

**GRIMSBY CLEETHORPES  
AND HUMBER REGION**



(a company limited by guarantee)

**FINANCIAL STATEMENTS**

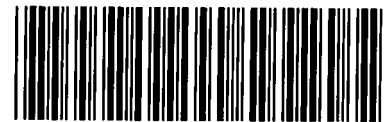
**YEAR ENDED 31<sup>st</sup> DECEMBER 2017**

**Company registration No. 03241634**

**Registered Charity No. 1058613**

**Homes & Communities Agency Registered Housing Provider No. LH 4152**

TUESDAY



A23 \*A7DS50X5\* #54  
04/09/2018  
COMPANIES HOUSE

YMCA enables people to develop their full potential in mind, body and spirit. Inspired by, and faithful to, our Christian values, we create supportive, inclusive and energising communities, where young people can truly belong, contribute and thrive.

SUPPORT & ADVICE

ACCOMMODATION

FAMILY WORK

HEALTH & WELLBEING

TRAINING & EDUCATION

**CONTENTS**  
**YEAR ENDED 31 DECEMBER 2017**

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**OFFICERS AND PROFESSIONAL ADVISERS**  
**YEAR ENDED 31 DECEMBER 2017**

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Charity number	1058613
Company number	3241634
Homes & Communities Agency registered housing provider number	LH 4152
Directors	N A Strawson D Wooldridge P Gallant D Fortune S Cross (resigned 29/01/18) S Gallaher (Chairman) S Hunt J Keen (resigned 26/03/2018) M Jones K Lynn (appointed 23/01/17) C Rounce (appointed 23/01/17) L Louther (appointed 20/03/2017)
Acting chief executive officer	H Pine (appointed 1 <sup>st</sup> December 2017)
Key management personnel	J Manton S Marray C McAleese A Hornsby L Clark
Registered office	Peaks Lane Grimsby South Humberside DN32 9ET
Bankers	Barclays Bank PLC 35 Victoria Street Grimsby North East Lincolnshire DN31 1DE
Auditors	Forrester Boyd 26 South St. Mary's Gate Grimsby DN31 1LW
Solicitors	Wilkin Chapman LLP Cartergate House 26 Chantry Lane Grimsby DN31 2LJ

**BOARD REPORT (INCLUDING STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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The directors of the board present their report, including the strategic report, and the audited financial statements of the Grimsby, Cleethorpes and Humber Region YMCA for the year ended 31 December 2017.

**Directors of the board**

The directors who held office during the year were as follows:

N A Strawson	D Wooldridge
P Gallant	D Fortune
S Cross (Resigned 29/01/2018)	S Hunt
S Gallaher	J Keen (resigned 26/03/2018)
M Jones	L Louthier (appointed 20/03/17)
K Lynn (appointed 23/01/17)	C Rounce (appointed 23/01/17)

**Business review**

The company's principal activity is to provide youth and community work within the local area through the provision of high quality programmes in the fields of:

- **Support & Advice:** We believe every person should have someone they can trust. Support and advice runs across our services with qualified staff providing Information, Advice and Guidance in both our accommodation and community settings.
- **Accommodation:** We believe every young person should have a safe place to stay. We provide 103 bed spaces across North East Lincolnshire that offer a safe place to stay and 1:1 support to enable individuals, particularly young people, to reconnect with learning, increase their employability, improve their health and wellbeing and develop their leadership potential.
- **Family Work:** We believe every family should have the support they need to develop and lead more fulfilling lives. We provide youth clubs and out of school activities for young people and their families across the region.
- **Health & Wellbeing:** We believe everyone should enjoy the benefits of good health and wellbeing. The At One project is focused on providing 1:1 and group interventions for young people (16 – 25) with low level mental health needs. The target population for this project are people at risk of homelessness, accessing housing related support services and/or exiting from homelessness. We deliver workshops in schools with a focus on promoting emotional wellbeing. We also continue to engage with national YMCA Campaigns such as 'I am Whole'
- **Training & Education:** We believe every young person should be able to fulfil their potential. I'm Possible is a project focused on enabling educational inclusion by supporting young people at risk though exclusion to maintain a mainstream education placement. We are developing our internal training offer to ensure our accommodation is a place of living and learning.

The way we act at YMCA is characterised by five strong and distinctive values that flow from our Christian ethos:

**BOARD REPORT (INCLUDING STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Business review (cont'd)**

**We Seek Out:** We actively look for opportunities to make a transformative impact on young lives in the communities where we work, and believe that every person is of equal value.

**We Welcome:** We offer people the space they need to feel secure, respected, heard and valued; and we always protect, trust, hope and persevere.

**We Inspire:** We strive to inspire each person we meet to nurture their body, mind and spirit, and to realise their full potential in all they do.

**We Speak Out:** We stand up for young people, speak out on issues that affect their lives, and help them to find confidence in their own voice.

**We Serve Others:** We are committed to the wellbeing of the communities we serve and believe in the positive benefit of participation, locally and in the wider world.

**Overview**

In 2017 we have been progressing with ambitious plans to improve our services; to understand and grow our impact, to deliver better and be fit for the future.

Understanding and growing our impact

This year we began working to develop a robust impact management framework, reviewing and updating our systems and seeking to create a strong evidence base to demonstrate the difference that our services make. We have made good progress with this project and seek to roll out the new system in summer 2018.

In 2017:

- We grew our accommodation provision with the opening of the Founders Wing, a conversion of existing space at our Peaks Lane site into five additional quality rooms.
- We opened another new youth club in Cleethorpes to extend our reach across a wider geographical area and we are developing plans for two more clubs in 2018.
- We embarked on new projects, including At One, which seeks to support young people who are at risk of, experiencing and/or exiting from homelessness to improve their mental health and well-being. We see this Reaching Communities funded project as enabling us to a) pilot work methods with individuals currently at risk of homelessness and those who have a history of homelessness to overcome some of the 'revolving door' issues. b) demonstrate that significant proportions of our target group experience poor mental health and that YMCA is best positioned to provide support in relation to this and, c) provide new methods of work that can be integrated into our accommodation support model to further improve our service delivery.
- We delivered emotional wellbeing workshops to over 1,000 young people in schools.

All of these activities show how we have achieved value for money in delivering purpose and objective.

**BOARD REPORT (INCLUDING STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Business review (cont'd)**

Delivering Better

YMCA Humber is committed to continuously improving our services and wholly supportive of developing staff skills, competencies and experience. Our accommodation offer includes providing support and advice as well as a safe and secure home for our residents. Our ambition, to create a strengths-based approach to support progressed well during 2017 and is demonstrable through improved relationships with our residents, increased positive progressions and clarity on our accommodation and support model.

In 2017:

- We invested in developing our staff to enhance our accommodation offer through the implementation of a training programme that sought to embed a strengths-based approach to support, so we are better able to nurture the talents and potential of those young people we work with.
- We improved our average length of stay and reduced our abandonments as a direct benefit of staff training, development and culture.
- We engaged a Training and Employability Lead to develop and embed training within our accommodation projects. We increased the knowledge of staff through training in Information Advice and Guidance as well as enabling them to gain confidence in delivery through Training & Education Level 3. Implementation of integrated learning and activity programmes are in development and are assisted by our ongoing programmes that create opportunities for resident engagement through projects such as the Orchard, At One and Coach led activities including cooking, art, sports.
- We implemented the AQA Unit Award scheme as a recognition tool, promoting the acquisition and achievement of bite-size learning steps for our residents.
- We successfully obtained funding to develop and improve our volunteer training offer and we sought to enhance our provision through partnership work with other services and providers.
- We won awards and were nominated for others as a result of our Orchard Project including; finalist for Youth Matters Health and Wellbeing Project of the Year, DFDS LincsInspired volunteer Achievement Award finalist and Britain in Bloom level 5 outstanding.

Fit for the Future

Our 2016 history project served to remind us about our heritage and our past, reinforcing our awareness that YMCA has endured to provide support and services to our locality. Whilst we also recognise that our organisation possesses significant strengths in provision of accommodation and advice, we are keen to expand our services, meeting the changing needs of our communities and of young people.

In 2017:

- We paused our capital plans for the development our Peaks Lane site due to uncertainties over the future of housing benefit payments. We took the opportunity to reflect and review our plans and with the improved outlook for funding of supported housing, we hope to move forward with a refreshed and stronger scheme. These exciting plans will be unveiled in 2018 with a confirmed timescale for work.

**BOARD REPORT (INCLUDING STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Business review (cont'd)**

- We consolidated our asset at Riby Square, currently operating as the YMCA Foyer, through acquiring full title to the land, removing the leasehold nature of the site.
- We improved our risk management processes and invested our charitable resources in service improvements particularly in our youth and community development provision. This has continued to expand our footprint and community awareness of YMCA Humber and has seen an increase in our work in schools and with educational providers.
- We have worked to improve our opportunities for and management of volunteers. Opportunities for residents to volunteer in a variety of social actions as well as broader community members being encouraged to give their time to YMCA Humber. We continue to grow our number of committed volunteers and operate under Supporting Volunteers Award status.

**Principal risks and uncertainties**

Looking ahead to 2018 the principal risks for the association lie in the ongoing uncertainty around funding for supported housing. YMCA Humber are pleased with the developments in this area over the past 12 months, although, the social and political context continues to present a challenge with national and local cuts in funding and grants. This extends to difficulty funding youth work and activity delivered within schools.

YMCA Humber keep a robust risk register, which is regularly reviewed and updated by the Board and includes monitoring our ability to maintain and grow services at a time when we plan to embark on an ambitious capital development.

**Governance and management**

YMCA Humber were sad to see the departure of our CEO, Malcolm Smith, in 2017. His commitment and contribution to YMCA Humber over the past 7 years were greatly appreciated.

In accordance with the Memorandum and Articles of Association the membership of the Board consists of The Chairman, The Vice-Chairman and The Treasurer plus such other directors as the Board shall from time to time decide. The number of directors shall not be subject to any maximum but shall be not less than four.

Every Director shall be appointed by the Directors for an initial term of up to 3 years and may be reappointed for two further such terms of up to 3 years. No Director may serve more than nine consecutive years in office, without taking leave from office of at least one year.

In exceptional circumstances the Chairman, in consultation with the Chief Executive Officer and Finance Committee, shall have the power to make decisions where there is not adequate time to convene a Board Meeting, provided always that the Chairman acts in good faith and in the best interests of the Company, in the furtherance of the objectives set out in the Memorandum and Articles of Association.

YMCA Humber have ensured compliance with the Governance and Financial Viability Standard.

### **Director induction and training**

New Directors undergo informal orientation sessions which include invitation to an Executive Committee meeting prior to becoming a Director, visiting the registered office of the company to familiarise themselves in the way the organisation carries out its day to day duties and implements decisions. Business planning, the Memorandum and Articles of Association and financial performance are also covered and an induction pack is provided, together with a one to one briefing session with the Chief Executive Officer.

Directors are also encouraged to attend external training events which assist them in undertaking the role.

As part of the work in considering Homes England requirements the recruitment, selection, induction, training, development and performance of board members is being evaluated to ensure there is a support system and mechanism in place to demonstrate transparent processes and accountability for members.

### **Key Policies**

The Association has in place a risk management action plan which sets out risks and their likelihood of occurrence. The action plan also covers the process for the monitoring and hence mitigation of risks where possible, through reviewing the risk register at each board and sub group meeting making changes to the register as appropriate

The Association aims to keep its supported accommodation at an affordable level of rent and in a properly maintained condition.

### **Rents**

The company has an established rent policy which aims to charge rents within the guidelines set out by Homes England.

### **Treasury management**

The company's treasury operations are managed by the finance team and are subject to policies approved by the Board of Directors, with delegated authorities supplemented by detailed procedures and bank mandates. The company's treasury activities are routinely reported to the Board of Directors.

The main financial risks to which the company is exposed relate to changes in the government's funding of special needs housing.

### **Liquidity**

Throughout the year the company's policy has been to ensure flexibility and continuity of funding through the use of deposits.



When agreeing terms of business, it is the policy of the company to establish terms of payment with suppliers wherever practicable.

#### **Director and officer indemnity insurance**

During the year the company purchased and maintained liability insurance for its Directors.

#### **Employees**

The company firmly believes in equal opportunities, personal development and in ongoing training opportunities. The company wishes all staff to be trained to their maximum potential. New staff are appointed on the basis of merit only. The company encourages staff involvement and is committed to ensuring the health, safety and welfare of all staff.

#### **Arrangements for setting pay and remuneration of key management personnel**

We set our salary levels through a process of local benchmarking from a local market assessment and available YMCA benchmarking information. We also take into consideration;

- Proportionality - to ensure pay is fair and consistent across the Association
- Affordability – salary levels are set with due consideration to organisational income and predicted financial performance
- Recruitment and Retention - we know that sometimes we need to offer remuneration levels that will attract and retain the skills and competencies that we need to maximise the impact we are able to have. We want to recruit the best people for the job.
- Value for Money - ensuring salaries connect to performance of key personnel, working productively for the Association and the beneficiaries we serve

We review salaries for each new post and assess current salaries on annual basis, at Board level, through the Policy and Personnel Subgroup. Where organisational performance and finances allow, we apply an annual 2% cost of living adjustment equally to all staff.

#### **Reserves**

Unrestricted reserves of £928,593 were held at 31 December 2017. No restricted funds were held. Of this amount, £360,727 can only be realised by disposing of tangible fixed assets. After taking this into account, free reserves total £567,866.

Our current reserves are in line with our policy of holding three to six months of expenditure. Current levels of reserves are deemed appropriate for our continuing activity, contingencies and development costs.

**BOARD REPORT (INCLUDING STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**Public Benefit**

The Board of Trustees has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Association aims and objectives and in planning future activities.

The focus of our work is:

- the provision of social housing to displaced and homeless members of society,
- mentoring and coaching service users in their personal and social development,
- Facilitating the local community in the delivery of community based youth services
- working in partnership with other agencies to secure the widest range of services available to match the needs of clients
- provision of sport, health and fitness facilities to members of the community.

The board of trustees has complied with section 4 of the Charities Act 2011, and in setting a programme each year has had regard to both the Charity Commission's general guidance on public benefit and provision of services for the client population. The board of trustees always ensures that the services provided are in line with the charitable objects and aims of the Association.

The board feels the aforementioned business review and principal activity support this conclusion.

**Directors' responsibilities**

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

The Registered Social Housing legislation require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the association and of its income and expenditure for that period.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors 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 of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

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

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2015.

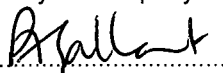
They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of disclosure of information to auditors**

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In approving the Board's Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

  
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P Gallant  
Director  
14<sup>th</sup> August 2018

  
.....

S Gallaher  
Director  
14<sup>th</sup> August 2018

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRIMSBY CLEETHORPES AND  
HUMBER REGION YMCA FOR THE YEAR ENDED 31ST DECEMBER 2017**

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**Opinion**

We have audited the financial statements of Grimsby Cleethorpes and Humber Region YMCA (the 'association') for the year ended 31<sup>st</sup> December 2017 which comprise of the primary statements such as the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Reserves, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the association's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the association's affairs as at 31<sup>st</sup> December 2017, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2015.

**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 association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRIMSBY CLEETHORPES AND HUMBER REGION YMCA FOR THE YEAR ENDED 31ST DECEMBER 2017 (CONTINUED)**

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**Other information**

The board is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information 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 board report (incorporating the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the board report (incorporating the strategic report) has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the association and its environment obtained in the course of the audit, we have not identified material misstatements in the board report incorporating the strategic report.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the board was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRIMSBY CLEETHORPES AND  
HUMBER REGION YMCA FOR THE YEAR ENDED 31ST DECEMBER 2017 (CONTINUED)**

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**Responsibilities of the board**

As explained more fully in the board's responsibilities statement set out on page 10, the board members (who are also the directors of the association 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 board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

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

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



**Kevin Hopper ACA (Senior Statutory Auditor)**  
for and on behalf of Forrester Boyd

Date: 14<sup>th</sup> August 2018

**Chartered Accountants**  
**Statutory Auditor**

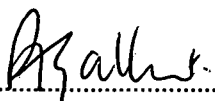
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North East Lincolnshire  
DN31 1LW

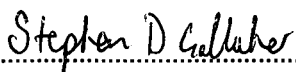
**STATEMENT OF COMPREHENSIVE INCOME (INCLUDING INCOME & EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

		2017 £	(As restated) 2016 £
	<i>Notes</i>		
Turnover	3	1,803,248	1,812,462
Operating expenditure		<u>(1,699,506)</u>	<u>(1,714,711)</u>
<b>Operating surplus</b>		<b>103,742</b>	<b>97,751</b>
Gain/(loss) on disposal of property plant and equipment	6	212	<b>(53,838)</b>
Exceptional expenditure		(101,000)	-
Interest receivable and similar income	5	773	2,641
<b>Surplus before tax</b>	<b>6</b>	<b>3,727</b>	<b>46,554</b>
Exceptional Items		-	-
Taxation		-	-
<b>Total comprehensive income for the year</b>		<b><u>3,727</u></b>	<b><u>46,554</u></b>

The only recognised gain is the surplus for the period of £3,727.

Signed on behalf of the board on 14<sup>th</sup> August 2018

  
..... Director  
P Gallant

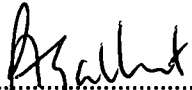
  
..... Director  
S Gallaher


**BALANCE SHEET AS AT 31 DECEMBER 2017**

		2017 £	(As restated) 2016 £
	<i>Notes</i>		
<b>Fixed assets</b>			
Housing properties at depreciated cost	10	<u>1,373,792</u>	<u>1,406,819</u>
		1,373,792	1,406,819
Other fixed assets	10	63,560	38,501
		<u>1,437,352</u>	<u>1,445,320</u>
<b>Current assets</b>			
Stocks and work in progress	11	3,784	3,814
Debtors	12	97,508	100,849
Cash at bank and in hand		<u>1,200,987</u>	<u>1,129,925</u>
		1,302,279	1,234,588
<b>Creditors: amounts falling due within one year</b>	13	<u>(629,619)</u>	<u>(528,147)</u>
<b>Net current assets</b>		<u>672,660</u>	<u>706,441</u>
<b>Total assets less current liabilities</b>		<u>2,110,012</u>	<u>2,151,761</u>
<b>Creditors: amounts falling due after more than one year</b>	14	(1,046,469)	(1,076,625)
<b>Provisions for liabilities and charges</b>			
Pensions liability	20	<u>(134,950)</u>	<u>(150,270)</u>
Totals provisions for liabilities and charges	15	(134,950)	(150,270)
		<u>928,593</u>	<u>924,866</u>
<b>Capital and reserves</b>			
Income and expenditure reserve	16	928,593	924,866
		<u>928,593</u>	<u>924,866</u>

These financial statements were approved and authorised for issue by the Board on 14<sup>th</sup> August 2018

Signed on behalf of the Board

  
.....Director  
P Gallant

  
.....Director  
S Gallaher

The notes on pages 16 to 28 form part of these accounts



**STATEMENT OF CHANGES IN RESERVES**  
**YEAR ENDED 31<sup>st</sup> DECEMBER 2017**

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	<b>(As restated)</b> <b>Income &amp;</b> <b>expenditure</b> <b>reserve</b>
<b>At 1 January 2017 as previously stated</b>	<b>980,504</b>
Prior year adjustments	(55,638)
<b>At 1 January 2017 as restated</b>	<b>924,866</b>
Profit for the year	3,727
	<u>3,727</u>
<b>At 31 December 2017</b>	<b><u>928,593</u></b>

**STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31<sup>st</sup> DECEMBER 2017**

	Note	£	£
<b>Cash flow from operating activities</b>	<b>19</b>	130,827	361,947
Interest paid		-	-
Taxation paid		-	-
<b>Net cash flow from operating activities</b>		<u>130,827</u>	<u>361,947</u>
<b>Cash flow from investing activities</b>			
Payments to acquire tangible fixed assets		(61,198)	(108,430)
Receipts from sale of tangible fixed assets		660	1,800
Interest received		773	2,641
<b>Net cash flow from investing activities</b>		<u>(59,765)</u>	<u>(103,989)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>		71,062	257,958
<b>Cash and cash equivalents at 1 January</b>		1,129,925	871,967
<b>Cash and cash equivalents at 31 December</b>		<u>1,200,987</u>	<u>1,129,925</u>

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31<sup>st</sup> DECEMBER 2017**

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**1 ACCOUNTING POLICIES**

**General information and basis of preparation**

Grimsby, Cleethorpes and Humber Region YMCA is a registered charity, a company limited by guarantee and a private registered provider of social housing in the United Kingdom. The address of the registered office is given in the company information on page 3 of these financial statements. The nature of operations and principal activities are in the field of:

- social housing
- youth work
- personal and social development
- sport, health and fitness

These financial statements were authorised for issue by the Board on 14<sup>th</sup> August 2018.

The company constitutes a public benefit entity as defined by FRS102.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 (*The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (FRS102)), the Statement of Recommended Practice for Social Housing Providers 2014, and with the Accounting Direction for private registered providers of social housing in England 2015. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the company, and round to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable. The policies adopted for the recognition of turnover are as follows:

Turnover represents rental and service charges income receivable in the year net of rent and service charge losses from voids, revenue grants from the government (local authorities) and the Homes and Communities Agency.

Interest income is recognised using the effective interest method.

Housing Related Support income and expenditure relating to services is accounted for on an accruals basis, matching income and expenditure, and disclosures are made in accordance with the relevant standards and legislation.

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31<sup>st</sup> DECEMBER 2017**

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**Government grants**

Government grants received as a contribution to revenue expenditure are recognised in the statement of comprehensive income on a systematic basis over the period in which the landlord recognises the related costs for which the grant is expected to compensate. The related expenditure is included under operating costs. Grants are recognised in the same period as the related expenditure provided the conditions for receipt have been satisfied and there is reasonable assurance that the grant will be received.

Government grants have been received as a contribution towards the capital costs of a scheme. These grants are recognised at the fair value of the asset received or receivable. Where the assets are accounted for using the cost model, then the government grant is accounted for using the accruals model. The difference between the fair value of the asset and the consideration is recognised as a liability and amortised over the useful economic life of the asset. This amortisation is recognised within turnover.

Where the assets are accounted for using the valuation model then the government grant is accounted for using the performance model so that turnover is taken once the performance conditions have been met.

**Tangible fixed assets**

Tangible fixed assets (including social housing properties), except freehold land, are stated at cost, less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended such as the cost of acquiring land and buildings, development costs, interest charges on loans during development period and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or resulting in a significant extension of the useful economic life of the property.

Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following annual rates the year after acquisition:

Housing properties, houses	2%
Plant and machinery	10%
Furniture and equipment	33%
Computer equipment	25%
Motor vehicles	20%

The useful economic lives of all tangible fixed assets are reviewed annually.

Housing properties under construction are not depreciated until they are in use.

**Stocks**

Stock is stated at the lower of cost and estimated selling price, less costs to complete and sell. Cost is calculated using the first in, first out formula.

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31<sup>st</sup> DECEMBER 2017**

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**Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in operating expenditure.

Assets and liabilities or income and expenditure are not offset.

**Impairment**

All properties are considered for impairment annually and detailed reviews of assets for impairment are carried out if there is an indication that impairment has occurred or if they are not being depreciated.

If such indication exists, the recoverable amount is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in expenditure through the statement of comprehensive income.

**Provisions**

Provisions are recognised when the company has an obligation at the balance sheet date, as a result of a past event, it is probable that an outflow of economic benefits will be required in the settlement and the amount can be reliably estimated.

Provisions for cyclical maintenance or major works to existing stock are not made unless they represent commitments or obligations at the Balance Sheet date where there is no discretion to avoid or delay the expenditure.

**Taxation**

No taxation is payable by the company, since it has charitable status and its activities are exempt from tax.

**Leases**

Rentals payable and receivable under operating leases are charged to the statement of comprehensive income on a straight line basis over the period of the lease.

**Pension Costs**

Grimsby Cleethorpes and Humber Region YMCA 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 Grimsby Cleethorpes and Humber Region YMCA.

As described in note 21 Grimsby, Cleethorpes and Humber Region YMCA has a contractual obligation to make pension deficit payment of £14,582 pa over the period to April 2027, accordingly this is shown as a liability in these accounts. In addition, Grimsby, Cleethorpes and Humber Region YMCA is required to contribute £2,254 pa to the operating expenses of the Pension Plan and these costs are charged to the Statement of Financial Activities.

**Restricted funds**

Restricted funds are those donated for use in a particular area for specific purposes, the use of which is restricted to that area or purpose.

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31<sup>st</sup> DECEMBER 2017**

**2 SOCIAL HOUSING TURNOVER AND COSTS**

	2017 £	2016 £
Rent receivable, excluding service charges	1,282,483	1,297,043
Service charges	20,721	20,436
Grant income	283,065	323,517
Amortised grant income	30,156	30,156
Other income	5,128	49,866
Social housing activity expenditure	(1,017,247)	(1,124,890)
Operating surplus/ from social housing activities	864,311	908,440
Net surplus/(deficit) from social housing activities	513,693	448,218
Void losses	(90,612)	(147,910)

**3 TURNOVER**

The analysis of the company's turnover for the period from continuing operations is as follows:

	2017 £	2016 £
Social housing income (net of voids)	1,530,941	1,571,311
Sale of goods	1,105	14,591
Rendering of services	-	5,455
Facility lettings	22,000	18,946
Donations and grants	249,202	202,159
	<u>1,803,248</u>	<u>1,812,462</u>

**4 ACCOMMODATION OWNED AND IN MANAGEMENT**

	Units at End	Units at Start
General need housing – Let at social rent	<u>103</u>	<u>98</u>

**5 INTEREST RECEIVABLE AND SIMILAR INCOME**

	2017 £	2016 £
Bank deposits	<u>773</u>	<u>2,641</u>

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31<sup>st</sup> DECEMBER 2017**

**6 OPERATING SURPLUS**

	2017 £	2016 £
Operating surplus is stated after charging:		
Directors' and Chief Executive Officers remuneration	107,390	59,610
Auditors' remuneration (including expenses and benefits in kind)	7,000	7,850
Operating leases	3,422	6,484
Government grants	(30,156)	(30,156)
Rent losses from bad debts	43,547	35,728
Depreciation and amortisation of owned assets	68,718	61,951
(Gain) / loss on sale of tangible fixed assets	212	(53,838)
	<u>                    </u>	<u>                    </u>

**7 AUDITORS REMUNERATION**

	2017 £	2016 £
Fees payable to the auditor for the audit of the annual account	7,000	6,850
Fees payable to the auditors for other services	-	1,000
	<u>                    </u>	<u>                    </u>

**8 BOARD AND KEY MANAGEMENT PERSONNEL REMUNERATION**

	2017	2016
Amounts paid to key management personnel	<u>337,685</u>	<u>256,997</u>

There has been no remuneration paid to non-executive board members or directors.

The Chief Executive is included in the defined contribution pension scheme and is an ordinary member of the scheme. No enhanced or special terms apply. During the period the total amount contributed to the pension scheme was £2,130 (2016: £1,819).

During the year ended 31 December 2017, travel and subsistence expenses totalling £1,537 (2016 - £1,136) were reimbursed or paid directly to 2 directors (2016 - 2).

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31<sup>st</sup> DECEMBER 2017**

**9 EMPLOYEE INFORMATION**

	2017	2016
The average number of persons employed during the year expressed in full time equivalents	<u>45</u>	<u>47</u>

Full time equivalent staff numbers have been calculated on the basis of 40 hours per week being full time hours.

The average number of persons employed during the year expressed as a head count was as follows:

	2017	2016
Management	6	6
Lead	5	4
Admin, finance & marketing	8	9
Support worker	34	36
Youth worker	7	8
Services	8	8
<b>Total</b>	<u><b>68</b></u>	<u><b>71</b></u>

	£	£
Staff costs		
Wages and salaries	1,048,421	998,771
Social Security costs	74,400	76,061
Pension costs	6,200	6,102
	<u>1,129,021</u>	<u>1,080,934</u>

**HIGH PAID EMPLOYEES**

The number of employees who received more than £60,000 as their employee package (excluding pensions costs) are as follows:

	2017 Number	2016 Number
£60,001 - £70,000	-	-
£70,001 - £80,000	-	-
£80,001 - £90,000	1	-
	<u>1</u>	<u>-</u>



**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31<sup>st</sup> DECEMBER 2017**

**10 TANGIBLE FIXED ASSETS**

	(As restated)		
	Housing Properties for Lettings £	Other £	Total £
<b>Cost</b>			
At beginning of year	2,137,845	306,818	2,444,663
Additions	20,927	40,271	61,198
Disposals	-	(40,793)	(40,793)
At end of year	<u>2,158,772</u>	<u>306,296</u>	<u>2,465,068</u>
<b>Depreciation</b>			
At beginning of year	731,026	268,317	999,343
Charge for year	53,954	14,764	68,718
On disposals	-	(40,345)	(40,345)
At end of year	<u>784,980</u>	<u>242,736</u>	<u>1,027,716</u>
<b>Net Book Value at end of year</b>	<u>1,373,792</u>	<u>63,560</u>	<u>1,437,352</u>
<b>Net Book Value at beginning of year</b>	<u>1,406,819</u>	<u>38,501</u>	<u>1,445,320</u>

The main value within Housing properties for lettings is the value of the Foyer which is included at original cost in 2000. The Peaks Lane property is included at the original 1971 value.

Market values are all in excess of net book values per the financial statements.

**11 STOCKS**

	2017 £	2016 £
Consumable stocks	3,784	3,814
	<u>3,784</u>	<u>3,814</u>

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31<sup>st</sup> DECEMBER 2017**

**12 DEBTORS – ALL RECEIVABLE WITHIN ONE YEAR**

	2017 £	2016 £
Trade debtors (gross social housing rent arrears)	57,321	47,334
Less: provision for doubtful debt	-	-
Trade debtors (other)	32,582	46,735
Prepayments and accrued income	7,605	6,780
	<u>97,508</u>	<u>100,849</u>

**13 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £	2016 £
Trade creditors	24,181	38,381
Rents paid in advance	-	-
Other tax and social security	18,535	21,218
Accruals and deferred income	540,770	435,035
Other creditors	15,977	3,357
Government grants under accruals model	30,156	30,156
	<u>629,619</u>	<u>528,147</u>

**14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2017 £	2016 £
Government grants under accruals model	1,046,469	1,076,625
	<u>1,046,469</u>	<u>1,076,625</u>

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31<sup>st</sup> DECEMBER 2017**

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**15 PROVISIONS FOR LIABILITIES**

	Pension deficit
	£
Balance as at 1 January 2017	150,270
Utilised during the year	
Charge for the year	(15,320)
Balance as at 31 December 2017	<u>134,950</u>

A provision has been made for the pension scheme deficit on the closed pension scheme, see note 21.

**16 RESERVES**

	(As restated) Income & expenditure reserve	Total
	£	£
Balance at 1 January 2017	924,866	924,866
Surplus for the year	<u>3,727</u>	<u>3,727</u>
Balance at 31 December 2017	<u>928,593</u>	<u>928,593</u>

**17 SHARE CAPITAL**

The company is limited by guarantee and has no share capital. However, each Member of the Association has guaranteed to contribute a maximum of £1, should there be a call on the guarantees.

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31<sup>st</sup> DECEMBER 2017**

**18 FINANCIAL COMMITMENTS**

**Operating leases**

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2017 £	2016 £
<b>Other</b>		
Within one year	3,814	3,281
Within two or five years	<u>3,251</u>	<u>2,118</u>
	<u><u>7,065</u></u>	<u><u>5,399</u></u>

**19 RECONCILIATION OF SURPLUS TO CASH FLOW FROM OPERATING ACTIVITIES**

	2017 £	2016 £
<b>Surplus / (deficit) for the year</b>	3,727	46,554
Interest payable	-	-
Interest received	(773)	(2,641)
Depreciation of tangible fixed assets	68,718	61,954
(Profit)/ loss on disposal of tangible fixed assets	(212)	53,838
(Increase) / decrease in stock	30	(114)
(Increase) / decrease in trade and other debtors	3,341	22,225
Increase / (decrease) in trade and other creditors	71,316	195,004
Increase / (decrease) in pension liability	(15,320)	(14,873)
<b>Net cash flow from operating activities</b>	<u><u>130,827</u></u>	<u><u>361,947</u></u>

**20 PENSION COMMITMENTS**

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

The most recent completed three year valuation was as at 1 May 2017. The assumptions used which have the most significant effect on the results of the valuation are those relating to the assumed rates of return on assets held before and after retirement of 3.75% and 2.35% respectively, the increase in pensions in payment of 3.35% (for RPI capped at 5% p.a.), and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.2 years, female 24.1 years, and 24.0

**NOTES TO THE FINANCIAL STATEMENTS  
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**Multi-employer defined benefit plan (cont'd)**

years for a male pensioner, female 26.0 years, retiring in 20 years' time. The result of the valuation showed that the actuarial value of the assets was £141.2m. This represented 81% of the benefits that had accrued to members.

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

The valuation prepared as at 1 May 2017 showed that the YMCA Pension Plan had a deficit of £33.6 million. Grimsby Cleethorpes and Humber Region YMCA has been advised that it will need to make monthly contributions of £14,582 from 1 May 2018. This amount is based on the current actuarial assumptions (as outlined above) and may vary in the future as a result of actual performance of the Pension Plan. The current recovery period is 9 years commencing 1<sup>st</sup> May 2017.

	Within one year £'000	Repayable				Total 2017 £'000	Total 2016 £'000
		One to two years £'000	Two to five years £'000	After five years £'000	After more than one year £'000		
As at 31 March 2017	14,582	14,582	43,746	62,040	120,368	134,950	
As at 31 March 2016	14,582	14,582	58,328	62,778	135,688	150,270	

**21 PRIOR PERIOD ADJUSTMENT**

In the current year, it was deemed that planning works previously capitalised were no longer relevant, totalling £55,638. Due to the material nature of this adjustment, it has been deemed to be a prior year adjustment. The statement of comprehensive income has been restated by £55,638 to reflect costs incurred in 2016. The balance sheet statement of changes in reserves have been restated to reflect the total movement in reserves.