



# The Central Young Men's Christian Association

AND SUBSIDIARY UNDERTAKINGS

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2013



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## Trustees' report

The Trustees have pleasure in submitting their annual report together with the audited financial statements for the year ended 31 March 2013. The financial statements have been prepared in accordance with the accounting policies set out in Note 2 of the financial statements and comply with the charity's Articles, applicable accounting law and requirements of the Statement of Recommended Practice (Accounting and Reporting by Charities 2005).

### Objectives and activities

The objects of the Central YMCA are to provide for the spiritual, physical, intellectual and social welfare of people of all ages in accordance with the Christian basis of the Association.

#### The overarching aims of the charity are as follows:–

- to develop and deliver high quality programmes that seek to improve health and quality of life
- to explore and evaluate creative and non-traditional approaches to engaging individuals and communities in health-based activity and
- to champion the benefits of health-based activity.

#### The principal activities for the year were to provide:–

- quality training courses enabling individuals to begin or further a career as an instructor in the fitness industry
- a national theatre-in-education programme, aimed at young people
- subsidised fitness and exercise facilities designed to encourage people of all ages to improve their health, with prices reduced or waived where appropriate
- a wide range of nationally recognised vocational qualifications from Level 1 to Level 4 to those undertaking suitable courses run by third parties in the UK, Europe and the rest of the world
- ongoing campaign work to promote the benefits of health-based activity together with the championing of positive body image.

#### The strategies employed to achieve the charity's objectives are to:–

- run courses aimed at health and community activities including an emphasis on working with disabled and hard-to-reach individuals
- run vocational courses enabling individuals to pursue a career in the fitness industry
- run continuous professional development courses to broaden individuals' knowledge and skills base in the health and fitness area
- arrange work-based learning and apprenticeships to help those in employment to increase their knowledge and gain qualifications
- produce drama, digital technology and arts workshops to engage young people and adults in informed debates related to the charity's priority areas and other health-related issues
- provide facilities to encourage people and communities to improve their health, particularly targeting young people and groups with specific need, such as those with HIV. Also devising innovative specific programmes for them to boost their physical and mental wellbeing
- arrange for educational courses to be available to those using the facilities to improve their quality of life
- offer a high standard of qualifications to be available to those attending suitable courses run by third parties and to seek to raise standards within the industry as a whole; to use the qualifications to promote physical and mental health and wellbeing
- campaign to promote the benefits of health-based activity and positive body image at the highest possible level
- undertake research to examine the impact of the programmes of the charity.

## Achievements and performance

The key performance indicators for the charity for the various activities are as follows:-

- YMCAfit Training courses – number of students participating in courses
- Y Touring Theatre company – attendance at plays
- CYQ – Qualifications body – number obtaining qualifications
- Exercise and fitness facilities – number of members
- One KX Community centre – number of members and visits to the centre

### YMCAfit Training courses

The number of YMCAfit courses that have been run and the number of students participating in them is an important key indicator of annual achievement and performance of the charity.

Over the year ended 31 March 2013 these numbers increased, with student numbers in the region of 10% higher than 2011/12. Worthy of note was the sizeable increase in the number of people training to work with special populations which demonstrated the Association's ambition to extend its reach beyond entry level courses. This resulted in a 21% increase in overall income compared with the previous year.

Winning the acclaimed Spark of Innovation award for its InstructAbility programme was a major highlight for the operation in 2012/13. This ground breaking programme offers disabled people a route into the fitness industry through qualifying as fitness instructors.

Focus group feedback indicated that the charity has improved in all areas of the service that it gives to its beneficiaries. Students are evidencing a positive experience throughout their training journey across all course areas.

### Y Touring Theatre company

2012/13 main activity for Y Touring involved the production and tour of a play called Stunted Trees and Broken Bridges (STABB) – a Theatre of Debate project that focused on understanding how the brain works and exploring some of the emerging technologies being used to treat disorders of the brain in relation to health and wellbeing.

STABB is the third Y Touring project to explore the importance of understanding how our brains work in relation to mental health and behaviour. All of the productions have proved popular with schools complementing the

science, religious studies and humanities curriculum as well as personal and social education. STABB was developed in partnership with Nuffield Council on Bioethics, British Neuroscience Association and the Royal Society. The advisory group of experts included Professor Steven Rose, Emeritus Professor of Neurobiology; Professor Sophie Scott, Senior Professor of Cognitive Neuroscience UCL and Professor Vincent Walsh, Professor of Human Brain Research, Institute of Cognitive Neuroscience, University College London.

STABB was seen by 5,355 people during its tour of schools, screening in cinemas, at science festivals and at the Royal Albert Hall following the filming of a live performance. The play also won an award for Best Event at the British Science Association National Science and Engineering Week Awards 2013, the third time in as many years that Y Touring has won an award at this festival. Much of the direct costs accrued during this project were funded by the Wellcome Trust (part of £1 million strategic funding over five years) with Central YMCA funding staff and overhead costs.

The team also piloted a screening of the film of STABB at the Science Museum's Dana Centre to a capacity audience in May. Furthermore, a production of Y Touring's Dayglo play was screened at Manchester University for an audience of students and school pupils for the Economic Social Research Council's Festival of Social Sciences to whom Y Touring successfully applied for a grant.

Y Touring piloted two screenings of Dayglo at the University of Liverpool medical school for medical students and nurses. The production tells the story of a mother and daughter who are fighting breast cancer and the Bracca gene which they have both inherited.

The theatre company commissioned and developed a new play "The last time I saw her" by Rachel Wagstaff which explores issues around body confidence and the sexualisation of young people. This play was successfully previewed at the Bloomsbury Festival 2012.

Y Touring also works in Camden through One KX devising and delivering a pioneering programme of subsidised aspirational arts, science and technology programmes enabling young people to connect, collaborate and create. Highlights of this work have included a two day programme of events (talks, workshops, and performances) at the Bloomsbury Festival, introducing over 400 people to the facilities in one weekend. In addition, the team has delivered a range of programmes including coding clubs (Young Rewired State), photography projects (which culminated in the Home exhibition at the Bow Bunker gallery), workshops on identity, body image, animation, app making, making sound tracks for films, and film making.

The young women's film making workshop chose to make a film about transgenderism which won first prize in the Nuffield Council's Box Office Bioethics Competition.

### The Campaigns department

Central YMCA's Development Directorate continued its far reaching profile raising campaign work, providing the secretariat for the All Party Parliamentary Group on Body Image and publishing an agenda setting report on the causes and consequences of body image anxiety.

### Exercise and fitness facilities

Central YMCA's health and fitness club, the largest in Central London, enjoyed another successful year in 2012/13 with main membership growing by 3.7% to 4,163 members in a year when neutral growth was predicted.

The Club's older adult, healthy living and positive health programmes also remained buoyant throughout the year and overall community members increased by 236 (or 9.6%) to 2,669, with notable growth of over 15% across the area of both children's and students' memberships.

The Club won a gold medal at the 2012 Members' Choice Health Club Awards, building on the silver medal won in 2011. It also retained its compliance with the FIA Code of Practice and was shortlisted for the 2012 Flame award for Club of the Year at the same ceremony where YMCAfit won the Spark of Innovation Award for its InstructAbility programme.

### CYQ Qualification body

Another successful year for Central YMCA Qualifications (CYQ) saw the awarding of 30,634 qualification certificates to successful learners. Furthermore, the awarding organisation developed 21 new qualifications which were regulated by Ofqual during the year, bringing the total of regulated CYQ qualifications in the field of health, fitness, wellbeing and personal development to 67, its highest number to date.

CYQ's Annual Customer Satisfaction Survey was a particular highlight of the year. The results were as follows:

#### Professionalism of staff

- 2011/12 – 84% of respondents gave a satisfaction rating of 8 or more
- 2012/13 – 93.7% of respondents gave a satisfaction rating of 8 or more
- 9.7% improvement.

#### Quality of service

- 2011/12 – 65% of respondents gave a satisfaction rating of 8 or more
- 2012/13 – 91.6% of respondents gave a satisfaction rating of 8 or more
- 26.6% improvement.

#### Ease of engagement

- 2011/12 – 66% of respondents gave a satisfaction rating of 8 or more
- 2012/13 – 86.6% of respondents gave a satisfaction rating of 8 or more
- 20.6% improvement.

In terms of innovation, throughout the year CYQ worked in partnership with British College Sports to sponsor the first ever National Fitness Instructor and Personal Training Awards. The competition provided the opportunity for CYQ to engage even more closely with Further Education colleges – which represent a large segment of its customer base – to improve CYQ visibility directly with learners and also to be associated with stretching learners and supporting high levels of achievement that promote career opportunities for young people. The competition was rolled out nationally from January 2013 and culminated in a very successful competition final which took place at the National Football Centre, St George's Park at the beginning of May 2013. The competition was observed by the National Competitions Manager of the National Apprenticeship Service and received excellent feedback.

In addition to these significant improvements, 94% of respondents said that they would recommend CYQ to another training provider.

With regards to regulatory compliance, CYQ continued its self-evaluation activity throughout 2012/13 to ensure ongoing alignment of all CYQ systems, procedures, documentation and web information to Ofqual's Conditions of Recognition, culminating in its second annual Statement of Compliance submission to Ofqual in April 2013.

## Financial review

The results for the group are set out in the attached financial statements which have been prepared to comply with the latest accounting standards. There was a deficit of £773,000 in the year ended 31 March 2013 before revaluations and profit on sale of investments compared with a deficit of £494,000 last year.

There are a number of reasons for the difference of £279,000. The charity invested heavily in support costs with £166,000 being dedicated to improved operational support and £214,000 being spent on extending our reach to more beneficiaries and on improving fund raising. It should be noted that part of these increases arose from the centralisation of existing resources. The HR department costs increased by £94,000 to provide expanded support for staff and the publications, marketing and communications department also increased costs by £86,000 to ensure ongoing improvement in the professionalisation of our publications. One off redundancy costs of £40,000 also added to costs. At the same time, before support costs, the Club improved income which resulted in an increase of £73,000 in contribution. Our YMCAfit training courses increased income by £523,000 and, after costs, added £230,000 to their contribution. CYQ managed to both reduce costs and increase revenue producing an improvement in contribution of £157,000. Funding was difficult for the theatre company and community centre and this operation needed £44,000 more subsidy. £29,000 more was also invested in our Campaigns to secure a wider circulation of our important social messages around self-esteem and confidence in young people.

The investment managers were asked to change their target from income to a total return basis and this enabled them to reduce the risk profile, but led to a £40,000 reduction in income.

In a very volatile market investments fluctuated considerably, but ended the year on a high note with an additional unrealised profit of £1,623,000 and there was a profit on sale of investments of £938,000. The result of all the above was an increase in reserves of £1,788,000.

The investment market is still volatile but the group retains net assets of nearly £33.6 million, part of which is highly liquid so the group is well placed to weather the recession and continue to subsidise activities.

## Plans for future periods

### YMCAfit Training courses

Looking to 2013/14, the operation is planning to introduce a number of new programmes including a level 4 qualification. The charity plans to develop programmes to train members of the public and not just instructors. These new developments include the introduction of courses for teaching teenagers and for outdoor activities.

New projects/courses for the year include Health Trainer Plus and Mental Health, as well as more InstructAbility and Community Activator courses.

It is planned to expand the apprenticeship courses to cover five new counties and it is also planned to widen the programme to cover Zumba, Kids Fitness, and Working with Special Populations. We also intend to change the IT infrastructure to allow the charity to manage the sales process more effectively.

Although the operation has been short staffed in 2012/13 it is anticipated that this will not be the case in 2013/14 which will allow the service to be improved to the beneficiaries.

### Y Touring Theatre company

For 2013/14 Y Touring is developing a new project that makes use of the Wellcome Trust funding mentioned above. This project, Future of Food, will focus on one of the most pressing challenges to human health and will explore a number of themes including obesity and malnutrition. To deliver this project Y Touring is working with a group of eminent experts and acclaimed playwright Sarah Daniels. The production will tour for 10 weeks in early 2014.

### Exercise and fitness facilities

The healthy position of the children and youth membership numbers at YMCA Club has laid a strong foundation for the delivery of the 2013–16 strategic plan which, whilst developing the existing exercise and fitness programme across the broad spectrum of membership, will prioritise work with young people in Camden, Westminster and Islington. The development of the plan will increase the presence and impact of the charity, both on- and off-site, in partnership with many local organisations including London Borough of Camden, NHS Camden and University College London. External funding will be sought to underpin the delivery of projects such as YMCA England's Young Health Champions initiative and the development of Inclusive Sports Clubs across the borough.

### Central YMCA Qualifications

An exciting area of activity for the coming year centres on CYQ's 15th birthday celebrations and awareness campaign which was launched at the UK Active conference in July 2013. Alongside this specific marketing campaign, which focuses on CYQ's drive for quality and for upholding industry standards throughout its 15 years, CYQ will launch its new apprenticeship packages, with the aim of attracting employers and providers with access to apprenticeship funding. This is possible due to the partnership arrangement that CYQ has entered into with SQA, another large awarding organisation. CYQ is using SQA's Functional Skills qualifications in English, Maths and ICT, together with its own apprenticeship-based qualifications, to provide a full apprenticeship solution for CYQ centres.

Alongside CYQ's 15th birthday and apprenticeship marketing campaigns, CYQ will continue to implement its Qualification Development Strategy by developing new qualifications (and supporting educational resources) in existing and new sectors, which will include the following areas:

- New 'substantial' vocational qualifications to meet the needs of the new Study Programmes required by Further Education Colleges from September 2013
- Strength and conditioning
- Life coaching and behaviour change
- Mental health
- Volunteering and leadership
- Skills for life and employability.

CYQ will continue to work with the Youth Sport Trust (YST) to raise the profile of the CYQ brand within schools and with a view to developing volunteering and/or leadership qualifications in liaison with YST. CYQ will also be targeting YMCAs across the country, with the aim of developing qualifications to meet the needs of those YMCAs that offer training, to support more young people with its range of qualifications.

From a digital perspective, CYQ is developing and launching the following products and services during 2013/14:

- Four new eLearning products
- Digital learner assessment records (LARS)
- Digital manuals
- A web shop
- Electronic reporting for external quality assurers
- A new automated theory assessment scheduling process.

In addition to this, ongoing compliance with Ofqual's Conditions of Recognition will continue to be a key focus of attention for CYQ, as the awarding organisation continues to operate in a more rigorous regulatory environment.

### Public benefit statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

The purpose of the charity is enshrined in its objects to provide for the spiritual, physical, intellectual and social welfare of individuals. The Trustees ensure that this purpose is carried out for the public benefit by delivering a wide range of services that are accessible to all, regardless of their circumstances as set out below:-

#### Y Touring Theatre company

Y Touring facilitates educational and innovative theatrical performances within schools free of charge, promoting and encouraging healthy debate amongst young people. This truly pioneering 'theatre of debate' offers a unique service, engaging young people in informed debate around the major challenges to human health and well-being.

The company uses innovative methods including electronic voting technology, online surveys and direct conversations with its audiences via Facebook and Twitter to measure impact and deepen engagement. The company continues to work on enlarging its target audience through a wider range of activities such as screenings and interactive technology, enabling it to reach a greater number of young people than through touring alone. *Stunted Trees* and *Broken Bridges* will be screened at the British Interactive Group's annual event at the Glasgow Science Centre and the Manchester Science Festival later this year.

#### Exercise and fitness facilities

The charity's health and fitness facilities encourage people from all walks of life to improve their health, also providing a welcoming space for a broad range of healthy living and community groups. There is a particular focus on societal groups such as those with HIV, for whom the Club operates specific programmes to boost participants' physical and mental wellbeing. The Club's open door accessibility policy together with special rates for the unemployed and disadvantaged groups, ensures that access is available to all whatever their situation.

The awarding organisation continues to promote the take-up of qualifications that result in greater numbers of well qualified instructors. More than 30,000 qualification certificates were awarded this year. These qualified instructors are subsequently able to motivate and encourage more members of the public to participate in physical activity and to enjoy the health benefits that result.

### Campaigns/Development

The Development Directorate and its Campaigns arm has been working to promote positive body image by challenging society's and the media's obsession with unachievable body ideals, as well as highlighting the dangers of body image anxiety and body dysmorphia. Providing the secretariat for the All Party Parliamentary Group on Body Image and publishing a detailed report on body image, the charity generated considerable media interest in the subject, stimulating public debate and raising the profile of this often overlooked subject.

### YMCAfit Training courses

YMCAfit have always had a reputation for training industry-leading instructors and personal trainers who understand people's needs. The operation ensures that the emphasis for students is not on the latest research, but on showing empathy and supporting individuals to achieve their goals. This same ethic applies, whether the graduate is training an athlete to compete in an event or building up an individual's strength to allow them to get out of a chair unaided.

The charity gives individuals from all walks of life an opportunity to train, often in situations where other organisations would have been unable to offer any training opportunities. The InstructAbility programme provides a good example of this as it gives disabled people the opportunity to become fitness professionals and to enter the industry as an instructor or personal trainer.

The advocacy of the physical activity agenda (not just a focus on physical fitness) means the operation is positioning itself to meet the needs of those most in need of intervention. This has been reflected in our core programme that supports students to achieve the best that they can. Prices are kept as low as possible in order to ensure all students can access courses and additional help is available for those with learning or other difficulties. Also YMCAfit's funded courses are free to participants.

### Fixed assets

The principal changes in the fixed assets of the group were costs of £282,000. This was spent on various items including the acquisition of new computer equipment. Items costing £664,000 but fully depreciated, were disposed of or donated where possible.

### Employment policies

The Trustees recognise the importance of good communications and relations between management and employees. The Association is an equal opportunity employer and does not discriminate on the grounds of disability.

The Association is assisted in its work by a number of volunteers who run activities and the same policies are applied to them as to employees. If the volunteers had been paid at the same rate as an equivalent employee or external individual the additional cost would have been in the region of £170,000 (2012:£214,000).

## Grants received – the Group and the Association

The charity has received a number of grants and donations to further its work during the year. The Trustees would like to thank all those who contributed to the Association's work. The donations may be summarised as follows:–

	£'000	Used for
Wellcome Trust	240	Production of plays
EC Funding Sapienza Universita	9	Development of e-learning programme
Lottery Grant	6	Production of plays
Camden PCT	5	HIV/Aids support
Islington PCT	5	HIV/Aids support
King's College London	5	Production of plays
British Science Association	1	Production of plays
	<b>271</b>	
<b>Association</b>		
Sussex Downs College	22	Joint investment programme
National Skills Academy for Sport & Leisure	13	Activator programme
The London Community of Westminster	5	InstructAbility programme
London Borough of Camden	3	} supporting young people
Macmillan Cancer Support	1	
YMCA Worcester	1	Young Health champion
<b>Total Group</b>	<b>316</b>	

## Dependence on donations

Apart from the volunteers mentioned the charity is not dependant on donations of services or facilities.

## Reference and administration details

<b>Charity number:</b>	213121
<b>Company number:</b>	119249
<b>Principal office</b>	112 Great Russell Street, London, WC1B 3NQ
<b>Auditors:</b>	BDO LLP, 55 Baker Street, London, W1 7EU
<b>Bankers:</b>	Royal Bank of Scotland, 62/62 Threadneedle Street, London, EC2R 8LA  CCLA Investment Management Ltd, 85 Queen Victoria Street, London, EC4V 4ET
<b>Solicitors:</b>	Bircham Dyson Bell, 50 Broadway, London, SW1H 0BL
<b>Property advisors:</b>	Montagu Evans, 5 Bolton Street, London, W1J 8BA
<b>Investment managers:</b>	Rothschild Private Management Ltd, New Court, St Swithin's Lane, London, EC4N 8AL

## Directors and Trustees

**Our Patron is The Lord Remnant, CVO, FCA.**

The directors of the charitable company (the charity) are its trustees for the purposes of charity law. Throughout this report they are referred to as Trustees.

The Trustees serving during the year and since the year end were as follows:-

<b>David Bennison</b>	
<b>Philippa Campbell</b>	(Honorary Treasurer)
<b>Rohan Campbell</b>	
<b>Charlotte Dickens</b>	
<b>Tony Griffiths</b>	
<b>Ian Guthrie</b>	
<b>Colleen Harris</b>	
<b>Robert Hayward</b>	
<b>Susan Ross Morton</b>	(appointed 14th March 2013)
<b>Valerie Morton</b>	
<b>Kern Roberts</b>	
<b>Philip Rogerson</b>	(Chairman)
<b>Andrew Shields</b>	(resigned 28th August 2012)

## Members of Y Touring advisory board

<b>Martin Ball</b>	Producer
<b>Derek Barnes</b>	BBC
<b>John Burgess</b>	Nuffield Theatre, Southampton
<b>Steve Harris</b>	Freelance Arts Consultant
<b>Elaine Higgins</b>	Rendall & Ritter
<b>Judith Johnson</b>	Playwright
<b>Eleanor Lang</b>	Executive Director Free Word
<b>Elaine Snell</b>	Freelance Science Consultant
<b>Peter Stenson</b>	Actor & Theatre critic
<b>Lewis Wolpert</b>	Professor of Biology, UCL

## Senior employees:

<b>Chief Executive</b>	Rosi Prescott
<b>Company Secretary</b>	Andrew Rice

None of the Trustees receive any emoluments nor have any Trustees had a beneficial interest in the shares of Central YMCA's other subsidiary undertakings. Expenses reimbursed to Trustees are shown in note 6 to the accounts.

## Structure, Governance and Management

### Governing document

Central YMCA is a company limited by guarantee governed by its Articles of Association dated 1911 and last updated in October 2012. It is registered as a charity with the Charity Commission. There are currently 29 Full Members (47 in 2012).

### Appointment of Trustees

Trustees are elected by the members at the annual general meeting. The Board may appoint additional Trustees during the year, but any Trustee so appointed must be elected at the following annual general meeting.

### Trustees' induction and training

New Trustees are given information to brief them on their legal obligations under charity and company law, the content of the Articles, the decision making process, the business plan and the financial performance of the charity. They meet key members of staff and are briefed about the activities. In addition to formal meetings, there are days at which Trustees and staff meet to hold discussions as to the future direction of the organisation and where other matters can be discussed on a more informal basis.

### Organisation

The Board of Trustees, which can have up to 20 members, administers the charity. The Board meets at least quarterly and there is an Audit and Risk sub-committee which meets in between Board meetings. Another sub-committee meets regularly to oversee the Association's investments and there is another which is considering compliance matters. The Chief Executive is appointed by the Trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and operational activity.

### Related parties

The charity has four wholly owned subsidiary companies. Central YMCA Trading Ltd (which changed its name from Professional Fitness Ltd on 31st October 2012) provides sports facilities, markets items derived from the activities of the charity and undertakes other non primary purpose trading activities. The profits of this subsidiary are paid by gift aid to the charity. Y Hotel is a dormant subsidiary. London Central YMCA Ltd, which is a registered charity, runs training courses to equip individuals to work in the fitness industry. This charity has itself a wholly owned dormant subsidiary, YMCA Fitness Recruitment Ltd. Central YMCA is also part of the YMCA England federation.

## Risk management

The Trustees have a risk management strategy which comprises:

- an annual review of the risks the charity may face
- the establishment of systems and procedures to mitigate those risks identified in the plan and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise

The Trustees consider that the main risks to the charity are as follows:-

- the extent to which the charity is dependent on Government funding of educational courses and funding
- Government regulation of the awarding body and regulation in standards for awards generally
- An external event impacting on the buildings used by the charity

The Trustees are taking steps as far as possible to mitigate these risks and to minimise the effect on the charity should any of them materialise.

### Investment powers

Under the Articles the charity has the power to invest in any way the Trustees wish. Rothschild Investment Managers manage an investment portfolio of funds on behalf of the Trustees. It has been asked to invest to provide a long-term income to subsidise the activities of the charity and to build up reserves to provide capital funding for improvements to the facilities and other projects. Rothschild was set the target of achieving a long term performance of a total return of 5% above inflation over the long term. During the year a positive return well above this was achieved which more than compensates for the previous year. This has been invested in a variety of funds as set out in note 9 to the accounts.

The charity has not set any social, environmental or ethical restrictions on the investments other than avoiding anything carrying a Government health warning such as tobacco products. The charity's Investment committee meets regularly with Rothschild and alerts it to any conflict issues.

## Reserves policy

The Trustees have established the level of reserves (that is those funds that are freely available) that the charity ought to have. Reserves are needed to bridge the gap between carrying out activities and receiving the funds for those activities.

In particular reserves are held to guarantee that six months operating funds are available and to ensure that:-

Policy	Current reserves	Further information
Sufficient funds exist to effect repairs to long leasehold properties	£3.5 million designated reserve	The charity is expecting to have to invest in updating the facilities in the next two years and although the exact amount is unknown at present the Board considers a reserve of this magnitude will be needed.
The pension fund shortfall will be covered	£2.7 million designated reserve  No amount set aside – contingent liability	Designated reserve to cover current full buy out cost for scheme. The Board are considering spending these sums in order to eliminate the contingent liability below.  Contingent liability in respect of additional costs if other YMCAs fail to meet costs applicable to them.
The reserves of the Group are sufficient to ensure financial support for individual subsidiaries if required.	£14.5 million free reserves	Reserves are adequate for the Group as a whole. Six month operating funds target is £5.1 million.  Reserves of London Central YMCA Ltd are currently £1.15 million less than judged necessary by the Trustees of this charity if the support from Central YMCA were not in place.
Income is available to subsidise activities which support our charitable objectives.		Substantial part of reserves is held in investments to provide income. It is the intention of the Trustees that these investments will be retained on a long-term basis to ensure that the charity can continue to provide public benefit at the levels planned.

The Trustees believe that reserves should be at the level stipulated above to ensure the charity can run efficiently and meet the needs of the beneficiaries. Currently free reserves total £14.5 million which is in excess of the six months operating funds target mentioned above which is £5.1 million. The reserves are being used to subsidise activities which provide public benefit but which without this subsidy would not be financially viable.

The Trustees will keep the policy under review balancing this against the needs of the charity and opportunities available to it.

## Auditor

PKF (UK) LLP merged with BDO LLP during the year and as a result resigned as auditor. The directors have agreed to appoint the new merged firm, BDO LLP in their place. BDO LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be reappointed auditor for the ensuing year.

## Statement of Trustees' responsibilities

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent charity and of the incoming resources and application of resources, including its income and expenditure, of the group for the year. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and accounting 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

## Disclosure of information to auditor

So far as the Trustees are aware, there is no relevant audit information of which the company auditor is unaware. The Trustees have taken all the steps they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the Board

**AJ Rice**  
Company Secretary

**P Rogerson**  
Chairman

**P Campbell**  
Honorary Treasurer

Registered Office:  
112 Great Russell Street,  
London,  
WC1B 3NQ

## Independent auditor's report to the members and trustees of the Central Young Men's Christian Association

We have audited the financial statements of The Central Young Men's Christian Association for the year ended 31 March 2013 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Parent Association Balance Sheet, Consolidated Cashflow Statement, notes of historical cost profits and losses and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2013, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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

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

**Karen Thompson**

Senior Statutory Auditor  
for and on behalf of BDO LLP,  
Statutory Auditor  
London  
United Kingdom

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

## Consolidated statement of financial activities

(incorporating an Income and Expenditure Account) for the year ended 31 March 2013

Incoming resources	Note	Unrestricted funds £'000	Restricted funds £'000	Total 2013 £'000	Total 2012 £'000
<b>Incoming resources from generated funds</b>					
Voluntary income					
Grants and donations		16	–	16	25
Activities for generating funds					
Commercial trading income		530	–	530	494
Investment income		793	–	793	835
Incoming resources from charitable activities					
Provision of services		7,749	316	8,065	7,589
<b>Total incoming resources</b>	<b>3</b>	<b>9,088</b>	<b>316</b>	<b>9,404</b>	<b>8,943</b>
<b>Resources expended</b>					
Cost of generating funds					
Commercial trading expenses		366	–	366	357
Investment costs		174	–	174	180
Charitable activities					
Provision of services		9,091	400	9,491	8,770
Governance costs		146	–	146	130
<b>Total resources expended</b>	<b>4</b>	<b>9,777</b>	<b>400</b>	<b>10,177</b>	<b>9,437</b>
<b>Net outgoing resources for the year</b>	<b>5</b>	<b>(689)</b>	<b>(84)</b>	<b>(773)</b>	<b>(494)</b>
Change in valuation of property	8	–	–	–	–
Change in valuation of investments	9	1,623	–	1,623	(789)
Realised profit on sale of investments	9	938	–	938	654
Net incoming/(outgoing) resources after revaluation		1,872	(84)	1,788	(629)
<b>Reconciliation of funds</b>					
Fund balances brought forward		30,746	1,054	31,800	32,429
<b>Fund balances carried forward</b>	<b>13 &amp; 14</b>	<b>32,618</b>	<b>970</b>	<b>33,588</b>	<b>31,800</b>

The accounting policies and notes on pages 20 to 32 form part of these financial statements.

All amounts relate to continuing activities. All gains and losses recognised in the year are included above. The surplus for Companies Act purposes comprises the net outgoing resources for the year plus realised profit on sale of investments.

## Consolidated balance sheet

at 31 March 2013

<b>Fixed assets</b>	Note	<b>2013</b> <b>£'000</b>	<b>2013</b> <b>£'000</b>	<b>2012</b> <b>£'000</b>	<b>2012</b> <b>£'000</b>
Charitable	8		11,692		12,082
Investment	9		21,030		18,664
			<b>32,722</b>		<b>30,746</b>
<b>Current assets</b>					
Stocks	10	6		3	
Debtors	11	836		698	
Cash at bank and in hand	17	1,329		1,678	
		<b>2,171</b>		<b>2,379</b>	
<b>Creditors:</b> amounts falling due within one year	12	<b>(1,305)</b>		<b>(1,325)</b>	
<b>Net current assets</b>			<b>866</b>		<b>1,054</b>
<b>Net assets</b>			<b>33,588</b>		<b>31,800</b>
<b>Funds</b>					
Unrestricted fund					
general	13		16,010		16,602
revaluation reserves	13		10,188		9,180
designated	13		6,420		4,964
Restricted	14		970		1,054
			<b>33,588</b>		<b>31,800</b>

These financial statements will be considered by the Board of Trustees on 7 October 2013 and if approved will be signed on its behalf by:

**P Rogerson**  
Chairman

**PL Campbell**  
Honorary Treasurer

The accounting policies and notes on pages 20 to 32 form part of these financial statements.

## Parent association balance sheet

at 31 March 2013

<b>Fixed assets</b>	Note	<b>2013</b> <b>£'000</b>	<b>2013</b> <b>£'000</b>	<b>2012</b> <b>£'000</b>	<b>2012</b> <b>£'000</b>
Charitable	8		<b>11,692</b>		12,082
Investment	9		<b>21,030</b>		18,664
			<b>32,722</b>		<b>30,746</b>
<b>Current assets</b>					
Debtors	11	<b>316</b>		458	
Cash at bank and in hand		<b>1,319</b>		1,668	
		<b>1,635</b>		<b>2,126</b>	
<b>Creditors:</b> amounts falling due within one year	12	<b>(1,142)</b>		(1,328)	
<b>Net current assets</b>			<b>493</b>		<b>798</b>
<b>Net assets</b>			<b>33,215</b>		<b>31,544</b>
<b>Funds</b>					
Unrestricted fund					
general	13		<b>15,637</b>		16,346
revaluation reserves	13		<b>10,188</b>		9,180
designated	13		<b>6,420</b>		4,964
Restricted	14		<b>970</b>		1,054
			<b>33,215</b>		<b>31,544</b>

These financial statements will be considered by the Board of Trustees on 7 October 2013 and if approved will be signed on its behalf by:

**P Rogerson**  
Chairman

**PL Campbell**  
Honorary Treasurer

The accounting policies and notes on pages 20 to 32 form part of these financial statements.

## Consolidated cash flow statement

for the year ended 31 March 2013

	Note	2013 £'000	2013 £'000	2012 £'000	2012 £'000
<b>Net cash outflow from operating activities</b>	16		(1,057)		(491)
<b>Return on investments</b>					
Interest received		794		835	
<b>Net cash inflow from returns on investment</b>			794		835
<b>Capital expenditure</b>					
Purchase of investments		(9,946)		(8,363)	
Payments to acquire tangible fixed assets		(281)		(210)	
Sale of investments		10,141		7,989	
<b>Net cash (outflow) from capital expenditure</b>			(86)		(584)
<b>Decrease in cash</b>	17		(349)		(240)

The accounting policies and notes on pages 20 to 32 form part of these financial statements.

## Note of historical cost profits and losses

for the year ended 31 March 2013

	<b>2013</b> <b>£'000</b>	2012 £'000
Reported excess of income over expenditure/(expenditure over income) before taxation	1,788	(629)
Eliminate revaluation adjustment	(1,623)	789
Difference between a historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount	(69)	(56)
<b>Historical cost profit / (loss) on ordinary activities before taxation</b>	<b>96</b>	104
<b>Taxation</b>	<b>-</b>	<b>-</b>
<b>Historical cost profit / (loss) for the period retained after taxation</b>	<b>96</b>	104

The accounting policies and notes on pages 20 to 32 form part of these financial statements.

## Notes

### 1 Legal status

The Central Young Men's Christian Association is a registered charity and a company limited by guarantee. Full Members are a group of individuals who have affirmed their commitment to the movement's corporate aim and are the equivalent of the shareholders of a commercial company. They are elected by the Board of Trustees. The Full Members of the Association are each liable to contribute 37 pence towards the liabilities of the Association in the event of liquidation but cannot receive any remuneration of any kind.

### 2 Accounting policies

The principal accounting policies of the group are set out below and have remained unchanged from the previous year.

#### Basis of preparation

The financial statements have been prepared in accordance with the Companies Act 2006, applicable accounting standards, the Statement of Recommended Practice (SORP) 2005 "Accounting and reporting by Charities" and under the historical cost accounting rules on a going concern basis except that certain long leasehold properties are shown at their revalued amounts.

#### Basis of consolidation

The Statement Of Financial Activities (SOFA) and balance sheet consolidate the accounts of Central Young Men's Christian Association and all its subsidiary undertakings. The accounts of all five companies have been made up to 31 March 2013. All intra group profits are eliminated on consolidation. The results of the subsidiaries are consolidated on a line for line basis.

In the Association's accounts, investments in subsidiary and associated undertakings are stated at cost.

As permitted by Section 408 of the Companies Act 2006 and the SORP 2005 no separate SOFA has been presented.

The amount of the surplus for the financial year dealt with in the financial statements of Central Young Men's Christian Association is disclosed in note 13 to these financial statements.

### Fixed assets and depreciation

Depreciation is provided by the Association to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Fixtures, fittings and computer equipment	5% to 33%
Long leasehold buildings	40 years
Short leasehold buildings	20 years

Assets are capitalised if the cost is greater than £1,000.

The Trustees review the valuation of long leasehold properties annually for any change in their values and arrange for an external valuation if they believe a large change has taken place.

### Apportionment of expenses

Charitable expenses are allocated directly against the operation to which they relate and represent the cost of running the programme. Governance costs include audit, company secretarial and strategic management costs. Recharges from the holding charity have been calculated based on staff numbers, area occupied or other appropriate measurement.

### Long leasehold property

It is the Association's practice to depreciate these assets, when used directly by the charity, over their estimated useful economic life of 40 years, and to revalue them from time to time when it is believed a material change has taken place. The properties were last externally revalued at 31 March 2011.

### Short leasehold property

It is the Association's practice to depreciate these assets, when used by the charity over their estimated useful life of 20 years.

### Incoming Resources from Charitable Activities

Incoming resources from charitable activities represents the amounts (excluding value added tax) derived from the provision of goods and services to third party customers during the year. Receipts of membership subscriptions and fees are deferred so as to spread the income arising over the period for which members may derive benefit from the facilities to which they are entitled as a result of their membership. Similarly receipts for training courses are taken into account only when the course has started.

### Donations, legacies and grants

Donations, legacies and grants are recognised in the SOFA when conditions for their receipt have been complied with, receipt is certain and the amount known. If this project is not substantially complete or the final expenditure is not known then grants are carried forward as part of deferred income.

### Repairs and renewals

Running repairs and minor renewals of buildings and plant are written off as incurred.

### Leases

There are no finance leases.

Equipment and property leased under operating leases are not capitalised but are expensed directly to the statement of financial activities.

### Irrecoverable VAT

All irrecoverable VAT is treated as part of the cost of the item to which it relates.

### Funds

Funds held by the charity are either:

- Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees
- Designated funds – these are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes

Further explanation of the nature and purposes of each fund is included in notes 13 and 14.

### Investments

Investments represent amounts invested by the investment managers to produce a return to subsidise our activities. Income, profits or losses on sale and valuation changes are taken in account when reported by the investment managers in their quarterly reports.

### Pension costs

Central YMCA participates in a multi-employer plan for employees of YMCAs in England, Scotland and Wales which was closed to new members and accruals on 30 April 2007. The plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to Central YMCA for the purposes of FRS17 disclosure. The employer contributions in relation to the pension plan are determined by a qualified actuary and charged to the SOFA as made.

### Stocks

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

### Taxation

No provision has been made for taxation of the Association as it is a registered charity.

No provision is made for taxation in respect of profits generated by the subsidiary undertaking that is a registered charity. All profits of the trading subsidiary have been paid by gift aid to the Association and therefore no provision has been made for taxation within this company.

### Investment Income

Investment income comprises interest receivable on short term deposits as well as amounts received on investments.

### 3 Analysis of incoming resources

<b>Charitable activities</b>	<b>Service provision 2013 £'000</b>	<b>Restricted income 2013 £'000</b>	<b>Total 2013 £'000</b>	<b>2012 £'000</b>
Fitness facilities and associated activities	2,642	10	2,652	2,571
Training courses	3,021	45	3,066	2,543
Qualification certification	2,041	9	2,050	1,991
Theatre company & One KX	6	252	258	419
Well London project	–	–	–	36
Other projects	39	–	39	29
Donations	16	–	16	25
	<b>7,765</b>	<b>316</b>	<b>8,081</b>	<b>7,614</b>
<b>Activities for generating funds</b>				
Commercial trading income	530	–	530	494
Investment income	793	–	793	835
<b>Total</b>	<b>9,088</b>	<b>316</b>	<b>9,404</b>	<b>8,943</b>

All income has been generated in the United Kingdom apart from an amount of £52,000 which was earned from eleven other countries.

#### 4 Analysis of total resources expended

<b>Charitable activities</b>	<b>Direct costs</b> £'000	<b>Apportioned support costs</b> £'000	<b>Total 2013</b> £'000	<b>2012</b> £'000
Fitness facilities and associated activities	2,138	843	2,981	2,721
Training courses	2,509	778	3,287	2,788
Qualification certification	1,313	739	2,052	1,920
Theatre company & One KX	720	287	1,007	1,111
Well London project	–	–	–	35
Campaigns and others	132	30	162	173
Governance costs	146	–	146	131
	<b>6,958</b>	<b>2,677</b>	<b>9,635</b>	<b>8,879</b>
<b>Cost of generating funds</b>				
Commerical trading	356	10	366	378
Investment costs	136	40	176	180
	<b>7,450</b>	<b>2,727</b>	<b>10,177</b>	<b>9,437</b>
<b>Support costs are made up as follows</b>			<b>2013</b> £'000	<b>2012</b> £'000
IT costs			433	446
Property costs			105	106
Finance department costs			269	240
HR costs			270	176
Communication and marketing costs			629	543
Management costs			150	160
Maintenance department costs			163	162
Insurance			106	96
Affiliation fee YMCA England			36	36
Operations			166	–
Development/fundraising			214	–
Sundry cost other			186	88
<b>Total as above</b>			<b>2,727</b>	<b>2,053</b>

See page 6 financial review for an explanation of the increase in support costs.

#### **Governance costs are made up as follows**

Auditors' remuneration (excluding irrecoverable VAT)	19	19
Irrecoverable VAT on auditors' remuneration	4	4
Legal costs	2	3
Company secretarial costs	49	40
External costs	2	2
Share of management time on strategic matters	70	63
<b>Total as above</b>	<b>146</b>	<b>131</b>

## 5 Net (outgoing) / incoming resources for the financial period

<b>Net (outgoing) / incoming resources for the financial period is stated after charging/(crediting)</b>	<b>2013 £'000</b>	<b>2012 £'000</b>
Auditors' remuneration	19	19
Other services provided by the auditors	24	4
Depreciation – owned assets	672	680
(Loss)/profit on sale of fixed assets	–	–
Staff costs (see note 7)	5,511	5,575

The figure for auditors' remuneration above excludes irrecoverable VAT.

## 6 Remuneration of trustees

The Trustees did not receive any emoluments during the period (2012:£nil) for services as Trustees of the Association. £770 (2012:£591) was reimbursed to 3 (2012:3) Trustees during the period in respect of reimbursement of travel and conference costs. Insurance cover including trustee indemnity insurance was purchased during the year at a cost of £2,782 (2012:£2,782).

## 7 Staff numbers and costs

The average full time equivalent number of persons employed by the group during the year, analysed by category, was as follows:

	<b>Number of Employees 2013</b>	<b>Number of Employees 2012</b>
Operations	109	108
Management and administration	38	40
	<b>147</b>	<b>148</b>

<b>The aggregate payroll costs of these persons were as follows</b>	<b>2013 £'000</b>	<b>2012 £'000</b>
Wages and salaries	4,728	4,806
Compromise payment	40	–
Social security costs	463	469
Other pension costs	280	300
	<b>5,511</b>	<b>5,575</b>

The emoluments of the employees earning over £60,000 fell into the following bands:

<b>Band</b>	<b>2013 Number</b>	<b>2012 Number</b>
£60,001 – £70,000	1	3
£70,001 – £80,000	2	2
£120,001 – £130,000	1	1

Pension costs for higher paid employees amounted to £76,832 (2012:£92,363). The highest paid employee was not the Chief Executive.

## 8 Fixed assets

	Long leasehold Property Great Russell Street £'000	Short leasehold Property Cromer Street £'000	Fixtures fittings and equipment £'000	Total £'000
<b>Group and the Association</b>				
<b>Cost or valuation:</b>				
At 31 March 2012	11,132	1,672	3,349	16,153
Additions	4	53	225	282
Disposal	–	–	(664)	(664)
<b>At 31 March 2013</b>	<b>11,136</b>	<b>1,725</b>	<b>2,910</b>	<b>15,771</b>
<b>Depreciation:</b>				
At 31 March 2012	559	550	2,962	4,071
Charge for the period	282	89	301	672
Disposals	–	–	(664)	(664)
<b>At 31 March 2013</b>	<b>841</b>	<b>639</b>	<b>2,599</b>	<b>4,079</b>
<b>Net book value at:</b>				
31 March 2012	10,573	1,122	387	12,082
<b>31 March 2013</b>	<b>10,295</b>	<b>1,086</b>	<b>311</b>	<b>11,692</b>
<b>Great Russell Street buildings</b>				
		<b>Group and Association 2013 £'000</b>	<b>Group and Association 2012 £'000</b>	
At period end open market value		11,136	11,132	
Aggregate depreciation thereon		(841)	(559)	
<b>Net book value</b>		<b>10,295</b>	10,573	
Historical cost of revalued assets		5,758	5,752	
Aggregate depreciation based on historical cost		(2,997)	(2,645)	
<b>Historical cost net book value</b>		<b>2,761</b>	3,107	

Other tangible fixed assets are included at cost.

The interests in the property at Great Russell Street, WC1 were revalued as at 31 March 2011. These valuations were produced by Montagu Evans LLP, an external firm of chartered surveyors in accordance with the RICS Valuation Standards – Global and UK (seventh Edition) published by the Royal Institute of Chartered Surveyors, on the basis of existing use value as defined in UKVS 1, Valuations for Financial Statements.

## 9 Fixed Asset Investments – Group and Association

### a) External investments

	2013 £'000	2012 £'000
Book value at 1 April	18,664	18,425
Purchases at cost	9,946	8,363
Sale proceeds	(10,141)	(7,989)
Realised profit on investments sold	938	654
Sub-total	19,407	19,453
Unrealised profit /(loss) on revaluation	1,623	(789)
Market value	21,030	18,664

The investments were allocated as follows:–

	2013 At 31 March At cost £'000	2013 At 31 March Market value £'000	2013 At 31 March Surplus/(deficit) £'000	2012 At 31 March At cost £'000	2012 At 31 March Market value £'000	2012 At 31 March Surplus/(deficit) £'000
Liquid funds	574	570	(4)	266	266	–
Fixed income	3,548	3,756	208	4,413	4,553	140
Equities	11,067	13,979	2,912	9,187	10,692	1,505
Property funds	3,072	3,295	223	3,349	3,419	70
<b>Total investments</b>	<b>18,261</b>	<b>21,600</b>	<b>3,339</b>	<b>17,215</b>	<b>18,930</b>	<b>1,715</b>

### b) Internal investments

The Association has four subsidiary undertakings all of which are 100% owned and are registered in England and Wales. London Central Young Men's Christian Association Ltd is a company which provides for the spiritual, educational and physical well being of young men and women and adults by supplying vocational training courses throughout UK. This company is a charity with its own board of Trustees. Y Hotel Ltd has not traded in the year. Central YMCA Trading Ltd (formerly Professional Fitness Ltd) produces and markets books and videos. YMCA Fitness Recruitment is a subsidiary of London Central YMCA Ltd and has not traded in the year.

## 9 Fixed Asset Investments – Group and Association (continued)

### c) Subsidiary company results

	Share capital Ordinary £1 shares at cost £	Surplus/(deficit) for year £	Capital and reserves £
London Central YMCA Ltd	100	118,628	323,997
Central YMCA Trading Ltd	2	–	50,002
Y Hotel Ltd	2	–	(1,218)
YMCA Fitness Recruitment Ltd	2	–	2

Central YMCA Trading Ltd paid gift aid amounting to £162,558 to Central YMCA for the year (2012:£143,727).

## 10 Stock

	Group 2013 £'000	Group 2012 £'000	Association 2013 £'000	Association 2012 £'000
Items for resale	6	3	–	–

## 11 Debtors

	Group 2013 £'000	Group 2012 £'000	Association 2013 £'000	Association 2012 £'000
<b>Amounts due within one year</b>				
Trade debtors	661	444	175	232
Other debtors	89	117	65	89
Prepayments and accrued income	86	137	76	137
	<b>836</b>	<b>698</b>	<b>316</b>	<b>458</b>

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

<b>Amounts due within one year</b>	<b>Group 2013 £'000</b>	<b>Group 2012 £'000</b>	<b>Association 2013 £'000</b>	<b>Association 2012 £'000</b>
Trade creditors	323	596	252	417
Amounts owed to subsidiary undertakings	–	–	341	511
Income tax, social security & VAT	187	197	187	197
Other creditors	35	36	35	36
Accruals	304	91	255	91
Deferred income	456	405	72	76
	<b>1,305</b>	<b>1,325</b>	<b>1,142</b>	<b>1,328</b>

<b>Deferred Income analysis</b>	<b>Group 2012 £'000</b>	<b>Group change £'000</b>	<b>Group 2013 £'000</b>	<b>Association 2012 £'000</b>	<b>Association change £'000</b>	<b>Association 2013 £'000</b>
Courses to be run after March 2013	329	55	384	–	–	–
Health & Fitness membership fees	76	(4)	72	76	(4)	72
One KX funding	0	0	0	0	0	0
	<b>405</b>	<b>51</b>	<b>456</b>	<b>76</b>	<b>(4)</b>	<b>72</b>

All deferred income as at 31 March 2012 was released during the year.

**13 Unrestricted funds – Group**

	<b>General £'000</b>	<b>Revaluation Property £'000</b>	<b>Revaluation Investment £'000</b>	<b>Designated £'000</b>	<b>Total £'000</b>
At 31 March 2012	16,602	7,465	1,715	4,964	30,746
Net incoming resources	1,872	–	–	–	1,872
Transfer between funds	(1,526)	70	–	1,456	–
Revaluations	(938)	–	938	–	–
<b>At 31 March 2013</b>	<b>16,010</b>	<b>7,535</b>	<b>2,653</b>	<b>6,420</b>	<b>32,618</b>

## 13 Unrestricted funds (continued)

### Association

	General £'000	Revaluation Property £'000	Revaluation Investment £'000	Designated £'000	Total £'000
At 31 March 2012	16,346	7,465	1,715	4,964	30,490
Net incoming resources	1,755	–	–	–	1,755
Transfer between funds	(1,526)	70	–	1,456	–
Revaluations	(938)	–	938	–	–
<b>At 31 March 2013</b>	<b>15,637</b>	<b>7,535</b>	<b>2,653</b>	<b>6,420</b>	<b>32,245</b>

The transfer of £70,000 to the revaluation reserve from the general fund represents the difference between the depreciation charged on the revalued amount and the historical cost depreciation that would have been charged since the properties were purchased if they had not been revalued.

### Designated fund – the Group and the Association

The funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the Trustees for specific purposes.

	Balance 31 March 2012 £'000	Set aside/(utilised) £'000	Balance 31 March 2013 £'000
Pension fund	1,585	1,086	2,671
Great Russell Street development fund	3,140	370	3,510
Basil Scott fund	239	–	239
<b>The Group</b>	<b>4,964</b>	<b>1,456</b>	<b>6,420</b>

The pension fund reserve is to provide for the situation should a full actuarial buy out be triggered. The Great Russell Street development fund is for the cost of refurbishment of the premises. The Basil Scott fund is to provide income to fund educational grants in the name of the late Mr Scott.

### 13 Unrestricted funds (continued)

#### Analysis of group net assets between funds

	Unrestricted Funds General £'000	Unrestricted Funds Designated & revaluation £'000	Restricted Funds £'000	Total Funds £'000
<b>Fund balances at 31 March 2013 are represented by:</b>				
Charitable fixed assets	3,188	7,534	970	11,692
Investments	14,127	6,903	–	21,030
Current assets	–	2,171	–	2,171
Current liabilities	(1,305)	–	–	(1,305)
	<b>16,010</b>	<b>16,608</b>	<b>970</b>	<b>33,588</b>

### 14 Restricted funds – the Group and the Association

	Balance 31 March 2012 £'000	Movement in Resources Incoming £'000	Movement in Resources Outgoing £'000	Balance 31 March 2013 £'000
<b>Income funds</b>				
Educational theatre company	–	252	(252)	–
Health and fitness activities	–	10	(10)	–
Qualifications certification	–	9	(9)	–
One KX capital project	1,054	–	(84)	970
	<b>1,054</b>	<b>271</b>	<b>(355)</b>	<b>970</b>
Association				
Training courses	–	45	(45)	–
Group	<b>1,054</b>	<b>316</b>	<b>(400)</b>	<b>970</b>

The income funds for the theatre company represent donations which are made as a contribution towards the cost of specific plays. The training course funds represent income received towards projects to assist "hard to reach" populations to obtain qualifications. The qualifications funds represent grants towards expanding certification in Europe. Donations have been made to assist the fitness facilities – in particular for those with HIV/AIDS – and the One KX capital project represents monies received to refurbish the building at 120 Cromer Street, Kings Cross and the grants received are being written back to general reserves over twenty years.

## 15 Pension scheme

Central YMCA participated in a contributory pension plan providing defined benefits based on final pensionable pay for employees of YMCAs in England, Scotland and Wales. The assets of the YMCA Pension Plan are held separately from those of Central YMCA and at the year end these were invested in pooled funds operated by Legal & General (equities, bonds and property units) and Schroder (property units only).

The most recent completed three year valuation was as at 1 May 2011. The assumptions used which have the most significant effect on the results of the valuation are those relating to the assumed rates of return of assets held before and after retirement of 6.2% and 4.95% respectively, the increase in pensions in payment of 3.4%, and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.5 years, female 24.9 years, and 24.4 years for a male pensioner, female 26.8 years, retiring in 20 years time. The result of the valuation showed that the actuarial value of the assets was £71m. This represented 69% of the benefits that had accrued to members.

The plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to Central YMCA for the purposes of FRS17 disclosure and accordingly the FRS17 deficit is not shown on the balance sheet.

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

The valuation prepared as at 1 May 2011 showed that the YMCA Pension plan had a deficit of £32.3 million. The consolidated Central YMCA group has been advised that it will need to make additional monthly contributions of £10,715 from 1st May 2013. This amount is based on the 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 11 years commencing 1 May 2012.

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

During the year contributions of £117,913 (2012:£117,948) were made to the YMCA Pension Plan by the Central YMCA group as a whole.

Also one employee, who left on 31st March 2012 was a member of the Teachers Pension Scheme. This scheme is also a contributory defined benefit scheme based on final pensionable pay. The assets of this scheme are held separately from those of Central YMCA. The contributions to the Teachers Pension Scheme are determined by the Teachers Pension Agency. The Association's contribution was at 14.1% of earnings and the employees rate was 6.4%. The pension charge for this scheme was £nil (2012:£10,139). At the balance sheet date there were outstanding contributions of £nil (2012:£1,228).

In addition payments were made to individual pension schemes for 42 (2012:48) employees. The pension charge for this was £161,625 (2012:£171,610).

## 16 Reconciliation of operating profit to net cash (outflow) from operating activities

	2013 £'000	2012 £'000
Operating surplus/(deficit)	995	(1,464)
Investment revaluation	(1,623)	789
Depreciation charges	672	680
(Increase)/decrease in stock	(3)	16
(Increase)/decrease in debtors	(139)	169
(Decrease) in creditors	(21)	(27)
(Profit) on investment sold	(938)	(654)
<b>Net cash (outflow) from operating activities</b>	<b>(1,057)</b>	<b>(491)</b>

## 17 Analysis of changes in net debt

	At 31 March 2012 £'000	Cash flows £'000	At 31 March 2013 £'000
Cash at bank and in hand	1,412	(653)	759
Cash held for investment	266	304	570
<b>Net movement</b>	<b>1,678</b>	<b>(349)</b>	<b>1,329</b>

## 18 Contingent liabilities – the Group and the Association

Apart from the potential pension liability mentioned in note 15 there were no contingent liabilities at 31 March 2013 or 31 March 2012.

## 19 Capital commitments – the Group and the Association

There were capital commitments of £nil as at 31 March 2013 (2012 £nil). At 31 March 2013 the Board had authorised, but not contracted for, expenditure of £296,000 (2012:£283,000) including IT costs of £201,000 (2012:£119,000).

## 20 Operating lease commitments – the Group and the Association

The following represent the annual leasing commitment:-

	Land & Buildings 2013 £'000	Other 2013 £'000	Land & Buildings 2012 £'000	Other 2012 £'000
Commitments falling due within one year	1	10	1	10



Registered charity number 213121  
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