

Charity Number: 1053864  
Company Number: 03169665  
Homes England Number H4099

**CITY YMCA, LONDON  
(A Registered Charity)**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**



**CITY YMCA, LONDON**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**CITY YMCA, LONDON**  
**TRUSTEES REPORT**  
**REFERENCE AND ADMINISTRATIVE DETAILS**

**STATUS**

Company Limited by Guarantee and does not have a Share Capital

**SECRETARY**

Elizabeth Rees

**REGISTERED OFFICE**

167, Whitecross Street, London, EC1Y 8JT

**REGISTERED NUMBERS**

Companies House - 03169665

Homes England - H4099

Charity Commission - 1053864

**AUDITORS**

haysmacintyre, 10 Queen Street Place, London, EC4R 1AG

**SOLICITORS**

Farrer & Co, 66 Lincoln's Inn Fields, London, WC2A 3LH

Travers Smith, 10 Snow Hill, London, EC1A 2AL

Simmons & Simmons, 1 Ropemaker Street, London, EC2Y 9SS

**BANKERS**

Allied Irish Bank (GB)

West London Business Centre, Ealing Cross, Uxbridge Road, London W5 5TH

**PRINCIPAL OFFICERS as at 12 September 2018**

|  |                |
|--|----------------|
| <b>Chief Executive</b>                       | Gillian Bowen  |
| <b>Director of Operations</b>                | John Faulkner  |
| <b>Appeal Director</b>                       | Chris East     |
| <b>Director of Finance &amp; Business</b>    | Emir Feisal    |
| <b>Head of Finance and Company Secretary</b> | Elizabeth Rees |

**Patrons**

The Lord Mayor of the City of London

The Bishop of London

Rev'd Rose Hudson-Wilkin, Chaplain to the Queen and Speaker of the House of Commons

**Vice-Presidents**

Colonel Brian Kay OBE DL

Mr Peter Ellis

**TRUSTEES (See page 3)**

**CITY YMCA, LONDON**  
**TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018**

The Trustees, who are also the Directors of the Company for the purpose of company law, present their report and financial statements of the Association for the year ended 31 March 2018.

The reference and administrative detail set out on page 2 forms part of this report.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

City YMCA, London is governed in accordance with its Memorandum and the Articles of Association.

**Company History**

London City YMCA was incorporated on 8 March 1996 and commenced trading on 1 October 1996. London City YMCA accepted a transfer of engagements from the Barbican YMCA on 1 December 2005 and at that date changed its name to City YMCA, London. The Company is limited by guarantee and does not have a share capital.

**Directors and Trustees**

The Directors, who are also Trustees for the purposes of charity law and throughout this report are referred to as Trustees, are elected at the Annual General Meeting of the Association for a period not to exceed three years or appointed by the Board of Trustees in the case of a vacancy in accordance with the Articles of Association.

A Board of Trustees who meet at least quarterly, administer City YMCA, London. None of the Trustees has any beneficial interest in City YMCA, London. All of the Trustees are members of City YMCA, London and are liable to contribute £1 in the event of a winding up. The work is accountable through bi-monthly meetings of the Board and its Audit Committee which receive reports from the executive officers. The strategic plan provides guidance of the charity's key priorities and all organisation policies and procedures are regularly reviewed. The Executive Team and Management Team meet on a regular basis. Departmental and 'All Staff' meetings also take place to ensure effective communication channels are maintained.

The Board of Trustees is responsible for high level strategic decisions, monitoring performance against high level targets, ensuring statutory and regulatory compliance; ensuring financial controls are appropriate and managing risk. The Board delegate the day to day responsibilities of managing the activities of the charity to a staff team.

The Chief Executive is responsible for leading the staff team, liaising with the Board of Trustees and keeping them appropriately informed, developing strategy, ensuring targets are realised, affecting statutory and regulatory compliance, developing risk management policies and processes, ensuring day to day management is efficient and ensuring that the capacity of City YMCA, London is adequate to meet its objectives.

The longest serving one third of the Members of the Board retire each year and may offer themselves for re-election for a further three years. A Trustee requires at least two nominations to be elected or re-elected. All Trustees are subject to Disclosure and Baring Service vetting, in recognition of the fact that City YMCA, London works with vulnerable groups. New Trustees receive a formal induction including induction materials to acquaint them with City YMCA, London's policies and practices, aims, activities, management and governance.

The Remuneration Committee, comprising Board members meets as necessary to review the Salary Grade Policy and set the organisation wide Pay Scale. All staff positions are secured against the Grade Scale to ensure that salaries are proportionate to the level of responsibility of that role.

**CITY YMCA, LONDON**  
**TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018 (continued)**

**The Trustees of City YMCA, London during the year were:**

Mr. Robert Thompson – Chairman  
Mr. Mark Poulding-Wright – Vice Chairman  
Mr. Matthew Smith – Vice Chairman – retired 17 January 2018  
Mr. Gary Morley – Treasurer  
Ms. Claudia Webbe (London Borough of Islington)  
Ms. Hanny Tirta  
Ms. Josefine Ahlstrom  
Ms. Jo-Ann Bonham (formerly Pepperell) – retired 17 January 2018  
Mr. Marek Wiluszynski  
Ms. Patsy Mills  
Mr. Daniel Gerring – appointed 17 January 2018  
Mr. Mark Henshaw – appointed 17 January 2018

**Network and Other Relationships**

City YMCA, London is an independent member of the YMCA movement in England.

**Subsidiary Company**

City YMCA, London has a wholly-owned dormant subsidiary, City YMCA London Trading Limited.

**Risk Management**

The Risk Management Policy and related procedures were reviewed and updated during the year including approval of the latest risk register with action plans by the Board of Trustees in accordance with the Policy. The Trustees confirm controls are in place to mitigate, as far as possible, the identified risks.

Key risks to the organisation include:

- Management of the timetable and cost exposure of the Errol St development: City YMCA, London have appointed a professional team to manage the JCT Design and Build contract, with limited items of provisional sums.
- Housing Benefit policy: City YMCA, London consistently monitor the political environment and remain confident in our ability to sustain services and maintain administrative relationships with Local Authorities.
- The continuing lack of funding for Local Youth Services, this limits our ability to support the needs of vulnerable young people. City YMCA, London continues to manage our local relationships with the statutory providers and to pursue new opportunities that are under development.
- A major incident arising from a safeguarding breach. City YMCA, London continues to regularly review our Policies and Procedures and refresh our training for staff around Safeguarding, Professional Boundaries, Fire, First Aid and Health & Safety to ensure that we continue to offer a secure and safe place for vulnerable young people.

**CITY YMCA, LONDON**  
**TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018 (continued)**

**Fundraising Statement**

City YMCA London voluntarily signed up to the Fundraising Regulator during the course of the year and all fundraising activities are carried out under the Fundraising Code. We have fully adhered to the new GDPR regulations and have invited all our supporters to opt-in to receiving ongoing communications about our work. We have received no complaints about our fundraising activities or about our use of personal data.

All our fundraising work has been carried out by our trustees or staff and our Appeal Director is a member of the Institute of Fundraising.

Fundraising activities are regularly reviewed by the board in line with our reporting procedures.

We partner with a very small number of donors and never ask an individual for a donation more than twice in any financial year.

**AIMS, OBJECTIVES AND ACTIVITIES**

**Objects**

The history of the YMCA has its roots in a Christian basis, having been founded in London in 1844. The objects of City YMCA, London, as defined in paragraph 4 of the Memorandum include:

- To provide, improve and manage (whether directly or in association with others) housing or hostels providing residential accommodation for people (particularly young people) in necessitous circumstances upon terms appropriate to their means.
- To provide or assist in the provision, in the interest of social welfare, of facilities for recreation or other leisure time occupation for men, women and children with the object of improving their conditions of life.

**Overall Aim**

City YMCA, London has a **vision** of a world where young people are equipped to create a future of their choosing.

City YMCA, London has a **mission** to *help young people build a future* and does this by providing a range of services that support young people to build a future in which they can make informed and supported choices.

City YMCA, London strives to provide high quality services for beneficiaries grounded in the **values** of respect for the individual and their cultural, spiritual and faith needs, compassion, choice, equality of opportunity and access, and dignity.

We have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing our aim and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims they have set. We provide public benefit through the services we engage in to achieve our intended outcomes.

**CITY YMCA, LONDON**  
**TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018 (continued)**

**Activities**

The principal activity of City YMCA, London is to help young people build a future, by providing a range of services including residential accommodation, centre-based and outreach youth work.

The housing portfolio (hard outcomes) seeks to:

- replenish reserves with year on year surpluses
- lead to a purchase and repair programme
- create sustainable housing stock
- expand into other London Boroughs
- create outposts for youth work delivery

The youth portfolio (soft outcomes) seeks to:

- enable young people to live, learn and negotiate their transition to independence
- engage young people in positive activities
- divert young people from crime
- engage young people in active citizenship
- open young people's horizons
- equip young people to effectively transition to adulthood

**Key achievements**

This year has been one of discovery and endurance – where City YMCA, London realised its potential in many areas, demonstrating our perseverance and resolve to succeed.

The year has seen a range of activity for the Errol Street development and continuing improvement of capabilities in Housing and Youth.

Staff members have been heavily involved in the progression, design and implementation of the Errol Street development and a Director of Finance and Business was recruited to support the organisation with the sheer volume of internal work generated by the project.

We continue to remain committed to *pursuing excellence* for vulnerable young people who face challenges from multiple sources.

**CITY YMCA, LONDON**  
**TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018 (continued)**

**For the year 2017- 2018 we said that we would:**

- **Proceed with the redevelopment of the Errol Street site and draft a Scale-Up Plan to enable us to set the forward strategy to bring the site on stream.** Construction works on site are underway with construction of the concrete frame on the building. Every month, a further storey is added to the frame making our Errol Street vision more visible to the general public. Working closely with the professional team we align our activities to the works programme which enables us to scale-up our activities proportionally. The new site will enhance our human resource levels by approximately 60% when fully operational, lifting the number of vulnerable young people accommodated on any one night to 233.

*Over £6 million has been invested to date in our Errol Street Development.*

LandAid, The Property Industry Charity, have carried out a number of high-profile fundraising events including a Banquet at the Guildhall, an abseil on a City of London tower block and a joint SleepEasy event with attendee numbers in excess of 200 people.

We understand that LandAid have secured significant funds towards their pledge of a £1.5m grant to City YMCA London in 2019.

*A joint SleepEasy event raised over £175,000 towards LandAid's pledge for Errol Street funds.*

- **Roll out the training investment in our staff team as we build our capacity to deliver within the new housing model:** City YMCA, London firmly believe that our staff continue to be our greatest asset. Their daily interface with vulnerable young people and the confidence they help to install in those young people changes their lives, allowing them to create a future of their own choosing. Developing the talents of our staff team has been a priority for us this year, creating subject lead experts gives confidence to other staff and enhances our offering to young people in everything from Housing Management and Law to Substance Mis-use.  
City YMCA, London will continue to roll out that training commitment as part of our Scale-Up Plan. An outcome of this is that we have started to accredit our Life Skills Workshops giving a young person a recognised ASDAN qualification that will assist their employment potential. Accreditation is a part of our Involvement, Progression, Attainment strategy to measure the impact our programmes have on young lives.

*86% of our young people made a positive move on this year.*

**Continue a programme of Youth Work Interventions in partnership with other groups and funders.**

Securing funds that allow our youth work team to carry out interventions that benefit young people continues to remain a challenge. We have sought funding for new programmes and not always been successful. Photography workshops have helped build the confidence and give hope to young people in Islington. Our programme of Life-skills Workshops with homeless young people is successfully being rolled out. The programme focuses on the skills they have already learned whilst residing at the Monarch Court site and encourages them to further develop their life skills. It gives young people the opportunity to think about the concepts of independence and 'life skills', and what these mean in everyday life. We have also started to refresh and update our knowledge of the felt opinions of young people in the Bunhill Ward (London Borough of Islington), where our new Errol Street home is based. This has been achieved, in part, by locating a new part time member of staff in Islington. It is crucial that over the next year we get ahead with local issues and tensions before introducing 146 young people back into the area.



**CITY YMCA, LONDON**  
**TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018 (continued)**

*54% of our young people were supported into education, employment and training this year.*

*80% of our young people were sign posted to other agencies offering specialist support.*

*269 homeless young people were housed providing stable environment allowing them to make choices over their futures.*

- **Seek and engage with Islington community opportunities to maintain our local profile and footprint.** City YMCA, London hosted the Whitecross Street Party and Arts Event for the first time in July 2017, successfully delivering an alternate and quirky event for the local community. We led on a significant consultation with the local community in late 2017 with the aim of re-engaging local people in redefining the event. This resulted in us securing funding from Islington Council allowing plans to be taken forward for the July 2018 Party and Arts event. The event propels City YMCA, London in the limelight with the local community and significantly raises our profile with the local authority and Counsellors.
- **Maintain our IIP Status:** We are delighted to confirm that City YMCA London successfully retained its IIP Status demonstrating the commitment that the organisation and our staff jointly have to the vision and mission.
- **Maintain our engagement with the regional and international YMCA and disseminate our knowledge from the Errol Street development:** We have sought to keep our profile amongst the wider YMCA at a regional and international level. Our CEO, as Chairman of the YMCA London Chief Executive Network, has continued to promote the YMCA and coordinate collective responses to regional policy (for example, The London Mayor's Housing Plan and the London Plan). Our Chief Executive also represented the English delegation at the YMCA World Urban Network where she was a Conference Chairman. This provided a platform for City YMCA, London to share learning of the Errol Street development. We have also delivered a range of seminars and hosted bespoke visits to disseminate our model and mode of work for the Errol Street development.

### **The Year Ahead**

Our current principle objective remains to help shape the external environment standard of hostel and move-on accommodation for young people in London. We are achieving this through delivery of our dynamic and bold strategy of the redevelopment of our Errol Street hostel site in Islington whilst maintaining excellence in our homeless provision in Hackney.

### **Throughout 2018 - 2019 we will:**

- Continue with the redevelopment of the Errol Street site and create a mobilisation plan to guide our progression to opening the development
- Launch a public appeal to raise funds for the furniture, fittings and equipment needed to make the Errol Street building a home par excellence.
- Evaluate the implementation of the Outcomes Star evidence based tool in the Housing Department to establish learning or areas for improvement prior to opening of the Errol Street hostel.
- Continue a programme of Youth Work Interventions in partnership with other groups and funders
- Seek and engage with community opportunities to maintain our profile and increase our footprint
- Maintain our engagement with the regional and international YMCA and disseminate our knowledge from the Errol Street development

**CITY YMCA, LONDON**  
**TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018 (continued)**

**Financial Review**

The overall surplus for the year on the Statement of Financial Activities amounted to £70,466 compared to £659,449 for the previous year. There was a loss of income generation as the previous year included 4 months of the now demolished hostel also fewer donations were received this year.

During the year, further investment of £3,693,066 was made for the continuing redevelopment of the Errol Street hostel.

Our accounts reflect the value of the lease from Cripplegate Foundation of The Drum at a peppercorn rent, included at £30,000 for the year.

Also included is the value of donated services to assist our redevelopment from Simmons & Simmons LLP, Squire & Partners and Travers Smith totalling £233,286 for the year.

Staff costs of £99,662 have been capitalised in accordance with FRS102 reflecting internal work on the redevelopment.

**Value for Money**

City YMCA, London strives to deliver value for money throughout all of its activities and procurement. This includes maximising income from all sources and the appropriate tendering of key contracts. We also measure value for money based upon our social impact which enables us to develop measures to assess performance and prioritise resources.

**Reserves Policy**

The Trustees are aiming for unrestricted reserves representing between three and six months' unrestricted expenditure. This would provide sufficient funds for the maintenance of the current activities of the Association in the event of a significant drop in funding and also provide time to allow the Directors to consider changes in activities or new sources of funding.

During the current major redevelopment of Errol Street this buffer is not practical but will be reinstated once Errol Street becomes operational, with a plan to build up reserves post completion over five years.

Restricted reserves represent funds raised for the purpose of the redevelopment of the hostel at Errol Street.

**Partners and Funders**

Our sincere thanks go to Simmons & Simmons and Travers Smith for providing significant Pro-Bono legal support and advice on the Errol Street development as well as meeting room space, and to Squire & Partners for providing a full Interior Design service for the new Errol Street accommodation.

**CITY YMCA, LONDON**  
**TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018 (continued)**

**Partners and Funders**

- The London Borough of Islington
- Islington Local Initiatives Fund
- The London Borough of Hackney
- The City of London Corporation
- Allied Irish Bank
- Schroders
- The Colin Williams Estate
- London Marathon Charitable Trust
- Jack Petchey Foundation
- The Company of Chartered Surveyors
- The Worshipful Company of Clothworkers
- LandAid
- Simmons & Simmons LLP
- Travers Smith LLP
- Lloyds Bank
- Squires and Partners
- The Cripplegate Foundation
- Prêt Foundation Trust
- Premier Moves
- Old Spitalfields Market
- Ann Marie Bonsor

**Housing Delivery Partners**

- Alone in London
- Centrepoint
- Circle
- Depaul UK
- Growth
- Greenhouse Project
- Mana Society
- New Horizon
- No Second Night Out
- Pillion Trust
- Probation Service
- St Giles Trust
- St Mungos
- Westminster Housing Option

**AUDITORS**

A resolution to reappoint haysmacintyre will be proposed at the forthcoming Annual General Meeting.

**DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements the directors are required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements
- Prepare financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and legislation relating to Registered Providers of Social Housing. They are also responsible for safeguarding of assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## CITY YMCA, LONDON

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018 (continued)

Each of the directors has confirmed that so far as they are aware, there is no relevant audit information of which the company's external auditors are unaware, and that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to each that the company's independent auditors are aware of that information.

#### INTERNAL CONTROL

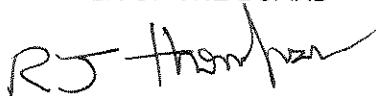
The Board of Trustees acknowledges its ultimate responsibilities for ensuring that City YMCA, London has in place a system of controls that is appropriate to the various business environments in which it operates. These controls are designated to give reasonable assurance with respect to:

- the reliability of financial information used within the company or for publication
- the maintenance of proper accounting records
- the safeguarding of assets against unauthorised use or disposition
- the control of key financial risks through clearly laid down authorisation levels and proper segregation of duties
- subjection of all planned new initiatives to a detailed risk assessment process, the results of which are reported to the Board of Trustees
- a fundamental review of strategic risks and costs and a consequent reassessment of the priorities and of the means of delivering services
- setting budgets and managing within resources
- using resources effectively.

It is the Board's responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material financial misstatement or loss. Key elements include ensuring that:

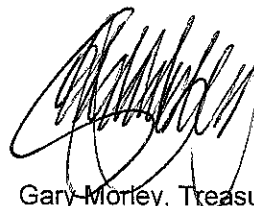
- Formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authority, which allow the monitoring of controls and restrict the unauthorised use of the company's assets.
- Experienced and suitably qualified staff takes responsibility for important business functions and annual appraisal procedures have been established to maintain standards of performance.
- Clear responsibilities on the part of line and financial management are in place for the maintenance of good financial controls and the production of accurate and timely financial management information.
- Budgets and forecasts are prepared which allow the Board and Management to monitor the key business risks and financial objectives, and progress towards financial plans set for the year and the medium term, regular management accounts are prepared promptly, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate.
- City YMCA, London's external auditors review the internal financial controls and procedures and the Audit Committee monitors their reports.
- All significant new initiatives, major commitments and investments projects are subject to formal authorisation procedures, through relevant sub-committees comprising Board members and others.

BY ORDER OF THE BOARD



Robert Thompson, Chairman

12/09/2018



Gary Morley, Treasurer

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CITY YMCA

### Opinion

We have audited the financial statements of City YMCA, London, for the year-ended 31 March 2018 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the charitable company's affairs as at 31 March 2018 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Housing and Regeneration Act 2018 and the Accounting Direction for Registered Providers of Social Housing 2015; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Responsibilities of trustees for the financial statements

As explained more fully in the Directors' Responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CITY YMCA (continued)

### Conclusions relating to going concern

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

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

### Other information

The trustees are responsible for the other information. The other information comprises the Trustees' Report (which includes the directors' report prepared for the purposes of company law). Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept by the charitable company; or
- the 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.

### 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.



Richard Weaver  
Senior statutory auditor  
for and on behalf of haysmacintyre

10 Queen Street Place, London, EC4R 1AG

12 September 2018.

**CITY YMCA, LONDON**

Consolidated statement of financial activities SOFA (incorporating a consolidated income and expenditure account) for the year ended 31 March 2018

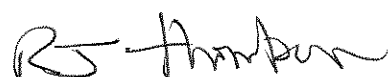
| INCOME FROM:   |      | Unrestricted     | Restricted     | 2018<br>Total Funds | 2017<br>Total Funds |
|--|------|------------------|----------------|---------------------|---------------------|
| <i>Donations</i>   | Note |                  | £              | £                   | £                   |
| Donations  |      | 9,573            | 6,280          | 15,853              | 975,476             |
| Donations - Drum building  |      | 0                | 30,000         | 30,000              | 0                   |
| Donations – pro bono rebuild fees  |      | 0                | 233,286        | 233,286             | 0                   |
|  |      | <b>9,573</b>     | <b>269,566</b> | <b>279,139</b>      | <b>975,476</b>      |
| <i>Income from Charitable Activities:</i>  |      |                  |                |                     |                     |
| Housing Income   | 2    | 1,324,848        | 0              | 1,324,848           | 1,740,099           |
| Conference + Meeting Room Hire   |      | 0                | 0              | 0                   | 13,235              |
| Youth Projects income  |      | 0                | 78,715         | 78,715              | 35,851              |
|  |      | <b>1,324,848</b> | <b>78,715</b>  | <b>1,403,563</b>    | <b>1,789,185</b>    |
| <i>Investment income</i>   |      | 13,191           |                | 13,191              | 15,735              |
| <b>Total income</b>  |      | <b>1,347,612</b> | <b>348,281</b> | <b>1,695,893</b>    | <b>2,780,396</b>    |
| <b>EXPENDITURE ON:</b>   |      |                  |                |                     |                     |
| <i>Costs of raising funds</i>  |      | 72,178           | 0              | 72,178              | 72,973              |
| <i>Charitable activities:</i>  |      |                  |                |                     |                     |
| Housing Expenditure  | 2    | 1,405,647        | 0              | 1,405,647           | 1,856,764           |
| Catering Expenditure   |      | 0                | 0              | 0                   | 124,053             |
| Youth Projects   |      | 0                | 150,046        | 150,046             | 82,536              |
| <b>Total charitable activities</b>   |      | <b>1,405,647</b> | <b>150,046</b> | <b>1,555,693</b>    | <b>2,063,353</b>    |
| <b>Total expenditure</b>   |      | <b>1,477,825</b> | <b>150,046</b> | <b>1,627,871</b>    | <b>2,136,236</b>    |
| <b>SUB TOTAL : Net (expenditure)/<br/>income for the year before gains<br/>and losses on investments</b> |      | <b>(130,213)</b> | <b>198,235</b> | <b>68,022</b>       | <b>644,070</b>      |
| <b>Net gains on investments</b>  | 8    | 2,444            | 0              | 2,444               | 15,379              |
| <b>Net (expenditure)/income for the<br/>year</b>   | 4    | <b>(127,769)</b> | <b>198,235</b> | <b>70,466</b>       | <b>659,449</b>      |
| Transfers between funds  | 11   | 198,235          | (198,235)      | 0                   | 0                   |
| <b>Other recognised gains and losses</b>   |      | 0                | 0              | 0                   | 0                   |
| <b>Net movement in funds</b>   |      | <b>70,466</b>    | <b>0</b>       | <b>70,466</b>       | <b>659,449</b>      |
| <i>Reconciliation of funds:</i>  |      |                  |                |                     |                     |
| Total funds brought forward  |      | 1,891,509        | 0              | 1,891,509           | 1,232,060           |
| <b>Total funds carried forward</b>   |      | <b>1,961,975</b> | <b>0</b>       | <b>1,961,975</b>    | <b>1,891,509</b>    |

The Statement of Financial Activities includes all gains and losses recognised in the year. The notes on pages 16-28 form part of the financial statements. Note 16 shows the split of the 2017 SOFA between funds.

**CITY YMCA, LONDON  
BALANCE SHEET  
AS AT 31 MARCH 2018**

|   | note | 2018<br>£        | 2017<br>£        |
|---|------|------------------|------------------|
| <b>FIXED ASSETS</b>                                 |      |                  |                  |
| <b>Tangible Assets</b>                              |      |                  |                  |
| F/H Housing Property Errol St Hostel                | 6    | 6,563,157        | 2,870,091        |
| L/H Housing property Monarch court                  | 6    | 1,338,817        | 1,472,737        |
| Leasehold Improvements                              | 6    | 43,947           | 53,000           |
| Other fixed assets                                  | 7    | 42,350           | 30,945           |
| Investments   | 8    | 119,205          | 116,761          |
| <b>TOTAL FIXED ASSETS</b>                           |      | <b>8,107,476</b> | <b>4,543,534</b> |
| <b>CURRENT ASSETS</b>                               |      |                  |                  |
| Debtors < 1 year                                    | 9    | 255,099          | 128,292          |
| Short Term Deposits                                 |      | 2,045,925        | 5,593,910        |
| Cash at bank and in hand                            |      | 140,095          | 284,041          |
|   |      | <b>2,441,119</b> | <b>6,006,243</b> |
| <b>Liabilities:</b>                                 |      |                  |                  |
| Creditors: Amounts falling due within one year      | 10   | (724,962)        | (665,247)        |
| GLA housing grant - Monarch Court                   |      | (86,160)         | (86,160)         |
| Defined benefit Pension Scheme payments             | 12   | (50,298)         | (48,833)         |
| <b>NET CURRENT (LIABILITIES) / ASSETS</b>           |      | <b>1,579,699</b> | <b>5,206,003</b> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>        |      | <b>9,687,175</b> | <b>9,749,537</b> |
| <b>Creditors: Amounts falling due over one year</b> |      |                  |                  |
| GLA housing grant – Monarch Court                   |      | (775,440)        | (861,600)        |
| GLA housing grant – Errol Street                    |      | (6,570,000)      | (6,570,000)      |
| Net Assets/Liabilities excluding pension liability  |      | 2,341,735        | 2,317,938        |
| Defined benefit pension scheme liability            | 12   | (379,759)        | (426,428)        |
| <b>TOTAL NET ASSETS OR LIABILITIES</b>              |      | <b>1,961,976</b> | <b>1,891,509</b> |
| <b>Funds:</b>                                       | 11   |                  |                  |
| <i>Unrestricted:</i>                                |      |                  |                  |
| Designated Fixed Asset Funds                        |      | 2,392,033        | 2,366,770        |
| Pension reserve                                     |      | (430,057)        | (475,261)        |
|   |      | <b>1,961,976</b> | <b>1,891,509</b> |
| <i>Restricted</i>                                   |      | 0                | 0                |
| <b>TOTAL FUNDS</b>                                  |      | <b>1,961,976</b> | <b>1,891,509</b> |

The notes on pages 16-28 form part of the financial statements. The financial statements were approved and authorised for issue by the Board and signed on its behalf by:



Robert Thompson, Chair

12 / 09 / 2018



Gary Morley, Treasurer



**CITY YMCA, LONDON  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2018**

|   | 2018              | 2017             |
|---|-------------------|------------------|
|   | <u>£</u>          | <u>£</u>         |
| <b>Cash flows from operating activities</b>   |                   |                  |
| <i>Net cash used by operating activities (note A)</i>   | 9,590             | 875,352          |
| <br>  |                   |                  |
| <b>Cash flows from investing activities</b>   |                   |                  |
| Investment income received  | 13,191            | 15,735           |
| Cash paid in respect of purchase of tangible fixed assets   | -3,714,712        | (1,950,551)      |
| GLA grant received  | 0                 | 6,570,000        |
| <i>Net cash provided by investing activities</i>  | <u>-3,701,521</u> | <u>4,635,184</u> |
| <br>  |                   |                  |
| <i>Change in cash and cash equivalents in the year</i>  | -3,691,931        | 5,510,536        |
| Cash and cash equivalents at the start of the year  | 5,877,951         | 367,415          |
| <b><i>Cash and cash equivalents at the end of the year (note B)</i></b>                                   | <u>2,186,020</u>  | <u>5,877,951</u> |
| <br>  |                   |                  |
| <b><i>Note A: reconciliation of net income/(expenditure) to net cash used by operating activities</i></b> |                   |                  |
| <i>Net income/(expenditure) for the year</i>  | 70,466            | 659,449          |
| Adjustments for:  |                   |                  |
| Depreciation  | 153,214           | 158,004          |
| Carrying amount of fixed asset disposals  | 0                 | 23,083           |
| Amortisation of GLA grant   | (86,160)          | (86,160)         |
| Investment losses/(gains)   | (2,444)           | (15,379)         |
| Investment income   | (13,191)          | (15,735)         |
| (Increase)decrease in debtors   | (126,807)         | 139,698          |
| Increase/(decrease) in creditors  | 14,512            | 12,392           |
| <b><i>Net provided by operating activities</i></b>  | <u>9,590</u>      | <u>875,352</u>   |
| <br>  |                   |                  |
| <b><i>Note B: analysis of cash and cash equivalents</i></b>   |                   |                  |
| Short term deposits   | 2,045,925         | 5,593,910        |
| Cash at bank and in hand  | 140,095           | 284,041          |
|   | <u>2,186,020</u>  | <u>5,877,951</u> |

The notes on pages 16 – 28 form part of the financial statements.

**CITY YMCA, LONDON**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**1. PRINCIPAL ACCOUNTING POLICIES**

City YMCA, London is charitable company limited by guarantee (under number 03169665, registered office at shown in the Trustees' Annual Report). It is registered as a provider of social housing with the Housing Regulator, HCA (number H40499), and as a charity with the Charity Commission in England and Wales (number 1053864).

A summary of the principal accounting policies, which are appropriate to the entity status set out above, follows:

- a. **Basis of Accounting** – The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Housing SORP 2014 (Statement of Recommended Practice for registered social housing providers), the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006, and the Accounting Direction for Private Registered Providers of Social Housing 2015.

In addition, the Trustees have had regard to Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), where it does not conflict with the Housing SORP.

The charitable company meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). Investment assets are restated at fair value at each balance sheet date.

In the opinion of the Trustees, there are no areas of material estimation uncertainty in preparing the accounts which would be likely to give rise to adjustments in subsequent periods.

All financial instruments are considered to be basic financial instruments.

- b. **Income** – All income is included on a receivable basis. For donations and grants this is when the criteria of entitlement and probability have been met and the income due can be estimated with reasonable accuracy.

**Capital Grants for housing properties** - are accounted for under the accruals models as set in the Housing SORP, being initially accounted for a creditor and then amortised over the expected life of the related asset. The amortisation credit for the year is shown as part of housing income (see note 2).

- c. **Fixed Assets and Depreciation** –

Tangible fixed assets, except housing properties, are stated at cost less accumulated depreciation.

Depreciation is charged on a straight line basis over the expected useful economic life of each assets at the following annual rate:

Equipment including IT equipment, fixtures and fittings – 20% per annum

**CITY YMCA, LONDON**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**1. PRINCIPAL ACCOUNTING POLICIES (continued)**

**d. Property**

Property assets are stated at cost less depreciation with the exception of the old Errol Street Hostel building which was stated at a deemed cost of £nil.

No depreciation is provided on freehold land. In compliance with the component accounting requirements of the Housing SORP, those components of each asset with materially different useful economic lives have been separately identified and depreciated over the following useful economic lives:

|                        |                                      |
|------------------------|--------------------------------------|
| Freehold land          | N/a                                  |
| Music Suite            | 10 years                             |
| Lavatories             | 8 years                              |
| Windows and doors      | 8 years                              |
| Leasehold improvements | Up to the expected lease break-point |

Development costs for the Errol Street site have not been depreciated to date as depreciation will only commence when the new hostel is completed and brought into operation.

All building costs related to the old Errol Street were depreciated in earlier years. On adoption of FRS102 a deemed cost of £nil was adopted.

- e. **Social Housing Grant** – Social Housing Grant (SHG) is initially accounted for as a liability on the balance sheet and amortised to income over a period related to the life of the assets funded. The SHG related to the old Errol Street Hostel was removed from the balance sheet on transition to FRS102.
- f. **Investment** – Investments are included in the Balance Sheet at fair value. Gains or losses on the investment portfolio are accounted for under the Statement of Financial Activity (SOFA)
- g. **Expenditure** – Expenditure is recognised on an accruals basis.
- h. **Charitable Activities** include both direct and support cost.
- i. **Support Costs** – Support costs include central functions and governance costs, and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating property costs by floor area, staff costs by the time spent and other costs by their usage or by head count.
- j. **Funds** – Any restricted or designated funds held by City YMCA, London at the year end are separately shown as such in the primary financial statements.
- i. Unrestricted funds are available for use at the discretion of the Board in furtherance of the general objectives of City YMCA, London. The Trustees have separately designated those funds which are tied up in the fixed assets of the charitable company or intending for to be applied to fixed assets in the immediate future.
  - ii. Restricted funds are funds where the donor has imposed restrictions as to future use.

**CITY YMCA, LONDON**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**1. PRINCIPAL ACCOUNTING POLICIES (continued)**

- k. **Pension Costs** – City YMCA, London participated in a multi-employer pension 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 City YMCA, London.

The employer contributions in relation to the pension plan are determined by the Trustee based on advice from a qualified actuary and charged to the Statement of Financial Activities as made.

Employees joining after 30 April 2007 are eligible to join a defined contribution scheme. City YMCA, London's contributions to this scheme are accounted for as the expenditure falls due and there is no further liability to the scheme.

Contributions payable to the current service cost charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Contributions toward deficits arising from past service costs are provided on the balance in full at the fair value (present value) of the expected contributions. Changes in the expected future contribution together with the unwinding of the discount factor applied are dealt with through the Statement of Financial Activities as a support cost.

- l. **Operating Lease Rentals** – Operating lease rentals are charged to the income and expenditure account as incurred.
- m. **Donations of gifts, services and facilities** – City YMCA, London recognises donated professional services and donated facilities as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the charities SORP (FRS 102), volunteer time is not recognised.

**CITY YMCA, LONDON**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**2. INCOME AND EXPENDITURE FROM HOUSING**

| <b>INCOME AND EXPENDITURES FROM HOUSING</b>                 | <b>2018</b><br><b>£</b> | <b>2017</b><br><b>£</b> |
|---|-------------------------|-------------------------|
|   | <u>          </u>       | <u>          </u>       |
| <b>Income from housing</b>                                  |                         |                         |
| GLA Grant amortisation                                      | 86,160                  | 86,160                  |
| Rent receivable net of identifiable service charges         | 373,925                 | 528,868                 |
| Service charges receivable                                  | <u>873,386</u>          | <u>1,210,049</u>        |
| <br>  |                         |                         |
| Gross rents receivable                                      | 1,333,471               | 1,825,077               |
| Rent losses from voids                                      | <u>(12,349)</u>         | <u>(91,638)</u>         |
| <br>  |                         |                         |
| Other housing income (laundry)                              | <u>3,726</u>            | <u>6,660</u>            |
| <br>  |                         |                         |
| <b>Net income from housing activities</b>                   | <b><u>1,324,848</u></b> | <b><u>1,740,099</u></b> |
| <br>  |                         |                         |
| <b>Expenditure on housing activities</b>                    |                         |                         |
| Management & Services                                       | 1,144,754               | 1,536,468               |
| Routine maintenance   | 71,727                  | 86,061                  |
| Planned maintenance   | 22,624                  | 21,208                  |
| Rent losses from bad debts                                  | 32,622                  | 79,107                  |
| Depreciation on housing property                            | <u>133,920</u>          | <u>133,920</u>          |
| <br>  |                         |                         |
| <b>Total expenditures on housing activities</b>             | <b><u>1,405,647</u></b> | <b><u>1,856,764</u></b> |
| <br>  |                         |                         |
| <b>Catering expenditures</b>                                | <u>0</u>                | <u>124,053</u>          |
| <br>  |                         |                         |
| <b>Operating (deficit) /surplus on housing activities</b>   | <b><u>(80,799)</u></b>  | <b><u>(240,718)</u></b> |
| <br>  |                         |                         |
| <b>Number of units in management at the end of the year</b> | <u>87</u>               | <u>87</u>               |

**CITY YMCA, LONDON**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**3. TRUSTEES AND EMPLOYEE INFORMATION**

**Trustee information**

No remuneration was paid to the Trustees during the year (2017 - £nil). Trustees are covered by Trustee Indemnity Insurance, but it is not possible to identify the cost separately. There were no related party transactions.

| <b>Employee information</b>       | <b>2018</b>    | <b>2017</b>    |
|-----------------------------------|----------------|----------------|
| <b>Employee cost for the year</b> | <b>£</b>       | <b>£</b>       |
| Salaries and wages                | 611,856        | 697,234        |
| Social security costs             | 58,877         | 55,745         |
| Other pension costs (see note 12) | 87,608         | 78,666         |
|                                   | <u>758,341</u> | <u>831,645</u> |
| less Staff costs capitalised      | (99,662)       | 0              |
|                                   | <u>658,679</u> | <u>831,645</u> |

The number of employees whose emoluments amount to over £60,000 during the year was 1 (2017 – 1)

During the year no termination payments were made, previous Year (2017 £22,353)

**Average head count was 17 (2017: 26 staff) and the average number of full-time equivalent staff (including temporary and part time staff ) was as follows:**

| <b>the year at full time equivalent</b> | <b>2018</b> | <b>2017</b> |
|---|-------------|-------------|
| Management                              | 3           | 3           |
| Housing and support                     | 12          | 19          |
| Youth projects                          | 1           | 1           |
| Catering                                | 0           | 2           |
| Capital Fund Raiser                     | 1           | 1           |
|   | <u>17</u>   | <u>26</u>   |

The following information is given in respect of those employees defined as “directors” by the Accounting Direction for Private Providers of Social Housing.

This group along with the Board members all of whom are un-remunerated, are the Key Management Personnel for the purposes of FRS102.

|  | <u>2018</u> |         | <u>2017</u> |         |
|--|-------------|---------|-------------|---------|
|  | Number      | £       | Number      | £       |
| Aggregate remuneration (including pension contributions) | 5           | 298,872 | 4           | 271,753 |
| Highest paid director                                    |             | 92,361  |             | 88,164  |

There are no special pension terms applying to any employee or “director”. The CEO is a member of the defined contribution scheme.

**CITY YMCA, LONDON**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**4. NET INCOME / (EXPENDITURE)**

| This is stated after charging:                | 2018<br>£         | 2017<br>£         |
|---|-------------------|-------------------|
|   | <u>          </u> | <u>          </u> |
| Auditors' remuneration (excluding VAT)        | 9,400             | 9,100             |
| Other services from Auditors                  | 0                 | 0                 |
| Depreciation                                  | 153,214           | 181,086           |
| Losses on disposal of Fixed Assets            | 0                 | 23,083            |
| Operating lease charges – plant and equipment | 4,592             | 6,116             |

**5. TAXATION**

City YMCA, London is a registered charity and a Housing Association registered with the Housing Regulator and is, therefore, exempt from liability to taxation on its income and capital gains from charitable activities, provided income is applied for its charitable purposes.

**6. FIXED ASSETS – FREEHOLD PROPERTIES & LEASEHOLD IMPROVEMENTS**

|                        | Beginning<br>of year<br>£ | Additions<br>£    | Disposals<br>£    | End of<br>year<br>£ |
|------------------------|---------------------------|-------------------|-------------------|---------------------|
|                        | <u>          </u>         | <u>          </u> | <u>          </u> | <u>          </u>   |
| <b>Housing</b>         |                           |                   |                   |                     |
| <b>Freehold</b>        |                           |                   |                   |                     |
| Cost                   | 2,870,091                 | 3,693,066         | 0                 | 6,563,157           |
| Depreciation           |                           |                   |                   |                     |
| Net depreciated cost   | <u>2,870,091</u>          | <u>3,693,066</u>  | <u>0</u>          | <u>6,563,157</u>    |
| <b>Net book amount</b> | <u>2,870,091</u>          | <u>3,693,066</u>  | <u>0</u>          | <u>6,563,157</u>    |
| <b>Leasehold</b>       |                           |                   |                   |                     |
| Cost                   | 1,740,577                 |                   | 0                 | 1,740,577           |
| Depreciation           | <u>(267,840)</u>          | <u>(133,920)</u>  | <u>0</u>          | <u>(401,760)</u>    |
| Net depreciated cost   | 1,472,737                 | -133,920          | 0                 | 1,338,817           |
| <b>Net book amount</b> | <u>1,472,737</u>          | <u>(133,920)</u>  | <u>0</u>          | <u>1,338,817</u>    |
| <b>Non Housing</b>     |                           |                   |                   |                     |
| Cost                   | 198,652                   |                   | 0                 | 198,652             |
| Depreciation           | <u>(145,652)</u>          | <u>(9,053)</u>    | <u>0</u>          | <u>(154,705)</u>    |
| <b>Net book amount</b> | <u>53,000</u>             | <u>-9,053</u>     | <u>0</u>          | <u>43,947</u>       |

**CITY YMCA, LONDON**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**7. OTHER FIXED ASSETS**

|                               | Beginning<br>of year<br>£ | Additions<br>£ | Disposals<br>£ | End of<br>year<br>£ |
|-------------------------------|---------------------------|----------------|----------------|---------------------|
| <b>Computer equipment</b>     |                           |                |                |                     |
| Cost                          | 46,651                    | 4,545          |                | 51,196              |
| Depreciation                  | -46,651                   | -149           |                | -46,800             |
| <b>Net book amount</b>        | <b>0</b>                  | <b>4,396</b>   | <b>0</b>       | <b>4,396</b>        |
| <b>Furniture and fittings</b> |                           |                |                |                     |
| Cost                          | 84,426                    | 17,101         |                | 101,527             |
| Depreciation                  | -53,481                   | -10,092        |                | -63,573             |
| <b>Net book amount</b>        | <b>30,945</b>             | <b>7,008</b>   | <b>0</b>       | <b>37,954</b>       |
| <b>Total net book amount</b>  | <b>30,945</b>             | <b>11,404</b>  | <b>0</b>       | <b>42,350</b>       |

**8. INVESTMENTS**

|                                       | 2018<br>£      | 2017<br>£      |
|---------------------------------------|----------------|----------------|
| <b>COIF Charities Investment Fund</b> |                |                |
| <b>Historical Cost</b>                | 76,810         | 76,810         |
| <b>Market Value</b>                   |                |                |
| Beginning of the year                 | 116,761        | 101,382        |
| Unrealised gain on investment         | 2,444          | 15,379         |
| <b>End of the year</b>                | <b>119,205</b> | <b>116,761</b> |

Unquoted investment – In addition to the above investment, the Charity held shares in a wholly owned dormant subsidiary, which are carried at their historical cost of £2. The net assets of the subsidiary company are £2.



**CITY YMCA, LONDON**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**9. DEBTORS**

|   | 2018           | 2017           |
|---|----------------|----------------|
|   | £              | £              |
| <b>Amounts falling due within one year:</b> |                |                |
| Rent debtors                                | 71,760         | 76,011         |
| Security deposit                            | 155,000        | 0              |
| Other debtors and prepayments               | 28,339         | 52,281         |
|   | <u>255,099</u> | <u>128,292</u> |

**10. CREDITORS**

|                                       | 2018           | 2017           |
|---------------------------------------|----------------|----------------|
|                                       | £              | £              |
| <b>Creditors due within one year:</b> |                |                |
| Trade creditors                       | 511,167        | 132,669        |
| Social security and other taxes       | 18,841         | 15,894         |
| Other creditors and accruals          | 194,954        | 516,684        |
|                                       | <u>724,962</u> | <u>665,247</u> |

**CITY YMCA, LONDON**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**11. TOTAL FUNDS**

|                                     | Start of<br>year<br>1 April<br>2017<br>£ | Income<br>£      | Expenditure<br>£  | Transfers<br>£ | Investment<br>gains<br>£ | End of<br>year<br>31 March<br>2018<br>£ |
|-------------------------------------|--|------------------|-------------------|----------------|--------------------------|---|
| <b>Unrestricted Funds</b>           |  |                  |                   |                |                          |   |
| <b>Designated Fixed Asset Funds</b> |  |                  |                   |                |                          |   |
| Housing property                    | 2,282,825                                |                  |                   | 22,910         |                          | 2,305,735                               |
| Other property                      | 53,000                                   |                  |                   | (9,053)        |                          | 43,947                                  |
| Other Fixed Assets                  | 30,945                                   |                  |                   | 11,405         |                          | 42,350                                  |
| <b>Total</b>                        | <b>2,366,770</b>                         | <b>0</b>         | <b>0</b>          | <b>25,262</b>  | <b>0</b>                 | <b>2,392,032</b>                        |
| General Funds                       | 0  | 1,347,612        | -1,477,825        | 127,769        | 2,444                    | 0                                       |
| Pension Fund                        | (475,261)                                |                  |                   | 45,204         |                          | (430,057)                               |
| <b>Total Unrestricted Funds</b>     | <b>1,891,509</b>                         | <b>1,347,612</b> | <b>-1,477,825</b> | <b>198,235</b> | <b>2,444</b>             | <b>1,961,975</b>                        |
| <b>Restricted Funds</b>             |  |                  |                   |                |                          |   |
| Errol Street Capital Appeal         | 0  | 239,566          |                   | (239,566)      |                          | 0                                       |
| Donated facilities                  | 0  | 30,000           |                   | (30,000)       |                          | 0                                       |
| Youth Projects                      | 0  | 78,715           | -150,046          | 71,331         |                          | 0                                       |
| Sub-total restricted                | 0  | 348,281          | -150,046          | -198,235       | 0                        | 0                                       |
| <b>Total Funds</b>                  | <b>1,891,509</b>                         | <b>1,695,893</b> | <b>-1,627,871</b> | <b>0</b>       | <b>2,444</b>             | <b>1,961,975</b>                        |

Restricted funds are for the following purposes:

- Errol Street Capital Appeal represent funds raised for the purpose of the redevelopment of the property at 8 Errol Street London EC1Y 8SE.
- Youth Programmes relate to specific grants which have been expended in the year.

The Trustees previously aimed for unrestricted reserves representing between three and six months' unrestricted expenditure. This would provide sufficient funds to allow a buffer should there be a significant unexpected drop in funding. During the current major redevelopment of Errol Street this buffer is not practical but will be reinstated once Errol Street becomes operational, with a plan to build up reserves post completion over five years.

**CITY YMCA, LONDON**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**11. TOTAL FUNDS (CONTINUED – COMPARATIVE FOR 2017)**

|                                     | Start of year    | Income           | Expenditure       | Transfers        | Investment gains | End of year      |
|-------------------------------------|------------------|------------------|-------------------|------------------|------------------|------------------|
|                                     | 1 April 2016     |                  |                   |                  |                  | 31 March 2017    |
|                                     | £                | £                | £                 | £                | £                | £                |
| <b>Unrestricted Funds</b>           |                  |                  |                   |                  |                  |                  |
| <b>Designated Fixed Asset Funds</b> |                  |                  |                   |                  |                  |                  |
| Housing property                    | 1,497,786        |                  |                   | 785,039          |                  | 2,282,825        |
| Other property                      | 85,135           |                  |                   | -32,135          |                  | 53,000           |
| Other Fixed Assets                  | 40,468           |                  |                   | -9,523           |                  | 30,945           |
| <b>Total</b>                        | <b>1,623,389</b> | <b>0</b>         | <b>0</b>          | <b>1,635,489</b> | <b>0</b>         | <b>2,366,770</b> |
| General Funds                       | -57,714          | 1,794,586        | -2,053,790        | 301,539          | 15,379           | 0                |
| Pension Fund                        | -507,560         |                  |                   | 32,299           |                  | -475,261         |
| <b>Total Unrestricted Funds</b>     | <b>1,058,115</b> | <b>1,794,586</b> | <b>-2,053,790</b> | <b>1,077,219</b> | <b>15,379</b>    | <b>1,891,509</b> |
| <b>Restricted Funds</b>             |                  |                  |                   |                  |                  |                  |
| Errol Street Capital Appeal         | 173,945          | 949,959          |                   | -                |                  | 0                |
| Youth Projects                      |                  | 35,851           | -82,536           | 46,685           |                  | 0                |
| Sub-total restricted                | 173,945          | 985,810          | -82,536           | -                | 0                | 0                |
| <b>Total Funds</b>                  | <b>1,232,060</b> | <b>2,780,396</b> | <b>-2,136,326</b> | <b>0</b>         | <b>15,379</b>    | <b>1,891,509</b> |

Restricted funds were for the purposes as set out on the preceding page.

**CITY YMCA, LONDON**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**12. PENSION COMMITMENT**

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

The most recent completed three year valuation was as at 1 May 2017. The assumptions used which have the most significant effect on the results of the valuation are those relating to the assumed rates of return on assets held before and after retirement of 3.75% and 2.25% respectively, the increase in pensions in payment of 3.35% (for RPI capped at 5% p.a.), and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.2 years, female 24.1 years, and 24.0 years for a male pensioner, female 26.0 years, retiring in 20 years' time. The result of the valuation showed that the actuarial value of the assets was £141.2m. This represented 81% of the benefits that had accrued to members.

The plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to City YMCA, London and accordingly the pension deficit is not shown on the balance sheet.

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

The valuation prepared as at 1 May 2017 showed that the YMCA Pension Plan had a deficit of £33.6 million. City YMCA, London has been advised that it will need to make monthly contributions of £4,202 from 1 May 2018. This amount is based on the current actuarial assumptions (as outlined above) and may vary in the future as a result of actual performance of the Pension Plan. The current recovery period is 9 years commencing 1<sup>st</sup> May 2017.

|                     | Repayable               |                          |                           |                          |                                  | TOTAL<br>2018<br>£ | TOTAL<br>2017<br>£ |
|---------------------|-------------------------|--------------------------|---------------------------|--------------------------|----------------------------------|--------------------|--------------------|
|                     | Within<br>one year<br>£ | One to<br>two years<br>£ | Two to<br>five years<br>£ | After five<br>years<br>£ | After more than<br>one year<br>£ |                    |                    |
|                     | As at 31 March 2018     | 50,298                   | 50,298                    | 150,894                  | 178,567                          |                    |                    |
| As at 31 March 2017 | 48,833                  | 48,833                   | 146,499                   | 231,096                  | 426,428                          | 475,261            |                    |

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

**CITY YMCA, LONDON**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**13. OPERATING LEASE COMMITMENTS**

City YMCA, London had commitments under operating leases for equipment that expires between one and five years as at 31 March 2018 of £8,657 (2017 - £9,342).

**14. SOCIAL HOUSING GRANT**

The social housing grants disclosed on the balance sheet relates to;

- an original grant of £1,120,129 received in 2015 of which £258,529 has been amortised to date. This relates to the Monarch Court hostel.
- an original grant of £6,570,000 received in 2016 for the rebuild of Errol Street Hostel, none of which has been amortised to date.

Previously £2,889,792 was received related to the Errol Street Hostel this is not included in the Balance Sheet as the property was revalued at 1 April 2014.

These amounts are potentially repayable if the sites ceased to be used for the provision of social housing. No such change is currently envisaged.

**15. CAPITAL COMMITMENTS**

At the balance sheet date City YMCA, London had contractual commitments for future capital expenditure on the rebuild of the Errol Street Hostel of £12,358,943 (2017: £16,396,649).

**CITY YMCA, LONDON**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**16 STATEMENT OF FINANCIAL ACTIVITIES 2017 SHOWING SPLIT BETWEEN FUNDS**

|  |              | 2017             |                  |                  |
|--|--------------|------------------|------------------|------------------|
| <b>INCOME FROM:</b>  | Unrestricted | Restricted       | Total Funds      |                  |
| <i>Donations</i>   | Note         | £                | £                |                  |
| Donations  |              | 25,517           | 949,959          | 975,476          |
|  |              | <b>25,517</b>    | <b>949,959</b>   | <b>975,476</b>   |
| <b><i>Income from Charitable Activities:</i></b>               |              |                  |                  |                  |
| Housing Income   |              | 1,740,099        | 0                | 1,740,099        |
| Conference + Meeting Room Hire                                 |              | 13,235           | 0                | 13,235           |
| Youth Projects income  |              |                  | 35,851           | 35,851           |
|  |              | <b>1,753,334</b> | <b>35,851</b>    | <b>1,789,185</b> |
| <i>Investment income</i>                                       |              | 15,735           |                  | 15,735           |
| <b>Total income</b>  |              | <b>1,794,586</b> | <b>985,810</b>   | <b>2,780,396</b> |
| <b>EXPENDITURE ON:</b>   |              |                  |                  |                  |
| <i>Costs of raising funds</i>                                  |              | <b>72,973</b>    | <b>0</b>         | <b>72,973</b>    |
| <b><i>Charitable activities</i></b>                            |              |                  |                  |                  |
| Housing Expenditure  |              | 1,856,764        | 0                | 1,856,764        |
| Catering Expenditure   |              | 124,053          | 0                | 124,053          |
| Youth Projects   |              | 0                | 82,536           | 82,536           |
| <b><i>Expenditure on charitable activities</i></b>             |              | <b>1,980,817</b> | <b>82,536</b>    | <b>2,063,353</b> |
| <b>Total expenditure</b>                                       |              | <b>2,053,790</b> | <b>82,536</b>    | <b>2,136,326</b> |
| <b>SUB TOTAL</b>   |              |                  |                  |                  |
| Net income for the year before gains and losses on investments |              | <b>(259,204)</b> | <b>903,274</b>   | <b>644,070</b>   |
| Net gains/(losses) on investments                              |              | 15,379           | 0                | 15,379           |
| <b>Net income/(expenditure) for the year</b>                   |              | <b>-243,825</b>  | <b>903,274</b>   | <b>659,449</b>   |
| Transfers between funds  |              | 1,077,218        | (1,077,218)      | 0                |
| Other recognised gains and losses                              |              | 0                | 0                | 0                |
| <b>Net movement in funds</b>                                   |              | <b>833,393</b>   | <b>(173,944)</b> | <b>659,449</b>   |
| <b><i>Reconciliation of funds:</i></b>                         |              |                  |                  |                  |
| Total funds brought forward                                    |              | 1,058,116        | 173,944          | 1,232,060        |
| <b>Total funds carried forward</b>                             |              | <b>1,891,509</b> | <b>0</b>         | <b>1,891,509</b> |