER FROM CHARITABLE ACTIVITIES

	YSPG 2020 £	YSPG 2019 £
Membership	1,391,817	1,436,073
Activity fees	2,676,392	2,883,751
Food and beverage	676,013	741,827
Grants	243,191	445,486
Conference/Occasional Room Hire	188,687	186,937
	5,176,100	5,694,074
Care Homes income	778,361	759,151
Other donations and grants	41,060	21,627
Shop sales	75,872	86,931
Office rent	352,535	335,175
Other income	568,313	432,449
	6,992,241	7,329,407

4. HEALTH, FITNESS AND WELLBEING EXPENDITURE

	YSPG 2020 £	YSPG 2019 £
Maintenance	411,063	415,469
Salaries and wages	3,332,764	3,332,480
Other apportioned costs	1,788,468	1,898,213
	5,532,295	5,646,162

5. DIRECTORS' EMOLUMENTS

No member of the Board received any remuneration from the Group (2019: Nil). Expenses were reimbursed to one Board member (2019: 2) amounting to £15 (2019: £1,356).

Notes to the financial statements for the year ended 31 March 2020 (continued)

6. EMPLOYEE INFORMATION

	Group 2020 £	Group 2019 £	YSPG 2020 £	YSPG 2019 £
Staff Costs				
Wages and Salaries	11,461,773	11,536,295	8,869,702	8,666,581
Social security costs	757,768	752,311	575,774	591,722
Other pension costs	504,334	473,558	401,581	406,378
	12,723,875	12,762,164	9,847,057	9,664,681

Redundancy and termination payments

Statutory redundancy payments	25,733	23,489	25,733	23,489
Payment in lieu of notice period	13,943	-	13,564	-
Ex-gratia payment for loss of office	3,434	25,670	3,434	25,670
Total included in wages and salaries	43,110	49,159	42,731	49,159

Average number of employees

Managers	82	86	58	57
Service Delivery	307	332	236	208
Average number of full time equivalent employees	389	418	294	265

The number of employees who earned more than £60,000 (excluding pensions) during the year was:

	Group 2020	Group 2019	YSPG 2020	YSPG 2019
£60,001 - £70,000	-	5	-	5
£70,001 - £80,000	1	-	1	-
£80,001 - £90,000	3	1	3	1
£90,001 - £100,000	-	1	-	1
£100,001 - £110,000	1	-	1	-
£110,001 - £120,000	1	-	1	-

Total pension contribution for the higher paid employees was £23,877 (2019: £60,576)

7. DIRECTORS' AND SENIOR EXECUTIVES REMUNERATION

The Directors and Trustees are shown on page 2. Senior Executives are the Senior Management Team as disclosed on page 2.

	Group 2020 £	Group 2019 £	YSPG 2020 £	YSPG 2019 £
Senior executive emoluments	593,786	718,908	593,786	651,159
Contribution to pension scheme	24,898	68,576	24,898	63,920
	618,684	787,484	618,684	715,079

The highest paid employee's emoluments and pension costs as an ordinary member of the contributory pension scheme in the year ended 31 March 2020 were £119,539 (2019: £92,974) and £4,293 (2019: £12,586).

Notes to the financial statements for the year ended 31 March 2020 (continued)

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	Group 2020 £	Group 2019 £	YSPG 2020 £	YSPG 2019 £
Dividends and fixed interest securities	22,776	23,645	22,776	23,645
Bank interest receivable	17,243	11,593	5,620	7,577
	40,019	35,238	28,396	31,222

9. INTEREST PAYABLE AND SIMILAR CHARGES

	Group 2020 £	Group 2019 £	YSPG 2020 £	YSPG 2019 £
Bank charges	35,510	132,634	35,510	132,634
Bank overdraft/loans repayable within 5 years	957,538	871,642	738,255	644,164
Amortization of arrangement fees	35,484	40,383	35,483	40,383
	1,028,532	1,044,659	809,248	817,181
Bank overdraft/loans repayable within 5 years; Capitalised	-	-	-	-
	1,028,532	1,044,659	809,248	817,181

The cumulative amount of capitalised interest at balance sheet date was £727,935 (2019: £727,935)

10. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

The operating surplus is stated after charging:

	Group 2020 £	Group 2019 £	YSPG 2020 £	YSPG 2019 £
Depreciation of tangible assets:				
Owned assets	2,090,640	1,804,549	1,678,248	1,484,549
Held under finance leases		-		-
Write down of development costs	53,681	150,311	53,681	150,311
Auditors' remuneration:				
In their capacity as auditors	45,910	56,226	26,780	38,376
Tax work	12,249	5,996	12,249	5,996
Other services	4,915	6,406	4,915	6,406
Operating lease rentals:				
Land & buildings	644,041	680,527	644,041	680,527
Other	105,586	128,452	80,441	85,577

YMCA ST. PAULS GROUP
Notes to the financial statements for the year ended 31 March 2020 (continued)

11. TANGIBLE FIXED ASSETS (GROUP)

	Housing Property		Development Buildings	Other Property		Computer Equipmen t	Furniture & Equipment	Motor Vehicles	TOTAL
	Freehold Buildings	Long leasehold Land & Buildings		Freehold	Short Leasehold Buildings				
	£	£	£	£	£	£	£	£	£
COST OR VALUATION									
At 1 April 2019	44,111,790	4,822,859	10,842,543	878,870	59,007	1,254,301	6,543,980	59,563	68,572,913
Additions	624,445	256,918	351,072	-	-	408,225	902,975	-	2,543,635
Disposals	-	-	-	-	-	-	(232,478)	(14,748)	(247,226)
Write down	-	-	(53,681)	-	-	-	-	-	(53,681)
At 31 March 2020	44,736,235	5,079,777	11,139,934	878,870	59,007	1,662,526	7,214,477	44,815	70,815,641
DEPRECIATION									
At 1 April 2019	4,851,287	1,272,534	1,281,141	-	59,007	621,376	3,954,599	55,565	12,095,509
Charge for the year	763,622	395,927	(2)	3,736	-	272,095	653,662	1,599	2,090,639
Disposals	-	-	-	-	-	-	(143,382)	(14,748)	(158,130)
At 31 March 2020	5,614,909	1,668,461	1,281,139	3,736	59,007	893,471	4,464,879	42,416	14,028,018
NET BOOK VALUE									
At 31 March 2020	39,121,326	3,411,316	9,858,795	875,134	-	769,055	2,749,598	2,399	56,787,623
At 31 March 2019	39,260,503	3,550,325	9,561,402	878,870	-	632,925	2,589,381	3,998	56,477,404

YMCA ST. PAULS GROUP
Notes to the financial statements for the year ended 31 March 2020 (continued)

11. TANGIBLE FIXED ASSETS (YSPG)

	Housing Property		Other Property		Computer	Furniture &	Motor	TOTAL
	Freehold	Long	Development	Short	Equipment	Equipment	Vehicles	
	Buildings	leasehold	Buildings	Leasehold				
		Land &		Buildings				
		Buildings						
	£	£	£	£	£	£	£	£
COST OR VALUATION								
At 1 April 2019	25,621,790	4,822,859	10,842,543	59,007	1,254,301	6,447,385	59,563	49,107,448
Additions	589,398	63,810	347,262	-	408,225	828,064	-	2,236,759
Disposals	-	-	-	-	-	(232,478)	(14,748)	(247,226)
Write down	-	-	(53,681)	-	-	-	-	(53,681)
At 31 March 2020	26,211,188	4,886,669	11,136,124	59,007	1,662,526	7,042,971	44,815	51,043,300
DEPRECIATION								
At 1 April 2019	4,531,287	1,272,534	1,281,141	59,007	621,376	3,954,599	55,565	11,775,509
Charge for the year	681,006	104,080	(1)	-	272,095	619,469	1,599	1,678,248
Disposals	-	-	-	-	-	(143,382)	(14,748)	(158,130)
At 31 March 2020	5,212,293	1,376,614	1,281,140	59,007	893,471	4,430,686	42,416	13,295,627
NET BOOK VALUE								
At 31 March 2020	20,998,895	3,510,055	9,854,984	-	769,055	2,612,285	2,399	37,747,673
At 31 March 2019	21,090,504	3,550,325	9,561,400	-	632,925	2,492,786	3,998	37,331,937

YMCA ST. PAULS GROUP

Notes to the financial statements for the year ended 31 March 2020 (continued)

12. TAXATION

YMCA St. Pauls Group is exempt from Corporation Tax on its charitable activities. The trading company had nil Corporation Tax for the year.

13. DEBTORS

	Group 2020 £	Group 2019 £	YSPG 2020 £	YSPG 2019 £
Rental Debtors	1,504,835	1,337,655	989,272	617,128
Provision for bad debts	(784,471)	(717,180)	(387,685)	(305,044)
Amounts owed by group undertakings	-	-	850,267	1,436,940
Other debtors	1,117,401	1,095,762	1,042,745	983,963
Prepayments and accrued income	788,285	614,119	780,213	591,507
	2,626,050	2,330,356	3,274,812	3,324,494

14. INVESTMENTS

	Group 2020 £	Group 2019 £	YSPG 2020 £	YSPG 2019 £
Investment in subsidiary	3	2	-	2
Managed units				
Market value at 1 April 2019	826,232	725,950	826,232	725,947
Additions	-	779,410	-	779,410
Disposal proceeds	(772,216)	(706,155)	(772,216)	(706,155)
Net investment gains	(54,016)	27,031	(54,016)	27,031
Market value at 31 March 2020	-	826,235	-	826,232
Historical cost at 31 March 2020		563,973		837,586

Analysis of Market Value at 31 March 2020

	Group 2020 £	Group 2019 £	YSPG 2020 £	YSPG 2019 £
UK Listed Investments are represented by:				
Fixed Interest Securities	-	23,764	-	23,764
Equity Shares	-	462	-	462
Unit Trusts and Similar Funds	-	802,006	-	802,006
Total	-	826,232	-	826,232

The Group has a £3(2019:£3) investment in a wholly-owned subsidiary West London YMCA Trading Ltd.

YMCA ST. PAULS GROUP

Notes to the financial statements for the year ended 31 March 2020 (continued)

15. CREDITORS – Amounts falling due within one year

	Group 2020 £	Group 2019 £	YSPG 2020 £	YSPG 2019 £
Bank Loans and overdrafts (note 16)	292,745	276,543	(40,484)	21,905
Hampton Pool Ltd Loan	5,518	5,518	5,518	5,518
Hampton Fuel Allotment Charity Loan	6,800	6,800	6,800	6,800
Finance leases	-	14,629	-	-
Trade creditors	1,025,011	1,527,633	957,186	1,495,579
Taxation and social security	215,854	248,257	188,910	182,996
Accruals and deferred income	1,420,839	1,130,559	1,193,631	818,043
Pension Deficit Liability	173,697	109,558	128,624	64,449
Housing Grants (note 21)	276,886	276,886	276,886	276,886
Other creditors	1,102,367	830,058	418,649	188,397
	4,519,717	4,426,441	3,135,720	3,060,573

16. CREDITORS – Amounts falling due after more than one year

	Group 2020 £	Group 2019 £	YSPG 2020 £	YSPG 2019 £
Bank Loans	25,216,498	24,584,876	20,924,580	20,023,969
Hampton Pool Ltd Loan	-	5,518	-	5,518
Hampton Fuel Allotment Charity Loan	6,800	13,600	6,800	13,600
	25,223,298	24,603,994	20,931,380	20,043,087
Pension deficit liability	1,054,948	1,289,580	781,198	972,254
Deferred capital Grant	5,430,431	5,707,317	5,430,431	5,707,317
	31,708,677	31,600,891	27,143,009	26,722,658

Total loans and borrowings	Group 2020 £	Group 2019 £	YSPG 2020 £	YSPG 2019 £
Debt comprises				
Bank Loans and overdrafts	25,509,243	24,861,417	20,884,096	20,045,873
Obligations under finance leases	-	14,629	-	-
Other Loans	19,118	31,436	19,118	31,436
	25,528,361	24,907,482	20,903,214	20,077,309

The aggregate debt is repayable:				
In one year or less, or on demand	305,063	303,490	(28,166)	34,223
In more than one year but not more than two years	255,277	308,108	(30,018)	39,120
In more than two year but not more than five years	5,367,559	8,170,767	4,407,230	7,263,615
In more than five years	19,600,462	16,125,117	16,554,168	12,740,351
	25,528,361	24,907,482	20,903,214	20,077,309

Loans – YMCA St Pauls Group

The bank loans are secured by a first fixed charge over the following freehold properties: Forest Road-Main Hostel, Marsham Court-Residential, Marsham Court-Office, Brookscroft, 18 Balaclava Road, Forest Road-Gym, 49 Victoria Road-Main Hostel, Surbiton-Gym, Surbiton-Office, Forest Road-Telecoms, Rodney House in Walton-on-Thames, Langdown in Molesey. £1,893,887 of the loan is repayable over 25 years and the rest is repayable over 3 to 12 years. Loans bear interest at rates between 2.00% and 3.25%.

16. CREDITORS – Amounts falling due after more than one year (continued)**Loans – West London YMCA**

The loan is secured by a fixed charge on the leasehold housing property, a fixed charge on the rental income arising thereon, and a floating charge over all of the charity's assets and undertakings, except the non-housing freehold property. The capital element is repayable in instalments over 20 years starting on 28 September 2011. Interest is charged at various rates with a weighted average of 3.74% (2019: 4.51%) at the year-end and £2,754,639 (2019: £3,091,391) is due after more than five years.

The housing property finance is secured by a first charge on certain freehold housing properties. It is repayable in instalments with 25 years to run. It bears interest at 10.875% (2019: 10.875%) and £291,655 (2019: £293,375) is due after more than five years

17. OPERATING LEASE COMMITMENTS

At the year-end, the total future minimum lease payments non-cancellable operating leases were:

	Group Property 2020 £	Group Property 2019 £	Group Other 2020 £	Group Other 2019 £
Total future payments due:				
Not later than one year	476,818	644,041	58,478	95,120
Later than one year and less than five years	1,284,554	1,471,370	18,963	80,492
Later than five years	1,256,677	1,546,680	-	-
	3,018,049	3,662,091	77,441	175,612
Lease payments expensed in the year	644,041	680,527	95,120	100,256
	YSPG Property 2020 £	YSPG Property 2019 £	YSPG Other 2020 £	YSPG Other 2019 £
Total future payments due:				
Not later than one year	476,818	644,041	49,465	80,441
Later than one year and less than five years	1,284,554	1,471,370	2,831	52,296
Later than five years	1,256,677	1,546,680	-	-
	3,018,049	3,662,091	52,296	132,737
Lease payments expensed in the year	644,041	680,527	80,441	85,577

18. FINANCE LEASE COMMITMENTS

	Group 2020 £	Group 2019 £	YSPG 2020 £	YSPG 2019 £
Total future payments due:				
Not later than one year	-	14,629	-	-
Later than one year and later than five years	-	-	-	-
Later than two years but less than five years	-	-	-	-
Later than five years	-	-	-	-
	-	14,629	-	-

YMCA ST. PAULS GROUP

Notes to the financial statements for the year ended 31 March 2020 (continued)

19. PROVISION FOR LIABILITIES

Pension deficit contributions

	Group 2020 £	Group 2019 £	YSPG 2020 £	YSPG 2019 £
As 1 April 2019	1,399,138	1,576,248	1,036,702	1,167,224
Unwinding of discount and under provision	7,878	311	7,878	311
Contribution paid	(178,371)	(177,421)	(134,758)	(130,833)
At 31 March 2020	1,228,645	1,399,138	909,822	1,036,702

20. PENSIONS

The Group operates a number of pension schemes.

Defined benefit pension scheme

YMCA St. Pauls Group 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 St Pauls Group and at year-end these were invested in the Mercer Dynamic De-risking solution, 40% matching portfolio and 60% in the growth portfolio and Schroder (property units only).

The most recent completed three-year valuation was as at 1 May 2017. This has shown that the pension recovery is on track and there is no need to increase contributions or extend the recovery period.

The assumptions used which have the most significant effect on the results of the valuation are those relating to the assumed rates of return on assets held before and after retirement of 3.75% and 2.25% respectively, the increase in pensions in payment of 3.35% (for RPI capped at 5% p.a.), and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.2 years, female 24.1 years, and 24.0 years for a male pensioner, female 26.0 years, retiring in 20 years' time. The result of the valuation showed that the actuarial value of the assets was £141.2m. This represented 81% of the benefits that had accrued to members.

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

The valuation prepared as at 1 May 2017 showed that the YMCA Pension Plan had a deficit of £33.6 million. YMCA St. Pauls Group has been advised that it will need to make monthly contributions of £11,595 from 1 May 2020. This amount is based on the current actuarial assumptions (as outlined above) and may vary in the future as a result of actual performance of the Pension Plan. The monthly deficit contributions are subject to an annual 3% increase.

Defined Contribution Schemes

YMCA St. Pauls Group also runs defined contribution schemes open to all staff. The assets of these schemes are also held separately from those of the group and contributions are charged to the statement of comprehensive income as they fall due. The combined pension charge of both schemes is shown in note 6.

YMCA ST. PAULS GROUP

Notes to the financial statements for the year ended 31 March 2020 (continued)

21. DEFERRED CAPITAL GRANT

	Group 2020 £	Group 2019 £	YSPG 2020 £	YSPG 2019 £
As 1 April 2019	5,984,203	6,261,089	5,984,203	6,261,089
Released to income during the year	(276,886)	(276,886)	(276,886)	(276,886)
At 31 March 2020	5,707,317	5,984,203	5,707,317	5,984,203

22. STATEMENT UNDER SECTION 37 LOCAL GOVERNMENT AND HOUSING ACT 1989

Hampton Fuel Allotment Charity (HFAC)

The Group received restricted grant funding from the HFAC, which has been utilised towards the revenue expenditure and refurbishment of the White House centre.

23. CAPITAL COMMITMENTS

	Group 2020 £	Group 2019 £	YSPG 2020 £	YSPG 2019 £
Commitments contracted but not provided for				
Furniture and Equipment	-	43,461	-	43,461
Computer software	-	12,600	-	12,600
Maintenance	-	22,360	-	22,360
Construction	-	15,666	-	15,666
	-	94,087	-	94,087
Expenditure approved but not contracted for				
Furniture and Equipment	-	-	-	-
Computer software	-	-	-	-
Maintenance	-	-	-	-
Motor vehicles	-	-	-	-
Construction	-	-	-	-
Fixtures and Fittings	16,764	28,608	12,614	28,608
	16,764	28,608	12,614	28,608
Capital commitments for the Group will be funded as follows:				
New loans and grants	-	-	-	-
Internal Cash Reserves	16,764	122,695	12,614	122,695
	16,764	122,695	12,614	122,695

24. RELATED PARTY TRANSACTIONS

The Operations Director is also the chair of the Board of Governors of Woodside Primary Academy, a ReAch2 Trust academy. The school hire the facilities at the YMCA in Walthamstow on a regular basis. The value of the transaction for the year was £2,400 (2019: nil). All transactions with the related party are carried out on standard terms of business.