



YMCA EAST SURREY

# Annual Report and Accounts

For the year ended 31 March 2025

[www.ymcaeast Surrey.org.uk](http://www.ymcaeast Surrey.org.uk)

Charity registration no: 1075028  
Company limited by guarantee number: 03716594  
Social Housing Provider registration no: 4854

**YMCA**

Here for young people  
Here for communities  
Here for you



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# 1.0 Legal and administrative information

Directors and Trustees: Paul Byrne - Chairman  
Ross Anderson  
Christine Arnold (To 7 July 2025)  
Louise Elliott  
Mike Gent – Treasurer (From 25 September 2024)  
John Guy  
Heather Loxley  
Lola Odunsi  
Jane Pascoe (From 25 September 2024)  
Chloe Schendel-Wilson  
Ian Thomas – Treasurer (To 27 September 2024)  
Jeff Travis (To 25 September 2025)

The above served as trustees during and, unless otherwise indicated, throughout the year ended 31 March 2025.

Chief Executive and  
Company Secretary:

Ian Burks

Registered Office:

YMCA East Surrey  
Princes Road  
Redhill  
Surrey  
RH1 6JJ

Registered Charity Number: 1075028

Registered Company Number: 03716594 (England & Wales)

Social Housing Provider

Registration Number: 4854

Bankers:

Barclays Bank plc  
Guildford, Gatwick & Woking Business Banking  
90/92 High Street  
Crawley  
West Sussex RH10 1BP

Auditors:

Crowe UK LLP  
55 Ludgate Hill  
London  
EC4M 7JW

Solicitors:

Moore Barlow  
The Oriel  
Sydenham Road  
Guildford  
Surrey

## 2.0 Chair's statement

YMCA East Surrey's mission is to assist and support children, young people, and indeed adults, to 'belong, contribute and thrive'. Our activities are incredibly varied, ranging from clubs for children with disabilities and additional needs to cycling up the Alps and raising money through our Challenge programme.

Recently, several of our trustees visited the YMCA Sovereign Centre in Reigate where we provide respite care for children with disabilities. The skill and devotion of our staff continues to inspire and is a shining example of how rewarding it is to help those in need in our community.

As always, to fulfil our mission, we constantly need three important resources - people, facilities and funds. We are extremely grateful to our funders and to those who donate often through participating in, or sponsoring, a challenge event. The financial support we receive is fundamental in helping us develop our mission.

Twelve years ago, YMCA East Surrey operated from three centres, all in Reigate and Redhill. Now we have fourteen locations spread across several boroughs. Our turnover continues to rise and we expect to reach ten million pounds per annum soon. I mention this, not through any vanity or false pride, but as an indication of the ever-growing need for our services.

The biggest prime mover in driving our growth is, of course, 'people'. I would like to thank our three retiring trustees, Dr Christine Arnold, Ian Thomas and Jeff Travis. Their advice, knowledge, and contributions have been extremely valuable and it is hoped that they will be associated with YMCA East Surrey in the years to come. Jeff has given us twelve years of sterling service, latterly as chair of the Housing Advisory Group. Ian has completed nine years as Treasurer and continues to help with our cycling challenges. Christine served on the Children and Young People's Advisory Group. She also helped us focus on the importance of volunteers. We thank them all.

We also welcome two new Trustees, our Treasurer Mike Gent and Jane Pascoe who joins us from the Land and Cities Family Trust.

I am always struck by the attitude, approach, and contribution of our staff. As an example, many gym users tell me that the support and encouragement given by our people is unique. This attitude can be found throughout our centres and we sincerely thank our wonderful staff for their efforts.

We could not meet the ever-increasing demand for our services without the support of our staff, volunteers and local authorities. We thank you all.



A handwritten signature in dark ink that reads "Paul C Byrne". The signature is written in a cursive, flowing style.

**Paul Byrne**  
Chair  
25 September 2025

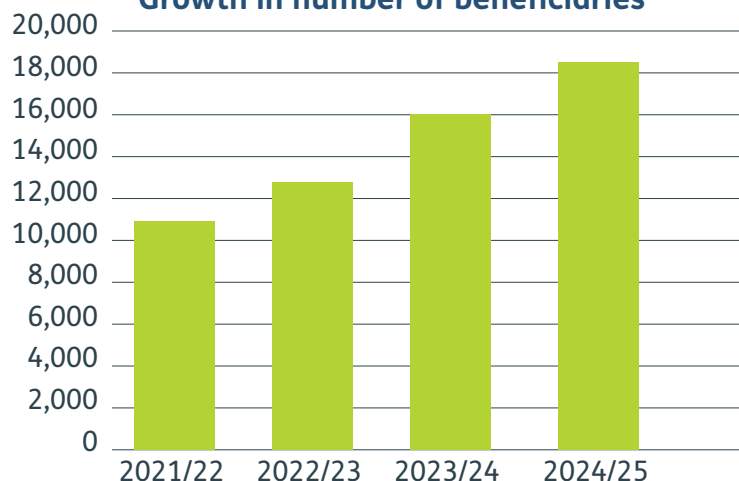
## 3.0 Report of the Chief Executive

YMCA East Surrey is a local charity founded in Redhill in 1870 and affiliated to the global YMCA movement that helps people to improve their lives, realise their potential and become the best they can be.

We are here for everyone but our focus is on the young, the vulnerable and those facing disadvantage. Services are delivered from 14 sites owned or leased by us, plus numerous other outreach locations and venues in communities across East Surrey and West Sussex.

We believe all young people can succeed whatever their background and we encourage service users to build on their strengths to become healthy, happy and fulfilled members of our community. Our collective aim is to enable people to belong, contribute and thrive.

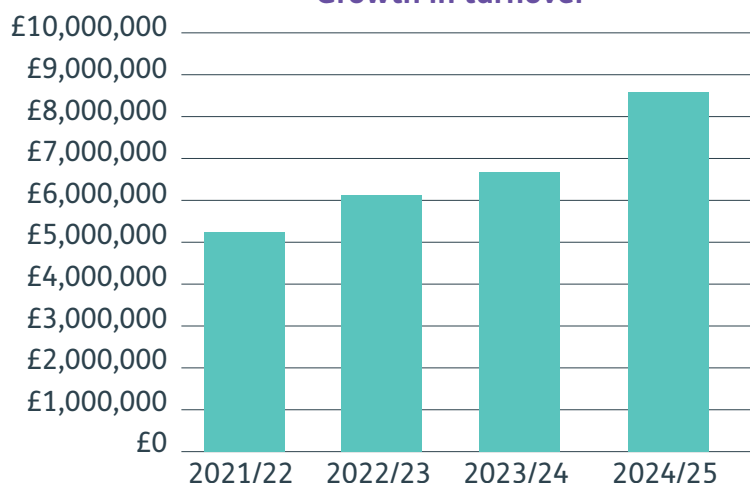
**Growth in number of beneficiaries**



One of the overriding priorities in our five-year strategic plan is to grow our charitable activity to meet the increasing need amongst our communities. I am pleased to report an increase of 13% in the numbers of people who have benefitted from YMCA activity over the past year (16,054 to 18,140). This expansion is also reflected in our turnover which has increased by 30% from £6.7m in 2023/24 to £8.7m in 2024/25.

YMCA East Surrey divides its work into three main directorates which are Children and Young People, Housing, and Health and Wellbeing. These last twelve months have seen many exciting developments and achievements in each of these areas which have enabled us to extend our positive impact on communities across East Surrey and beyond.

**Growth in turnover**





# CHILDREN & YOUNG PEOPLE

The pressures on children, young people and families have risen over the years, especially given the challenges presented by Covid, the cost-of-living crisis and difficulties of growing up in the digital age. Higher incidence and acuity of need along with more complexity of cases are reported by many in the charitable sector. Most have the resilience to cope, but others are struggling. This is where the YMCA comes in, helping families navigate their way through their children's transition from childhood into adulthood.

## Youth Work and Family Services

Last year saw the successful roll out of our new partnership with Surrey County Council (SCC) to deliver family support across Reigate and Banstead and Mole Valley. 897 families have so far benefitted from this service which has been delivered by 23 Family Support practitioners working from five Family Centres, three of which are on school sites leased to the YMCA from SCC.

The Family Centre programme complements existing YMCA services, especially our youth work programme which has been boosted by vital grants from both the Million Hours Fund and the National Lottery. Last year youth workers engaged positively with 492 young people and also delivered 560 hours of residential provision.



Much of this provision was in YMCA Youth Centres but the YMCA Youth Bus (funded by Safer Streets and funds raised by our own Challenge Fundraisers) also played a significant

role by enabling detached youth workers to reach out to those under the radar in more deprived estates, who often have no positive role models and are less able to access mainstream provision.

A new Safer Streets project offered in partnership with the Home Office and Reigate and Banstead Borough Council had a further 954 attendances from young people and was also recognised by the Reigate MP, Rebecca Paul in her House of Commons statement as an example of good practice in cross-sector working.

Helping young people find their voice is a key part of our provision and youth workers facilitated two trips to the Houses of Parliament and one young YMCA member gave a presentation to a committee of MPs on the importance of youth services.

We also held a listening event with MP Rebecca Paul where ten youth club participants were able to talk candidly about the problems they face and what they would like to see in the Government's proposed youth strategy.

**YMCA Youth workers engaged with 492 young people and delivered 560 hours of residential provision**



## Emotional Wellbeing and Mental Health

Over the last four years the YMCA has been working with other charities and statutory partners to help deliver the Mindworks service for under 18's. Last year 2,163 young people benefitted from 15,649 hours of emotional wellbeing and mental health support, either in the community or in schools, from the YMCA's team of counsellors, wellbeing practitioners and youth workers.

This service enables young people to build resilience and deal with issues as they emerge, before they become serious enough to have damaging and enduring effects on schooling, social skills and overall mental health.

**2,163 young people benefitted from 15,649 hours of emotional wellbeing and mental health support**



### From young people:

“ I have felt very much supported and listened to throughout my 8 sessions of counselling. It has helped me become stronger with certain areas in regard to my mental health. ”

### Feedback from parents included:

“ Sessions with x have been a safe space for my daughter, a person who could listen and give practical help/tools for her to use in order to help her with her extreme anxiety. The mornings are much easier now and our daughter is happier than she was before. ”

## Childcare and Children's Activities

The YMCA prides itself on being able to offer something for everyone regardless of background or need and our childcare and recreational programmes are universal in nature which ensures that we have an inclusive and integrated mix of children that prevents any stigma.

YMCA Preschools offer the best possible start in life and settings at the Sovereign and the Merstham Hub both exceeded expectations in terms of numbers of children attending. This was particularly pleasing at Merstham where numbers of families accessing the service in the initial years had been low enough to prompt questions over the viability of the service.



Merstham is officially the most deprived ward in Surrey and this can often mean a low take up from families, even though they are eligible for free childcare. Our excellent managers have earned the trust of their respective communities. This has

been reflected in the performance over the last year where both settings have been close to full occupancy.

Both preschools have been recognised for supporting cohorts with between 20% - 50% children with Special Educational Needs and Disabilities.

Last year saw the development of our Y-Kids Thrive service within out of school childcare which was nominated as a YMCA Youth Matters Project Finalist due to its innovative approach that focuses on the needs of looked-after children.

To ensure we reach the families most in need, we provided 1,404 days of activities for families in receipt of free school meals. This included positive activity and hot lunches to each child and young person. This was supported by Holiday and Food Funding (HAF) from Active Surrey and our own bursary scheme.

Competitive sport helps personal development by building self-esteem, confidence and teamwork, and last year we expanded our offer to include more provision for girls' football alongside the thriving YMCA gymnastics programme delivered in partnership with East Surrey Acrobatics. 38 girls are now regular participants amongst our three football teams that played 69 fixtures through the last season.



We provided **1,404** days of  
**activities** for families  
in receipt of free school meals



## Disability Services

Short breaks provide essential time away from caring for parents and siblings but also offer exciting opportunities for young people with additional needs and disabilities to gain skills, make friends and move towards more independence.

Last year, 298 families benefitted from these services and 247 families accessed our Face-to-Face project which provides befriending and peer support from parents for families facing similar challenges. The team were also able to offer residential breaks at outdoor centres for 17 young people.



We provided  
**28,353** hours  
of  
**short breaks**  
**disability clubs**



# HOUSING

NextStep, founded by the YMCA over 25 years ago, is an excellent example of partnership work with Reigate and Banstead Borough Council, providing vital support for families at risk of homelessness.

In FY24/25, 115 households secured housing with the help of the scheme, many others had their risk of homelessness prevented and over 400 more received housing advice specific to their needs. 87 landlords benefitted from the service which sources suitable tenants, sets up and manages tenancies and provides tenant and landlord support, free of charge.

At a time when housing is at a severe shortage, rents are at their highest and more families than ever are struggling with the cost of living, we are extremely proud to have helped a record number of households secure sustainable accommodation through the private rented sector. This has prevented these families from having potentially lengthy stays in emergency accommodation, allowing employment to continue uninterrupted and children to remain at their local schools. This service is not without its challenges as the gap between Local Housing Allowance (the maximum rent paid through benefits) and market rents is at an all-time high and many landlords are selling up in light of what they see as more onerous regulations coming in through the Renters Rights Act.

On 1 October 2024, YMCA East Surrey successfully achieved registration under Ofsted to house and support young people under 18 at Hillbrook House in Redhill. A number of new policies have been implemented to ensure that the YMCA meets the various Ofsted standards governing leadership and management, protection, support, and accommodation.

In 2024, 119,000 young people across the UK between 18 and 24 presented to local authorities as homeless and many more were sofa surfing, sleeping rough or living in unsuitable accommodation. A high proportion of those we accommodate come from traumatic backgrounds where they may not have benefited from positive adult role models. Providing safe, secure and affordable accommodation, along with 24-hour individual support can fundamentally change the lives of these individuals and offer the greatest opportunity for positive change.

The need to do more is recognised in our five-year strategy where one of our main priorities is to expand our housing provision to reach 100 units by the end of 2027. In July 2024, we moved closer to this goal by completing the refurbishment and remodelling of a new 6 bed Housing Scheme in Shrewsbury Rd, Redhill.



We were delighted to be able to offer this exciting new project to help young people aged 18 and above to take the next step towards self-reliance. This is our fourth project offering step down semi-independent living, following previous housing projects in Horley, Merstham and Redhill.

Help with capital funding came from Homes England, Land Aid, Garfield Weston Foundation, and Beatrice Laing Trust, among others. The CP Charitable Trust supported the refurbishment of the kitchen, and Fine and Country Foundation gave a grant towards the furniture.

Six residents benefit from a wide range of support offered by the housing team including help to get into training or employment, free health and fitness activity at the YMCA gym and access to YMCA emotional wellbeing services. We are determined to give more young people the opportunity to build independence and succeed in life.



Overall, during FY24/25 we provided 25,349 nights of accommodation and young people received 17,318 hours of support as recorded by our housing team. 97% of our residents achieved a positive move on compared to 83% for the previous year. 96.6% of residents were active in employment, training, volunteering, or our confidence-building Y-Focus programme, compared to 94.5 % the previous year.

In March 2025, we carried out a 'Tenant Satisfaction Measures' survey which showed that 82.8% of our residents were satisfied with the service they received. This was higher than the national average of 71.3%.

Housing staff supported residents on three successful challenge events including SleepEasy to aid their journey towards independence by developing life skills and raising funds for the YMCA.





# HEALTH & WELLBEING

Health and Wellbeing amounts to 10% of our charitable activity. It is an important area of YMCA work that helps prevent physical and mental ill health, building support for the YMCA amongst the community and bringing in a healthy level of fee income to aid financial sustainability.

The department offers a large universal fitness programme alongside several specialised projects to support those with specific health needs or who are facing health inequalities.

Last year our fitness membership continued to perform well, despite the disruption of some major building improvements at our Princes Rd site, funded through a Community Infrastructure Levy (CIL) grant from Reigate and Banstead Borough Council.

Average fitness membership during FY24/25 was 1,698 which was 6% higher than the previous year figure of 1,608.

Equally pleasing was our success with our targeted work where, with support from Surrey Heartlands we have collaborated with GLL and Freedom Leisure to offer a more standardised and joined up offer of exercise referral across 'East Surrey Place' for those experiencing long-term health conditions. 363 people with health conditions referred by GPs or the Social Prescription Service were supported on their journey towards better health by qualified YMCA professionals.

YMCA Wellbeing Walks across East Surrey saw an impressive 4,367 attendances, with 450 unique walkers taking part. "The wellbeing walks have changed my life," says one participant, "I've become a passionate walker since joining, have developed lots of friendships and the health benefits are enormous".

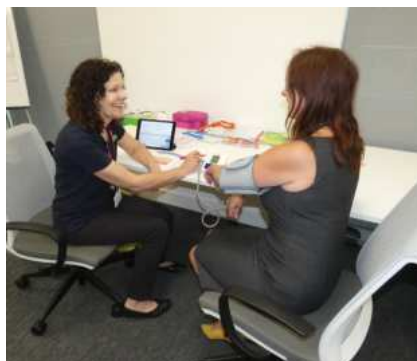
Promoting inclusion is a feature of all YMCA services and last year there were 4,601 visits to our disability sports sessions, improving accessibility and ensuring everyone can reap the rewards of active living.

Early intervention and prevention is a strong theme within the YMCA and last year our health promotions team delivered 638 free NHS health checks, for adults between 40 and 70 years of age, helping identify risk factors and providing encouragement to take up an active lifestyle.

This number should increase in FY25/26, thanks to an innovative partnership with local Primary Care Networks enhancing outreach to patients in GP practices.

Weight management is also important and the YMCA 'Healthy Measures' programme welcomed 106 unique participants, promoting healthier lifestyles. Mrs. C said, "Without the regular meetings and team chats, I wouldn't have been so successful. The encouragement and welcome make you feel we are all in this together".

Funding all these vital targeted wellbeing services is a challenge as staff to client ratios are higher and services are kept free or at an affordable level to maximise accessibility. We do however have some welcome support from Surrey Heartlands and our charitable funders, including the Bryan and June Amos Trust (who have funded new accessible gym equipment and other improvements). Because of this we are optimistic that we can help more people in the future to benefit from the increased vitality, efficacy and good health that physical activity can bring.



# GENERAL

## Safeguarding

Keeping children and adults safe and protected from harm is paramount and over the last few years we have made several key improvements in practice. One of these was the introduction of the 'My Concern' safeguarding incident database, which records and helps us manage our safeguarding concerns. In addition, 238 staff members from across all services underwent in-house mandatory safeguarding training delivered by Judith Brooks (Head of Children and Young People and Deputy CEO). All safeguarding concerns, incidents or accident were recorded by staff and volunteers on My Concern and followed up where necessary by YMCA designated Safeguarding Leads.

## Environmental Impact

Reducing our carbon footprint is a strong theme within our strategic plan and during FY24/25 with help from Cllr Catherine Baart we were able to secure £50k of capital funding from Surrey County Council 'Your Fund' to install solar panels at the Sovereign Centre. The CIL-funded improvements at Princes Rd also included provision for two electric vehicle chargers and installation of LED lighting throughout the centre.

## Partnership

Achieving positive impact for the local community is more effective with a collaborative approach and as ever the YMCA has worked productively with some excellent statutory partners including Surrey County Council, West Sussex County Council, Surrey Heartlands and local Boroughs and Districts across East Surrey, especially Reigate and Banstead. Going forward, we will be working closely with colleagues from local authorities as the new Unitaries evolve within Surrey to ensure that we collaborate effectively to best meet the needs of residents in the east of the county.

We have been fortunate to have had the support of charitable funders who have enabled us to reach out to the most marginalised in our communities. I would like to recognise the contribution of all these partners who are listed in full within the YMCA annual Impact Report FY24/25.

One particularly good example of partnership working was our collaboration with the Land and City Families Trust (LCFT) to secure the future of the Old Pheasantry Outdoor Residential Centre on Colley Hill in Reigate. The property, built in 1912 and set in 5 acres of countryside adjoining the North Downs Way, houses a small special needs school as well as overnight accommodation for groups of up to 26 children and young people.

The YMCA and the LCFT have aligned charitable aims and on 28 June 2024 following a due diligence exercise, the LCFT transferred its assets and liabilities to YMCA East Surrey and de registered as a charity.

Since then, the centre has provided low-cost residentials for over 349 young people from groups such as the scouts and guides, Mencap, the local Twinning Association and other charitable youth organisations. Several YMCA groups, including both preschools, Y Kids, Step Forward and Yippee have benefitted from outdoor activities at the Old Pheasantry and the centre hosted the successful Sleep Easy fundraising event and staff awaydays.

This exciting piece of collaborative work has preserved a valued facility and enabled greater numbers of children and young people to benefit from residential experiences and learn about the great outdoors.





The economic climate for charities has been more challenging over the last few years but, despite this, YMCA East Surrey has performed well financially. Turnover has increased by 30% and we have ended the year with a healthy operating surplus of £379,914.

One key factor influencing this positive outcome is our fundraising and development performance. Last year thanks to our excellent fundraising and development team we were successful with many commissioned bids and charitable applications, such as our bid to the National Lottery where we secured a new five-year grant to support youth work.

To supplement this, we have a strong community and challenge fundraising programme, largely led by volunteers, which not only generated £154k towards our Life Change Fund, but also lifted the profile of the YMCA and encouraged 2,525 local people to transform their own lives by completing physical challenges ranging from the annual Fun Run to a 500km cycle ride to Amsterdam.

Our main asset, as ever, is our people and despite increasing challenges around recruitment and retention we have an excellent team of committed and skilled staff who do an amazing job transforming the lives of individuals and bringing hope to communities. Last year staff numbers were boosted by the growth in our activities and I would like to put on record my appreciation for everyone in the YMCA team for their excellent contribution to our success.

Once again, we are indebted to our trustees who have provided a healthy mix of scrutiny and support for the executive team. I would particularly like to thank our Chair Paul Byrne, along with the Chairs of Sub Committees and Advisory Groups, for their wise counsel and ongoing support.



A handwritten signature in black ink, appearing to read 'Ian Burks'.

**Ian Burks**  
Chief Executive  
25 September 2025





## 4.0 Report of the Trustees

### (incorporating the strategic report)

The Trustees present their report and the financial statements for the YMCA East Surrey for the year ended 31 March 2025.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, the Statement of Recommended Practice for registered social housing providers, 2018 update, the Accounting Direction for Private Registered Providers of Social Housing (issued by the Regulator of Social Housing in 2022), the Housing Regeneration Act 2008, the Statement of Recommended Practice “Accounting and Reporting by Charities” published in 2019 and are in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

### Objectives and activities

YMCA East Surrey is a Charitable Company – a company limited by guarantee and a registered charity governed by its Articles of Association.

YMCA East Surrey’s **mission** is to help vulnerable children, young people and adults to belong, contribute and thrive. Our wide range of projects and activities aim to help create happy, healthy and connected communities.

Our activities are underpinned by our charitable **objectives** which aim to support people of all ages who are suffering social, physical or economic hardship, through the provision of recreational leisure, educational and support facilities and activities, including Social Housing.

Our work is for the **public benefit**: we help people to believe in themselves, support them to achieve their goals and inspire them to be the best they can be by providing services that focus on those who are vulnerable, have a disability or face disadvantage.

As can be seen in the Report of the Chief Executive, our objectives are at the heart of all of the services and activities we provide.

The Charitable Company is divided into three distinct service areas, designed and organised in order to meet these objectives: Children and Young People, Housing, and Health and Wellbeing. These are all supported by Central Services. In implementing the objectives through the activities of these service areas the Trustees continue to have due regard to the guidance on “public benefit” of the Charity Commission.

### Children and Young People

***We believe in children and young people and seek to offer inclusive services and activities that support them to make the best start in life.***

Our services – Childcare and Children’s Activities, Youth Work and Family Services, Disability Services and Emotional Wellbeing and Mental Health, are aimed at helping children and young people increase their confidence and self-esteem and lead fuller and more satisfying lives.

Activities include counselling, youth groups, mentoring, pre-school clubs, holiday clubs, after school clubs, short breaks and recreational activities, together with activities designed to support parents and carers. Where charges apply, we offer free or reduced places to families who need additional support.

### Housing

***Supporting those facing challenges in their lives with safe, secure and affordable housing – helping them to overcome barriers and achieve independent living***

YMCA Hillbrook House provides safe, affordable accommodation with 24 hour support for young people aged between 16-30 years who are at risk of homelessness. Each resident receives advice, support and access to a range of services.

We also have “Move On” houses in Horley, Merstham and Redhill which provide semi-independent living for those who are moving toward independence and need a less intensive housing support option.

NextStep is a service delivered with support from Reigate and Banstead Borough Council that helps individuals and families facing homelessness to access private sector accommodation.

### Health and Wellbeing

***Helping people of all ages and abilities to embrace active living and lead healthier more fulfilled lives.***

Health and Wellbeing comprises a range of activities including gym facilities, classes, weight management and exercise referrals for local people of all ages and abilities. Health and Wellbeing also provides sports facilities for community activities and disability sports.

### Central Services

***Providing leadership and services in support of the activities undertaken by YMCA East Surrey.***

Central Services includes the Finance, IT, HR and Facilities functions as well as Fundraising support and Marketing.

It also includes responsibility for the delivery of activities and services at The Old Pheasantry.

The activities of YMCA East Surrey are delivered through a mix of full-time and part-time staff working alongside a cadre of dedicated volunteers.

## Achievements and Performance

In the Report of the Chief Executive, we set out the main achievements during the year; the Charitable Company continues to make a great difference to the lives of the people it helps and the reach of the Charitable Company's work is continuing to expand.

The Charitable Company's 2022-7 strategy was developed following discussions and consultations with users, volunteers, staff and Trustees. It builds on the strengths of our teams and the success of the services that we deliver and focuses on the needs of the communities that we support, whilst recognising the need to maintain financial viability if we are to continue to achieve our charitable objectives and at the same time looking to address external factors impacting the environment in which we operate.

The Trustees undertook a review of the strategy in the first half of 2024 and concluded that the overall strategy remained fit for purpose. The future growth priority is in Housing (in line with the original strategy) and a focus on a commensurate investment in the recruitment and retention of high quality staff - both centrally and in service areas - to ensure we maintain capacity and quality.

Progress in 2024/25 against the seven strategic priorities for delivery by 2027 has been:

- ▶ **Expanding our geographical reach** – we have continued to expand the geographic reach of our services, particularly in Children and Young People, both across Surrey and beyond.
- ▶ **Growing our service offerings with a target reach of impacting more than 20,000 people annually** – we have met our strategic growth targets in all three service areas and are on track to meet the 20,000 impact target.
- ▶ **Prioritising the housing needs of young people** – we completed the development of a further 6 social housing units during the year taking the total to 75 against a target of 100 and are actively pursuing other development opportunities.
- ▶ **Accessing a balanced blend of income sources** – we continue to grow the range of funding and income sources and monitor our exposure to any one funding partner.
- ▶ **Championing inclusivity in all that we do** – we continue to make progress in extending the reach of our services across all three divisions investing in facilities that attract and support the most vulnerable.
- ▶ **Building on our culture of voluntary action** – our Challenge programme continues to thrive and harness voluntary support.

- ▶ **Putting systems in place to measure our impact on the environment** – whilst we have made good progress with actions to improve our overall carbon footprint – we still need to do more to improve our overall understanding and measurement of this important strategic priority.

## Financial review

### Income and Funding

The Charitable Company's funding is a blend of income from contracts for commissioned services, grants, rents and fees, with a small but important proportion being derived from donations and fundraising ("challenge") events. In 2024/25 this was augmented by the transfer of £1.2m of charitable assets from the Land and City Families Trust - most notably The Old Pheasantry, a residential centre on Colley Hill in Reigate.

In 2024/25, total income (excluding the transfer of charitable assets noted above) was £8.7m, an increase of almost £2m, or 30%, on the previous year. There was income growth across all of our services, but most notably in Children and Young People, with overall growth of £1.5m (40%) reflecting the full year impact of delivering the Families First contracts across Reigate, Banstead and Mole Valley, together with an expansion of services within Short Breaks and Emotional Wellbeing and Mental Health. The growth in Social Housing income of £0.3m (22%) in part captures the growth in housing units (9%) with the opening of Shrewsbury Road, but is also attributable to charitable grants received, mainly enabling the completion and fitting out of Shrewsbury Road. The 6% growth in Health and Wellbeing reflects the full year impact of the return to pre-Covid gym membership levels, partly offset by a reduction in grant funding for disability sports.

The Trustees gratefully acknowledge the support of all our donors and funders. More than half of the Charity's income is in the form of contracts and grants from the NHS, local authorities and other bodies. Such funding enables the Charitable Company to carry on the work in all our lines of service, in turn supporting the objectives of the Charitable Company.

The Trustees regularly monitor key performance indicators by service area, including income against budget, success in securing grants and measures of underlying activity levels such as rental voids, counselling interventions delivered and attendance levels.

When looking ahead, the Trustees are acutely aware of the cost-of-living pressures on our service users, the increasing competition for grants and the many demands on Government and Local Authority funding. Whilst we continue to be successful in securing new sources of multi-year funding we have to keep pricing at a viable level to ensure longevity and a sustainable future for the Charitable Company. The annual budgeting process is rigorous and seeks to ensure that underlying income drivers are realistic and attainable.

## **Expenditure**

Operating expenditure for the 2024/25 financial year was £8.2m, an increase of 31% or £1.9m on the previous year and aligned with the growth in income.

Staff costs at £5.2m (2024: £4.2m) remain our main area of expenditure, accounting for 64% of total expenditure (2024: 67%) with an increase of 28% in FTE headcount from 109 to 140.

The increase in Employers' National Insurance and changes to the Minimum Wage thresholds will not impact until 2025/26 but will be a challenge for the Charitable Company to absorb. Nonetheless, Trustees remain cognisant of the need to preserve the competitive positioning of our staff reward and to avoid excessive attrition.

The Trustees regularly monitor key performance indicators for expenditure by service area including costs against budget, headcount and payroll run rates, as well as large or unusual non-staff costs.

## **Overall results for the financial year**

The Charitable Company's activities produced a total surplus of £1,592,266 for the 2024/25 financial year, which included the transfer of £1,212,352 of charitable assets from the Land and City Families Trust. Excluding this "one-off" item, the overall surplus was £379,914 (2024: £406,446).

There was a surplus on unrestricted funds of £266,897 (2024: £428,529) and a surplus on restricted funds of £1,325,369, again reflecting the charitable asset transfer. Without this transfer, the surplus on restricted funds was £113,017 (2024: deficit £22,083). The surplus on restricted funds, excluding the asset transfer, is largely a consequence of charitable grants received in the year, mainly in housing.

The reduced surplus in unrestricted funds primarily reflects the loss in the fair value of investments of £26,318 compared to a £74,255 gain in 2024 and a more financially challenging year for Children and Young People. The Trustees are grateful for the hard work and support of colleagues and volunteers who have helped to boost our unrestricted funds through the continuing contribution from "challenge" events throughout the year.

The Charitable Company achieved an operating surplus of £369,539 (2024: £233,880) in social housing; £59,699 (2024: £41,187) in non-social housing and a surplus of £9,032 (2024: £130,947) in non-housing. The increase in the operating surplus in social housing reflects the impact of charitable grants received during the year of £171,095 for "move-on" properties (2024: nil). The operating surplus for social housing in both years does not include the interest expense incurred on the loans taken out to finance these properties of £109,902 (2024: £110,911) which is reported outside of the operating surplus. The reduction in the operating surplus for non-housing is largely attributable to Children and Young People which has incurred start-up costs under new contracts, tighter margins and a revenue impact with the transition in the service offering in Disability Services.

The overall operating surplus of £438,270 (2024: £406,014) covered finance costs of £109,902 (2024: £110,911) and enabled a contribution to reserves in line with our reserves policy that will allow for funding for future expansion in our charitable activities.

The Charitable Company had total reserves of £8,956,881 at 31 March 2025 (2024: £7,364,615) as set out in the Statement of Financial Position. The majority of the restricted funds of £5,564,688 (2024: £4,239,319) is attributable to the net book value of the freehold premises in Princes Road, including the Inclusive Sports Facility (ISF), Lynwood Road, London Road, Shrewsbury Road and Massetts Road "Move On" properties, The Old Pheasantry and the leasehold of the Sovereign Centre, to the extent they were funded by non-government grants or gifts. There are also designated funds totalling £572,312 (2024: £867,212), largely attributable to monies raised by the Life Change Fund, through "challenge" events and donations, and funds set aside by the Trustees for improvements to the Princes Road facility.

## **Reserves policy**

The Board approved Reserves Policy requires the Charitable Company to hold sufficient unrestricted free reserves to ensure, as far as possible, the continuation of the Charitable Company's activities in the event of significant fluctuations or shortfalls in anticipated income, or to cover increased operational costs in response to an emergency. The Reserves Policy allows for a combination of a risk-based calculation of reserve requirements (based on principal risks and other scenarios) and the need to hold as a minimum, cover for up to two months' expenditure. Adopting this policy, the Finance and Resources Committee recommended to the Board, and the Board approved, that the target level of unrestricted free reserves should be increased by £0.1m to £1.6m (which exceeds the minimum two months' expenditure cover).

The Charitable Company had unrestricted reserves of £3,392,193 as at 31 March 2025 (2024: £3,125,296). A proportion of the unrestricted reserves comprise fixed assets (net of long-term bank loans and capital grants) totalling £1,110,535 (2024: £982,186) which are not readily available. Excluding these fixed assets and adding back long-term pension deficit contributions of £19,594 (2024: £37,110), unrestricted free reserves totalled £2,301,252 at 31 March (2024 £2,180,220). This exceeds the Board's target of £1.6m (noted above) and accordingly the balance is available to the Board to further support our charitable work.

The Reserves Policy is continuously monitored and reviewed by the Finance and Resources Committee which makes recommendations to the Board if and when action is needed to maintain the policy or consideration needs to be given to its modification.

## **Investment policy**

Aside from retaining a prudent amount in reserves each year most of the Charitable Company's funds are to be spent in the short term so there are few funds held for longer term investment. The Board has delegated



responsibility to the Finance and Resources Committee for overseeing investment decisions and the management of investments, in line with the requirements of the Board approved Investment Policy. The objective of the Charitable Company in holding investments is to offset the risk associated with inflation, which might, in the long term, erode the level of unrestricted free reserves held, and to the extent possible enable some growth in those reserves to match the growth in the charity's underlying activities. Investments are managed by CCLA Investment Management Limited on behalf of the Charitable Company and are invested in the COIF Charities Investment Fund, which has a risk profile compatible with the objectives of the Charitable Company.

### **Treasury management**

The Charitable Company has significant cash and cash equivalents balances totalling £2,942,483 (2024; £3,198,568). The majority of these balances relate to income for services received in advance and capital grants received but not yet expended. The Trustees are acutely aware of their responsibilities for the safeguarding of these assets and receive monthly cash flow forecasts to monitor the expected flows of funds. There is also a cash management policy designed to ensure that cash balances are appropriately invested with the minimum of risk.

### **Value for money**

YMCA East Surrey is committed to achieving Value for Money (VFM) across all aspects of the Charitable Company's business. The aim is to generate surpluses in our service provision, to maintain a viable business and to fund future capital investment, whilst at the same time ensuring we deliver high levels of service user satisfaction - in line with our charitable objectives. VFM is led by the Board and overseen by the Finance and Resources Committee.

The Charitable Company seeks to optimise by VFM by:

- ▶ Undertaking a rigorous annual budgeting exercise culminating in a Board approved budget, with regular monitoring of variances to budget and reporting through to the Board during the year.
- ▶ The application of a fit for purpose procurement policy together with regular monitoring of staff remuneration and turnover levels.
- ▶ Monthly monitoring of non-financial metrics that enable the impact and reach of our services to be measured and reported alongside other critical key performance indicators. Examples include occupancy levels in Housing, delivery against targets for contracted services in Children and Young People and attendance levels at classes in Health and Wellbeing.
- ▶ The use of Advisory Groups which enable service recipients, funders and other interested parties to consider and challenge overall outcomes and help shape future delivery.

Alongside compliance with the 2018 Value for Money Standard and associated Code of Practice, as a

non-profit private registered provider of social housing, the Charitable Company is expected to report on certain value for money metrics to enable effective comparison across the sector. The metrics are included below:

- ▶ **Metric 1 – Reinvestment %:** This metric looks at the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held. The investment in properties was 3.9% (2024: 21.8%) reflecting the completion of the investment in a new Move On property at Shrewsbury Road – the majority of the investment had been in the prior year.
- ▶ **Metric 2a – New supply delivered 8.0% (2024: 0%):** This metric sets out the number of new social housing units that have been acquired or developed in the year as a proportion of total social housing units owned at period end. The Shrewsbury Road development was completed in June 2024 and increased our housing stock from 69 to 75 units.
- ▶ **Metric 2b – New supply delivered 0% (2024: 0%):** This metric sets out the number of new non-social housing units that have been acquired or developed in the year as a proportion of total social housing units and non-social housing units owned at period end.
- ▶ **Metric 3 – Gearing %:** This metric looks at housing property assets and the degree of dependence on debt finance. The ratio is a negative -28.4% (2024: -33.0%) as at the balance sheet date, the Charitable Company's cash and cash equivalents continued to be greater than debt finance.
- ▶ **Metric 4 – Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %:** The EBITDA MRI interest cover measure is a key indicator for liquidity and investment capacity. It seeks to measure the level of surplus that a registered provider generates compared to interest payable; the measure avoids any distortions stemming from the depreciation charge. The ratio is 692% (2024: 570%) which again demonstrates the Charitable Company's low reliance on external finance.
- ▶ **Metric 5 – Headline social housing cost per unit:** The unit cost metric assesses the headline social housing cost per unit as defined by the regulator. The cost per unit is £13,918 (2024: £13,558). The per unit cost level of expenditure is reflective of the small size of our properties relative to other providers.
- ▶ **Metric 6 – Operating margin %:** The Operating Margin demonstrates the profitability of operating assets before exceptional expenses are taken into account. The operating margin (social housing lettings only) was 19.2% (2024: 14.8%) and the operating margin (overall) was 5.0% (2024: 6.1%). The difference between the two measures reflects the varied services provided by the Charitable Company achieving different margins. The social housing operating margin is distorted by charitable grants received in 2024/25 of £171,095 (2024: nil) and does not reflect the Charitable

Company's interest expense, which is wholly attributable to social housing properties, and totalled £109,902 (2024: £110,911). Adjusting for the impact of these the operating margin (social housing lettings) for 2024/5 would be 5.0% (2024: 7.8%).

- ▶ Metric 7 – Return on capital employed (ROCE) %: This metric compares the operating surplus to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources. The ratio is 3.4% (2024: 3.5%).

## Structure, governance and management

### **Legal status**

YMCA East Surrey is an incorporated Association and is affiliated to the National Council of YMCAs in England (charity number 212810).

YMCA East Surrey is a company limited by guarantee, incorporated on 19 February 1999 and registered as a charity on 9 April 1999. The company and charity registration numbers are shown on page 1. The governing documents are the Memorandum and Articles of Association. On 21 October 2014, the Charitable Company changed its name from Reigate and Redhill YMCA to YMCA East Surrey to better reflect its expanding services across the local area. On 1 August 2017, the Charitable Company became a non-profit private registered provider of social housing (registered provider).

Trustees, as corporate members, guarantee to contribute an amount not exceeding £1 to the assets of the Charitable Company in the event of winding up.

### **Code of governance**

The Board is committed to delivering best practice in all aspects of governance and the Trustees have adopted the Charity Governance Code for Larger Charities. The Governance and Risk Committee is monitoring a small number of actions where current governance falls short of the code requirements.

### **Annual review of governance and financial viability standard**

The Finance and Resources Committee undertakes an annual assessment of compliance with the standard and considers the Charitable Company to be compliant with the provisions of the standard.

### **Organisation**

The Trustees are directors for the purpose of company law as well as trustees for the purpose of charity law. They are responsible for the governance of the Charitable Company and delegate the day-to-day management to the Chief Executive and his management team. The Board of Trustees meets on a quarterly basis, or more often if required.

The Board delegates authority to two principal Board Committees, the Finance and Resources Committee and the Governance and Risk Committee. The Chairs of these committees report to the Board quarterly.

The Finance and Resources Committee meets six times a year and provides oversight of management, financial and performance reporting, financial control and the audit process, human resources and remuneration, IT and infrastructure, facilities and the YMCA East Surrey estate, treasury matters and reserves management. It also monitors progress with the Strategy and considers strategic initiatives.

The Governance and Risk Committee meets quarterly. It provides oversight of governance, risk management, incident reporting and management, compliance and environmental matters.

There are also Advisory Groups for each of Children and Young People, Housing and Health and Wellbeing established to enable the Charitable Company to understand the changing needs of our communities and to compare or benchmark our performance with other similar organisations. The Advisory Groups are chaired by a Trustee (who reports back to the Board quarterly) and have a membership made up of trustees, management and external parties.

### **Appointment, induction and training of Trustees**

Trustees are appointed at the AGM to serve a period of three years. One third of the Trustees retire each year by rotation and are eligible for re-appointment at each AGM. If it is agreed that a Trustee will serve for more than nine years, then it is subject to a particularly rigorous review and takes into account the need for progressive refreshing of the Board, and their re-appointment is explained in that year's Report of the Trustees. The Board of Trustees has power to co-opt additional members and fill casual vacancies. It is the aim of the Board of Trustees to attract new Trustees with suitable skills who themselves may be drawn from the various user groups. The aim is to have well-balanced and appropriately qualified Trustees.

All Trustees undertake inductions and ongoing training to ensure that they quickly become effective and are aware of developments in corporate and charity governance. Every new Trustee is issued with a copy of a comprehensive Trustees' Handbook (including a Trustee Training Guide) together with key documents including the Charitable Company's Memorandum and Articles and the latest audited Financial Statements. They are also offered induction opportunities with staff and other Trustees and are briefed about the various services provided by YMCA East Surrey.

There is an annual Away Day where the Trustees and the Senior Management Team meet to discuss the future direction of the Charitable Company and to deliver any necessary training and updates. Periodically, the Trustees are given the opportunity to receive first-hand experience of the Charitable Company's activities at a series of "Discovery Visits".

### **Pay policy for senior staff**

Key personnel in charge of directing and controlling, running and operating the Charity are deemed to be the Board of Trustees and the Senior Management Team. The Senior Management Team comprises the Chief Executive,

the Deputy Chief Executive and Head of Children and Young People, the Head of Housing, the Head of Finance and the Head of Central Services.

The pay of the Senior Management Team is reviewed annually and salary increases will be recommended by the Chief Executive and approved by the Finance and Resources Committee. Pay for the Chief Executive is also set annually by the Remuneration Committee.

The Trustees give their time and expertise freely and receive no reimbursement for expenses.

Details of related party transactions are set out in Note 19.

### **Risk management**

The Charitable Company maintains a comprehensive risk management framework to ensure the effective management of all risk types that could affect the charity's ability to achieve its objectives. A formal risk register is maintained by the Senior Management Team to record and assess identified risks in accordance with the Charitable Company's Risk Policy, including an assessment of mitigating policies and procedures. The Trustees regularly review the principal risks and uncertainties that the Charitable Company faces and the overall effectiveness of the risk management framework.

This review has identified the following key risks which are consistent with those previously reported. Any movements in the measurement of these risks are highlighted below:

- ▶ **Accidental death or life-changing accident.** The Charitable Company has in place risk assessments and health & safety measures along with stringent safeguarding policies to reduce this risk. Regular training is provided on policies and procedures – which are robustly enforced. The Charitable Company reviews accident and incident reports regularly to amend measures as necessary.
- ▶ **Abduction, loss or abuse of a child or vulnerable adult.** The Charitable Company has robust safeguarding policies, procedures, regulatory checks and training in place to mitigate this risk. A reporting and incident management system ensures the effective management of incidents and informs the development of mitigating procedures and focused training.
- ▶ **A sudden significant funding reduction.** The Trustees consider this risk to have increased in recent months with the uncertainty surrounding changes in the devolvement of local government and the impact on commissioning services. The Charitable Company continues to work closely with local authorities, NHS Trusts and other commissioning bodies to ensure that service delivery is aligned to both current and future requirements and to enable sensible planning for changes in those requirements. We also actively seek new sources of funding in order to dilute this risk.
- ▶ **Failure to attract and retain appropriately skilled resources.** The charity sector is seeing significant competition for resources both from within the

sector and externally. The Board and Senior Management Team continuously consider what additional steps can be taken to attract and retain resources – cognisant of the cost but conscious of the detrimental impact of unfilled vacancies and raised staff turnover.

- ▶ **Inflationary pressures.** Whilst this risk may be dissipating, the Board continues to be focused on monitoring inflationary pressures – particularly those flowing from recent changes in Employers' National Insurance and the Minimum Wage. To the extent possible the Senior Management Team takes steps to limit the impact of increases to the overall cost base and manages the impact on longer term contracts where income might not grow in line with underlying service delivery costs.
- ▶ **Cyber-attack.** Cybercrime is a significant and evolving threat to the charity sector. The Charitable Company outsources its IT function and adopts cloud-based technologies to help mitigate this risk. Prevention is still critical with an ongoing focus on training and awareness and getting the basics right. The charity has also achieved Cyber Essentials accreditation.
- ▶ **Balancing growth in services with matching infrastructure and support.** The Charitable Company has seen some considerable growth in services in recent years and whilst this is in line with the Strategic Plan there is potential to put a strain on underlying systems and resources. The Board and the Senior Management Team are cognisant of this and have put in place additional steps to monitor this and augment processes and people where required.

### **Fundraising**

The Charitable Company raises funds in a number of ways:

- ▶ Applying for grant funding
- ▶ Challenge events
- ▶ Corporate and individual donations
- ▶ Provision of paid services

The Charitable Company does not use any commercial participators/professional fundraisers and all monitoring of fundraising is carried out internally. Whilst the Charitable Company has currently not signed up to any recognised fundraising standards, it has a full and detailed Fundraising Policy. This policy helps to ensure that the Charitable Company is protecting the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate and it specifically references:

- ▶ Personal information provided to the Charitable Company is kept confidential and will not be sold, rented, or given to anyone without consent
- ▶ No cold calling or door to door solicitation of the public is allowed

The Charitable Company is currently making plans to ensure that its policies and procedures are aligned to the requirements of the new Code of Fundraising Practice.



## Plans for the future

The immediate priorities for the Charitable Company are to continue with initiatives aligned to the strategic priorities for 2027. These include:

Providing more housing for young people - prioritising further housing development in support of our strategic aim to deliver 100+ housing units by 2027.

Completion of the improvements to our Princes Road site with funding from the Community Infrastructure Levy, enabling us to deliver more services, particularly in support of inclusive sport and to help improve our environmental footprint.

Embedding and building on our Family Centre and Family Resilience services for Reigate and Banstead and Mole Valley and expanding the geographic reach of our Short Breaks offering.

Optimising the potential of “The Old Pheasantry” in Reigate both as a site for special needs education and as a residential centre for children and young people.

Initiatives focused on improving our environmental impact, leveraging the tremendous value that our volunteers bring and enhancing our approach to inclusivity.

## Trustees’ responsibilities for the Report and Financial Statements

The Trustees (who are also directors of YMCA East Surrey for the purposes of company law) are responsible for preparing the Trustees’ Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law and registered social housing legislation requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period.

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

- ▶ Select suitable accounting policies and then apply them consistently
- ▶ Observe the methods and principles in the Housing Statement of Recommended Practice 2018 (SORP)
- ▶ 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 Charitable Company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006, The Housing Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

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

In so far as the Trustees are aware:

- ▶ There is no relevant audit information of which the Charitable Company’s auditor is unaware and
- ▶ The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

## Auditors

A resolution to reappoint Crowe UK LLP as auditor will be put to the members at the Annual General Meeting.

By order of the Board on



**Paul Byrne**

Chair

25 September 2025

# 5.0 Independent Auditor's Report to the Members of YMCA East Surrey

## Opinion

We have audited the financial statements of YMCA East Surrey (the charitable company) for the year ended 31 March 2025 which comprise the Statement of comprehensive income, the Statement of changes in reserves, the Statement of financial position, the Statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 31 March 2025 and of the 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 from April 2022.

## 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 charitable company 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 trustee's 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 charitable company'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 contained within the annual report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 or the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or

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

## Responsibilities of the Board

As explained more fully in the Trustee's responsibilities statement set out on page 18, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 Trustee's are responsible for assessing the 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 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

## Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in

the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, the Housing and Regeneration Act 2008, together with the Housing SORP. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within charitable company for fraud. The laws and regulations we considered in this context for the UK operations were requirements imposed by the Regulator of Social Housing and the Charity Commission, General Data Protection Regulations, health and safety legislation and employment legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, the Finance and Resources Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, analytical review and sample testing of income, reviewing accounting estimates for biases, reviewing regulatory correspondence with Social Housing Regulator and the Charity Commission and OFSTED inspection reports, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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.



## 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.

A handwritten signature in dark ink that reads "Crowe U.K. LLP". The signature is written in a cursive, slightly slanted style.

**Crowe U.K. LLP**  
Statutory Auditor  
55 Ludgate Hill London  
EC4M 7JW

Date: 26 September 2025

## 6.0 Statement of Comprehensive Income for the year ended 31 March 2025

	Notes	2025 £	2024 £
Turnover	1	8,686,509	6,702,144
Operating expenditure	1	(8,248,239)	(6,296,130)
<b>Operating surplus</b>	2	438,270	406,014
Interest receivable	3	77,864	37,088
Interest and financing costs	4	(109,902)	(110,911)
Movement in fair value of financial instruments	10	(26,318)	74,255
		379,914	406,446
Gift of charitable assets on charity merger	5	1,212,352	-
<b>Surplus and total comprehensive income for the year</b>		<b>1,592,266</b>	<b>406,446</b>

All income arises from continuing activities of the Charitable Company. The Charitable Company had no recognised gains or losses other than those dealt with in the Statement of Comprehensive Income.

The accounting policies and notes on pages 26 to 39 form an integral part of these accounts.



## 7.0 Statement of Changes in Reserves for the year ended 31 March 2025

	Notes	Restricted reserves £	Unrestricted reserves £	Total £
Balance at 1 April 2024	18	4,239,319	3,125,296	7,364,615
Surplus from statement of comprehensive income		1,325,369	266,897	1,592,266
<b>Balance at 31 March 2025</b>	18	<b>5,564,688</b>	<b>3,392,193</b>	<b>8,956,881</b>

Balance at 1 April 2023	18	4,261,402	2,696,767	6,958,169
(Deficit)/surplus from statement of comprehensive income		(22,083)	428,529	406,446
<b>Balance at 31 March 2024</b>	18	<b>4,239,319</b>	<b>3,125,296</b>	<b>7,364,615</b>

The accounting policies and notes on pages 26 to 39 form an integral part of these account

## 8.0 Statement of Financial Position as at 31 March 2025

Company registration number: 03716594

	Notes	2025 £	2024 £
<b>Fixed assets</b>			
Tangible fixed assets – housing properties	8	4,695,435	4,577,072
Tangible fixed assets – other	9	5,368,044	3,771,685
Investments	10	1,057,958	684,276
<b>Total fixed assets</b>		<b>11,121,437</b>	<b>9,033,033</b>
<b>Current assets</b>			
Debtors	11	713,430	971,264
Cash and cash equivalents	12	2,942,483	3,198,568
<b>Total current assets</b>		<b>3,655,913</b>	<b>4,169,832</b>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	13	(1,753,723)	(1,634,702)
<b>Net current assets</b>		<b>1,902,190</b>	<b>2,535,130</b>
<b>Total assets less current liabilities</b>			
Creditors: amounts falling due after more than one year	14	(4,066,746)	(4,203,549)
<b>Total net assets</b>		<b>8,956,881</b>	<b>7,364,615</b>
<b>Reserves</b>			
Restricted reserves	18	5,564,688	4,239,319
Unrestricted reserves	18	3,392,193	3,125,296
<b>Total reserves</b>		<b>8,956,881</b>	<b>7,364,615</b>

The financial statements on pages 22 to 39 were approved by the Board of Trustees and authorised for issue on 25<sup>th</sup> September 2025 and are signed on its behalf by:

*Mike Gent*

**Mike Gent**  
Treasurer

The accounting policies and notes on pages 26 to 39 form an integral part of these accounts.



## 9.0 Statement of cash flows as at 31 March 2025

	Notes	2025 £	2024 £
<b>Cash flows from operating activities</b>			
Surplus for the financial year		1,592,266	406,446
Movement in fair value of financial instruments		26,318	(74,255)
Depreciation charge		289,419	217,681
Gift of charitable assets on charity merger		(1,212,352)	-
Interest receivable		(77,864)	(37,088)
Interest paid		109,902	110,911
Decrease/(increase) in debtors		257,834	(434,177)
Increase/(decrease) in creditors		57,130	329,818
(Decrease) in pension provision		(16,935)	(99,420)
Net cash generated from operating activities		1,025,718	419,916
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(2,004,141)	(1,158,915)
Government grants received		21,000	1,210,539
Gift of charitable assets on charity merger		1,212,352	
Purchase of investments		(400,000)	-
Interest receivable		77,864	37,088
Net cash (used by)/ provided by investing activities		(1,092,925)	88,712
<b>Cash flows from financing activities</b>			
Interest paid		(109,902)	(110,911)
New secured loans		-	350,000
Repayment of borrowings		(78,976)	(63,949)
Net cash (used by)/ provided by financing activities		(188,878)	175,140
<b>Net change in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of the year	12	3,198,568	2,514,800
<b>Cash and cash equivalents at end of the year</b>	12	<b>2,942,483</b>	<b>3,198,568</b>

The accounting policies and notes on pages 26 to 39 form an integral part of these accounts

## 10.0 Accounting policies for the year ended 31 March 2025

### Legal status

YMCA East Surrey is a company limited by guarantee, (No. 03716594) and is an English-registered social housing provider (No. 4854), a registered charity (No. 1075028) and public benefit entity. The liability of its members is limited to £1 each in the event of a deficiency arising on the winding up of the Charity. It has received dispensation to omit the word "Limited" from its title.

The principal address and registered office is YMCA Sports and Community Centre, Princes Road, Redhill, Surrey, RH1 6JJ.

The Charitable Company's principal activities and the nature of the Charitable Company's operations are included in the Report of the Trustees.

### Basis of preparation

The financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice comprising the Statement of Recommended Practice for registered social housing providers, 2018 update, the Accounting Direction for Private Registered Providers of Social Housing (issued by the Regulator of Social Housing in 2022), the Housing Regeneration Act 2008, the Statement of Recommended Practice Accounting and Reporting by Charities published in 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the requirements of Companies Act 2006. The Charitable Company meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared under the historical cost basis of accounting, with the exception of investments held at market value, and on the going concern basis.

Judgements and key sources of estimation uncertainty are set out within note n) of the Accounting Policies.

### Going Concern

In determining the appropriate basis of preparation of the financial statements for the year ended 31 March 2025, the Trustees are required to consider whether YMCA East Surrey can continue in operational existence for the foreseeable future.

The Trustees have reviewed the Charitable Company's financial position and financial forecasts, taking into account the level of investments, cash balances and the systems of financial control and risk management. As a result of this review the Trustees believe there are no material uncertainties over the Charitable Company's ability to continue as a going concern. Accordingly, the Trustees have a reasonable expectation that the Charitable Company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the approval of these financial statements. As a consequence, they continue to prepare the accounts on the going concern basis.

### Principal Accounting Policies

A summary of the principal accounting policies is set out below. These policies have been consistently applied to all years presented.

#### a) Turnover

Turnover, excluding VAT, is recognised in the Statement of Comprehensive Income as follows:

- ▶ Income from contracts for services provided is recognised on an accruals basis over the period in which the underlying services are delivered
- ▶ Government capital grants are accounted for on an accruals basis. They are credited to deferred income and then recognised in the Statement of Comprehensive Income over the same period in which the corresponding capital expenditure is depreciated
- ▶ Government revenue grants are accounted for on an accruals basis. They are credited to the Statement of Comprehensive Income over the same period in which the corresponding expenditure is incurred
- ▶ Grants from non-government sources are recognised using the performance model. Grants are recognised as and when the associated performance conditions are met. If there are no associated performance conditions they are recognised on receipt.
- ▶ Membership subscriptions and programme activities are recognised in the period to which they relate
- ▶ Social housing rental income, net of voids, and service charges are accounted for on an accruals basis
- ▶ Donations are accounted for when received



a) **Turnover (continued)**

- ▶ Income from the remaining trading activities is accounted for on an accruals basis
- ▶ Investment income is accounted for when receivable

b) **Donated services and facilities**

Volunteer time is not recognised in these accounts. Please refer to the Report of the Chief Executive for more information about the contribution of volunteers.

c) **Expenditure**

Expenditure is included in the Statement of Comprehensive Income on an accruals basis, inclusive of any VAT if it cannot be recovered. Liabilities are recognised once there is a legal or constructive obligation committing the Charitable Company to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure, excluding interest and financing costs, has been classified under the relevant heading if it can be directly attributed. Where costs cannot be directly attributed to particular headings 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.

d) **Freehold property and depreciation**

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

The Charitable Company depreciates the major components of its freehold properties, including Social Housing properties, at the following annual rates:

<b>Component</b>	<b>Useful economic life</b>
Land	Infinite
Structure	100 years
Roof	70 years
Windows and doors	30 years
Boilers	15 years
Kitchens	20 years
Bathrooms	30 years
Mechanical systems	30 years
Electrics	40 years
Lifts	20 years

The exception to this approach is The Old Pheasantry where the freehold property, excluding land, is depreciated over 50 years on a straight line basis.

e) **Other tangible fixed assets and depreciation**

Tangible assets with a value greater than £1,000 are capitalised at cost, being their purchase cost, together with any incidental expenses at acquisition, in the Statement of Financial Position. Assets below this level are treated as expenditure and are included in the Statement of Comprehensive Income in the year the expenditure is incurred.

Depreciation is provided on all other tangible fixed assets, so as to write down the cost of the asset to its residual value, on a straight line basis, over its estimated useful economic life at the following rates:

<b>Asset type</b>	<b>Useful economic life</b>
Leasehold buildings	Over the term of the lease
Sports equipment	4 years
Other equipment	3 to 4 years

f) **Pension contributions**

YMCA East Surrey participated in a multi-employer defined benefit pension plan ("the Plan") for employees of YMCAs in England, Scotland and Wales, which was closed to new members and accruals on 30 April 2007. Due to insufficient information, the Plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to YMCA East Surrey. As such, the Plan has been accounted for as a defined contribution plan. YMCA East Surrey has a contractual obligation to make pension deficit payments as part of the Plan's recovery plan. This liability has been recognised, and any year on year changes are charged/credited to the Statement of Comprehensive Income. The liability is payable over a period of years and is discounted to a net present value using a discount rate based on the yield available on high quality corporate bonds as at the reporting date.

**f) Pension contributions (continued)**

In addition, YMCA East Surrey is also required to contribute to the operating expenses of the Plan. These costs are charged to the Statement of Comprehensive Income as made. YMCA East Surrey also operates two defined contribution pension schemes, The Scottish Widows Scheme for Managers and The People's Pension Scheme which is available to all current staff. The amount charged to the Statement of Comprehensive Income represents contributions payable in respect of services rendered in the period. YMCA East Surrey also contributes to the Local Government Scheme Pension Scheme for employees who were subject to a TUPE transfer from Surrey County Council. This is a defined benefit scheme. Provision has been made for the required contribution levels during the year.

**g) Operating leases**

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

**h) Fund Accounting**

Funds held by the Charitable Company are either:

*Unrestricted general funds* - available for use at the discretion of the trustees in furtherance of the general objectives of the Charitable Company and which have not been designated for specific purposes.

*Unrestricted designated funds* – have been set aside by the trustees for specific purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

*Restricted funds*- to be used in accordance with specific restrictions imposed by donors, or which have been raised by the Charitable Company for specific purposes. The cost of raising and administering such funds are charged against the specific fund.

**i) Investments**

All investments are carried at their fair value. Investments are all traded in quoted public markets. The basis of the fair value for quoted investments is equivalent to the market value, using their bid price. Asset purchases are recognised at the date of trade at cost (that is their transaction value). Any movements in the fair value of investments is reported in the Statement of Comprehensive Income.

**j) Financial Instruments**

The Charitable Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Charitable Company becomes a party to the contractual provisions of the instrument, and are offset only when the Charitable Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**Derecognition of financial assets and liabilities**

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

**k) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

A provision for impairment of trade debtors is established when there is evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Statement of Comprehensive Income.

**l) Cash and cash equivalents**

Includes cash and short-term highly liquid investments.

**m) Creditors, provision and borrowings**

Creditors and provisions are recognised where the Charitable Company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m) Creditors, provision and borrowings (continued)

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest and financing costs.

Public benefit concessionary loans are recognised at the amount received by the Charitable Company. Deferred income represents Government capital grants at the value received which are then released to the Statement of Comprehensive Income in the same period in which the corresponding capital expenditure is depreciated.

n) Judgements and key sources of estimation uncertainty

In the application of the Charitable Company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision of accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The following are deemed to be the key judgements within the financial statements:

- ▶ Tangible fixed assets – depreciation is charged on tangible fixed asset components over their estimated useful economic lives, taking into account any residual value if appropriate. The actual lives of the assets and their residual values are assessed annually.
- ▶ Pension benefits – the cost of defined benefit pension plans and other post-employment benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty.
- ▶ Impairment of fixed assets – the carrying amounts of property, plant and equipment are reviewed at each reporting date or whenever events or changes in circumstances indicate that the carrying amount of an asset may be impaired. The recoverable amount of an asset is estimated as the higher of fair value less cost of disposal and the value in use, with an impairment charge being recognised whenever the carrying amount exceeds the recoverable amount.
- ▶ Tangible fixed assets - In determining the appropriate accounting treatment for The Old Pheasantry the Trustees have made the judgement that the property is held primarily to further the Charitable Company's provision of social benefit and to deliver its charitable purposes. Accordingly The Old Pheasantry has been treated as a tangible fixed asset rather than an investment property.



## 11.0 Notes to the financial statements for the year ended 31 March 2025

### 1 Turnover, operating expenditure and operating surplus

Year ended 31 March 2025:

	Turnover £	Operating expenditure £	Operating surplus / (deficit) £
<b>Social housing</b>			
Rent	349,381	(351,135)	(1,754)
Service charges	689,247	(692,707)	(3,460)
Supported housing grants	693,636	(463,312)	230,324
Social housing grants	195,763	(51,334)	144,429
<b>Total social housing</b>	<b>1,928,027</b>	<b>(1,558,488)</b>	<b>369,539</b>
Non-social housing	255,467	(195,768)	59,699
<b>Total housing</b>	<b>2,183,494</b>	<b>(1,754,256)</b>	<b>429,238</b>
<b>Non-housing</b>			
Childcare and Children's Activities	1,192,026	(1,246,018)	(53,992)
Youth Work and Family Services	1,633,036	(1,651,556)	(18,520)
Disability Services	1,087,852	(1,160,235)	(72,383)
Emotional Wellbeing and Mental Health	1,520,171	(1,475,638)	44,533
Total Children and Young People	5,433,085	(5,533,447)	(100,362)
Health and Wellbeing	829,842	(813,063)	16,779
Other activities	240,088	(147,473)	92,615
<b>Total non-housing</b>	<b>6,503,015</b>	<b>(6,493,983)</b>	<b>9,032</b>
<b>Total</b>	<b>8,686,509</b>	<b>(8,248,239)</b>	<b>438,270</b>

1 **Turnover, operating expenditure and operating surplus** (continued)

Year ended 31 March 2024:

	Turnover	Operating expenditure	Operating surplus / (deficit)
	£	£	£
<b>Social housing</b>			
Rent	328,140	(328,713)	(573)
Service charges	605,742	(606,799)	(1,057)
Supported housing grants	624,824	(391,036)	233,788
Social housing grants	20,430	(18,708)	1,722
<b>Total social housing</b>	<b>1,579,136</b>	<b>(1,345,256)</b>	<b>233,880</b>
Non-social housing	234,860	(193,673)	41,187
<b>Total housing</b>	<b>1,813,996</b>	<b>(1,538,929)</b>	<b>275,067</b>
<b>Non-housing</b>			
Childcare and Children's Activities	1,060,911	(1,042,717)	18,194
Youth Work and Family Services	506,423	(570,870)	(64,447)
Disability Services	995,439	(957,311)	38,128
Emotional Wellbeing and Mental Health	1,326,608	(1,253,916)	72,692
Total Children and Young People	3,889,381	(3,824,814)	64,567
Health and Wellbeing	782,861	(797,283)	(14,422)
Other activities	215,906	(135,104)	80,802
<b>Total non-housing</b>	<b>4,888,148</b>	<b>(4,757,201)</b>	<b>130,947</b>
<b>Total</b>	<b>6,702,144</b>	<b>(6,296,130)</b>	<b>406,014</b>

## 1 Turnover, operating expenditure and operating surplus (continued)

	2025 £	2024 £
Void losses: notional calculation of income lost from vacant rooms	50,511	16,357
Number of registered accommodation units – supported housing	75	69

## 2 Operating surplus

	2025 £	2024 £
The operating surplus is arrived at after charging:		
Depreciation of owned assets	255,436	179,814
Depreciation of leasehold assets	33,983	37,867
Auditor's Remuneration – Audit fees:	25,800	24,800
Operating leases	38,147	24,881

## 3 Interest receivable

	2025 £	2024 £
Bank deposit interest	77,864	37,088

## 4 Interest and financing costs

	2025 £	2024 £
Loan interest payable	109,902	110,911

## 5 Gift of charitable assets on charity merger

During the year, in June 2024, the Land and City Families Trust ("LCFT") transferred all its assets and liabilities to the YMCA East Surrey and was subsequently deregistered as a charity. The two charities shared aligned charitable purposes. The assets and liabilities of the LCFT principally comprised the Old Pheasantry outdoor residential centre on Colley Hill in Reigate, together with some cash. The two charities had been working together in partnership for the prior fifteen months to secure the future of the property. The net assets transferred were comprised as follows:

	£
Fixed asset	1,150,000
Cash	62,352
	<b>1,212,352</b>

The fixed asset is The Old Pheasantry outdoor residential centre. The valuation of £1,150,000 was based on a valuation performed by an independent qualified Chartered Surveyor.

## 6 Staff costs

	2025 £	2024 £
Wages and salaries	4,677,138	3,811,876
Social security costs	356,454	275,280
Pension costs	209,258	125,494
	<b>5,242,850</b>	<b>4,212,650</b>

During the year, the charity spent £14,700 on termination payments (2024: £1,274).

The trustees received no remuneration or reimbursement of expenses during the year (2024: Nil).



## 6 Staff costs (continued)

The full-time equivalent average headcount during the year by division was as follows:

	2025 No.	2024 No.
Health and Wellbeing	11	15
Children and Young People	83	58
Housing	23	21
Support	23	15
<b>Total</b>	<b>140</b>	<b>109</b>
The total average headcount during the year was as follows:		
<b>Total</b>	<b>260</b>	<b>235</b>

The number of higher-paid employees who received emoluments in the following bands was:

	2025 £	2024 £
£60,000-£70,000	2	2
£70,000-£80,000	-	-
£80,000-£90,000	-	-
£90,000-£100,000	1	1

Key management personnel in charge of directing and controlling, running and operating the Charitable Company are deemed to be the Board of Trustees and the Senior Management Team. The Senior Management Team comprises the Chief Executive and the 4 (2024: 4) Heads of Service. The total employee benefits of the key management personnel of the Charitable Company were:

	2025 £	2024 £
Salaries and pension costs	369,823	344,938
Social security costs	38,969	36,475
	<b>408,792</b>	<b>381,413</b>

The salary received by the highest-paid executive staff member (the Chief Executive) was:

	2025 £	2024 £
Salary	98,434	92,862

Contributions to the Scottish Widows defined contribution pension scheme on behalf of the Chief Executive were £6,890 (2022: £6,500).

## 7 Taxation

The Charitable Company is a registered charity and, as such, its income and gains falling within Sections 471 to 489 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

## 8 Tangible fixed assets – Housing properties

	Social housing properties held for letting £	Total £
<b>Cost:</b>		
At 1 April 2024	4,811,432	4,811,432
Additions	182,885	182,885
Disposals	-	-
At 31 March 2025	4,994,317	4,994,317
<b>Depreciation:</b>		
At 1 April 2024	234,360	234,360
Charge	64,522	64,522
Disposals	-	-
At 31 March 2025	298,882	298,882
<b>Net book value:</b>		
At 31 March 2025	4,695,435	4,695,435
At 31 March 2024	4,577,072	4,577,072

All social housing properties are freehold.

Total amounts received for the year ending 31 March 2025

	2025 £	2024 £
Capital grants received in respect of social housing	223,095	399,000

## 9 Tangible fixed assets – other

	Freehold land and buildings £	Leasehold land and buildings £	The Old Pheasantry £	Sports Equipment £	Other Equipment £	Total £
<b>Cost:</b>						
At 1 April 2024	3,676,665	904,777	-	435,432	983,673	6,000,547
Additions	542,573	-	1,150,000	56,787	71,896	1,821,256
Disposals	-	-	-	-	-	-
At 31 March 2025	4,219,238	904,777	1,150,000	492,219	1,055,569	7,821,803
<b>Depreciation:</b>						
At 1 April 2024	493,241	573,441	-	383,577	778,603	2,228,862
Charge	55,913	33,983	15,333	40,003	79,665	224,897
Disposals	-	-	-	-	-	-
At 31 March 2025	549,154	607,424	15,333	423,580	858,268	2,453,759
<b>Net book value:</b>						
At 31 March 2025	3,670,084	297,353	1,134,667	68,639	197,301	5,368,044
At 31 March 2024	3,183,424	331,336	-	51,855	205,070	3,771,685

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**Investments****Movement in fixed asset listed investments**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Market value at 1 April 2024	684,276	610,021
Additions to investments at cost	400,000	-
Disposal of investments at cost	-	-
Net (decrease)/increase in fair value of investments	(26,318)	74,255
Market value at 31 March 2025	<b>1,057,958</b>	<b>684,276</b>

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**Debtors**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Rent debtors	105,600	33,909
Less: provision for doubtful debts	(14,000)	(8,003)
	91,600	25,906
Prepayments	97,256	105,544
Project funding debtors	226,670	411,979
Other debtors	297,904	427,835
	<b>713,430</b>	<b>971,264</b>

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**Cash and cash equivalents**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Deposit accounts	2,307,835	1,444,086
Current account	595,953	1,729,999
Cash	38,695	24,483
	<b>2,942,483</b>	<b>3,198,568</b>

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**Creditors: amounts falling due within one year**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Bank loans (Note 15)	88,895	78,484
Trade creditors	234,473	243,447
Accruals	173,676	177,992
Income received in advance	951,579	939,108
Taxation and social security	77,912	65,016
Other creditors	170,672	80,511
Deferred capital grants (Note 16)	39,000	33,588
Accrued pension deficit (Note 17)	17,516	16,556
	<b>1,753,723</b>	<b>1,634,702</b>

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**Creditors: amounts falling due after more than one year**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Bank and other loans (Note 15)	1,518,874	1,608,261
Deferred capital grants (Note 16)	2,528,278	2,558,178
Accrued pension deficit (Note 17)	19,594	37,110
	<b>4,066,746</b>	<b>4,203,549</b>

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**Bank and other loans**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Secured:		
In one year or less	88,895	78,484
In more than one year, but not more than two years	95,335	84,895
In more than two years, but not more than five years	307,176	292,631
In more than five years	1,116,363	1,230,735
	<b>1,607,769</b>	<b>1,686,745</b>

£152,250 was borrowed from Barclays in 2014 at a fixed rate of 5.73% until 30 June 2021 and thereafter at a variable rate of 3.25% over the bank's base rate and is repayable over a 15-year term. This loan is secured by a legal charge over the property at Lynwood Road, Redhill.



## 15 Bank and other loans (continued)

£989,340 was borrowed from Barclays in 2017 at a rate of 1.6% over the bank's base rate with a 25-year repayment profile. In November 2022 £812,000 was refinanced with Barclays at a rate of 2.10% over the bank's base rate. The loan has a 15-year repayment profile. This loan is secured by a legal charge over the property on Brighton Road, Redhill and a floating charge over the charitable company's assets.

£150,000 was borrowed from the Methodist Church in March 2019, this is a public benefit concessionary loan and is interest-free and repayable at the end of the 15-year term. The loan is secured by a legal charge over the property on London Road, Merstham

£400,000 was borrowed from Barclays in 2021 at a rate of 2.5% over the bank's base rate. The loan has a 15-year repayment profile. The loan is secured by a legal charge over the property on Massetts Road, Horley.

£350,000 was borrowed from Barclays in August 2023 at a rate of 2.25% over the bank's base rate. The loan has a 15 year repayment profile This loan is secured by a legal charge over the property on Shrewsbury Road, Redhill.

## 16 Deferred Capital Grants

	Grants at cost £	Amortisation £	Total net grants £
As at 1 April 2024	2,676,074	(84,308)	2,591,766
Grants received in year	21,000	-	21,000
Amortisation	-	(45,488)	(45,488)
As At 31 March 2025	<b>2,697,074</b>	<b>(129,796)</b>	<b>2,567,278</b>

## 17 Accrued Pension deficit

YMCA East Surrey participated in a multi-employer contributory pension plan providing defined benefits based on final pensionable pay for employees of YMCAs in England, Scotland and Wales. 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 employees and deferred members became deferred members as of 1 May 2011.

Due to insufficient information, the Plan's actuary has advised that it is not possible to identify separately the assets and liabilities relating to YMCA East Surrey. As such the Plan has been accounted for as a defined contribution plan. The assets of the YMCA Pension Plan are held separately from those of YMCA East Surrey.

The most recent completed three year valuation was as at 1 May 2023. 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 of 4.56%, the increase in pensions in payment of 3.18% (for RPI capped at 5% p.a.), and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 21.5 years, female 24.4 years, and 23.1 years for a male pensioner, female 25.7 years, retiring in 20 years' time. The result of the valuation showed that the actuarial value of the assets was £103.2m and the actuarial value of the liabilities £112.4m, resulting in a plan deficit of £9.2m. This was a reduction compared to the previous valuation as at 1 May 2020 which showed a deficit of £38.7m.

The improved funding levels have resulted in a reduction to the deficit reduction contributions required from the individual YMCAs. YMCA East Surrey has been advised that, it will need to make annual contributions of £19,186 from 1 May 2024 through until 30 April 2027. This amount is based on the current actuarial assumptions (as outlined above) and may vary in the future as a result of the actual performance of the Pension Plan. The current recovery period is three years. The previous recovery plan based on the actuarial valuation as at 1 May 2020 required annual payments of £23,898 from 1 May 2023, escalating at 3% a year, for six years until 30 April 2029. YMCA East Surrey will also have to contribute £6,003 in respect of the Plan's expenses in 2025/6. In the financial year ended 31 March 2025 the contribution to expenses was £6,115 (2024: £5,648).

Accrued pension deficit	2025 £	2024 £
As at 1 April 2024 (2023)	53,666	153,086
Charged/(credited) to Statement of Comprehensive Income	2,630	(75,577)
Payments made	(19,186)	(23,843)
As at 31 March 2025 (2024)	<b>37,110</b>	<b>53,666</b>

## 17 Accrued Pension deficit (continued)

These amounts are payable by year as below:

	2025 £	2024 £
Within one year	19,186	19,186
One to two years	19,186	19,186
Two to five years	1,978	20,785
Discount benefit	(3,240)	(5,491)
<b>Total</b>	<b>37,110</b>	<b>53,666</b>

The liability is discounted using the yield available on high quality UK corporate bonds as at the reporting date. The discount rate used is 5.60% (2024: 4.93%).

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

YMCA East Surrey also operates two defined contribution pension schemes for the benefit of its current employees. The assets of these schemes are also held separately from the assets of YMCA East Surrey and contributions are charged to the Statement of Comprehensive Income as they fall due.

## 18 Analysis of reserves

	At 1 April 2024 £	Income £	Expenditure £	Transfers £	At 31 March 2025 £
Princes Road capital	979,059	-	(11,045)	-	968,014
Sovereign Centre capital	331,334	-	(33,983)	-	297,351
Sovereign centre	123,295	-	-	-	123,295
Move-on properties capital	686,532	195,763	(37,853)	-	844,442
Inclusive sports facility capital	1,717,779	1,883	(36,963)	-	1,682,699
Hillbrook Capital	65,771	-	(1,964)	-	63,807
Housing services	241,560	258,242	(251,236)	-	248,566
Children & Young People	53,473	783,459	(772,553)	-	64,379
Health & Wellbeing	40,516	175,034	(142,862)	-	72,688
The Old Pheasantry	-	1,259,655	(60,208)	-	1,199,447
<b>Total restricted reserves</b>	<b>4,239,319</b>	<b>2,674,036</b>	<b>(1,348,667)</b>	<b>-</b>	<b>5,564,688</b>
<b>Unrestricted reserves:</b>					
-General	2,258,084	7,148,233	(7,026,546)	440,110	2,819,881
-Designated	867,212	154,456	(9,246)	(440,110)	572,312
<b>Total reserves</b>	<b>7,364,615</b>	<b>9,976,725</b>	<b>(8,384,459)</b>	<b>-</b>	<b>8,956,881</b>

Designated reserves at the end of the year comprise money raised by the Life Change Fund, through donations and the various challenge events held, together with funds set aside by the Trustees for the development of the facilities at Princes Road.

The transfer to unrestricted reserves reflects the utilisation of reserves previously designated.

**Analysis of reserves (continued)**

	<b>At 1 April 2023 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>At 31 March 2024 £</b>
Princes Road capital	990,105	-	(11,046)	-	979,059
Sovereign Centre capital	369,201	-	(37,867)	-	331,334
Sovereign centre	123,295	-	-	-	123,295
Move-on properties capital	696,026	22,944	(32,438)	-	686,532
Inclusive sports facility capital	1,752,859	1,883	(36,963)	-	1,717,779
Hillbrook capital	67,735	-	(1,964)	-	65,771
Housing services	192,918	230,045	(181,403)	-	241,560
Children & Young People	12,383	622,791	(581,701)	-	53,473
Health & Wellbeing	56,880	155,013	(171,377)	-	40,516
<b>Total restricted reserves</b>	<b>4,261,402</b>	<b>1,032,676</b>	<b>(1,054,759)</b>	<b>-</b>	<b>4,239,319</b>
<b>Unrestricted reserves:</b>					
-General	1,952,186	5,650,275	(5,344,377)	-	2,258,084
-Designated	744,581	130,536	(7,905)	-	867,212
<b>Total reserves</b>	<b>6,958,169</b>	<b>6,813,487</b>	<b>(6,407,041)</b>	<b>-</b>	<b>7,364,615</b>

**Princes Road capital**

The Princes Road capital reserve is held to provide premises for YMCA East Surrey. It is invested in the freehold land and buildings at Princes Road occupied by YMCA and it does not generate income.

**Sovereign Centre capital**

The Sovereign Centre capital reserve holds the leasehold premises at the Sovereign Centre and does not generate income.

**Sovereign Centre**

The Sovereign Centre reserve represents funds held to maintain and enhance the facilities at the Sovereign Centre and to support the YMCA's work with children and young people.

**Move-on properties capital**

Non-government grants received for the specific purpose of helping fund the acquisition of our move-on properties. Income in the year includes grants in respect of the new move-on property in Shrewsbury Road

**Inclusive Sports Facility capital**

The Inclusive Sports Facility capital reserve is held to provide premises for the Inclusive Sports Hall at the Princes Road site.

**Hillbrook capital**

Grants received in respect of funding for fixtures and fittings at Hillbrook House.

**Housing services**

Donations and grants received for the specific purpose of funding Housing initiatives, including funding for our NextStep programme, which assists families and individuals to secure private rented accommodation, and funding received for the deposits required to secure such accommodation.

**Children & Young People**

Donations and grants received for the specific purpose of funding Children and Young People initiatives, including youth work, emotional wellbeing support and inclusive services.



## 18 Analysis of reserves (continued)

### Health and Wellbeing

Donations and grants received for the specific purpose of funding Health and Wellbeing initiatives and related equipment.

### The Old Pheasantry

This fund includes the assets transferred to YMCA East Surrey by, the Land and City Families Trust ("LCFT"), together with the income and expenditure for the period relating to the principal asset, the Old Pheasantry. The use of the assets is restricted to the charitable purposes of the LCFT, which were to develop The Old Pheasantry into a centre for holidays and education for disadvantaged children.

## 19 Related party transactions

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in kind (2024: £nil). Further, the Trustees have received no reimbursement of expenses during the year (2024: £nil).

There was nil outstanding with related parties as at 31 March 2025 (2024: £nil).

## 20 Operating lease commitments

At 31 March 2025, the Charitable Company had total commitments under non-cancellable operating leases for land and buildings as follows:

	2025 £	2024 £
Within one year	38,147	24,881
Within two to five years	116,406	93,921
After five years	5,095	7,140
	<b>159,648</b>	<b>125,942</b>

## 21 Capital commitments

At the end of the year, the Charitable Company had £360,460 (2024: £1,183,716) of capital commitments in relation to the development of the site at Princes Road, which was partly funded by a grant of £737,539 from Reigate and Banstead Borough Council.

## 22 Contingent liabilities

The charitable company has contingent liabilities relating to social housing grants received totalling £1,758,533 (2024 : £1,737,533). These grants would need to be recognised as a liability and repaid if the properties so funded were sold or ceased to be used for social housing purposes.

## 23 Net cash

	Current debt £	Non-current debt £	Cash and cash equivalents £	Net cash £
At 1 April 2024	(78,484)	(1,608,261)	3,198,568	1,511,823
Movements in the year	(10,411)	89,387	(256,085)	(177,109)
<b>At 31 March 2025</b>	<b>(88,895)</b>	<b>(1,518,874)</b>	<b>2,942,483</b>	<b>1,334,714</b>

	£	£	£	£
At 1 April 2023	(57,530)	(1,343,164)	2,514,799	1,114,105
Movements in the year	(20,954)	(265,097)	683,769	397,718
<b>At 31 March 2024</b>	<b>(78,484)</b>	<b>(1,608,261)</b>	<b>3,198,568</b>	<b>1,511,823</b>