

YMCA GEORGE WILLIAMS COMPANY
(INCORPORATED) (Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2007

(Registered Charity Number 1044624)

(Registered Company Number 2978406)

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**YMCA GEORGE WILLIAMS COMPANY
(INCORPORATED) (Limited by Guarantee)
DIRECTORS AND ADVISORS
YEAR ENDED 31 JULY 2007**

DIRECTORS

N Ali

P Crory

Rev A Edwards

J Hutcheson

- Finance Committee

K Kirby

A Morisy

- Finance Committee and Strategic Issues Group

S Piotrowski

- Strategic Issues Group

A Rusbridge

P Smillie

S Smith

D Taylor

- Finance Committee and Strategic Issues Group

B Holden

SECRETARY L Brooker

REGISTERED OFFICE

199 Freemasons Road Canning Town London E16 3PY

AUDITORS

PKF (UK) LLP

Farringdon Place 20 Farringdon Road London EC1M 3AP

BANKERS

NatWest Bank Plc P O Box 306, 11 The Parade Canterbury Kent CT1 2DT

CHARITY NUMBER

1044624

COMPANY NUMBER

2978406

YMCA George Williams College Annual Report

Mission Statement

The College is part of the YMCA, a world-wide, Christian Voluntary Movement that welcomes people of all faiths and none

As a College, we value the development of the whole person - mind, body and spirit. We seek to enhance the practice of those concerned with the development of people's potential as learners and educators. We work towards relationships characterised by openness to learning, change and dialogue.

We do this through the provision of educational programmes and activities, research, and association with practitioners and agencies

Principal Activities

The College is the largest specialised College offering professional training for youth work, community work, and community learning and development within the United Kingdom. It is the only College in England to offer UK wide qualifications in its field. The College is regularly commended for the high standard of its work by the National Youth Agency in its annual monitoring reports.

The College continues to be successful in maintaining external support and investment for its work. The Rank Foundation has continued and increased its investment in the College's work in the areas of research, pre-qualifying programmes and distance learning undergraduate programmes during the year. The Jack Petchey Foundation has continued to support Foundation Studies programme and to offer bursaries to full time undergraduates. City Parochial Foundation has granted new funding to the College for curriculum development work. All members of the academic staff have been active contributors to the field as teachers, researchers, visiting professors, consultants and published authors. They are active in working with related Higher Education Institutions as speakers at conferences and external examiners. The College has also continued to act as consultant and as the preferred supplier of training to a number of local authorities and to charities involved in work with young people. Once again, the College has this year recorded a growth in its recruitment of full time undergraduate students at a time when recruitment is tending to fall across the country as a whole.

Developments in the Year

The College successfully revalidated its degree programme in June 2007. This is a routine, 5-yearly event and the College was specifically commended on the high standard of support offered to students through its Library, for its encouragement of critical thinking amongst students and its ability to secure parity between the full time and the distance learning modes of study. The new degree programme, while being clearly rooted in its predecessor, recognises transparently the changing demands which arise from the changing agenda for work with young people. This includes developments in community learning and development in Scotland, the agenda which arises from Every Child Matters in England and the development of work in extended schools and in an ever widening range of third sector organisations. Revalidation came as the result of two years' of staff discussion, exploration and work and placed the College among the first HE Institutions nationally to revalidate a degree in line with the National Youth Agency's move to degree-level qualification from 2010.

The Principal has worked with the College staff and Board of Governors to develop and agree a five year Strategic Development Plan. This Plan seeks to ensure the College remains an established leader in its field. In particular, it commits the College to increasing its student

numbers consistently over the next five years, to developing new partnerships for the development and delivery of work, to securing more research funding and to increasing its impact on the field of work with young people. The College has witnessed the achievement of targets in line with the first year of the Plan.

During the past year, the College has gained support for its work from a number of new sponsors:

- Sir John Cass's Foundation is supporting a new Introductory Studies programme, based in Wandsworth, which is recruiting a group of young men who identify themselves as being at risk of offending. This is partnership work, carried out in conjunction with the Catalyst Trust.
- The College received a twelve month grant in April 2007 from the Department of Communities and Local Government's Inter Faith Capacity Building Fund to offer training to young staff and volunteers in Muslim-majority clubs locally and to develop complementary materials to support progression on to the College's undergraduate programme.
- The College has been funded by City Parochial Foundation to develop a new course of Human Rights and Youth Work which will form a part of the degree programme from 2008.
- The Rank Foundation, which has supported the College consistently over the past 20 years, has awarded the College new funding to develop two more Foundation Studies programmes for community leader and for young carers.
- The Jack Petchey Foundation has also increased its bursaries to the full time undergraduate students during the past year.
- The Mercer's Company awarded the College a grant to support its outreach and development work.
- During the year the College published the first Occasional Paper funded by its own in-house Third Sector Studies Unit. This paper outlined and discussed the training needs and resources available for staff working in the homelessness sector.

Future plans

During the coming year, the College will continue to work towards achieving the targets established in its Strategic Plan for Development. This now includes actively seeking funding for a new post of Outreach and Development Manager to carry forward this work.

The Board of Governors agreed to explore the feasibility of developing its international work. This will include the College becoming more actively involved as a member of the International Convention of YMCA Universities. The College is also working closely with Y Care International to submit a joint bid to the Department for International Development's mini grants fund for the funding and delivery of a new course in Global Youth Work.

During the coming year, the College's Third Sector Studies Unit will publish its first set of student-written papers and these will be launched at the College's Open Day in April 2008. The curriculum development work funded by City Parochial Foundation, the Rank Foundation and DCLG will be completed and the College will be active in recruiting students to pilot programmes in these areas for 2008.

The College will continue to strive towards increasing its partnerships with Local Authorities and with Third Sector Organisations. This work continues to aim to realize the aspirations of the College's Mission Statement and to shape the development, delivery and possibilities of informal education theory and practice.

Mary Wolfe
Principal

**YMCA GEORGE WILLIAMS COMPANY
(INCORPORATED) (Limited by Guarantee)
CORPORATE GOVERNANCE STATEMENT
INCORPORATING STATEMENT OF INTERNAL CONTROL**

Constitution

The Charitable Company's (College's) Governing Body was established under the Further and Higher Education Act 1992 for the purpose of conducting YMCA George Williams College

The College is committed to exhibiting best practice in all aspects of corporate governance. This summary describes the manner in which the College has applied the principles set out in Section 1 of the Combined Code on Corporate Governance issued by the Stock Exchange in June 1998. Its purpose is to help the reader of the accounts understand how the principles have been applied.

In the opinion of the directors, the College complies with all the provisions of the Combined Code in so far as they apply to the further education sector, and it has complied during the year ended 31 July 2006. The College's AGM of the Company was once again held in February of this year.

The Board of Governors

The College's governing body comprises a Board of between 8 – 17 members. The Principal, two member of staff and one student attend the Board as observers. The Board appoints the Chair from amongst its members, whose role is separate from the role of the College's Chief Executive (Principal). The College currently has twelve members one of whom was newly elected to the Board during the past year.

It is the Board's responsibility to bring independent judgments to bear on issue of strategy, performance, resources and standards of conduct. The Board conducts its business through Board meetings and through a number of committees. Each committee has its own terms of reference which have been approved by the Governors and reports its work to the Governors formally at least once each year. These committees are the Finance Committee, The Academic Board, the Nominations Committee and the Strategic Issues Group.

All Governors are able to take independent professional advice in furtherance of their duties at the College's expense and all have access to the Secretary who is responsible to the Board to ensure that all applicable procedures and regulations are complied with. The Board considers that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgment.

Appointments to the Board of Governors

Any new appointment to the Board of Governors is a matter for consideration by the Nominations Committee acting on behalf of the Governors as a whole. The Secretary to the Board and the Governors are responsible for ensuring that appropriate training and information is provided as required.

Internal Control

The Board is ultimately responsible for the College's system of internal control and for reviewing its effectiveness. However the Board recognises that any such system can only manage and not eliminate the risk of failure to achieve business objectives and that it can only therefore provide reasonable and not absolute assurance against any material misstatement or loss.

The Board of Governors has delegated day to day responsibility for reviewing the adequacies of internal financial controls and for making any appropriate amendments to the Principal as Accounting Officer. The Principal is therefore responsible for reporting to the Board any material weakness or breakdown in internal control which may arise.

The Board acknowledges its responsibility for ensuring the College has in place a system of controls which is appropriate to the various business environments in which it operates. This system of internal control is based on an ongoing process designed to identify and prioritise any risks to the achievement of College policies, aims and objectives and aspirations and to evaluate the likelihood and impact such risks being realised. The Board then seeks to manage these efficiently, effectively and economically. These controls are designed to give reasonable assurance with respect to

- the reliability of financial information used with the College or for publication,
- the maintenance of proper accounting records,
- the safeguarding of assets against unauthorised use or disposition.

During the past year, the College has had no reason to suspect unauthorised use of its assets nor to doubt the reliability of its financial information.

Capacity to Handle Risk

The Board has a policy statement and a register for risk management which includes specific detailing of the Board's responsibilities, including a schedule and action plan for the carrying out of that responsibility. The Board recognises that risk can never be eliminated entirely and that there are aspects of work in which the College rightly has an appetite for risk - including its commitment to recruiting students from non-traditional backgrounds. However, in its financial dealings and its promotion of its Mission, the College continues to avoid risk and to manage any inevitable risk robustly and effectively.

The Risk and Control Framework

The system of internal financial control is based on a framework of regular management information, administrative procedures and a clear system of delegation and accountability. In particular, this system ensures that

- formal policies are in place, including rules relating to the delegation of authorities, which allow
 - the monitoring of controls and restrict the unauthorised use of the College's assets,
- experienced and suitably qualified staff take responsibility for important functions,
- forecasts and budgets are prepared which allow the Board and management to monitor business risks and financial objectives, and progress towards plans set for the year and 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,
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through formal relevant sub-committees comprising Board Members and others.

Review of effectiveness

As Accounting Officer, the Principal acknowledges responsibility for ensuring that an effective system of internal control is maintained, operated and recorded by YMCA George Williams College. The system provides reasonable assurance that assets are safeguarded, transactions authorised and properly recorded and material errors or irregularities are either prevented or would be detected within a timely period.

Internal control is achieved by

- Comprehensive budgeting systems with an annual budget which is reviewed and agreed by the Governors,
- Regular reviews by the Governors of the periodic and financial reports which indicate financial performance against forecasts,
- Setting targets to measure financial and other performances,
- Clearly defined capital investment control guidelines, and
- The adoptions of the formal project management disciplines where appropriate

Finance Controls

The Board of Governors is of the view that there is a formal ongoing process in place for identifying, evaluating and managing the College's significant risks and that this process has been in place and operational throughout the period from August 2006 – July 2007. The Finance Committee of the Board of Governors meets regularly and its membership includes the Chair of the Board of Governors. The Committee reports thoroughly on its work to the Board of Governors and the minutes of its meetings are made available to all Governors.

The Finance Committee continues to work to improve the quality of management accounting information which is used for monitoring performance against budget within the College. Improvements to these systems are regularly implemented where appropriate in order to enhance the monitoring of budgets and the control of the College's finances.

During the year the College experienced an unpredicted change to the level of employers' contributions to the pension scheme. These increased from 14% to 26% over a nine month period ending in April 2007. Since 1st May 2007, the College has moved to offer a defined contribution pension to all staff with a decrease in the employers' contributions. This ensures that the College continues to present and work within a well balanced budget.

Going Concern

After making appropriate enquiries, the Board considers that the College has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Statement of Directors' responsibility

Each of the directors has confirmed that so far as s/he is aware, there is no relevant audit information of which the company's auditors are unaware, and that s/he has taken all the steps that s/he ought to have taken as a director in order to become aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A resolution will be proposed at the Annual General Meeting to reappoint PKF(UK) LLP as auditors for next year.

By order of the Board

Signed

Signed

Ann M. Mansy
May Wase

Date: January 31, 2008

Chair of Board of Governors

Principal

**YMCA GEORGE WILLIAMS COMPANY
(INCORPORATED) (Limited by Guarantee)
STATEMENT OF DIRECTORS'
RESPONSIBILITIES**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

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 charitable company and of the net income or expenditure of the charitable company for the year. In preparing these financial statements the directors are required to

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

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
YMCA GEORGE WILLIAMS COMPANY (INCORPORATED) (Limited by Guarantee)**

We have audited the financial statements of YMCA George Williams Company (Incorporated) for the year ended 31 July 2007 which comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The responsibilities of the directors for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom accounting standards ('United Kingdom Generally Accepted Accounting Practice') are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions with the charitable company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

We report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and the Audit Code of Practice issued by HEFCE. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 July 2007 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the trustees' report is consistent with the financial statements

London, UK

4 FEBRUARY

2008

PKF (UK) LLP

PKF (UK) LLP
Registered auditors

**YMCA GEORGE WILLIAMS COMPANY
(INCORPORATED) (Limited by Guarantee)
INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 JULY 2007**

	<u>Notes</u>	<u>2007</u> £	<u>2006</u> £
INCOME			
Funding council grants	2	592,272	555,556
Academic fees and grants	3	819,725	853,829
Other income		37,715	136,510
Interest receivable		12,846	9,627
		<hr/> 1,462,558	<hr/> 1,555,522
EXPENDITURE			
Staff costs	4	1,149,327	1,024,624
Depreciation	7	12,988	7,052
Other operating expenses	5	346,406	386,785
Bank interest and charges		2,544	3,576
		<hr/> 1,511,265	<hr/> 1,422,037
SURPLUS FOR THE YEAR FROM CONTINUING ACTIVITIES		(48,707)	133,485
Appropriated from designated reserves	11	58,205	(128,205)
NET SURPLUS		9498	5,280
Balance brought forward at 1 August 2006		336,709	331,429
BALANCE CARRIED FORWARD AT 31 JULY 2007		346,207	336,709

All amounts relate to continuing operations

The company has no recognised gains and losses other than the surplus for the year

YMCA GEORGE WILLIAMS COMPANY
(INCORPORATED) (Limited by Guarantee)
BALANCE SHEET
31 JULY 2007

	<u>Notes</u>	<u>2007</u> £	<u>2006</u> £
FIXED ASSETS			
Tangible assets	7	255,455	228,325
		<hr/>	<hr/>
CURRENT ASSETS			
Debtors	8	78,235	61,723
Cash at bank and in hand		259,200	318,411
		<hr/>	<hr/>
		337,435	380,134
CREDITORS			
Amounts falling due within one year	9	(176,683)	(143,545)
		<hr/>	<hr/>
NET CURRENT ASSETS		160,752	236,589
		<hr/>	<hr/>
NET ASSETS		416,207	464,914
		<hr/>	<hr/>
RESERVES			
Income and Expenditure Account		339,957	336,709
Restricted Funds	15	6,250	-
Designated Reserves	11	70,000	128,205
		<hr/>	<hr/>
		416,207	464,914
		<hr/>	<hr/>

Approved and Authorised for Issue by the Board of Directors on

2007

Ann M Marisy 31st January 2008

YMCA GEORGE WILLIAMS COMPANY
(INCORPORATED) (Limited by Guarantee)
CASH FLOW STATEMENT
31 JULY 2007

	<u>2007</u> £	<u>2006</u> £
Reconciliation of net movement in funds to net cash inflow from operating activities		
Net movement in funds	(48,707)	133,485
(Increase)/decrease in debtors	(16,512)	237,496
Increase/ (decrease) in creditors	33,138	(210,334)
Depreciation	12,988	7,052
Returns on investments and servicing of finance	(12,846)	(9,627)
	<hr/>	<hr/>
Net cash (outflow)/inflow from operating activities	(31,939)	158,072
	<hr/>	<hr/>
Net cash (outflow)/inflow from operating activities	(31,939)	158,072
Capital expenditure and financial investment		
Purchase of fixed assets	(40,118)	-
Returns on investment and servicing of finance		
Investment income	12,846	9,627
	<hr/>	<hr/>
(Decrease) Increase in cash	(59,211)	167,699
	<hr/>	<hr/>

**YMCA GEORGE WILLIAMS COMPANY
(INCORPORATED) (Limited by Guarantee)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 JULY 2007**

1 ACCOUNTING POLICIES

(a) Accounting convention

These financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting in Further and Higher Education Institutions' and applicable accounting standards

(b) Income

All income is accounted for on a receivable basis as and when it falls due

Income from specific grants and donations is included to the extent of the relevant expenditure incurred during the year, depending upon the conditions of the grant or award

(c) Deferred income

Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the College's control, the incoming resources are recognised when there is sufficient evidence that conditions have been met. Where there is uncertainty as to whether the College has met such conditions, or the funder clearly states that the funding is for the next financial year, then the incoming resource is deferred

(d) Expenditure

Expenditure, including staff costs, is included in the accounts on an accruals basis

(e) Depreciation

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows

Freehold buildings	-	over 50 years
Fittings and Education Equipment	-	over 4 to 10 years
Computer equipment	-	over 3 years

(f) Capital expenditure

All capital expenditure below £5,000 is written off as and when it is incurred

(g) Pensions

YMCA George Williams College participates in a multi-employer defined benefit pension plan for employees of both YMCA England and member YMCAs, 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 YMCA George Williams College for the purposes of FRS17 disclosure

The Cost of the defined benefit pension plan is charged to the Statement of Financial Activities so as to spread the cost of pensions over the service lives of employees. Pension cost is assessed in accordance with the advice of qualified actuaries

As described in note 14.2 a defined contribution scheme has been set up from 1 May 2007 which all staff have been eligible to join

(h) Leases

Instalments under operating lease agreements are charged to the income and expenditure account in the year in which they are incurred. Minimum operating lease commitments are shown in note 10

(i) Funds

The Income and Expenditure Account represents the accumulated funds which are available for use at the discretion of the directors in furtherance of the objectives of the charitable company

**YMCA GEORGE WILLIAMS COMPANY
(INCORPORATED) (Limited by Guarantee)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 JULY 2007**

2 FUNDING COUNCIL GRANT	<u>2007</u> £	<u>2006</u> £
Recurrent grant Canterbury Christ Church University	592,272	555,556
	<hr/>	<hr/>
3 ACADEMIC FEES AND GRANTS	<u>2007</u> £	<u>2006</u> £
Academics fees		
Full time students	136,522	91,312
Part-time fees	270,082	352,076
Rank funded students (note 15)	159,819	171,327
Other courses	156,776	152,649
Grants		
Joseph Rank Benevolent Trust(note 15)	18,672	23,912
Community Fund	-	4,686
Jack Petchey Foundation (note 15)	55,000	45,000
City Parochial Foundation (note 15)	12,867	12,867
DCLG (note 15)	9,987	-
	<hr/>	<hr/>
	819,725	853,829
	<hr/>	<hr/>

A number of grants have been received for specific restricted purposes and the funds have been applied under the terms of the funding (See Note 15)

4 STAFF	<u>2007</u> £	<u>2006</u> £
Wages and salaries	953,465	880,146
Social security costs	72,972	65,448
Other pension costs	115,536	69,714
Staff recruitment and development	7,354	9,316
	<hr/>	<hr/>
	1,149,327	1,024,624
	<hr/>	<hr/>

The above emoluments include amounts payable to the Principal of

	<u>2007</u> £	<u>2006</u> £
Salary	55,402	52,524
	<hr/>	<hr/>
Pension contributions	10,778	7,586
	<hr/>	<hr/>

The Pension contributions in respect of the Principal are employer's contributions to the YMCA England Scheme (see note 14) and are paid at the same rate as for other employees

No other directors received any payment from the College other than the reimbursement of travel and subsistence expenses incurred in the course of their duties During the year 4 directors were reimbursed travel expenses totalling £1100 00 (2006 £1020 00)

YMCA GEORGE WILLIAMS COMPANY
(INCORPORATED) (Limited by Guarantee)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 JULY 2007

4 STAFF (Continued)

The average weekly number of persons (including senior post-holders) employed by the College during the year, expressed as full-time equivalents, was

	<u>2007</u> <u>Number</u>	<u>2006</u> <u>Number</u>
Academic	10.4	10 2
Administrative	14.7	14 4
Freelance Lecturers	12.5	13 1
Supervisors	6.5	5 8
	<hr/> 44.1	<hr/> 43 5

5 OTHER OPERATING EXPENSES

	<u>2007</u> <u>£</u>	<u>2006</u> <u>£</u>
Academic costs	222,253	236,474
Premises costs	47,489	56,771
Administration costs	68,952	84,464
Auditors remuneration		
- Audit fees – current year	7,712	7,109
- Other services - prior year under accrual	-	1,967
	<hr/> 346,406	<hr/> 386,785
Other operating expenses include.		
Payments made under operating leases – equipment	9,525	15,397

6 ANALYSIS OF EXPENDITURE BY ACTIVITY

	<u>Staff</u> <u>costs</u> <u>£</u>	<u>Depreciation</u> <u>£</u>	<u>Other</u> <u>expenses</u> <u>£</u>	<u>Bank</u> <u>charges</u> <u>£</u>	<u>Total</u> <u>£</u>
Academic departments	651,601	-	3,606	-	655,207
Academic services	42,085	-	65,802	-	107,887
Other support services	38,531	-	569	-	39,100
General education expenses	-	8,024	152,276	-	160,300
Premises	-	4,964	47,489	-	52,453
Administration	417,110	-	76,664	2,544	496,318
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Per Income and Expenditure account	1,149,327	12,988	346,406	2,544	1,511,265

YMCA GEORGE WILLIAMS COMPANY
(INCORPORATED) (Limited by Guarantee)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 JULY 2007

7 TANGIBLE ASSETS

	<u>Education equipment</u> £	<u>Fittings</u> £	<u>Freehold land and buildings</u> £	<u>Total</u> £
Cost				
At 1 August 2006	-	46,213	848,193	894,406
Additions	40,118	-	-	40,118
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2007	40,118	46,213	848,193	934,524
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 August 2006	-	(46,213)	(619,868)	(666,081)
Charge for the year	(8,024)	-	(4,964)	(12,988)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2007	(8,024)	(46,213)	(624,832)	(679,069)
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 July 2007	32,094	-	223,361	255,455
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2006	-	-	228,325	228,325
	<hr/>	<hr/>	<hr/>	<hr/>

The directors became aware in the year ended 31 July 2000 that the carrying value of the freehold premises occupied by the charitable company had become impaired. They were advised in a valuation prepared by Palmer Payne, Chartered Surveyors, on 23 November 1999 that the open market value of the freehold land and buildings was £260,000, which the directors considered to be a reasonable approximation of an existing use value. There was therefore an impairment write down by way of an additional depreciation charge of £521,635 in the year ended 31 July 2000. The directors are not aware of any material changes since the last valuation.

8 DEBTORS

	<u>2007</u> £	<u>2006</u> £
Debtors	60,049	48,569
Prepayments and accrued income	18,186	13,154
	<hr/>	<hr/>
	78,235	61,723
	<hr/>	<hr/>

9 CREDITORS

	<u>2007</u> £	<u>2006</u> £
Amounts falling due within one year:		
Trade creditors	8,236	7,066
Other creditors	2,713	1,921
Other taxes and social security costs	46,849	38,140
Accruals and deferred income	118,885	96,418
	<hr/>	<hr/>
	176,683	143,545
	<hr/>	<hr/>

**YMCA GEORGE WILLIAMS COMPANY
(INCORPORATED) (Limited by Guarantee)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 JULY 2007**

10 LEASE COMMITMENTS

The minimum annual commitments due under operating leases are as follows

	<u>2007</u> £	<u>2006</u> £
Expiring between one and five years		
Equipment	<u>7,356</u>	<u>5,869</u>

11 DESIGNATED FUNDS

	£
Balance brought forward at 1 August 2006	128,205
Appropriated to Income and Expenditure Account	(58,205)

Balance carried forward at 31 July 2007	<u>70,000</u>
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The Designated Reserve includes an amount received in 2006 from Colin Williams, the great-great-grand son of George Williams, the founder of the YMCA. This is being used to create the college's Third Sector Studies Unit

12 ANALYSIS OF CHANGES IN NET FUNDS

	Cash at 2006 £	Cash flows £	Cash at 2007 £
Bank investment deposits	303,326	(38,977)	264,349
Other cash at bank	15,085	(20,234)	(5,149)
	<u>318,411</u>	<u>(59,211)</u>	<u>259,200</u>
Total	<u>318,411</u>	<u>(59,211)</u>	<u>259,200</u>

13 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	<u>2007</u> £	<u>2006</u> £
Increase in cash in the year	(59,211)	167,699
Movement in net funds in the year	(59,211)	167,699
Net funds at 1 August 2006	<u>318,411</u>	<u>150,712</u>
Net funds at 31 July 2007	<u>259,200</u>	<u>318,411</u>

**YMCA GEORGE WILLIAMS COMPANY
(INCORPORATED) (Limited by Guarantee)
NOTES TO THE ACCOUNTS**

14 PENSION COMMITMENT

YMCA George Williams College participates in a contributory pension plan providing defined benefits based on final pensionable pay both employees of YMCA England and member YMCAs. The assets of the YMCA Pension Plan are held separately from those of YMCA George Williams College and at the year end these were invested in pooled funds operated by Northern Trust, Legal & General and Schroder. Northern Trust manage the Plan's equities and bonds, Legal & General and Schroder manage property units only. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

The most recent completed three year valuation was at 1 May 2005. The assumptions used which have the most significant effect on the results of the valuation are those relating to the pre-retirement investment yield of 7.0% per annum, the post-retirement investment yield of 5.0% and the rate of earnings increase of 5.25% per annum. The result of the valuation showed that the actuarial value of the assets was £34.3m. This represented 57% of the benefits that had accrued to members, after allowing for expected future increases in earnings. However, under Section 56 of the Pensions Act 1995, the Minimum Funding Requirement (the MFR) funding level was 89%. During the year ended 2007 contributions for employees were 8% of salary and the employer contributions were 26%.

The plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to YMCA George Williams College for the purposes of FRS17 disclosure.

After taking professional advice and having consideration to the various options open to them, YMCA England in its capacity as Principal Employer in the YMCA Pension Plan and in conjunction with the Trustee of the YMCA Pension Plan, made the recommendation that the YMCA Pension Plan should close to new members and future benefit accruals. After consultation with members and participating YMCA employers, the Trustee of the YMCA Pension Plan informed YMCA George Williams College on 24th May 2006 that they would adopt the recommendation and that the YMCA Pension Plan will close with effect from 30 April 2007.

An interim valuation, prepared as at 1st May 2006, showed that the YMCA Pension Plan had a deficit of £22 million. YMCA George Williams College has been advised that it will need to make monthly contributions of £4,056 over a period of 12 years. This amount is based on the current actuarial assumptions (as outlined above) and will vary in the future as a result of actual performance of the Pension Plan.

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

- 14.2 During the year YMCA George Williams College opened a new defined contribution group personal pension plan for employees. YMCA George Williams College are making employer contributions of 4% of pensionable earnings provided that employees make a contribution of at least 2%.

**YMCA GEORGE WILLIAMS COMPANY
(INCORPORATED) (Limited by Guarantee)
NOTES TO THE ACCOUNTS**

15 RESTRICTED FUNDS

	<u>Balance brought forward</u> £	<u>Income in year</u> £	<u>Expenditure in year</u> £	<u>Balance carried forward</u> £
Jack Petchey Foundation Bursaries (Note A)	-	25,000	23,750	1,250
Jack Petchey Foundation (Note B)	-	30,000	30,000	-
Rank Foundation (Note C)	-	159,819	159,819	-
JRBT (Note D)	-	18,672	18,672	-
City Parochial Funds (Note E)	-	12,867	12,867	-
DCLG (Note F)	-	9,987	9,987	-
Mercer (Note G)	-	5,000	-	5,000
	-	261,345	255,095	6,250

Notes

- A The Jack Petchey Foundation awards annual bursaries to support full-time undergraduate students who are judged to experience particular financial difficulties. Monies carried forward, will be awarded in 2008
- B The Jack Petchey Foundation awards a grant for 50% of salary cost of two tutors for the dedicated Introductory/Foundation Studies programme
- C The Rank Foundation funds distance learning students as part of the "Youth or Adult?" scheme and associated research and publication by the College
- D JRBT also funds "Youth or Adult?" students on a four-yearly cycle
- E The City Parochial Foundation is funding a one-year pilot scheme to support the delivery of Introductory Studies in hard-to-reach organisations in London. Funding has now ended
- F DCLG are funding the delivery of an Introductory Studies Programme for staff in Muslim-majority clubs
- G The Mercer's Company awarded a grant towards the recruitment of an Outreach and Development Manager

**YMCA GEORGE WILLIAMS COMPANY
(INCORPORATED) (Limited by Guarantee)
OTHER OPERATING EXPENSE
YEAR ENDED 31 JULY 2007**

**FOR MANAGEMENT
INFORMATION ONLY**

	<u>2007</u> £	<u>2006</u> £
Consumables	7,620	1,520
Books and periodicals	9,607	23,229
Heat, light, water and power	15,429	14,826
Repairs and general maintenance	26,852	26,321
Grant to Students Union and Students Affairs	1,461	90
Rent and rates	11,970	13,793
Auditors remuneration	7,712	9,076
YMCA affiliation fees	7,267	8,108
Printing	16,363	19,227
Postage, stationery and telephone	37,629	42,281
Validation and C4 costs	21,152	12,185
Regional Expenses	3,606	4,813
Residential course costs	24,475	33,933
Insurance	9,330	10,053
Publicity and advertising	7,070	14,068
Other expenses	35,245	43,948
Cleaning Expenses	29,669	28,532
Legal and professional	2,973	4,612
Travel and subsistence	4,918	4,276
Computer implementation and support	569	10,030
Rank costs	4,484	6,318
Lottery costs	-	21
Foundation Studies Expenses	14,506	20,076
Jack Petchey Expenses	27,000	24,448
Introductory Studies Expenses	1,290	2,015
Third Sector Studies	18,389	-
Bad debts w/o	(180)	8,986
	<hr/> 346,406 <hr/>	<hr/> 386,785 <hr/>