Registered company:	**04430743**
Registered charity:	**1102301**
Registered housing provider:	**H4418**

ONE YMCA
(LIMITED BY GUARANTEE)

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

REPORTS AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

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CORPORATE INFORMATION

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Registered company:	04430743
Registered charity:	1102301
Registered housing provider:	H4418
Registered office:	Charter House, Charter Place, Watford, Hertfordshire, WD17 2RT

EXECUTIVE MANAGEMENT TEAM

Chief Executive	Guy Foxell
Director of Family Services	Serreta Pritchard
Director of Operations	Mark Turner
Director of Business Development	Michael Howe
Director of Corporate Services	Jonathan Kalemera (resigned 30 April 2022)

AUDITORS, BANKERS, INVESTMENT MANAGER AND SOLICITORS

Auditor (External)	Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG
Auditor (Internal)	Beevers and Struthers, 15 Bunhill Row, London, EC1Y 8LP
Bankers:	HSBC Plc, 44-52 Lattimore Road, St Albans, Hertfordshire, AL1 3XL CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ
Investment manager:	CCLA Investment Management Ltd, One Angel Lane, 11th Floor, London, EC4R 3AB
Solicitors:	Bates Wells Braithwaite LLP, 10 Queen Street Place, London, EC4R 1BE

REPORT OF THE TRUSTEE BOARD

The Trustee Board presents its annual report together with the audited financial statements for the year ended 31 March 2022.

Organisation
The Group operates out of a number of centres across Hertfordshire, Bedfordshire and Buckinghamshire – and RAF Bases further afield.

The Company is structured by department according to the main service delivery areas which include:
- Accommodation and Support,
- Family work (nursery, Family Support and children's centres),
- Health and wellbeing (gym, café and community centres)
- Support and advice (youth work, counselling and therapeutic support),
- Central services (including finance, human resources, legal, safety & compliance and ICT).

The Executive Team consists of the Chief Executive and Executive Directors who report to the Trustee Board and the relevant sub committees covering the main functions.

The national structure of the YMCA Federation allows for further support and national policy development.

Trustee Board
The Trustee Board is responsible for the overall governance of the Group. Those who have served during the year are set out on page 3. They hold a dual role of being trustees of a registered charity as well as being directors for the purposes of the Companies Act.

In accordance with the Articles of Association, Trustees serve for a three-year term. At every Annual General Meeting, members of the Trustee Board who have served a term of three years since their appointment or reappointment retire from office. A retiring member of the Trustee Board shall be eligible for re-election for a second and third full-term, but then having served a third term, must stand down as an elected member for a period of one year. Trustees only serving for a maximum of nine years is our stated policy but in extremis could be overruled by the Board of Trustees with explanation provided.

During the period since the last report, Bishop Richard Atkinson, Richard Capaldi, Sarah Chaudhry and Elizabeth Knight were welcomed as a new trustee. Also, Max Beddard, John Knight and Javier Uriarte stood down as Trustees. A Trustee Board Chair review and feedback process was facilitated by the Chair of the Governance & People Committee.

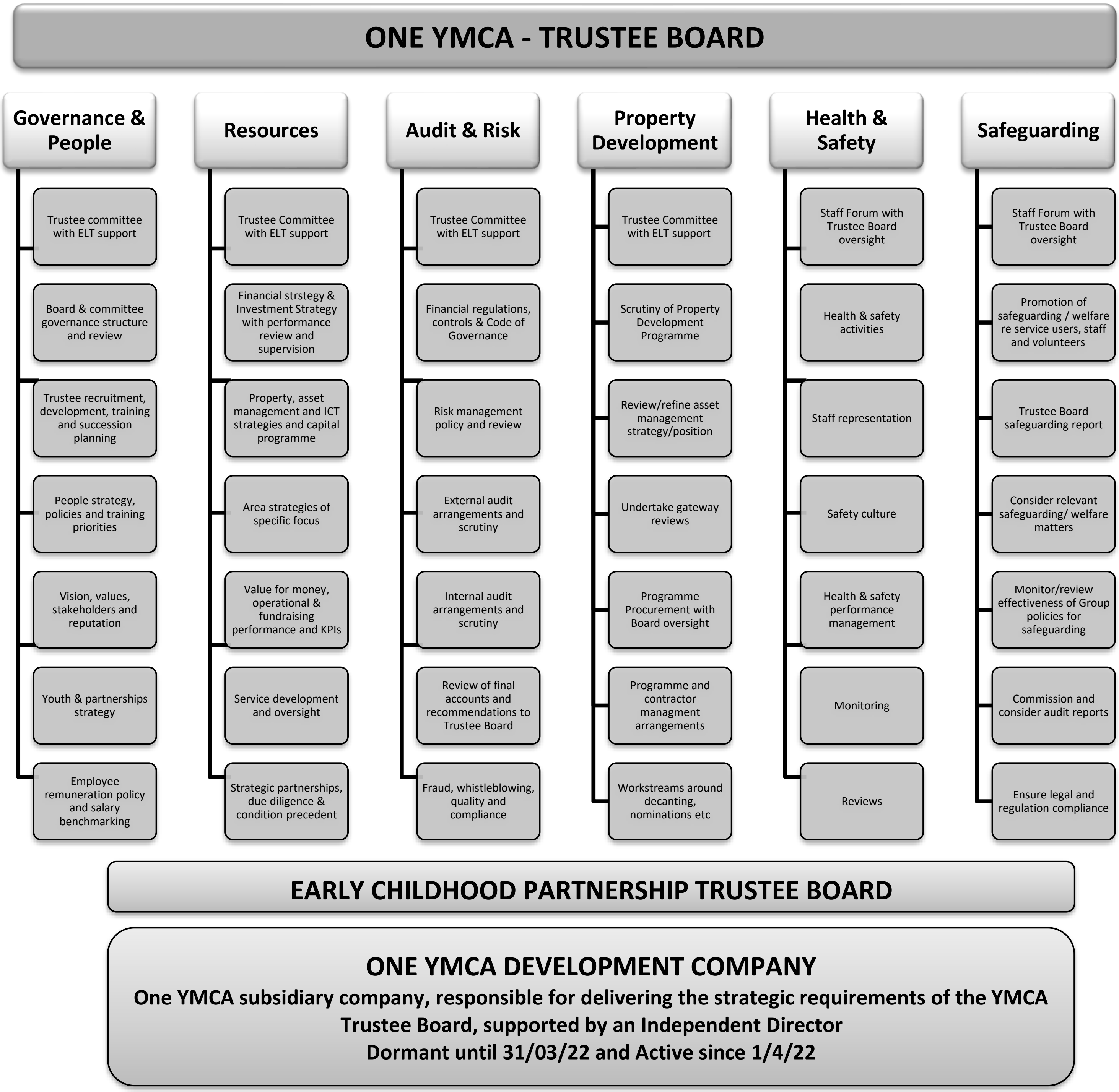
Strategic management
The Trustee Board is responsible for setting an appropriate strategy for the Group. It also ensures that relevant performance measures are in place.

During the year the Trustee Board:
- Oversaw the operations of the charity and devoted time to strategic direction
- Held a special meeting to lead and guide the strategy for doubling our impact by 2025 under Mission 25 whilst dovetailing with an overarching business plan,
- Reviewed terms of reference for the Trustee Board, Group companies and all committees,
- Established a new format for the Property Development Committee who are responsible for formulating the strategic development plan to be implemented by our subsidiary development company (dormant until 31/3/2022) to deliver our capital build plans
- Reviewed the Code of Governance compliance arrangements,
- Reviewed its key policies along with its financial, investment and people strategies,
- Undertook succession planning work for both the Trustee Board itself and in respect of key staff,

- Ensured that group policies and control frameworks (e.g. financial regulations) applied on a group basis,
- Worked with the Executive to implement a plan to mitigate the ongoing impact of the pandemic.
- Celebrated the successes of the charity and the contribution of those who work and volunteer for it

The Trustee Board is represented on the Early Childhood Partnership Trustee Board and Signpost Trustee Board (from 1 April 2022).

The Trustee Board utilises a committee structure to undertake some of the detailed work of supervising the activities of the Group in between Trustee Board meetings. The structure is set out in the following matrix:



Each committee reports progress to the Trustee Board on a regular basis and has established terms of reference. As at 31 March 2022, the membership of each committee was as follows:

Governance & People	Resources	Audit & Risk	Property Development	Health & Safety Forum	Safeguarding Forum
Jane Cotton (Chair)	Richard Capaldi (Chair)	John Ball (Chair)	Sarah Chaudhry (Chair)	John Robinson	Sal Thirlway
Simon Box	Nick Mourant (Chair until 30 March)	Nick Mourant	Nick Mourant	Director of Operations (Chair)	Director of Family Support (Chair)
Nicola Grinstead	John Robinson	John Robinson	John Ball	Executive team	Executive team
Alan Victor			Richard Capaldi	Service representatives	Service representatives
			Alan Victor		

In addition, Sal Thirlway (Chair) and Alan Victor served on the Early Childhood Partnership trustee board.

Recruitment of members of the Trustee Board
Members of the Trustee Board are recruited by diverse means with sources including:
- Trustee recruitment exercises via national voluntary press and volunteering websites,
- Recommendation from partner organisations,
- Stakeholders,
- Contacts made by staff members and members of the Trustee Board.

The Governance and People Committee agrees a standard role description for trustees. All trustees are interviewed by a panel of Board members. Any preferred candidates initially attend a trustee meeting as observers and, if that meets the expectations of all, then co-option follows. New Trustees are inducted into the Group using an agreed framework and ongoing training is provided through a combination of: trustee updates, attendance at charity conferences / training events and bespoke training. A number of the Trustees also serve, or have served as Trustees of other charities and housing associations which broadens the available skills base and the exposure to training and best practice of the social housing and charity sectors. The Governance & People Committee regularly reviews the trustee skills matrix and identifying future needs.

Executive Management Team
The Executive Management Team, during the year, were the senior staff that managed the Group's operations and comprised the Chief Executive who was supported by Director of Operations, Director of Family Services, Director of Business Development and the Director of Corporate Services. They acted within the authority given by the Trustee Board.

Employees
The Group recognises the strength of its employees who are committed to the objectives that serve the best interests of its residents and service users. The Group shares information on its objectives, progress and activities through regular management and staff departmental meetings. In addition, an annual staff conference allows the celebration of success, the generation of ideas and positively engages with staff.

The Group is committed to equal opportunities in recruitment, retention and throughout the employee lifecycle.

Gender Pay reporting
The Charity continues to use the Living Wage Foundation's Real Living Wage as a baseline for employees who are engaged on a permanent YMCA contract of employment. Apprentices are remunerated according to National Minimum Wage rates for workers (as opposed to the much lower apprentice rates). Colleagues covered by TUPE protections retain their existing pay frameworks in most cases. Job evaluation is used to ensure equity and mitigate risks associated with equal pay claims (of which there has been none).

For the purposes of compliance with Gender Pay Gap reporting, employees are treated as 'male' or 'female' in line with HMRC guidance. We recognise that this does not reflect the potential reality of gender identification within our employee cohort. At the reporting snapshot date of 4 April 2022, the overall workforce split was 76% female and 24% male (2021: 73% / 27%).

The gender pay gap reporting principles demonstrate the following position as a snapshot at 4 April 2022:

- Mean gender pay gap – 22% (2021: 19%)
- Median gender pay gap – 17% (2021: 2%)
- Mean and median bonus gender pay gaps – insufficient data (no bonuses in reference period)
- Proportion of males and females in each quartile pay band –
    - Top quartile – 19% male & 81% female (2021: 29% / 71%)
    - Upper middle quartile – 18% male & 82% female (2021: 15% / 85%)
    - Lower middle quartile – 23% male & 77% female (2021: 26% / 74%)
    - Lower quartile – 36% male & 64% female (2021: 32% / 68%)

These figures reflect a mixed picture. Increases in the gender pay gap headline rate reflect the Executive Leadership Team (ELT) pay review and restructure, with the three highest-paying roles at the snapshot date being held by men. Despite this, the higher proportion of females in the upper pay quartile indicates more females in higher-paying roles overall.

Since the snapshot date, reorganisation and recruitment to the ELT has resulted in a 60% / 40% male/female split (2021: 80% / 20%). At the wider Senior Leadership Team level (including ELT) the split is 56% male and 44% female (2021: 59% / 41%). These represent progress towards a more balanced leadership, although female colleagues remain under-represented at this level when compared with the overall employee population split.

Equality, Diversity, Inclusion & Belonging

Good progress towards our desire to be a more inclusive organisation has been made this year, becoming a signatory of the Business in the Community "Race at Work Charter" and undertaking preparatory work to gain ISO 30415 (HR Management: Diversity & Inclusion). Investors in People reaccreditation is due in autumn 2022, however a consultative approach has been taken in 2021/22 toward refining organisational values and this will take a little time to embed through both induction processes and within policy documents. We may therefore postpone the IiP assessment until 2023, working with our assessor to demonstrate ongoing compliance in the meantime.

Compliance with taxation

The Group is committed to conducting its business with the utmost 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 unequivocally condemns tax evasion in whatever form. The Group will not tolerate tax evasion, or the facilitation thereof, whether committed by or facilitated by staff, suppliers or funders. Moreover, the Group requires all staff to demonstrate the highest standards of honesty at all times and appropriate disciplinary action will be taken wherever tax evasion, or facilitation, has been proven.

The Group will not knowingly engage with any individual or business that does not share our commitment to the prevention of tax evasion. In pursuance of its general obligations, the Group will undertake due diligence on its suppliers to mitigate the risk of facilitation of tax evasion offences and will look to terminate any agreements with suppliers that are not committed to preventing facilitation of tax evasion in compliance with the Criminal Finances Act 2017.

Information security

The Company is committed to information security and continues to promote good and appropriate collection and use of data and information. The Company has invested in staff training, new technology and uplifted its working practices. Both One YMCA and Early Childhood Partnership have the Cyber Essentials accreditation. It is planned to uplift this to Cyber Essentials Plus by the third quarter of the next financial year. Information security is incorporated into the Company's internal audit rolling programme.

Indemnity insurance
The Group's insurance policies indemnify the Trustee Board and Officers against liability when acting for the Group providing their actions are not reckless or fraudulent.

Health and Safety
The Trustees are aware of their responsibilities on all matters relating to health and safety. The Group has prepared detailed health and safety policies and provides staff training and education on health and safety matters. The health and safety forum meet quarterly, comprising of representatives of all service areas and meetings were chaired by the Director of Operations.

The Charity continues to invest in both its people, systems and buildings. In particular:

a) Assets and Safety & Compliance team being bolstered by colleagues with experience and accreditation in this critical area
b) The Ultimate Manager IT system for compliance reporting was improved and embedded,
c) Ongoing fire safety reviews took place to ensure that the Company is best prepared to deal with its buildings, including regular conversations with and advice from the Fire Service and Local Authority,
d) The recommendations of a BDO Safeguarding Review were substantially addressed during the year,
e) We appointed an outsourced competent person through consultancy firm WorkNest.

Creditors' payments
The Group's aim is to pay purchase invoices within 30 days of receipt, or earlier if agreed with the supplier.

Investment powers
In accordance with the Articles of Association, the Trustee Board may exercise the power to delegate to any person, company or other organisation any of the Group's powers of investment, administration or management of all or any part of the money and investments of the Group. Accordingly, the funds held as investments by the Group were managed on behalf of the Trustees by CCLA Investment Management Ltd. The Group has continued to adopt a conservative investment policy that seeks to balance capital preservation and achieving an appropriate return. The cyclical Investment Strategy review process was completed during the year with particular attention being paid to the ethical basis of investment management.

Public Benefit
The Trustee Board held service users at the heart of its approach to formulating the strategic objectives and associated strategies. In doing so, the Trustee Board referred to the guidance contained in the Charity Commission's general guidance on public benefit when planning for the future. Through the work that the Group undertakes in its service areas, it delivers public benefit and serves a wide range of people, many of whom are vulnerable.

Complaints
Our clear and simple complaints policy is issued to all residents and available to all other service users. All complaints received are monitored by the Chief Executive to help ensure an appropriate and timely resolution and also to help identify any recurring issues that may require a different approach.

Donations
During the year, the Group made no donations (2021: £286,100-including £150,000 to ECP), choosing to prioritise its own charitable activities on behalf of the most vulnerable.

Going Concern
In light of the uncertainties arising from the impact of the coronavirus pandemic the Trustees reviewed the group's financial position and financial forecasts for 2022/23 and the following three years, to test how those uncertainties might affect the entity's ability to continue as a going concern. The Executive produced a number of scenarios including the positive, realistic and severe scenarios modelling income and expenditure as well as

cashflows over the foreseeable future. The Resources Committee continues to scrutinise financial information including cashflow forecasts to ensure the resilience of the Charity.

Specifically, Trustees reviewed the Group's levels of investment, reserves, cash, the pipeline of new income sources and the systems of financial control and risk management. As a result of this review, the Trustees believe that the group is well placed to manage external, operational and financial risks successfully.

Accordingly, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future. As a consequence, they continue to support the going concern basis in preparing financial statements

Reserves Policy

Reserves that are unrestricted funds held by the Group should be sufficient to meet all payment obligations and to contribute to the Group fulfilling its aims and purposes. The target level of free reserves is determined annually, by the Trustees upon recommendation from the Resources Committee and must reflect the overall objectives of the Group's long-term Financial Strategy and other plans.

The Trustees consider that the unrestricted funds should be classified into two categories:

- Unrestricted funds for earmarked projects, objectives and risks, and;
- Unrestricted funds that are free reserves held to cover working balances and payment obligations.

The reserves as at 31 March 2022 were as follows:

Reserves	£
Housing property revaluation reserve	5,316,210
Revenue reserve	10,947,385
Restricted reserve	131,301
Total unrestricted funds (revenue reserve)	**16,394,896**

When taking these reserves into account, the revaluation reserve relates to accounting adjustments which are not cash based. The revenue reserve amounted to £10,947,385 of which free reserves total £5,040,018.

In determining the level of unrestricted funds held as free reserves to cover working balances and payment obligations, the Trustees have considered the following matters:

- Six months of salary and running costs are approximately £7.6 million, and
- Business interruption insurance cover is in place with a two-year indemnity period.

Accordingly, the Trustees consider it prudent to retain working balances of £3million in cash and/or readily realisable unit trust investments that are not designated or earmarked in order to meet unforeseen risks or obligations. The Trustees are content with the current level of reserves.

Risk Management

The Audit & Risk Committee has delegated authority from the Trustee Board to ensure that an active risk management process is in place and forms part of the ongoing organisational activity. During the year, the Trustees reviewed its risk appetite along with its strategic risk register. The register identifies the types of risks the Group faces and prioritises them in terms of potential impact and likelihood of occurrence. The strategic risk register is a standing item at each Audit & Risk Committee and the Trustee Board reviews the strategic risks on a regular basis. The Trustees are satisfied that the Group's internal financial controls comply in all material respects with the guidelines issued by the Charity Commission and Regulator for Social Housing and has established a separate internal audit function (carried out by an independent internal audit firm) to review risks on a rotational basis. The principal risk affecting the Group continues to be the uncertain external economic environment (compounded by the impact of the Coronavirus pandemic for some services) that could adversely affect income and the cost of the capital/development programme. The Trustees confirm that they have identified and understand the risks to which the Group is subject and that they are being actively managed.

During the year, the Trustees have undertaken a financial strategy review, considered various operating and sensitivity testing scenarios as detailed in the strategic report. These are reviewed on a periodic basis as part of Audit & Risk and Resources Committee work programmes.

Trustees have asked the Executive Leadership Team to develop and implement a stress testing framework in the next financial year in line with the Charity's growth programme under Mission 25.

Internal Controls Assurance

The Trustees acknowledge their overall responsibility for establishing and maintaining the whole system of internal control and for reviewing its effectiveness.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and to provide reasonable, and not absolute, assurance against material misstatement or loss.

The process for identifying, evaluating and managing the significant risks faced by the Group is ongoing and has been in place throughout the year commencing 1 April 2021 up to the date of approval of the report and financial statements.

Key elements of the control framework include:

- Board-approved terms of reference and delegated authorities for Committees (Resources, Governance & People, Audit & Risk, Property Development) and Forum meetings (Health & Safety and Safeguarding),
- Clearly defined management responsibilities for the identification, evaluation and control of major risks,
- Formal recruitment policies for all staff,
- Established authorisation and appraisal procedures for significant new initiatives and commitments,
- Regular review of cash flow and treasury management by the Resources Committee,
- Reviewing the Register of assets and liabilities, and
- Regular reporting to the appropriate committee on key business objectives, targets and outcomes.

A fraud register is maintained and is reviewed by the Audit & Risk Committee on a regular basis. During the year, one instance of fraudulent activity of less than £500 was identified. This was fully investigated in line with our fraud response procedure outlined in our financial regulations policy with findings reported to the Audit and Risk Committee.

The Board cannot delegate ultimate responsibility for the systems of internal control, but has delegated authority to the Audit & Risk Committee to regularly review the effectiveness of the system of internal control for the Group and the annual report of the internal auditor and has reported its findings to the Board.

The Audit & Risk Committee monitored the internal audit plan for the Group throughout the year.

Code of Governance

The Trustee Board is pleased to report that the Group complies with National Housing Federation's Code of Governance (2021) and continues to review its position against this standard. During the course of the year, the Audit & Risk Committee reviewed the compliance framework as well as approving the annual review of Financial Regulations and governance arrangements. As an evolving organisation, the Group will continue to review and develop its governance in order to best serve its beneficiaries.

In accordance with the above Code, Trustees must stand down as an elected member of the Board for a period of at least one year in the event they wish to continue to serve as a Trustee. This applies to one of our Trustees. As part of our commitment to the Code of Governance, we will highlight in our annual accounts any area where we do not comply with the Code. This year, while we ended the year with two areas of minor non-compliance, both areas were remediated prior to this statement being agreed.

Annual review of governance and viability standards

The Trustees have reviewed the governance and viability standards and confirm that the Group has complied with them.

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEE BOARD FOR THE REPORT AND FINANCIAL STATEMENTS

General Financial Responsibilities

The Trustee Board is responsible for preparing the Report of the Trustee Board, the Operating and Financial Review and Strategic Report and financial statements in accordance with applicable law and regulations.

Company law requires the Trustee Board to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and the surplus or deficit of the Company and the Group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice (SORP) Accounting by Registered Housing Providers 2018 update, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and Group and enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the Company and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- so far as each Trustee is aware, there is no relevant audit information of which the Company's auditors is unaware; and
- the Trustees have taken all steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the auditors is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Annual General Meeting

The annual general meeting will be held on 19 October 2022.

The Report of the Trustee Board was approved by the Trustees on 21 September 2022 and signed on their behalf by:

____

Andrew Newell
Chair & Trustee

OPERATING & FINANCIAL REVIEW AND STRATEGIC REPORT

Introduction
The report and financial accounts for the year ended 31 March 2022 sets out the activities and achievements of the Charity.

Principal Activity
The Group's principal activity is that of the provision of supported accommodation for single men and women who are in conditions of need. In addition, the Group continues to deliver services to people of all ages offering the opportunity to take part in: children and family services, health & wellbeing, therapeutic & specialist support, community activities and youth work.

The Group's mission is to enable people to develop their full potential in body, mind and spirit. The mission is inspired by, and faithful to, Christian values to create a supportive and energising community that is open to all, where young people can truly belong, contribute and thrive.

BUSINESS AND FINANCIAL REVIEW
The 2021/22 year continued to be impacted by the COVID19 situation, however despite this the Group continued to deliver vital services to local people and communities – further expanding its reach and impact.

As well as major expansion in our support and accommodation services to homeless individuals, Trustees were particularly delighted to see the success commencement of the international Airplay contract, delivered with partner YMCAs across England, Scotland and Wales.

The Trustee Board supports the activities of the charity and the way that they can maximise the resources available for delivering the Group's objectives and serving beneficiaries.

Financial review
The Group returned an operating surplus on the Group's activities of £122,021 (2021: £969,792).

Total comprehensive income for the year (surplus) of £322,177 (2021: £1,521,986) was recorded for the Group after taking into account unrealised investment gain of £261,644 (2021: £542,898) during the year.

The variance between the two years on a consolidated basis relates to:

- Significant challenges in sustaining our customer-base of Gym and Community Centres in light of significant external COVID related pressures
- Lower occupancy in our established supported housing accommodation services as a result of a need to repurpose existing and develop new activities to meet specific COVID related needs in highly vulnerable cohorts.
- Increased contract and grant income secured as part of our activities to specifically meet the substantially increased needs of the most vulnerable rough sleepers / homeless individuals during COVID.
- A significant increase in running costs from our nursery activity mainly as a result of keeping the nurseries open during COVID for the benefit of key workers in our local communities.
- An increased investment in youth activities and significant growth in external funding, both to directly address increasing risk of negative mental health impact and isolation during the COVID lockdown periods.
- The onset of the new international Airplay contract

At the start of the year, Trustees were especially grateful to receive a generous property legacy from one of the founding Trustees of YMCA Central Herts (a Group company), which provided a welcome buffer against the financial upheavals within the year and allowed the charity to make a greater investment in community-critical activities, rather than needing to make changes in order to achieve a stronger year end result.

The Group has continued to invest in front line service delivery to serve some of the most vulnerable people in the local community.

On an ongoing basis, the Trustee Board is committed to achieving a surplus operating budget. With regard to the 2022/23 financial year, a surplus budget has been set.

The Group closely monitors its banking covenants and credit rating. Throughout the year, it was compliant with all covenant obligations.

Housing metrics
The Group has reviewed its metrics in accordance with the Value for Money Code of Practice. The core housing information is set out in the following table.

Metric	Definition	2022	2021
Business Health			
Operating Margin - Social Housing	Operating surplus or (deficit) from social housing lettings / turnover from social housing lettings	5%	19%
Operating Margin - Overall	Operating surplus of deficit overall / turnover overall	1%	6%
EBITDA MRI interest cover	Earnings before interest, tax, depreciation, amortisation, major repairs including Interest cover	255%	1798%
Development			
New supply	Number of new units as a % of current units	0%	0%
Gearing*	Short term loans + long term loans - cash and cash equivalents + finance lease obligations / Tangible fixed assets: Housing properties at cost (current period)	3%	-40%
Outcomes			
Reinvestment %	Development of new properties (housing) + newly built properties acquired + works to existing housing properties + capitalised interest on housing properties + schemes completed / Tangible fixed assets housing at cost	3%	2%
Effective Asset Management			
ROCE	Operating surplus or (deficit) overall / total assets less current liabilities	1%	5%
Cost per unit			
Headline social housing cost	The unit cost metric assesses the headline social housing cost per unit as defined by the regulator	£11,154	£10,886

*The gearing ratio is shown as a negative as the amount of cash exceeds the loan balance.
As a result of a successful property development programme which has attracted and continues to attract public sector funding, significant additional borrowing will be undertaken in the next financial year which will affect the interest cover and gearing ratios.

Value for money
One of the Group's objectives is to provide social housing accommodation and support services to meet the needs of its residents. The aim is to achieve a balance between reasonable cost and good quality. Value for money means:

- Ensuring effective business planning by setting out at the beginning of each financial year what will be achieved with money prior to it being spent.
- Increasing longer term social benefits through the expansion of our internal homelessness prevention pathway, such as with the addition of move-on accommodation units.
- Effectively managing performance and approach to risk, to ensure that plans are delivered.

The Group measures its value for money in terms of cash and outputs / outcomes in various ways such as:

- Commissioning of external consultation led Cost Consequences and Added Social Value impact reports,
- External accreditation,
- Financial returns,
- Key performance indicators and benchmarking,
- Service quality,
- Social value benefits to individuals and communities,
- Savings to the public purse,
- Benefits to the organisation and its people,
- Feedback from residents and other service users.

The Group's value for money strategy is to:

- Generate surpluses to maintain a viable organisation, fund the capital programme and to continue to provide and develop services for service users, both present and future;
- Ensure that high levels of service user satisfaction are achieved;
- Comply with its banking covenants;
- Live up to the Group's Values in the delivery of services and value.

As a registered provider of social housing, the value for money objectives over the next three years are to:

- Substantially increase the positive social impact on those facing or at risk of facing rough sleeping and homelessness in all geographical areas of operation, by building on and scaling up our proven, recognised and award-winning Dynamic Pathway to Independence (DPI) model.
- Embed the non-accommodation aspects of the DPI (eg health & wellbeing activities, training & education elements and employment opportunities via specific social enterprises) into the areas we already have a footprint within.
- Forge strong relationships with commissioners and third sector partners in new and emerging areas of geographical operation with a view to understanding unmet needs in the sector, to then resource and deploy the necessary elements of the DPI to maximum effect.
- Work to deliver a 'sum is greater than the parts' effect through the active combination of housing, family and specialist therapeutic (eg Domestic Abuse / Sexual Violence support) services, leveraging strengths and skills sets to meet local need and secure additional funding.
- Seek out and deliver best value through the ongoing efforts to target 'the right support, in the right way, at the right time, in the right place' through the mobilisation and embedding of the Digital Support Journey.
- Seek out additional financial and non-financial support (e.g. corporate supporters) to underpin the best-value aspects of service delivery, helping to meet the costs of existing services and enabling the mobilisation of new (non-statutory) services to meet identified need.
- Work in partnership with a variety of external stakeholders to identify opportunities and meet identified (and unfulfilled needs), delivering meaningful change through innovation and collaboration for the benefit of those who need it most.
- Proactively drive the performance and use (e.g. occupancy) of all social housing assets to ensure maximum return on investment, in both social and financial terms, for the benefit of all those supported across our geographical areas of operation.
- Embed the resident and service user voice within our activities to ensure a better understanding of need, satisfaction and opportunities to further increase the social and personal impact of our housing and support services.
- Maintain investment and efforts across the portfolio with a view to enhancing the living environment in line with the DPI principles, recognising and generating impact from the asset as an inherent part (and able to contribute to) the support journey.

- Maintain our position of trusted partner with all of the district and county authorities with which we work to support an ongoing agenda of sector alignment and cohesive pathway progression for those escaping homelessness.

Reporting on Value for Money is a requirement of the Regulator of Social Housing and over the last year, the Group has continued in its drive to deliver value for money. Activities that develop the effectiveness of the Group have embraced both governance and operational improvement, including:

<table>
<tr><th>Initiative</th><th>Status, saving or gain</th><th colspan="2">Comments</th></tr>
<tr><td colspan="4">Social housing</td></tr>
<tr><td rowspan="3">Deliver the budget for social housing</td><td>£450k operating surplus
(All Housing)</td><td colspan="2">A 4.4% (2021: 17.5%) housing return was achieved despite the substantial external pressures of exiting COVID and embedding of new / adapted services created as a response to changing social need. Strategic decisions to re-structure housing services to better meet local need (post COVID) will support longer term and sustainable housing performance for future years</td></tr>
<tr><td>£122k operating surplus
(Group)</td><td colspan="2">A 0.6% return (2021: 6.2%) after taking into account:
a) A property bequest of £675k
b) Increase in losses from our non-housing activities
c) A need to maintain investment in community activities to support the most vulnerable in our communities in light of COVID.</td></tr>
<tr><td>£322k
Total surplus
(Group)</td><td colspan="2">A 1.7% (2021: 9.7%) return after taking into account investment movements.</td></tr>
<tr><td rowspan="2">Deliver good occupancy performance to maximise income and service delivery to beneficiaries</td><td rowspan="2">Challenging operational environment as COVID continues to effect stability</td><td>Watford
2018/19 – 91.0%
2019/20 – 94.4%
2020/21 – 96.8%
2021/22 – 83.7%

High Wycombe
2018/19 – 91.1%
2019/20 – 94.6%
2020/21 – 94.3%
2021/22 – 90.7%</td><td>Welwyn Garden City
2018/19 – 94%
2019/20 – 96.2%
2020/21 – 96.5%
2021/22 – 90.6%

Bishop’s Stortford
2018/19 – 93.9%
2019/20 – 97.9%
2020/21 – 100%
2021/22 – 98.6%</td></tr>
<tr><td colspan="2">Overall occupancy for the Housing Division (all services) in 2021/22 was 88.1% versus 95.8% for the 2020/21 year. This substantially reduced position was a direct result of (a) needing to adapt new services at pace to meet emerging COVID risks amongst highly vulnerable cohorts, and (b) local authorities retaining certain lower needs cohorts in out of area hotel type accommodation. As we exit COVID and the need to continually adapt services to meet emerging need reduces occupancy is forecast to return to pre COVID levels.</td></tr>
</table>

Initiative	Status, saving or gain	Comments
Manage the impact of welfare reform on bad debt (% of housing income not received)	Varied performance with local effects determined by the complexity of cohort groups	Watford 2018/19 – 5.1% 2019/20 – 2.8% 2020/21 – 1.4% 2021/22 – (9.3%) Welwyn Garden City 2018/19 – 3.2% 2019/20 – 7.9% 2020/21 – 0.6% 2021/22 – 13.3% High Wycombe 2018/19 – 2.8% 2019/20 – 1.5% 2020/21 – 0.7% 2021/22 – (3.4%) Bishop's Stortford 2018/19 – 6.2% 2019/20 – (0.5%) 2020/21 – 1.6% 2021/22 – 2.8% Substantial improvements in rent realisation were achieved in Watford and High Wycombe areas, aided in some part due to reduced occupancy and a more stable (longer-term) resident cohort. Higher levels of bad debt were experienced at Welwyn Garden City as a direct result of a more challenging (behaviours) cohort, who made an open and conscious effort to exploit certain legal (non-eviction) policies during the COVID period.
Complete the harmonisation of housing operating procedures across all Hostels	An established standardisation of service offerings enabling rapid scaling to meet local need and quality assessment	The overall Housing Division is now a highly effective team offering a standardised set of individual services and asset elements, all aligned to the Dynamic Pathway to Independence. There are 5+1 distinct types of supported housing, ranging from high-complex (eg substance misuse and mental health services) through to step-down and move-on accommodation. Having the standardised service approach greatly supports scaling and mobilisation at pace when emerging needs and areas of need are identified. It further assists the management team in assessing quality and ensuring consistent delivery.
Undertake supplier reviews in order to reduce the number of suppliers and/or cost	Structural changes to enable an amalgamated service and shared resource approach to delivering best value	Application of a more geographically based service area for individual managers, rather than site by site, has enabled efficient use of resources (e.g. staff) on a shared-resource and amalgamation-service basis. Specific gains being the redeployment of staff where sickness or leave would usually require agency resourcing. The embedding of the internal property services team continues with ongoing rationalisation of supply chains to ensure best value and maximised asset enhancement and improvement.
Use of the Pyramid housing repairs system to track work flow and target job completion	Restructure complete but with ongoing embedding underway	The internal property services team have substantially improved the compliance and general living-environment aspects of the overall portfolio. A standardised asset format and design, aligned to the DPI, has enabled rapid turnaround of voids and rolling programme of improvement e.g. psychologically informed environment colourways and improved green agenda (e.g. LED lighting). This all alongside substantial growth and the introduction of new assets to support the meeting of distinct local need in key areas. Efforts remain ongoing to identify and mobilise a suitable, cost effective and future proof repairs, maintenance, reporting and compliance system.
Secure new work to increase the units under management and spread overhead costs	Substantial growth into new areas achieved and wide recognition of the effectiveness of the DPI model in terms of positive outcome delivery	The success of the previous creation of specialist complex-needs supported accommodation to meet urgent COVID related needs has expanded to support further development of the DPI. The more mature areas of geographical operation across Hertfordshire now operate almost all stages of the DPI. With commissioners from multiple new geographical areas, across Herts, Beds and Bucks, specifically requesting the mobilisation of distinct parts of the DPI to meet their own local (unfulfilled) need. This has seen new commissioning routes open up with health and central government (e.g. Home Office) partners, enabling us to help even more distinct cohorts of vulnerable individuals, An established reputation of responsiveness, specialism

Initiative	Status, saving or gain	Comments
		and an ability to mobilise innovatively at pace continues to present new opportunities for diversification and access to new geographical areas.
Financial modelling and stress testing	Extensive efforts to inform development activities with ongoing and expanded activities moving forwards	As we continue to increase the number of operational units, alongside an ambition development programme, our focus on the key aspects of financial modelling and stress testing is being maintained. These aspects are led by our internal finance team with support from external specialists, with their outcomes sitting at the heart of key decisions around operational and long-term investment. The overall key focus being to ensure the long-term sustainability and protection of social housing assets and services. These efforts will remain ongoing and be further developed over coming periods.
Non-social housing		
Generate a surplus on Abbots Langley nursery operations and contribute an overhead	£61k deficit	Substantial challenges around COVID impacts on attendance presented a challenging financial period. However, the ongoing quality of service delivery (OFSTED Outstanding) and an ability to consciously maintain service operation for local key workers is exactly on-mission. The nursery has maintained almost non-stop operation through the period, enabling substantial amounts of local key workers to continue their work and maintain personal and educational development for their children.
Mitigate the losses caused by changing childcare needs during lockdown and work towards a breakeven model for the following year	Losses of c£340k across Bedfordshire nurseries	Substantial losses were experienced in the Bedford nurseries, which despite being able to support the local community through COVID have been determined as non-sustainable and requiring change. The settings operate in different socioeconomic areas from the Watford nursery and as such present considerable financial challenges, in part around patterns of access for non-working parents. An emerging change plan has been designed which will be mobilised in the coming financial year. The focus being to ensuring sustainability and a continued ability to support the most vulnerable children and families in the communities the nurseries operate.
Effective delivery of the Hertfordshire Family Support Service	On track	The contracts are operating well, delivering excellent services to beneficiaries and performing to budget. Service user satisfaction is high, KPI figures have been rising despite lockdown
Deliver value for money at the Orbital Community Centre	£(173)k deficit	A deficit of £(173)k (2021: £(39)k deficit) A loss of income relating to bookings due to the closure of the community centre for the majority of the financial year. The site was however able to support the central service operation of the charity (e.g. finance and HR) enabling the continued delivery of much needed services, particularly those addressing COVID challenges.
Performance improvement of St Albans Gym	£(126)k deficit	The £(126)k deficit (2021: £(247)k deficit) was due to the low numbers of returning customers, despite an improvement on the lockdown era.
Performance improvement of Abbots Langley Hub	£(100)k deficit	The £(100)k deficit (2021: £(53)k deficit) is caused by continued low uptake of community facilities by customers.
Multi Use Games Area (MUGA)	£(16)k deficit	A deficit of £(16)k (2021: £(12)k deficit). The initial hire fees from the MUGA facility have not achieved the budget aspiration set at the investment appraisal stage.
Achieve £297k of fundraised income for youth work	£230k achieved	£230k (2021: £101k) funding was awarded from Big Lottery and YMCA England and Wales during the year.
Effectively lead and manage the international Airplay contract	£1m pa contract across 24 RAF bases, in partnership with 11 YMCAs	Having led the other YMCAs to successfully win this major contract, our YMCA needs to focus on influencing and inspiring excellent attendance and outcomes across the Federation, while also delivering high quality youth and children's work in the five bases we are responsible for.

Initiative	Status, saving or gain	Comments
Early Childhood Partnership		
Children's Centre services		
Effective delivery of the Children's Centre contract	Successfully deliver the contract	The budget maximised the deployment of financial resources for beneficiaries. The children's centre contract is underpinned by a series of key performance indicators (KPI) sitting within four performance areas. These KPIs are regularly monitored by the Trustee Board, Council and managers. The team members are clear about which KPIs their activities contribute to, and they understand the links between the KPIs and achieving good outcomes for our children and families The design and delivery of the timetable of activities is informed by local available data. There is an appropriate split between universal and targeted activities. For example, ECP deliver Parents as First Teachers (PAFT) as the parenting programme of choice and this is delivered as a targeted service, with the addition of PAFT Connections as a universal group activity. The universal team offers Baby Brasseries, a daily breast-feeding support session, weekly ante natal classes for first time parents (BBB) and one to one support ante-natally and post-natally. The staff work hard to ensure a high-quality universal service offer is available both face to face and remotely.
Deliver specialist and Therapeutic services	ISVA (Independent Sexual Violence Adviser)	This service is delivering well above commissioner expectations with excellent feedback from clients supported through their traumatic experiences
	Perpetrator Support Service	Our Perpetrator work has taken longer to establish than we would have liked, mainly due to the restrictions from Covid at the start of our contract. We are now delivering group and 1:1 support with good feedback from those who complete the course , as well as training for professionals to identify perpetrators and refer them to our services.
	Other grant funded work	Our Horizons team provide support for victims of domestic abuse through our My Choice or Liberty programmes. We have a bespoke service for male victims as well, which provides specialised support sessions. Our play therapy work has been extended to provide additional funding across Central Bedfordshire and Bedford Borough for children who have witnessed domestic abuse. These generally take place in schools and have created new opportunities for a member of staff to train as a play therapist.
Governance and support services		
Develop ICT accreditation for information security	External accreditation	The Cyber Essentials accreditation remains in place for information security purposes whilst we work towards securing Cyber Essentials Plus early next year. Through our outsourced IT Service Provider, a number of systems and policies have been reviewed to improve our information security measures.
Undertake a code of Governance self-assessment internal audit	Complete	A Code of Governance Self-Assessment internal audit was undertaken by Beever and Struthers to confirm compliance against the NHF criteria. A positive outcome was recorded at the Audit and Risk Committee.
Scrutinise Income Recovery via internal audit	Complete	A full review of income recovery procedures was undertaken by Beever and Struthers. The internal audit identified acceptable compliance against our procedures and that income recovery practice is applied consistently.

Initiative	Status, saving or gain	Comments
Undertake business critical controls testing through internal audit	Complete	Control account reconciliation, payment control, covenant compliance and onboarding of new suppliers was tested through internal audit by Beever and Struthers. No recommendations were made and a positive assurance rating was obtained in 2021.
Undertake a review of progress against our 'People Strategy' 2020-2024	Developing for the future	A full review of progress against our People Strategy priorities was undertaken in the year. The vast majority of priorities were on track to be completed by the end of the strategic period with several already achieved.

The Group's on-going commitment to value for money and continuous improvement will remain a high priority given the challenges to income streams that every social housing provider faces and the need to keep service users at the heart of decision making. Specific on-going activities will include:

- Performance managing outcomes and costs,
- Responding to service user needs,
- Promoting a high social housing occupancy with good rent collection levels,
- Responding to commissioner funding decisions,
- Increasing the diversity of our workforce, being deliberate about out inclusive attitude and together developing ways to ensure that everyone has equality of opportunity,
- Investing in the culture and values to maximise the Group's potential, value for money and continuous improvement.

In conjunction with the Group's strategic objectives, the 2022/23 value for money approach will provide the foundation for continuous improvement and efficiency developments.

External Influences

As a diverse charity delivering community services, the Group is influenced by Government policies towards social housing, welfare and voluntary sectors. It is regulated by the Regulator of Social Housing which takes precedence for all areas of its operation over the Charity Commission which monitors its charitable activity. The Group is also regulated by Ofsted and takes its Safeguarding responsibilities very seriously. The Trustee Board has agreed its strategic objectives with a view to maintaining the financial health, on-going relevance and viability of each area of its activities as well as ensuring the Group's community impact.

Objectives and Strategy

The charitable objects of the Group arise from its acceptance of the Basis of Union of the YMCA of England, Ireland and Wales, adopted by the British YMCA Assembly held in Birmingham in 1973, which are:

- To unite those who, regarding Jesus Christ as their God and Saviour according to the Holy Scriptures, desire to be His disciples in the faith and in their life, and to associate their efforts for the extension of His Kingdom.
- To lead young people to the Lord Jesus Christ and to fullness of life in Him.
- To provide or assist in the provision, in the interests of social welfare of facilities for recreation and other leisure time occupation for men and women with the object of improving their conditions of life.
- To provide or assist in the provision of education for persons of all ages with the object of developing their physical, mental or spiritual capacities.
- To relieve or assist in the relief of persons of all ages who are in conditions of need, hardship or distress by reason of their social, physical or economic circumstances.
- To provide residential accommodation for persons of all ages who are in need, hardship or distress by reason of their social, physical or economic circumstances.

Various strategies are employed to achieve the charity's objectives within service areas of:

- Accommodation,
- Family work,

- Health and wellbeing,
- Support and advice,
- Training and education.

Achievements and performance
Individual services operate differently because of the various regulatory and monitoring frameworks that are in place to accord to standards set by the Regulator of Social Housing, Charity Commission and Ofsted. Key performance indicators tend to be set within contracts agreed with commissioners such as County/unitary Councils (Housing Related Support, Family Support Centres, and Children's Centres), Local Councils and other funders (Trusts & Foundations etc.). Performance against these is monitored on a regular basis.

In relation to the strategic objectives and despite the COVID19 situation the group has made a substantial positive impact upon many lives during the year. We have supported 119,590 local people to belong, contribute and thrive in their communities, specifically including:

<u>Accommodation</u>

- Supporting 1,004 vulnerable individuals to escape rough-sleeping and avoid homelessness across Hertfordshire and Buckinghamshire, with a notable increase of specialism to meet the needs of an increasingly complex cohort.
- Developing a total of 24 affordable rent self-contained units through the innovative re-purposing and refurbishment of existing assets in Watford and High Wycombe, including the securing of substantial Public Sector funding to support costs.
- Helping 529 of our residents to move-on positively towards independence and more appropriate longer-term homes through the effective deployment of our Dynamic Pathway to Independence model.
- Providing 603 units of supported accommodation across Hertfordshire and Buckinghamshire, with each aligned to distinct stages of our Dynamic Pathway to Independence model.

- Successfully pioneered the high-fidelity Housing First scheme (10 units) mobilised in 2020/21 with recognition from Department from Levelling Up who subsequently funded a further 10 units and extended funding over a three-year period.
- Providing a total of 169,664 nights of sleep in a safe, secure and supported environment aligned to the individual needs of those being supported and accommodated.
- Provided a total of 70,493 individual engagements with vulnerable residents (total 17,852 hours) in supporting them towards greater independence and independent living.
- Embedded trauma informed care as a key component of all stages of the Dynamic Pathway to Independence, with additional elements of complex needs, negative behaviours and substance misuse training deployed alongside.
- Overall, an independent assessment by Homeless Link calculated that One YMCA's accommodation and support services had generated a combined total of **£16,438,603** of savings to the public purse and added social value to individuals.

Health and wellbeing

- Ongoing challenges remain within the H&W as a result of COVID, most notably having substantially reduced membership numbers to around 30% of their pre-COVID levels.
- Considerable management focus has been directed into ensuring long term sustainability of the H&W division through the necessary application of re-structuring and re-focusing (eg social prescribing) in the coming year.
- The H&W team have worked hard alongside the Youth Team to mobilise physical sports activities (eg football) within the gym and MUGA facilities.
- Project Resilience as the H&W bolt-on for the Dynamic Pathway to Independence has been mobilised and is gaining good initial engagement from residents across all housing sites.

Nurseries

- Both Wootton and Goldington have received a 'Good' rating at recent OFSTED inspections (February and October respectively), with Charters Nursery in Abbotts Langley still rated "Outstanding"
- Within the last 12 months we have supported over 265 babies and children with their learning and education

Youth

- We have successfully connected with 1,733 young people within the last year through our universal youthwork offer. Within the last 12 months we have also successfully supported 650 young people to improve their mental-health and well-being.
- The Youth Team has been successful in obtaining further funding to deliver Holiday Club Provision – HAPpy – which supported with developing links with young people in the St Albans area.
- Our Youth Workers in Hatfield have supported the local schools consortium in providing weekly well-being sessions which saw 11 out of the 12 attendees return to their education provision after a long period of being absent

Airplay

- During the year, One YMCA led a national bid on behalf of 11 partner YMCAs to secure the delivery of the RAF Benevolent Fund's flagship youth work programme, Airplay
- As Lead Contractor, One YMCA directly delivers the Airplay programme across 7 locations with the remaining 16 being sub-contracted to the 11 partner YMCAs involved in the project
- One YMCA oversees the National Airplay contract as 'Lead Contractor', which has seen 4,433 attendances from 1,066 members across 634 sessions between January 1st – April 1st 2022.
- For the 7 RAF bases served by One YMCA, we have seen 446 young people, an impressive proportion of the overall total

- The Station Youth Workers, Airplay Workers and young people have been instrumental in applying for grants from the Royal Benevolent Fund to support special projects such as Youth Leadership Teams and a quiet area at one of the Youth Clubs

Hertfordshire Family Centres – East Quadrant

- We have registered 13,369 children under the age of five since October 2018, which equates to 61% of the total number of children under five in the East Quadrant. This is a substantial increase from the 41% registered the previous year.
- The re-introduction of universal sessions has meant that we have been able to run 2264 sessions for parents and children to access this year. Attending these events and groups has supported families to belong, contribute and thrive, supporting them to be healthy, grow, develop and learn together.
- The Family Support Service has continued to adapt ways of working to ensure that we make the service as accessible as possible, so that families receive the most appropriate support at the right time – this includes providing services face to face, within the home or out in the community – and if parents prefer, we are also able to provide support and engage with families by using digital platforms also.

Community Hubs

- Worked hard to recover from the effects of COVID, providing key resources (eg space for hire) at the heart of their communities for users of all ages.
- Substantially expanded U3A (University of the Third Age) activities to help combat isolation and support mental health recovery after COVID for older members of our community.
- Supported ongoing growth of all our space hirers, most notably the children's gymnastics groups we support, which grew by over 50% post-COVID.
- Continued to see solid growth and revenue within Woodlands Café through direct sales and as a bolt-on to activities in other areas of the site, ensuring it is now an established part of the Leavesden Country Park facilities.

Accreditations

The Group continues to work hard to secure and maintain accreditations that reflect the quality, compliance and impact of work undertaken. These currently embrace:

a) Investors in People – Silver,
b) Investors in Volunteering,
c) Ofsted – Outstanding – for Charters Nursery, Abbots Langley,
d) Ofsted – Good – for Goldington, Queens Park and Wootton Nurseries in Bedfordshire,
e) Centre for Housing Support – Service Excellence Standards,
f) SafeContractor - Charity,
g) Cyber Essentials – One YMCA and Early Childhood Partnership,
h) Fundraising Regulator,
i) Disability Aware,
j) Mindful Employer.
k) Leading Light – community based Domestic Abuse services
l) Race at Work Charter

The Group will continue to seek accreditations where it is in the best interests of the charity and its beneficiaries to do so. This currently includes Respect (services for perpetrators of domestic abuse), Lime Culture (Sexual Violence support service) and ISO30415 (Human Resource Management – Diversity & Inclusion).

Strategic developments on new activities

- The creation of the Dynamic Pathway to Independence (DPI), and its recognition as the preferred model of operation across Hertfordshire, will direct the ongoing enhancement of existing services and design / mobilisation of new services to meet local need.
- The ongoing Peartree Hostel Redevelopment project, with planning approval now in place, will move forwards to construction during this next year in order to secure the facility for the long term in that area.
- The completion of phase 1 of the Charter House hostel capital development (floor 3)
- The ongoing drive to ensure long term viability and sustainability will see a strategic focus on expanding the type, scope and scale of service delivery (aligned to the DPI) into all geographical areas of operation.
- Efforts will be ongoing to improve the overall delivery of a holistic housing and homelessness prevention service (in line with the DPI) so as to best position the charity for future opportunities and re-commissioning of existing services.
- Ongoing collaboration with district, county and central government partners will be maintained to ensure alignment with commissioning priorities and opportunities to positively influence where appropriate.
- Various re-development projects will be ongoing and see the creation of additional units of accommodation in previously underutilised (existing) assets, working to increase the scope of the DPI offering in operational areas.
- Efforts to drive performance improvement through the creation and continuous improvement of the Insight / KPI dashboards will be maintained, with aligned profile building activities to highlight social impact and success.

Looking to the future

The Group is committed to developing a strong and vibrant family of organisations in order to serve its residents, beneficiaries and the local community. In doing so, it will:

- Actively progress the Peartree Redevelopment Programme to achieve a new solution for YMCA housing in Welwyn Garden City,
- Complete phase 2 of the Charter House redevelopment
- Work with partners to promote shared mission and objectives where collaboration or working alongside partners can deliver better outcomes for beneficiaries,
- Develop existing service delivery,
- Improve value for money,
- Competitively bid for local authority and nationally commissioned service delivery contracts,
- Continue to play a lead role in national and regional YMCA bids where requested
- Widen the breadth and strength of income streams,
- Effective marketing plans to drive up customer demand, retention and income levels,
- Submit more fundraising bids and build stronger relationships with partners,
- Remain on the lookout for mergers and acquisitions that will improve service user prospects,

The Group has continued to adopt the framework for delivering services so that both social housing and non-social housing activities are kept in balance. The funding framework diagram set out below details the various components.

Youth work activities are a vital contribution to vibrant and sustainable communities. They provide a sense of belonging for the young people who take part as well as helping to reduce the risk of family breakdown and/or youth homelessness. Youth work is a core part of the Group’s activities and is ancillary to social housing objectives.

The youth work offer is very much a part of the wider responsibilities and obligations of being a local housing provider. It enables us to support the community, add value to the neighbourhood, and proactively tackle / prevent anti-social behaviour.

The scope and scale of any future increases in youth work, or other ancillary community activities, will be proportionate to local need and aligned to the regulatory expectations around value for money and ensuring the protection of social housing assets.

The funding framework

FUNDING FRAMEWORK	PRIMARY PURPOSE	ACTIVITIES	FUNDING	SIZE (income)
Social housing activities	housing provision, assistance & homeless prevention	• accommodation • housing related support & advice services	funded by: • rental income • commissioned contracts	52%
Family support activities	services to support children & families	family support and children's centres	wholly funded by: • commissioned contracts • universal services	31%
Non-social housing enterprise activities	services to local people on a paid for basis	• nursery • health & wellbeing • community centre	funded by: • enterprise activities	16%
Youth work activities	youth work	youth clubs, programmes and empowerment projects	funded by: • investment income • enterprise activities • grants & donations	1%

With regard to the funding framework:

- The model for social housing activities is established and operates well;
- The model for family support activities is wholly funded and is backed by commissioned income.
- Investment income receipts and Nursery and Community income remain volatile.

The Group is committed to solid financial planning and setting surplus budgets to ensure that activities are sustainable and will actively serve beneficiaries in the medium to long term. The Company will invest in new social housing services where it is prudent to do so. Furthermore, it will take steps in the event that any services suffer from economic, social or market downturns.

Future of social housing

The social housing strategy now sits firmly in the overarching #Mission25 strategy to double our impact by 2025. There are several key concepts in the mission that have specific relevance to our Social Housing activities and these include:

- #MakingHomes
- #BetterPlaces
- #GoingGreen

Each of these concepts will see us deliver a staff and resident led improvement in the social impact our social housing activities deliver. That being both in quantity and quality terms, seeing us double the number of units we are able to provide, double the positive outcomes and opportunities for our residents and have the impact our activities have on the environment around us.

Several key redevelopment / development activities sit at the heart of the strategy, each with varying degrees of secured (or in final stages of negotiation) public sector funding. That funding being an enabler to expand the overall length / reach of the Dynamic Pathway to Independence.

The most notable of the development projects being the Peartree Hostel redevelopment in Welwyn Garden City. This has been progressing steadily over recent years, with planning permission having been awarded in October 2020. The project is now programmed to commence in the final quarter of 2022/23, pending final validation of procurement and land sale (cash receipt) elements. The headline programme currently sees practical completion scheduled for the second quarter of 2024/25. Oversight and scrutiny of the project being provided via the Property Development Committee (PDC).

Ongoing efforts to maintain and improve social housing performance (best value) in both occupancy and rent realisation will be maintained. This will be aligned with an increased focus on team training and ongoing engagement with the Insight / KPI dashboard systems.

Resident involvement
The inclusion of resident feedback and the 'lived experience' voice sits at the heart of our activities and is further enhanced through the activities of #Mission25, our strategy to double out impact over the next five years. There are a number of concepts contained in the mission, but the most relevant to this topic being:

- #ProjectConnect
- #MakingHomes

Within these concepts, and actively underpinned by the move to mobilise the Digital Support Journey, there is a specific focus to 'connect' stakeholders from across the organisation. This will bring together staff, volunteers and residents from all areas with the specific aim of eliciting feedback, opinion and suggestions.

Initial examples include workshops relating to the creation of a standardised Psychologically Informed Environment (PiE) colourway strategy to support the #BetterPlaces concept. Other input has helped shape and refine our new Intensive (rough-sleeper / complex needs) services, both in living environment and support aspect terms. That input being pivotal in the overall DPI becoming the preferred model of operation across Hertfordshire.

Throughout the next year we will maintain periodic / structured meetings led by #Connecting Together and personal engagement sessions, site based resident meetings and specific training & education workshops, all led by the housing teams.

Alongside this our overarching commitment, via the Chaplaincy Team, to attract, train and embed volunteers will remain a constant. This extra resource provides a completely different voice to the support / resident journey and offers considerable extra value.

Risks and uncertainties
Risks that may prevent the Group achieving its objectives are considered and reviewed by the Trustee Board, Audit & Risk Committee and Executive Management Team on a periodic basis as part of the corporate planning processes. The risks are recorded and assessed in terms of their impact and probability. Major risks, presenting the greatest threats to the Company are reported to Trustee Board every six months. The strategic risk register is reviewed at every Audit & Risk Committee meeting. In addition, people related risks are reviewed by the Governance & People Committee every six months. The Group's major risks over the last 12 months related to:

- The impact of Covid19,
- Loss of income and/or contracts,
- Safeguarding / service user reputational incident,
- Regulatory Compliance

- Development cost overrun,
- Property compliance,
- Cyber and Information security,
- Executive capacity,
- Fraud and theft.

The principal financial risks relate to loss of income and/or contracts and development programme cost escalation. Whilst the Audit & Risk Committee reviews controls and standards, the Resources Committee proactively monitors and challenges the financial and service performance of the Group.

The principal property and information risks relate to systems, process and monitoring. Further investments are being made in a new information system for safety compliance monitoring and reporting, which is discussed regularly in a special forum and overseen by a dedicated Trustee. Ongoing investments on information security projects and checks remain paramount.

The principal people risk relates to safeguarding and ensuring that the best interests of beneficiaries are protected, which is discussed regularly in a special forum and overseen by a dedicated Trustee.

With the external support and facilitation by Campbell Tickell, the Trustee Board has refined its understanding of its strategic risk appetite. This has previously been discussed at Audit & Risk Committee and was discussed in a strategy workshop. The product of this was a new strategic risk appetite map approved 2020/21, which continues to inform our decisions.

On an annual basis, the Group reviews its key policies and controls frameworks. These included the financial regulations as well as the Code of Governance, committee terms of reference, code of conduct, safeguarding, fraud, whistleblowing, health & safety, UK GDPR, equal opportunities and risk management policies.

The risk management and internal controls arrangements are described in more detail in the Report of the Trustee Board on page 9.

Borrowings
At year end, the Group had long term borrowings of £4,400,128 (2021: £1,528,168) which are secured against income generating assets: the supported housing hostels. In approving the Operating and Financial Review, the Trustees are also approving the Strategic Report in their capacity as directors of the Group.

The Operating and Financial Review and the Strategic Report were approved by the Trustee Board on 21 September 2022 and signed on their behalf by:

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Andrew Newell
Chair and Trustee

Independent auditor's report to the members and trustees of One YMCA

Opinion

We have audited the financial statements of One YMCA for the year-ended 31 March 2022 which comprise the consolidated and company statements of comprehensive income, the consolidated and company statements of changes in reserves, the consolidated and company balance sheets, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2022 and of the group's and parent charitable company's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing from January 2019; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustee Board (which includes the directors' report), and the Operating and Financial Review and Strategic Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustee Board, the Operating and Financial Review and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report contained within the Report of the Trustee Board, the Operating and Financial Review and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustee Board, the Operating and Financial Review or the Strategic Report.

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

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

Responsibilities of trustees for the financial statements
As explained more fully in the Statement of Responsibilities of the Trustee Board set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulation of registered providers of social housing, Ofsted, and Health and Safety regulation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011 and the Housing and Regeneration Act 2008, and we considered other factors such as tax compliance.

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

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

Tracey Young.

Tracey Young (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London EC4R 1AG

Date: 28.9.22

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Turnover	3	19,501,186	15,614,169
Operating expenditure	3	(19,379,165)	(14,644,377)
Operating Surplus	4	**122,021**	**969,792**
(Loss) on disposal of property, plant and equipment	5	(83,404)	(21,335)
Interest receivable and other income	6	92,397	90,835
Interest and financing costs	7	(70,481)	(60,204)
Movement in fair value of financial instruments	13	261,644	542,898
Surplus for the year		**322,177**	**1,521,986**
Actuarial gains relating to Pension Fund	18	-	-
Total comprehensive income for the year		**322,177**	**1,521,986**

COMPANY STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2022 £	2021 £
Turnover	3	17,911,720	13,996,884
Operating expenditure	3	(17,791,136)	(13,354,362)
Operating Surplus	4	**120,584**	**642,522**
(Loss) on disposal of property, plant and equipment	5	(83,404)	(21,335)
Interest receivable and other income	6	92,397	90,835
Interest and financing costs	7	(70,481)	(60,204)
Movement in fair value of financial instruments	13	261,644	542,898
Surplus for the year		**320,740**	**1,194,716**
Actuarial gains relating to Pension Fund	18	-	-
Total comprehensive income for the year		**320,740**	**1,194,716**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN RESERVES

FOR THE YEAR ENDED 31 MARCH 2022

GROUP	**Income & expenditure reserve**	**Restricted reserve**	**Property revaluation reserve**	**Total**
	£	**£**	**£**	**£**
Balance at 1 April 2021	**10,690,900**	**-**	**5,381,819**	**16,072,719**
Surplus from income and expenditure account	340,876	(18,699)	-	**322,177**
Transfer from revenue reserve to restricted reserve.	(150,000)	150,000	-	**-**
Transfer from revaluation reserve to income and expenditure reserve	65,609	-	(65,609)	**-**
Balance at 31 March 2022	**10,947,385**	**131,301**	**5,316,210**	**16,394,896**

The £150,000, transfer between general and restricted funds relates to last year's donation to the ECP-OY -double impact fund.

COMPANY	**Income & expenditure reserve**	**Restricted reserve**	**Property revaluation reserve**	**Total**
	£	**£**	**£**	**£**
Balance at 1 April 2021	**10,283,321**	**-**	**5,381,819**	**15,665,140**
Surplus from income and expenditure account	320,740	-		320,740
Transfer from revaluation reserve to income and expenditure reserve	65,609	-	(65,609)	**-**
Balance at 31 March 2022	**10,669,670**	**-**	**5,316,210**	**15,985,880**

The £65,609 transfer between funds relates to the release of the revaluation reserve to offset increased depreciation as a result of the revaluation of assets on adoption of FRS 102.

BALANCE SHEET

Registered company 04430743

AS AT 31 MARCH 2022

	Notes	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Fixed assets					
Tangible fixed assets	11,12	18,963,726	13,792,921	18,963,726	13,792,921
Investments	13	3,289,557	3,027,913	3,289,557	3,027,913
		22,253,283	16,820,834	22,253,283	16,820,834
Current assets					
Trade and other debtors	14	2,495,357	805,653	2,570,708	741,899
Stock		3,982	-	3,982	-
Cash and cash equivalents		3,975,299	6,281,783	3,271,785	5,640,106
		6,474,638	7,087,436	5,846,475	6,382,005
Creditors: falling due within one year	15	(4,724,176)	(3,656,996)	(4,533,729)	(3,431,144)
Net current assets		1,750,462	3,430,440	1,312,746	2,950,861
Creditors: falling due after more than one year	16	(6,721,851)	(3,283,907)	(6,721,851)	(3,283,907)
Pension funds	18	(838,298)	(822,648)	(838,298)	(822,648)
Provision for liabilities and charges	17	(48,700)	(72,000)	(20,000)	-
Total net assets		**16,394,896**	**16,072,719**	**15,985,880**	**15,665,140**
Capital and reserves					
Housing property revaluation reserve		5,316,210	5,381,819	5,316,210	5,381,819
Revenue reserve		10,947,385	10,690,900	10,669,670	10,283,321
Restricted reserve	21	131,301	-	-	-
Total reserves		**16,394,896**	**16,072,719**	**15,985,880**	**15,665,140**

The accompanying notes form part of these financial statements.

The accounts were approved by the Trustee Board on 21st September 2022 and were signed on its behalf by:

Andrew Newell ____________________________ Chair and Trustee

Nicholas Mourant ____________________________ Treasurer (up to 31st March 2022) and Trustee

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	£	£
Net cash generated from operating activities		
Surplus for the financial year	322,177	1,521,986
Adjustments for non-cash items:		
Depreciation of tangible fixed assets	514,707	511,382
Decrease / (Increase) in trade and other receivables	(1,689,704)	452,954
Increase in trade and other creditors	1,588,521	2,229,165
(Increase)/decrease in stocks	(3,982)	-
Loss / (gain) on fixed asset disposals	83,404	21,335
Movement in fair value of financial instruments	(261,644)	(542,898)
Pension costs less contributions payable	42,899	31,211
Interest paid	43,176	33,768
Interest received	(92,397)	(90,835)
Cash generated from operating activities	**547,157**	**4,168,068**
Cash flow from investing activities		
Purchase of tangible fixed assets	(5,775,072)	(578,705)
Proceeds from the sale of investments	2,862,555	-
Proceeds from the purchase of investments	(2,862,555)	-
Interest received	92,397	90,835
Net cash from investing activities	**(5,682,675)**	**(487,870)**
Cash flows from financing activities		
Interest paid	(43,176)	(33,768)
Loan redemption	(1,415,994)	-
Loan addition	4,363,104	-
Repayments of borrowings	(74,900)	(74,742)
Net cash used in financing activities	**2,829,034**	**(108,510)**
Net increase in cash and cash equivalents	(2,306,484)	3,571,688
Cash and cash equivalents at beginning of year	6,281,783	2,710,095
Cash and cash equivalents at end of year	**3,975,299**	**6,281,783**
Cash and cash equivalents at 31 March		
Cash at bank	3,975,299	6,281,783
	3,975,299	**6,281,783**

The accompanying notes form part of these financial statements.

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 22

1. Status

The Company is a company limited by guarantee, registered under the Companies Act 2006 registration number 4430743, a registered charity number 1102301 and registered with the Regulator of Social Housing as a social housing provider registration number H4418. The charity meets the definition of a public benefit entity under FRS 102.

The registered office is Charter House, Charter Place, Watford, Hertfordshire WD17 2RT.

Each member of the Company undertakes to contribute such amount as may be required (not exceeding £1.00) to the assets of the Company in the event of the same being wound up while he or she is a member or within one year after he or she ceases to be a member for payment of the debt and liabilities of the Company contracted before he or she ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves. If upon the winding up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid or distributed among the members of the Company but shall be transferred to The National Council of Young Men's Christian Association (Incorporated) for its general purposes.

2. Principal accounting policies

The financial statements are prepared in accordance with Financial Reporting Standard 102 and the Statement of Recommended Practice: accounting by registered social housing providers 2018 ("SORP") and comply with the Accounting Direction for private registered providers of social housing 2019.

In the view of the trustees in applying the accounting policies adopted, an area of judgement relates to the provision for dilapidations as disclosed in 2(p). No other judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year. No complex financial instruments are held.

(a) **Basis of accounting**

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

(b) **Basis of consolidation**

The Group financial statements consolidate those of the Company and its subsidiary undertaking of Early Childhood Partnership, drawn up to 31 March 2022. Profits or losses on intra-group transactions are eliminated in full in accordance with FRS 102.

(c) **Going concern**

The Group's business activities, its current financial position and factors likely to affect its future development are set out within the Trustees' Report. On this basis, the Trustee Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements. No material uncertainties exist.

(d) **Turnover**

Turnover comprises rental and service charge income receivable in the year and other services at invoiced value (excluding VAT) of goods and services supplied in the year.

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Revenue grants are receivable when the conditions for receipts of agreed grant funding have been met. Charges for support services funded by Housing Related Support and Family & Children's Centres are recognised as they fall due under the contractual arrangements with Administering Authorities.

Where an asset is acquired at undervalue a notional grant is recognised in respect of the difference between the purchase price and the fair value of the asset. The trustees determine the fair value based on the available data including external valuations.

(e) **Expenditure**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular categories they have been allocated to activities on a basis consistent with the use of resources. Support and other central costs have been apportioned to each activity on the basis of turnover and staff numbers.

(f) **Debtors and creditors**

Short-term debtors are measured at transaction price, less any impairment and short-term creditors are measured at the transaction price.

(g) **Housing properties**

Housing properties are principally properties available for rent. The properties at Peartree Lane, Welwyn Garden City and Charter House, Watford were revalued upon the implementation of FRS102 and SORP. The Company elected to measure housing properties on the date of transition at its fair value and use that fair value as its deemed cost at that date. The valuation is based upon an Existing Use Value for Social Housing (EUV-SH) basis by an independent professional advisor qualified by the Royal Institute of Chartered Surveys to undertake valuations.

Housing properties are stated at cost less depreciation, the cost of future additions being the cost of acquiring land and buildings and expenditure incurred in respect to improvements.

Work to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements.

(h) **Housing properties and depreciation**

The Company separately identifies the major components that comprise its housing properties, and charges depreciation, so as to write down the cost of each component to its estimated residual value, on a straight-line basis, over its estimated useful economic life.

The Company depreciates the major components of its housing properties at the following annual rates:

Component	Useful economic life
Structure (Leased)	Residue of lease
Structure	80 years
Roofs	30 years
Windows	20 years
Kitchens	20 years
Bathrooms	30 years
Heating	20 years
Lifts	15 years

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Where the unexpired lease term is shorter than the longest component life envisaged, the unexpired term of the lease is adopted as the useful economic life.

(i) **Other tangible fixed assets and depreciation**

Depreciation is provided evenly on the cost of other tangible fixed assets to write them down to their estimated residual values over their expected useful lives. The principal annual rates used for other assets are:

Component	Useful economic life
Non-Housing Leasehold improvements	Over the term of the lease
Fixture and fittings	5 years
Motor Vehicles	5 years
ICT	3 - 7 years (depending upon items)

(j) **Operating leases**

Rentals payable under the operating leases are charged on a straight-line basis over the lease term. The benefits of lease incentives entered into after the date of transition to FRS 102 are recognised in income and expenditure over the lease period.

The Company has taken advantage of the exemption in FRS 102 section 35 to continue to treat incentives received on leases entered into before the date of transition on the same basis as at the date of transition.

(k) **Pensions**

Hertfordshire County Council Pension Fund

The Company is a participating employer in the Hertfordshire County Council Pension Fund (HCCPF) in respect of employees already in the scheme who transferred from other admitted local authority bodies. The scheme is a multi-employer defined benefit scheme and the Company's share of the results of the scheme is shown within the accounts in accordance with FRS 102.

For the HCCPF, scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the balance sheet. A net surplus is recognised only to the extent that it is recoverable by the Company.

The current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are recognised in the current reporting period. Interest is calculated on the net defined benefit liability. Remeasurements are reported in other comprehensive income.

YMCA Pension Plan

The Company 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 the company.

As described in note 18 the Company has a contractual obligation to make pension deficit payments over the period to April 2029, accordingly this is shown as a liability in these accounts. In addition, the company is required to contribute £28k pa (2021: £26k pa) to the operating expenses of the Pension Plan and these costs are charged to the Statement of Comprehensive Income as made.

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Group Personal Pension Plan (defined contribution)
The Company also makes contributions to a group personal pension plan (defined contribution) provided by Aviva which is open to all employees.

(l) **Social Housing Grant**
Social Housing Grant (SHG) is receivable from Homes England as a contribution towards the capital cost of housing schemes. The Company has taken advantage of transitional relief for deemed cost and treated all SHG grant on transition under the performance model in accordance with SORP. Any subsequent SHG grants received for housing properties are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model.

SHG due from Homes England or received in advance is included as a current asset or liability. SHG is subordinated to the repayment of loans by agreement with Homes England. SHG released on sale of a property may be repayable but is normally available to be recycled and is credited to a Recycled Capital Grant Fund and included in the balance sheet in creditors.

Where individual components are disposed of and this does not create a relevant event for recycling purposes, any grant which has been allocated to the component is released to the income and expenditure account. Upon disposal of the associated property, the Company is required to recycle these proceeds; as such a contingent liability is disclosed to reflect this.

(m) **Other Grants**
Other grants are receivable from local authorities and other organisations and are accounted for under the accruals model. Capital grants are recognised in income over the expected useful life of the asset. Grants in respect of revenue expenditure are credited to the income and expenditure in the same period as the expenditure to which they relate.

(n) **Investments**
Investments held as fixed assets are valued at mid-point of the quotation in the Stock Exchange daily official list. Any movements in the fair value of investments are recognised in income and expenditure.

(o) **Interest Free Loans**
Long term loans carrying no interest are disclosed at amortised cost using the market rate of similar debt instruments – the effective interest method.

(p) **Provisions for Liabilities**
Provision has been made for expected property costs at the end of the leases held by the Early Childhood Partnership subsidiary. This is based on the lease terms, management’s assessment of the property condition and external evidence supporting the likely costs. This estimation involves a level of judgment and will be reassessed annually.

(q) **Holiday pay accrual**
The group recognises an accrual for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The accrual is measured at the salary cost payable for the period of absence.

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(r) **Fund Accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. The revaluation of properties is reported separately in the property revaluation reserve. This is the difference between the fair value of social housing properties and the historical cost carrying value.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

3. Group - Turnover, operating costs and operating surplus

2022	Turnover	Operating costs	Operating surplus/ (deficit)
	£	£	£
Social Housing: Rent receivable	6,695,973	(6,258,783)	437,190
Other social housing activities:			
Housing related support	2,847,854	(2,842,855)	4,999
Total – social housing activities	**9,543,827**	**(9,101,638)**	**442,189**
Other non-social housing	665,474	(657,598)	7,876
Total housing activities	**10,209,301**	**(9,759,236)**	**450,065**
Non-social housing activities			
Health & wellbeing – budget gyms	253,629	(377,550)	(123,921)
Health & wellbeing – other	284,189	(463,706)	(179,517)
Child and family services	5,053,780	(4,845,531)	208,249
Nursery	2,011,247	(2,479,857)	(468,610)
Youth	621,986	(810,403)	(188,417)
Community Centre	139,817	(310,137)	(170,320)
Government grants taken to income	88,731	(88,731)	-
Donation*	675,000	(195,000)	480,000
Other grants taken to income	44,996	(44,996)	-
Other	118,510	(4,018)	114,492
	9,291,885	**(9,619,929)**	**(328,044)**
	19,501,186	**(19,379,165)**	**122,021**

*Donation represents a property bequest valued at £675k

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Group - Turnover, operating costs and operating surplus

2021	Turnover	Operating costs	Operating surplus/ (deficit)
	£	£	£
Social Housing: Rent receivable	6,337,863	(4,874,965)	1,462,898
Other social housing activities:			
Housing related support	2,155,192	(2,012,498)	142,694
Total – social housing activities	**8,493,055**	**(6,887,463)**	**1,605,592**
Other non-social housing	536,826	(555,700)	(18,874)
Total housing activities	**9,029,881**	**7,443,163**	**1,586,718**
Non-social housing activities			
Health & wellbeing – budget gyms	90,850	(441,465)	(350,615)
Health & wellbeing – other	56,782	(122,620)	(65,838)
Child and family services	4,755,212	(4,325,503)	429,709
Nursery	1,139,312	(1,164,299)	(24,987)
Youth	125,810	(455,793)	(329,983)
Community Centre	106,235	(145,386)	(39,151)
Government grants taken to income	269,986	(269,986)	-
Donation	-	-	-
Other grants taken to income	12,477	(12,477)	-
Other	27,624	(263,685)	(236,059)
	6,584,288	**(7,201,214)**	**(616,926)**
	15,614,169	**(14,644,377)**	**969,792**

Company - Turnover, operating costs and operating surplus

2022	Turnover	Operating costs	Operating surplus/ (deficit)
	£	£	£
Social Housing: Rent receivable	6,695,973	(6,258,783)	437,190
Other social housing activities:			
Housing related support	2,847,854	(2,842,855)	4,999
Total – social housing activities	9,543,827	**(9,101,638)**	**442,189**
Other non-social housing	665,473	(657,597)	7,876
Total housing activities	**10,209,300**	**(9,759,235)**	**450,065**
Non-social housing activities			
Health & wellbeing – budget gyms	253,629	(377,550)	(123,921)
Health & wellbeing - other	284,189	(463,706)	(179,517)
Child and family services	3,266,586	(3,059,774)	206,812
Nursery	2,024,709	(2,493,319)	(468,611)
Youth	621,986	(810,403)	(188,417)
Community Centre	139,817	(310,137)	(170,320)

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Turnover, operating costs and operating surplus (continued)

	Turnover	Operating costs	Operating surplus/ (deficit)
	£	£	£
Government grants taken to income	88,731	(88,731)	-
Donation*	675,000	(195,000)	480,000
Other grants taken to income	44,996	(44,996)	-
Other	302,776	(188,284)	114,492
	7,702,420	(8,031,901)	(329,481)
	17,911,720	(17,791,136)	120,584

*Donation represents a property bequest valued at £675k

Company - Turnover, operating costs and operating surplus

2021	Turnover	Operating costs	Operating surplus/ (deficit)
	£	£	£
Social Housing: Rent receivable	6,337,863	(4,874,965)	1,462,898
Other social housing activities:			
Housing related support	2,155,192	(2,012,498)	142,694
Total – social housing activities	**8,493,055**	**(6,887,463)**	**1,605,592**
Other non-social housing	536,826	(555,700)	(18,874)
Total housing activities	**9,029,881**	**(7,443,163)**	**1,586,718**
Non-social housing activities			
Health & wellbeing – budget gyms	90,850	(441,465)	(350,615)
Health & wellbeing – other	56,782	(122,620)	(65,838)
Child and family services	3,012,970	(2,880,745)	132,225
Nursery	1,139,312	(1,164,299)	(24,987)
Youth	125,810	(455,793)	(329,983)
Community Centre	106,235	(145,386)	(39,151)
Government grants taken to income	269,986	(269,986)	-
Donation	-	-	-
Other grants taken to income	12,477	(12,477)	-
Other	152,581	(413,685)	(261,103)
	4,967,003	**5,911,199**	**(944,196)**
	13,996,884	**13,354,362**	**642,522**

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Turnover, operating costs and operating surplus (continued)

Operating costs for social housing:

	Group		Company	
	2022	2021	2022	2021
Management	(3,284,458)	(2,261,242)	(3,284,458)	(2,261,242)
Services	(1,694,728)	(1,796,028)	(1,694,728)	(1,796,028)
Routine maintenance	(406,896)	(180,319)	(406,896)	(180,319)
Planned maintenance	(234,211)	(98,250)	(234,211)	(98,250)
Rent losses from bad debts	(315,383)	(237,781)	(315,383)	(237,781)
Depreciation of housing properties and equipment	(323,107)	(301,345)	(323,107)	(301,345)
	(6,258,783)	**(4,874,965)**	**(6,258,783)**	**(4,874,965)**
Void losses: notional calculation of income lost from vacant rooms	(1,189,229)	(336,814)	(1,189,229)	(336,814)
Number of registered accommodation units	603	468	603	468

4 Operating surplus

	Group		Company	
	2022	2021	2022	2021
The operating surplus is arrived at after charging:	£	£	£	£
Depreciation	514,707	511,382	514,707	511,382
Operating lease payments:				
- Land and buildings	689,150	205,321	689,150	205,321
-Vehicles	8,415	-	8,415	-
Auditors' remuneration (excluding VAT)				
- Fees payable for the audit of the financial statements	27,200	24,500	22,500	21,000

5. Gain / (loss) on sale of fixed assets

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Disposal proceeds	-	-	-	-
Carrying value of fixed assets	83,404	21,335	83,404	21,335
	83,404	21,335	83,404	21,335

6. Interest receivable and other income

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Interest receivable and similar income	1,259	1,740	1,259	1,740
Income from listed investments	91,138	89,095	91,138	89,095
	92,397	90,835	92,397	90,835

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

7. Interest and financing costs

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Defined benefit pension charge	27,305	26,436	27,305	26,436
Loan and bank overdrafts	43,176	33,768	43,176	33,768
	70,481	60,204	70,481	60,204

8 Executive Team remuneration

The Executive Team comprises the Chief Executive, Director of Family Support, Director of Operations, Director of Business Development and Director of Corporate Resources. Each of these is a member of the Aviva defined contribution pension scheme. Both the Company and employee make contributions to this money purchase scheme.

The full-time equivalent number of staff who received emoluments:	**2022**	**2021**
	No	**No**
£60,001 to £70,000	3	2
£80,001 to £90,000	1	1
£100,001 to £110,000	1	1
£110,001 to 120,000	1	1

9. Employee information

	Group		Company	
Average monthly number of employees:	2022	2021	2022	2021
	No	No	No	No
Housing	111	95	111	95
Support Services	49	30	49	30
Sports, health & fitness	20	24	20	24
Child & family services	176	136	176	136
Youth & community	22	14	22	14
Orbital Community Centre	19	12	19	12
Early Childhood Partnership	55	43	-	-
Total	452	354	397	311

	2022	2021	2022	2021
	£	£	£	£
Staff costs (for the above persons)				
Wages and salaries	8,607,203	6,976,296	7,585,953	6,068,549
Social security costs	731,036	599,264	647,563	525,953
Other pension costs	465,396	363,304	427,164	329,560
	9,803,635	7,398,864	8,660,680	6,924,062

During the year, termination payments of £139,250 (2021: £78,758) were recognised as an expense as compensation for loss of office.

10. Taxation

The Company is a registered charity qualifying for relief from income and capital gains taxes on its charitable activities.

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

11. Group and Company – Tangible fixed assets (housing)

	Freehold property	Housing long leasehold property	Housing property improvm'ts	WIP	Total
	£	£	£	£	£
Cost					
At 1 April 2021	6,621,000	4,856,000	2,239,769	268,017	13,984,786
Additions	-	-		5,490,605	5,490,605
Transfer from WIP	-	-	467,088	(467,088)	-
Disposals	-	-	(127,476)	-	(127,476)
At 31 March 2022	6,621,000	4,856,000	2,579,381	5,291,534	19,347,915
Depreciation					
At 1 April 2021	549,982	390,708	1,282,876	-	2,223,566
Providing during year	103,574	55,817	106,678	-	266,069
Disposals	-	-	(47,033)	-	(47,033)
At 31 March 2022	653,556	446,525	1,342,521	-	2,442,602
Net book value					
At 31 March 2022	5,967,444	4,409,475	1,236,860	5,291,534	16,905,313
At 31 March 2021	6,071,018	4,465,292	956,893	268,017	11,761,220

12. Group and Company – Tangible fixed assets (non-housing)

	Other property	Long leasehold property	Leasehold improvm'ts	Fixtures, fittings & equipment	Vehicles	WIP	Total
	£	£	£	£	£	£	£
Cost							
At 1 April 2021	129,394	760,000	1,609,235	1,912,857	6,157	11,655	4,429,298
Additions	-	-	117,991	166,476	-	-	284,467
Transfer from WIP	-	-	11,655	-	-	(11,655)	-
Disposals	-	-	(4,900)	-	(6,157)	-	(11,057)
Cost at 31 March 2022	129,394	760,000	1,733,981	2,079,333	-	-	4,702,708
Depreciation							
At 1 April 2021	76,129	61,115	819,829	1,434,367	6,157	-	2,397,597
Providing during year	3,341	8,736	72,969	169,749	(6,157)	-	248,638
Released on disposal	-	-	(1,940)	-	-	-	(1,940)
At 31 March 2022	79,470	69,851	890,858	1,604,116	-	-	2,644,295
Net book value							
At 31 March 2022	49,924	690,149	843,123	475,217	-	-	2,058,413
At 31 March 2021	53,265	698,885	789,406	478,489	-	11,655	2,031,701

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

13. Investments

	2022 Group	2021 Group	2022 Company	2021 Company
Fair value	**£**	**£**	**£**	**£**
As at 1 April 2021				
Listed on a recognised stock exchange	3,027,913	2,485,014	3,027,913	2,485,014
Additions	2,862,555	-	2,862,555	-
Disposals	(2,862,555)	-	(2,862,555)	-
Realised gains / (losses) on disposals	844,346	-	844,346	-
Unrealised (losses) / gains on valuation	(582,702)	542,898	(582,702)	542,898
As at 31 March 2022	3,289,557	3,027,912	3,289,557	3,027,912

An investment in 1 £1 ordinary share in YMCA Development Company Limited, a private limited company registered in England and Wales (company 11220819), was made in September 2019. The £1 is unpaid and the company was dormant until 31/03/2022 and active since 1/4/2022.

14. Debtors

	2022 Group	2021 Group	2022 Company	2021 Company
	£	**£**	**£**	**£**
Rent arrears (including housing benefit, and resident arrears)	1,147,101	803,227	1,147,101	803,227
Less provision for doubtful debt	(740,495)	(492,431)	(740,494)	(492,431)
	406,606	310,796	406,607	310,796
Students (Steiner college)	-	58,752	-	58,752
	406,606	369,548	406,607	369,548
Trade debtors	1,080,685	109,226	1,056,982	51,910
Less provision for doubtful debt	(1,385)	(260)	(1,385)	(260)
	1,079,300	108,966	1,055,597	51,650
Other debtors	18,668	50,031	18,667	50,031
Prepayments and accrued income	990,783	277,108	989,837	256,674
Amounts due from subsidiary	-	-	100,000	13,996
	2,495,357	805,653	2,570,708	741,899

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

15. Creditors

Amounts falling due within one year	**2022 Group £**	**2021 Group £**	**2022 Company £**	**2021 Company £**
Current instalments due on loans (see note 16 for security details)	130,669	72,003	130,669	72,003
Trade creditors	431,724	241,844	424,153	183,044
Other taxes / social security costs	172,782	206,156	154,811	182,381
Other creditors	790,822	490,287	751,645	471,483
Amounts due to subsidiary	-	-	11,857	-
Deferred grant income	93,173	28,324	93,172	28,324
Accruals and deferred income	3,105,006	2,618,381	2,967,422	2,493,909
	4,724,176	3,656,995	4,533,729	3,431,144

16. Creditors

Amounts falling due after more than one year	**2022 Group £**	**2021 Group £**	**2022 Company £**	**2021 Company £**
Bank loan	4,222,417	1,408,309	4,222,417	1,408,309
Other loans	47,042	47,606	47,042	47,606
Deferred grant income	2,452,392	1,827,992	2,452,392	1,827,992
	6,721,851	3,283,907	6,721,851	3,283,907

A loan of £124,000 was made by Watford Borough Council in 1977. The loan is interest-free and is repayable over the term of the lease. The amount due of £47,356 at 31 March 2022 (2021: £47,916) is the measurement of the liability after discounting for the income rate of return.

£1,664,500 borrowed from HSBC in 2018 at 2.07% above the Bank's sterling Bank Rate was fully repaid during the year (2021: £1,480,001). A facility of £9,000,000 was agreed in February 2022 with CAF Bank at 1.67% above the Bank of England's base rate and is repayable over a 25-year term. The amount due at 31 March 2022 was £4,352,772 (2021: £Nil).

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Based on the earliest repayment date, borrowings are repayable as follows:	**2022 Group**	**2021 Group**	**2022 Company**	**2021 Company**
One year or less	130,669	72,003	130,669	72,003
One year or more but less than two years	133,837	73,578	133,837	73,578
Two years or more but less than five years	421,296	230,463	421,296	230,463
Five years or more	3,714,326	1,151,874	3,714,326	1,151,874
	4,400,128	1,527,918	4,400,128	1,527,918

The lease of Charter House, Watford is held as security for the above Watford Borough Council loan.

The CAF Bank facility is secured against the freeholds of:

a) Crest Road, High Wycombe and
b) 4 Northgate End, Bishop's Stortford.

Deferred Capital Grants	**2022 Group**	**2021 Group**	**2022 Company**	**2021 Company**
	£	**£**	**£**	**£**
Deferred income as at 1 April	1,856,316	276,623	1,856,316	276,623
Additions	734,245	1,592,170	734,245	1,592,170
Released to Statement of Comprehensive Income	(44,996)	(12,477)	(44,996)	(12,477)
As at 31 March	2,545,565	1,856,316	2,545,565	1,856,316

Deferred income to be released to the statement of comprehensive income:	**2022 Group**	**2021 Group**	**2022 Company**	**2021 Company**
	£	**£**	**£**	**£**
In less than one year	93,173	28,324	93,173	28,324
In more than one year	2,452,392	1,827,992	2,452,392	1,827,992
	2,545,565	1,856,316	2,545,565	1,856,316

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

17. Provision for liabilities and charges

	2022 Group £	2021 Group £	2022 Company £	2021 Company £
As at 1st April	72,000	47,000	-	-
Arising during the year	20,000	25,000	20,000	-
Used during the year	(43,300)	-	-	-
As at 31 March	48,700	72,000	20,000	-

A provision for dilapidations to premises is being held to cover the costs of any necessary reinstatement and repairs to the properties at the termination of the lease.

18. Pensions

The Company has recognised pension liabilities relating to two schemes, the multi-employer defined benefit pension plan for employees of the YMCAs in England, Scotland and Wales and the Hertfordshire County Council Pension Fund.

Total Pension creditor:

	2022 £	2021 £
Current	111,231	90,138
Greater than one year	838,298	822,648
	949,529	**912,786**

Hertfordshire County Council Pension Fund (HCCPF)
The HCCPF is a multi-employer scheme, administered by Hertfordshire County Council under the regulations governing the Local Government Pension Scheme, a defined benefit scheme. The most recent formal actuarial valuation was completed as at 31 March 2020 and the results have been projected forward using approximate methods, allowing for the different financial assumptions required under FRS102, to 31 March 2022 by a qualified independent actuary.

The employer’s contribution to the HCCPF by the Company for the year ended 31 March 2022 was £40,000l (2021: £nil).
Estimated employer’s contributions to the HCCFP during the accounting period commencing on 1 April 2022 is £nil.

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Financial assumptions	**31 March 2022**	**31 March 2021**
	% per annum	**% per annum**
Discount rate	2.70	2
Future salary increases	3.60	3.25
Inflation	3.20	2.85

Mortality assumptions

Life expectancy is based on the Fund's Vita curves with improvements in line with the CMI 2018 model, an allowance for smoothing of recent mortality experience and a long-term rate of improvement of 1.25% per annum for women and men.

	2022	**2021**
	No. of years	**No. of years**
Current Pensioners:		
Males	21.9	22.1
Females	24.4	24.5
Future Pensioners*:		
Males	22.9	23.2
Females	26	26.2

**Figures assume members aged 45 as at last formal valuation date.*

	2022	**2021**
Amounts recognised in the statement of comprehensive income	**£000's**	**£000's**
Current service cost	16	7
Total defined benefit cost recognised in surplus or deficit	**16**	**7**

Reconciliation of opening and closing balances of the present value of scheme liabilities

	2022	**2021**
	£000's	**£000's**
Opening scheme liabilities	224	162
Current service cost	16	7
Past service costs	33	-
Interest cost	5	4
Contributions by members	-	4
Remeasurements	(16)	48
Benefits paid	(1)	(1)
Closing scheme liabilities	**261**	**224**

Reconciliation of opening and closing balances of fair value of plan assets

	2022	**2021**
	£'000	**£'000**
Opening fair value of scheme assets	234	190
Interest income	5	4
Return on plan assets (in excess of interest income)	2	37
Contributions by employer	40	-
Scheme participants' contributions	-	4
Benefits paid	(1)	(1)
Closing value of fair value of plan assets	**280**	**234**

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Major categories of scheme assets as a % of total plan assets

	2022	2021
	%	%
Equities	55	59
Bonds	25	26
Property	13	11
Cash	7	4
	100	**100**

Sensitivity analysis

Change in assumptions at year ended 31 March 2022	Approximate % increase to Employer Liability	Approximate monetary amount (£000's)
0.1% decrease in real discount rate	2	5
1 year increase in member life expectancy	4	10
0.1% increase in the salary increase rate	0	0
0.1% increase in the pension increase rate	2	4

HCC Pension fund asset / liability	2022	2021
	£	£
	-	-

The scheme results produce a fair value of employer assets greater than the present value of the fund liabilities. The resulting surplus has not been recognised as an asset in the balance sheet as at 31st March 2022 or March 2021. As a result, remeasurements of £nil (2021: £nil) were recognised as actuarial movements rather than the full £10k.

Pensions – YMCA Pension Plan

The company 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>> and at the year end these were invested in the Mercer Dynamic De-risking Solution, 63% matching portfolio and 37% in the growth portfolio and Schroder (property units only).

The most recent completed three year valuation was as at 1 May 2020. The assumptions used which have the most significant effect on the results of the valuation are those relating to the assumed rates of return on assets held before and after retirement of 2.59% and 1.09% respectively, the increase in pensions in payment of 2.99% (for RPI capped at 5% p.a.), and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.0 years, female 24.4 years, and 23.7 years for a male pensioner, female 26.1 years, retiring in 20 years' time. The result of the valuation showed that the actuarial value of the assets was £146.1m, which represented 79% of the benefits that had accrued to members.

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

The valuation prepared as at 1 May 2020 showed that the YMCA Pension Plan had a deficit of £39 million. The company has been advised that it will need to make monthly contributions of £11.6k from 1 May 2022. This amount is based on the current actuarial assumptions (as outlined above) and may vary in the future as a result of actual performance of the Pension Plan. Agreed future deficit contributions have been discounted using a rate of 3% (2021: 3%). The current recovery period is 7 years commencing 1st May 2022.

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

YMCA Pension fund liability

	2022	2021
	£	£
At 1 April	912,787	881,575
Increase in liability	126,674	118,596
Paid in year	(117,236)	(113,821)
Unwinding of discount included in finance costs	27,304	26,436
At 31 March	**949,529**	**912,786**

	As at 31 Mar 22	As at 31 Mar 21
	£	£
Repayable within one year	111,231	90,138
Repayable in more than one year	959,341	954,900
Discount	(121,043)	(132,252)
	949,529	**912,786**

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

19. Group analysis of changes in net debt

	1 April 2021	Cash flows	Non-cash movement	31 March 2022
	£	£	£	£
Cash at bank	6,281,783	(2,306,484)	-	3,975,299
Loans falling due within 1 year	(72,003)	72,003	(130,669)	(130,669)
Loans falling due after more than 1 year	(1,455,915)	(2,944,213)	130,669	(4,269,459)
	4,753,865	(5,178,694)	-	(424,829)

	1 April 2020	Cash flows	Non-cash movement	31 March 2021
	£	£	£	£
Cash at bank	2,710,095	3,571,688	-	6,281,783
Loans falling due within 1 year	(66,626)	66,626	(72,003)	(72,003)
Loans falling due after more than 1 year	(1,536,034)	8,112	72,003	(1,455,915)
	1,107,435	3,646,430	-	4,753,865

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

20. Operating lease commitments

The future minimum lease payments are set out below. Leases relate to the rental of properties in eight locations and one vehicle.

	Group		Company	
	2022	**2021**	**2022**	**2021**
	£	**£**	**£**	**£**
The following operating lease payments are committed to be paid				
within 1 year	740,766	359,107	740,766	359,107
within 1-2 years	514,881	306,924	514,881	306,924
within 5 years	1,249,029	246,624	1,249,029	246,624
	2,504,676	912,655	2,504,676	912,655

21. Restricted Funds

Period ended March 2022	**1 April 2021**	**Income**	**Expenditure**	**31 March 2022**
Group	**£**	**£**	**£**	**£**
Big Lottery Fund – YOUTHRIVE Project	-	217,442	(217,442)	-
HCF HAPpy grant	-	-	-	-
Children in Need	-	31,866	(31,866)	-
Harpur Trust	-	33,539	(33,539)	-
Male Victims	-	65,801	(65,801)	-
Violence & Exploitation Reduction Unit	-	17,474	(17,474)	-
Bedfordshire and Luton Community	-	16,685	(16,685)	-
Children in Need Covid Booster	-	-	-	-
CAST (Comic Relief)	-	-	-	-
National Lottery Grant – Dads Aloud	-	2,444	(2,444)	-
Wishing Tree	-	1,713	(1,713)	-
Safelives	-	-	-	-
Friends of Eastcotts Fund	-	-	-	-
Big Lottery	-	158,103	(158,103)	-
Steele Charitable Trust	-	25,000	(25,000)	-
Youth empowerment fund	-	2,017	(2,017)	-
HAF grant - BBC	-	5,000	(5,000)	-
ECP-OY-Double impact	-	150,000	(18,699)	131,301
National Lottery Awards for All	-	3,292	(3,292)	-
HAF grant	-	1,760	(1,760)	-
Herts Community Foundation - holiday club funding	-	2,869	(2,869)	-
RAF Benevolent Fund	-	3,000	3,000	-
	-	**738,005**	**(606,704)**	**131,301**

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Company	1 April 2021 £	Income £	Expenditure £	31 March 2022 £
Big Lottery Fund – YOUTHRIVE Project	-	217,442	(217,442)	-
HCF HAPpy grant	-	-	-	-
National Lottery Awards for All	-	3,292	(3,292)	-
HAF grant	-	1,760	(1,760)	-
Herts Community Foundation - holiday club funding	-	2,869	(2,869)	-
RAF Benevolent Fund	-	3,000	(3,000)	-
	-	**228,363**	**(228,363)**	-

Period ended March 2021

Group	1 April 2020 £	Income £	Expenditure £	31 March 2021 £
Big Lottery Fund – YOUTHRIVE Project	-	70,943	(70,943)	-
HCF HAPpy grant	-	1,360	(1,360)	-
Big Lottery Fund – Horizons project	-	164,474	(164,474)	-
Children in Need	-	39,383	(39,383)	-
Harpur Trust	-	44,813	(44,813)	-
Male Victims	-	74,857	(74,857)	-
Violence & Exploitation Reduction Unit	-	22,182	(22,182)	-
Bedfordshire and Luton Community	-	6,504	(6,504)	-
Children in Need Covid Booster	-	3,600	(3,600)	-
CAST (Comic Relief)	-	5,000	(5,000)	-
Bedfordshire police	-	1,223	(1,223)	-
National Lottery Grant – Dads Aloud	-	4,313	(4,313)	-
Wishing Tree	-	3,500	(3,500)	-
Safelives	-	1,176	(1,176)	-
Friends of Eastcotts Fund	18,156	-	(18,156)	-
	18,156	**443,328**	**461,484**	**-**

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Company	1 April 2020 £	Income £	Expenditure £	31 March 2021 £
Big Lottery Fund – YOUTHRIVE Project	-	70,943	(70,943)	-
HCF HAPpy grant	-	1,360	(1,360)	-
	-	**72,303**	**(72,303)**	**-**

22. Related party transactions

	2022 £	2021 £
One YMCA balance owed to ECP	11,857	-
ECP balance owed to One YMCA	100,000	13,997

23. Capital commitments

	2022 £	2021 £
Contracts placed for future capital commitments not provided in the financial statements	591,804	584,829
Commitments approved by the Board but not contracted for	15,808,392	-
Total	**16,400,196**	**584,829**

The above capital commitments will be financed through loans, land sale and cash reserves totalling £7,828,026 with the balance of £8,572,170 funded through public sector grant. The contracted capital commitments at the 31 March 2022 relate to the conversion of three floors within Charter House to studio flats, new bathrooms to be installed at the High Wycombe hostel and leasehold improvements at two additional sites.

24. Contingent liabilities

As at 31 March 2022, there was a contingent liability in respect of social housing grant that was awarded to the Company in prior years. There is a potential for repayment or recycling in accordance with the Regulator of Social Housing's guidance in the event that the sites were disposed of and/or taken out of social housing uses. The properties are:

a) Charter House, Watford - £2.9m of social housing grant awarded in 1977 to facilitate the construction of the site.
b) Peartree Lane, Welwyn Garden City - £570k of social housing grant awarded in 1995 to facilitate the construction of the Hostel 2 building.
c) 4 Northgate End, Bishop's Stortford - £782k of social housing grant awarded in 1995 to facilitate the construction of the building.
d) Crest Road, High Wycombe - £6.1m of social housing grant awarded between 1994 and 2005 to facilitate the construction of the scheme.

All of these assets remain in social housing use and the Company has no plans to change the status of the sites.

NOTES TO THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

25. Membership

As at 31 March 2022, there were 38 members of the Company (2021: 38).

26. Post Balance Sheet Events

On 1 April 2022, Signpost CIO (charity number 1167027) became a subsidiary of One YMCA. Signpost deliver counselling support for children and young people across Hertfordshire which complement our therapeutic support services for adults. By coming together, both charities can now offer this crucially needed service for people of all ages across Hertfordshire, Bedfordshire, and Buckinghamshire.

On 1 August 2022, Haven First (company number 03366848) became a subsidiary of One YMCA, with a full merger anticipated on 1st April 2023. Haven First is registered with the Regulator of Social Housing and provides 93 accommodation units across North Hertfordshire and Stevenage, which will complement our housing provision and allow both charities to deliver “more than the sum of their parts” for service users.