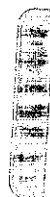


**YMCA GEORGE WILLIAMS COMPANY  
(INCORPORATED) (Limited by Guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2004**



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**YMCA GEORGE WILLIAMS COMPANY  
ACCOUNTS  
YEAR ENDED 31 JULY 2004**

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**YMCA GEORGE WILLIAMS COMPANY  
(INCORPORATED) (Limited by Guarantee)  
DIRECTORS AND ADVISORS  
YEAR ENDED 31 JULY 2004**

**DIRECTORS**

N Ali  
A Bell  
C Bounds  
P Crory  
J Hutcheson  
A Kirwan  
R E Milburn  
D Packwood  
Lady J Reid  
C Roles  
P Smillie  
A Rusbridge  
D Taylor  
N Vallely  
K Williams

**SECRETARY**

L Brooker

**REGISTERED OFFICE**

199 Freemasons Road  
Canning Town  
London  
E16 3PY

**AUDITORS**

PKF  
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 COMPANY  
(INCORPORATED) (Limited by Guarantee)  
DIRECTORS' REPORT**

The directors present their report and the accounts for the year ended 31 July 2004.

## **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 an exempt charity for the purposes of the Charities Act 1993.

## **PRINCIPAL ACTIVITIES**

The College is one of the largest providers of professional training for youth work, community work and community education in the United Kingdom. It is the only College in England to offer UK-wide qualifications in its field. The College has pioneered a number of significant developments in the delivery of vocational higher education and continues to secure additional support for key areas of work. The Rank Foundation currently supports work specifically in the areas of research, pre-qualifying programmes and distance learning qualifying programmes. The Jack Petchey Foundation supports taught Foundation Studies programmes as well as offering bursaries to local full-time students. The Community Fund supports the Introductory Studies programme. The College remains the largest provider in the region of training for Personal Advisers for the Connexions Service and has been one of three HE Colleges to offer "Understanding Connexions" courses within JNC qualifying programmes nationally. Members of the academic staff team are active contributors in the field as teachers and researchers. The staff team are active in related higher education institutions, as published authors, speakers at conferences, external examiners or as a Visiting Professor. During the year of the report, College staff have secured contracts to act as consultants to a number of employers including several local authorities in London, the Metropolitan Police and Central London Connexions Partnership.

## **DIRECTORS**

The directors who served during the year were:-

N Ali (joined 22/7/04)  
A Bell  
C Bounds  
P Crory (joined 22/4/04)  
J Hutcheson  
A Kirwan  
R E Milburn (retired 22/4/04)  
D Packwood (joined 22/4/04)  
Lady J Reid  
C Roles  
P Smillie  
A Rusbridge (joined 15/1/04)  
D Taylor  
N Vallely  
K Williams

## **DEVELOPMENTS IN THE YEAR**

The College has continued to seek to integrate new curriculum developments within its programme for students. During the year, the College offered three pilot Understanding Connexions qualifying courses to joint groups of students from our programmes and from programmes at Salomon's Centre of Canterbury Christ Church University College. The College was successful in a joint bid with Canterbury Christ Church University College to deliver a new Connexions service programme of training for Supervisors. This pilot course was offered during the year of the report. The College completed the development and delivery of a pilot 2 day course for the Metropolitan Police Safer Schools initiative. The programme, *Understanding work with young people*, was designed for police officers based in secondary schools throughout London.

Overall, there is currently significant movement in this area of professional education and development. The White Paper 'Every Child Matters' brings some implications including the development of core training for all those working with young people. The College has sought to remain influential in setting the agenda through:

**YMCA GEORGE WILLIAMS COMPANY  
(INCORPORATED) (Limited by Guarantee)  
DIRECTORS' REPORT**

- Developing its portfolio of pre-qualifying courses;
- involvement in a national steering group of the Connexions Service National Unit exploring routes to qualification for Personal Advisers;
- leading the field with an offer of a three year joint youth work/Connexions qualification;
- piloting the Understanding Connexions programme within its own courses;
- involvement in the Training Agencies Group and with local providers.

#### **DISABILITY POLICY**

*George Williams College will not discriminate or treat any individual less favourably on the grounds of disability. As an employer and service provider, George Williams College aims to ensure that no student or job applicant or staff member receives less favourable treatment on the grounds of disability.*

George Williams College aims to ensure that people with disabilities are given equal opportunities to enter employment. In so doing, it will fully consider making reasonable adjustments to working practices, equipment and premises to ensure that a disabled person is not put at a substantial disadvantage due to their disability. In addition, when staff members become disabled in the course of their employment, every effort will be made through reasonable adjustment, retraining or redeployment to enable them to remain in the employment of George Williams College.

#### **PLANNED MAINTENANCE PROGRAMME**

The cost of the College's planned maintenance programme over a period of five years is estimated to be £50,000, resulting in an average annual charge of £10,000. The programme was developed following a review of the premises. The programme is reviewed annually.

The College plans to carry out works over a period of five years. As the premises were completely renovated for use as a college in 1995, it is anticipated that the majority of maintenance works will not be undertaken until the latter years.

#### **RESERVES POLICY**

Where possible, the College aims to hold reserves equivalent to 3 months' salary and running costs. Reserves have increased by £4,076 in the year to £ 319,903.

#### **INTERNAL CONTROLS**

The Board of Governors is ultimately responsible for the College's system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Governors has delegated the day to day responsibility to the Principal, as Accounting Officer for reviewing the adequacy of internal control and making any appropriate amendments. The Principal is also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

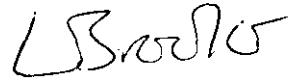
The Board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the College's significant risks that has been in place and operational from the period from August 2003 up to July 2004. Following the death of the Principal in September 2003, the Vice Principal served as Acting Principal until May 2004. The Board of Governors' selection panel appointed her to the post of Principal following a national selection process in June 2004. The current Finance Officer and staff have continued to work towards developing and maintaining the reporting and monitoring mechanisms, supported by the Principal. This year, the College has ensured that the Annual General Meeting of the company, with the presentation of this report, can return to its normal scheduled time in January.

YMCA GEORGE WILLIAMS COMPANY  
(INCORPORATED) (Limited by Guarantee)  
DIRECTORS' REPORT

AUDITORS

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

BY ORDER OF THE BOARD



L. Brooker  
Secretary

27/11/2005

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

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 governors, 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 2004.

#### **The Governors**

The College's Governing Body comprises a Board of nineteen members consisting of the Principal, two staff members, one student member and fourteen independent members. The Board of Governors meets four times a year. The Board appoints a Chairman whose role is separate from the role of the College's Chief Executive, the Principal.

The Board of Governors is responsible for:

- the determination of the educational character and mission of the College and for oversight of its activities;
- the effective and efficient use of resources, the solvency of the College and the safeguarding of its assets;
- approving annual estimates of income and expenditure;
- the appointment, grading, suspension, dismissal and determination of the pay and conditions of service of holders of Senior Posts;
- setting of framework for the pay and conditions of service of all College Staff Members other than the holders of Senior Posts; and
- the welfare of Students.

It is the Governor's responsibility to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct. The Governors are provided with regular and timely information on the overall financial performance of the College together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel-related matters such as health and safety and environmental issues. The Governors meet each term. The Governors conduct its business through a number of committees. Each committee has terms of reference, which have been approved by the Governors. These committees are Finance Committee and Academic Board. All governors are able to take independent professional advice in furtherance of their duties at the College's expense and have access to the Secretary, who is responsible to the Board for ensuring that all applicable procedures and regulations are complied with. The appointment, evaluation and removal of the Secretary are matters for the Governors as a whole. Formal agendas, papers and reports are supplied to governors in a timely manner, prior to Board meetings. The Governors have a strong and independent non-executive element and no individual or group dominates its decision making process. The Governors consider 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 judgement. There is a clear division of responsibility in that the roles of the Chair of Governors and Principal of the College are separate.

#### **Appointments to the Board of Governors**

Any new appointments to the Board of Governors are a matter for the consideration of the Governors as a whole. The Governors are responsible for ensuring that appropriate training is provided as required.

#### **Finance Committee**

The finance committee comprises Board Members and staff non-board members which meets approximately nine times a year. In respect of financial matters the Board receives recommendations and advice from the Finance Committee. The Committee reviews reports from management and from external auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a general review of the risks facing the College. The College has set itself the task of re-strengthening the monitoring processes which were inevitably weakened following the loss of the Principal and turnover in finance staff. The current Finance Officer, supported by the new Principal, has demonstrably succeeded in rectifying this situation and no matters have been identified which resulted in material losses, contingencies, or uncertainties that require disclosure in the financial statements or in the Auditors' report on the financial statements.

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

**Academic Board**

The College's academic governance is the responsibility of the Academic Board subject to agreements with its principal validating body, Canterbury Christ Church University College, and where appropriate other validating and accrediting bodies. The Academic Board comprises the Principal, other College Staff Members and College Students. The Academic Board, which is a Committee of the Board of Governors, is responsible for:

- general issues relating to research, scholarship, teaching and courses at the College, including the fixing of criteria for the admission of students
- the appointment and removal of internal and external examiners;
- policies and procedures for assessment and examination of the academic performance of students;
- the content of the curriculum;
- academic standards and the validation and review of courses;
- the procedures for the award of qualifications and honorary academic titles; and
- the procedures for the expulsion of students for academic reasons.

The Board will take recommendations and advice from the Academic Board on academic matters and the development of academic activities.

**INTERNAL CONTROL**

**Scope of Responsibility**

The Board of Governors is ultimately responsible for the College's system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Governors has delegated the day to day responsibility to the Principal, as Accounting Officer for reviewing the adequacy of internal control and making any appropriate amendments. The Principal is also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of college policies, aims and objectives, to evaluate the likelihood of those risks being realised, and to manage them efficiently, effectively and economically.

The Board acknowledge their responsibility for ensuring that the College has in place a system of controls that is appropriate to the various business environments in which it operates. 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.

**Capacity to handle risk**

The Governors have reviewed the key risks to which the College is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governors are of the view that there is a formal ongoing process for identifying, evaluating and managing the College's significant risks that has been in place for the period ended 31 July 2004 and up to the date of approval of the annual reports and accounts. This process is regularly



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

reviewed by the Governors.

**The risk and control framework**

The system of internal control is based on a framework of regular management information, administrative procedures and a system of delegation and accountability. In particular it includes;

- 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, I acknowledge my responsibility for ensuring that an effective system of internal control is maintained and operated by YMCA George Williams College.

The system can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability including:

- 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;
- The adoptions of the formal project management disciplines where appropriate.

My review of the effectiveness of the systems of internal control is informed by the work of the executive managers within the College who have responsibility for the development and maintenance of the financial control framework, and comments made by the College's external auditors in their management letter and other reports, and by the Finance and General Purposes Committee.

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

**Going Concern**

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

Mary Wolff  
Principal

27/1/05  
Date

Mr Hutchins  
Chair of Governors

27/1/05  
Date

**YMCA GEORGE WILLIAMS COMPANY  
(INCORPORATED) (Limited by Guarantee)  
STATEMENT OF 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 charitable company and of the profit or loss of the charitable company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

The directors are responsible for ensuring that the Directors' Report is prepared in accordance with company law in the United Kingdom.

**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 2004 which comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. These 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 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 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 the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Statements 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 United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the charitable 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 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.

**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards 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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which 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 of the state of affairs of the charitable company at 31 July 2004 and of the surplus of income over expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

London, UK

31 January 2005



PKF

Registered Auditors

**YMCA GEORGE WILLIAMS COMPANY  
(INCORPORATED) (Limited by Guarantee)  
INCOME AND EXPENDITURE ACCOUNT  
YEAR ENDED 31 JULY 2004**

	<u>Notes</u>	<u>2004</u> £	<u>2003</u> £
<b>INCOME</b>			
Funding council grants	2	512,396	431,328
Academic fees and grants	3	883,254	850,838
Other income		4,491	17,506
Interest receivable		3,022	6,099
		<hr/> 1,403,163	<hr/> 1,305,771
<b>EXPENDITURE</b>			
Staff costs	4	987,724	904,698
Depreciation	7	20,385	20,384
Other operating expenses	5	389,809	406,471
Bank interest and charges		1,169	1,849
		<hr/> 1,399,087	<hr/> 1,333,402
<b>SURPLUS/(DEFICIT) FOR THE YEAR FROM CONTINUING ACTIVITIES</b>		4,076	(27,631)
Appropriated from Designated reserve	11	15,000	40,000
<b>NET SURPLUS</b>		19,076	12,639
Balance brought forward at 1 August 2003		300,827	288,458
<b>BALANCE CARRIED FORWARD AT 31 JULY 2004</b>		<hr/> <hr/> 319,903	<hr/> <hr/> 300,827

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 2004**

	<u>Notes</u>	<u>2004</u> £	<u>2003</u> £
<b>FIXED ASSETS</b>			
Tangible assets	7	242,428	262,813
<b>CURRENT ASSETS</b>			
Debtors	8	79,322	101,039
Cash at bank and in hand		144,456	119,817
		223,778	220,856
<b>CREDITORS</b>			
Amounts falling due within one year	9	(146,303)	(167,842)
<b>NET CURRENT ASSETS</b>		77,475	53,014
<b>NET ASSETS</b>		319,903	315,827
<b>RESERVES</b>			
Income and Expenditure Account		319,903	300,827
Designated Reserves	11	-	15,000
		319,903	315,827

Approved by the Board on 27 January 2005



Director

**YMCA GEORGE WILLIAMS COMPANY**  
**(INCORPORATED) (Limited by Guarantee)**  
**CASH FLOW STATEMENT**  
**31 JULY 2004**

	<u>2004</u> £	<u>2003</u> £
<b>Reconciliation of net movement in funds to net cash inflow from operating activities</b>		
Net movement in funds	4,076	(27,631)
Decrease/(Increase) in debtors	21,717	(80,041)
(Decrease)/Increase in creditors	(11,002)	42,392
Depreciation	20,385	20,384
Returns on investments and servicing of finance	(3,022)	(6,099)
	<hr/>	<hr/>
<b>Net cash inflow/(outflow) from operating activities</b>	<b>32,154</b>	<b>(50,995)</b>
	<hr/>	<hr/>
<b>Net cash inflow/(outflow) from operating activities</b>	<b>32,154</b>	<b>(50,995)</b>
<b>Returns on investment and servicing of finance</b>		
Investment income	3,022	6,099
<b>Financing</b>		
Repayment of mortgage	(10,537)	(65,786)
	<hr/>	<hr/>
<b>Increase/(Decrease) in cash</b>	<b>24,639</b>	<b>(110,682)</b>
	<hr/>	<hr/>

**YMCA GEORGE WILLIAMS COMPANY  
(INCORPORATED) (Limited by Guarantee)  
NOTES TO THE ACCOUNTS  
YEAR ENDED 31 JULY 2004**

**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.

**(c) Expenditure**

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

**(d) 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	-	over 4 to 10 years
Computer equipment	-	over 3 years

**(e) Capital expenditure**

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

**(f) Pensions**

The charitable company participates in a defined benefit scheme, as set out in note 14. Pension costs are assessed in accordance with the advice of an actuary based on the most recent actuarial valuations of the schemes and are accounted for on the basis of charging the cost of providing pensions over the period during which the charitable company benefits from the employees' services.

**(g) 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.

**(h) 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.

The Designated Reserves represent an amount set aside out of general funds to finance specific anticipated expenditure linked to College development. This has included expenditure incurred in the rewriting and revalidation of the BA and MA course and to finance an internet installation. Future developments which may require funding from designated reserves include the production and validation of a new foundation degree in line with government backing for this level of qualification.



**YMCA GEORGE WILLIAMS COMPANY  
(INCORPORATED) (Limited by Guarantee)  
NOTES TO THE ACCOUNTS  
YEAR ENDED 31 JULY 2004**

<b>2</b>	<b>FUNDING COUNCIL GRANT</b>	<b><u>2004</u></b> <b>£</b>	<b><u>2003</u></b> <b>£</b>
	Recurrent grant Canterbury Christ Church University College	512,396	431,328
		<hr/>	<hr/>
<b>3</b>	<b>ACADEMIC FEES AND GRANTS</b>	<b><u>2004</u></b> <b>£</b>	<b><u>2003</u></b> <b>£</b>
	Academics fees:		
	Full time students	62,553	48,209
	Part-time fees	217,358	299,052
	Rank funded students	160,185	142,719
	Other courses	132,533	101,378
	Grants:		
	Rank Fellowship	-	4,000
	Joseph Rank Benevolent Trust	25,266	20,440
	Community Fund (note 15)	61,901	55,052
	Connexions	208,458	130,151
	Diversity	-	33,654
	Jack Petchey Salary Assistance	15,000	16,183
		<hr/>	<hr/>
		883,254	850,838
		<hr/>	<hr/>

A number of grants have been received for specific purposes and the funds have been applied under the terms of the funding.

<b>4</b>	<b>STAFF</b>	<b><u>2004</u></b> <b>£</b>	<b><u>2003</u></b> <b>£</b>
	Wages and salaries	861,995	784,934
	Social security costs	57,653	52,653
	Other pension costs	56,470	58,486
	Staff recruitment and development	11,606	8,625
		<hr/>	<hr/>
		987,724	904,698
		<hr/>	<hr/>
	The above emoluments include amounts payable to the Principal of:		
		<b><u>2004</u></b> <b>£</b>	<b><u>2003</u></b> <b>£</b>
	Salary	48,831	48,758
		<hr/>	<hr/>
	Pension contributions	6,294	6,845
		<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.

Personal loan of £5,000 made to Jeff Salter in November 2002, has now been repaid.

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 £909.

**YMCA GEORGE WILLIAMS COMPANY  
(INCORPORATED) (Limited by Guarantee)  
NOTES TO THE ACCOUNTS  
YEAR ENDED 31 JULY 2004**

**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>2004</u> <u>Number</u>	<u>2003</u> <u>Number</u>
Academic	10.8	12.1
Administrative	10.6	11.7
Freelance Lecturers	12.6	13.8
Supervisors	5.2	5.3
	<hr/> 39.2	<hr/> 42.9

**5 OTHER OPERATING EXPENSES**

	<u>2004</u> <u>£</u>	<u>2003</u> <u>£</u>
Academic costs	213,498	237,960
Premises costs	53,845	43,876
Administration costs	77,344	117,725
Auditors remuneration		
- Audit fees	8,696	6,135
- Other services – prior year under accrual	13,600	-
Connexions costs	22,826	775
	<hr/> 389,809	<hr/> 406,471
<b>Other operating expenses include:</b>		
Payments made under operating leases – equipment	15,784	15,784

**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	632,242	-	3,662	-	635,904
Academic services	34,087	-	60,499	-	94,586
Other support services	74,025	-	9,954	-	83,979
General education expenses	-	-	149,337	-	149,337
Premises	-	20,385	53,845	-	74,230
Administration	247,370	-	112,512	1,169	361,051
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Per Income and Expenditure account	987,724	20,385	389,809	1,169	1,399,087

**YMCA GEORGE WILLIAMS COMPANY  
(INCORPORATED) (Limited by Guarantee)  
NOTES TO THE ACCOUNTS  
YEAR ENDED 31 JULY 2004**

**7 TANGIBLE ASSETS**

	<u>Computer equipment</u> £	<u>Fittings</u> £	<u>Freehold land and buildings</u> £	<u>Total</u> £
<b>Cost</b>				
At 1 August 2003	40,000	46,213	848,193	934,406
Additions	-	-	-	-
<b>At 31 July 2004</b>	<b>40,000</b>	<b>46,213</b>	<b>848,193</b>	<b>934,406</b>
<b>Depreciation</b>				
At 1 August 2003	26,666	39,952	604,975	671,593
Charge for the year	13,334	2,087	4,964	20,385
<b>At 31 July 2004</b>	<b>40,000</b>	<b>42,039</b>	<b>609,939</b>	<b>691,978</b>
<b>Net book value</b>				
At 31 July 2004	-	4,174	238,254	242,428
<b>At 31 July 2003</b>	<b>13,334</b>	<b>6,261</b>	<b>243,218</b>	<b>262,813</b>

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>2004</u> £	<u>2003</u> £
Debtors	43,982	42,204
Prepayments and accrued income	35,340	58,835
	<b>79,322</b>	<b>101,039</b>

**9 CREDITORS**

	<u>2004</u> £	<u>2003</u> £
<b>Amounts falling due within one year:</b>		
Bank loan	-	10,537
Trade creditors	7,752	38,691
Other creditors	38,371	14,245
Other taxes and social security costs	195	45,948
Accruals and deferred income	99,985	58,421
	<b>146,303</b>	<b>167,842</b>

Final mortgage repayments, were made in September of the current year.

**YMCA GEORGE WILLIAMS COMPANY  
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NOTES TO THE ACCOUNTS  
YEAR ENDED 31 JULY 2004**

**10 LEASE COMMITMENTS**

The minimum annual commitments due under operating leases are as follows:

	<u>2004</u> £	<u>2003</u> £
Expiring between two and five years:		
Equipment	4,655	9,680
	<hr/>	<hr/>

**11 DESIGNATED FUNDS**

	£
Balance brought forward at 1 August 2003	15,000
Appropriated to Income and Expenditure Account	(15,000)
	<hr/>
Balance carried forward at 31 July 2004	-
	<hr/>

The Designated Reserve brought forward represents an amount set aside out of general funds to finance specific anticipated expenditure incurred in the rewriting and revalidation of courses.

**12 ANALYSIS OF CHANGES IN NET FUNDS**

	<u>Cash at</u> <u>2003</u> £	<u>Cash flows</u> £	<u>Cash at</u> <u>2004</u> £
Bank investment deposits	55,790	73,044	128,834
Other cash at bank	64,027	(48,405)	15,622
	<hr/>	<hr/>	<hr/>
	119,817	24,639	144,456
Debt due within 1 year	(10,537)	10,537	-
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<u>109,280</u>	<u>35,176</u>	<u>144,456</u>

**13 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**

	<u>2004</u> £	<u>2003</u> £
Increase/(Decrease) in cash in the year	24,639	(110,682)
Cash outflow from mortgage payments	10,537	65,786
	<hr/>	<hr/>
Movement in net funds in the year	35,176	(44,896)
Net funds at 1 August 2003	109,280	154,176
	<hr/>	<hr/>
Net funds at 31 July 2004	<u>144,456</u>	<u>109,280</u>

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

**14 PENSION COMMITMENT**

Pension arrangements for the College's staff are made through the YMCA contributory pension plan, which provides its members with defined benefits based on final pensionable pay. The assets of the Plan are held separately from those of the YMCA, being invested in the Legal & General and Schroders Managed Funds Units. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

The most recent completed valuation was as at 1 May 2002. The assumptions used which have the most significant effect on the results of the valuation are those relating to the investment yield of 6.5% per annum and the rate of earnings increase of 4.25% per annum. The result of the valuation showed that the actuarial value of the assets was £33.9m. This represented 76% 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 86%.

From 1 May 2003 the contribution rate for employees was increased to 8%, employer contributions remaining at 14.4%.

The pension charge for the year is given in note 4 which represents contributions for one year. It is, however, not possible to identify the College's share of the underlying assets and liabilities of the Scheme. Therefore reduced disclosure is given, as permitted for multi-employer schemes under Financial Reporting Standard 17 "Retirement Benefits".

**15 COMMUNITY FUND**

	<u>Balance brought forward</u> £	<u>Income received in year</u> £	<u>Expenditure incurred in year</u> £	<u>Balance carried forward</u> £
Community Fund	(7,663)	79,910	(61,901)	10,346

YMCA George Williams College received £79,910 from the Community Fund in 2003/2004, of which £30,000 related to 2002/2003 and £15,000 remains outstanding from the Community Fund for 2003/2004. At 31 July 2004 £25,346 (2003: £22,337) has been carried forward as deferred income.

Our accounts are prepared on an accruals basis, showing revenue earned throughout the year, not cash received. The accounts therefore show income of £61,901 for the year.

Monies are spent on student registration with the Open College network, fulltime and sessional staff, course development, delivery and evaluation. The balances brought forward and carry forward represent money accrued and deferred on the balance sheet.

YMCA GEORGE WILLIAMS COMPANY  
(INCORPORATED) (Limited by Guarantee)  
OTHER OPERATING EXPENSES  
YEAR ENDED 31 JULY 2004

	<u>2004</u> £	<u>2003</u> £
Consumables	7,178	(2,253)
Books and periodicals	9,732	3,824
Heat, light, water and power	9,198	11,671
Repairs and general maintenance	10,065	2,631
Grant to Students Union and Students Affairs	1,807	3,605
Rent and rates	14,135	15,693
Auditors remuneration	22,296	6,135
YMCA affiliation fees	14,828	7,145
Printing	22,745	29,527
Postage, stationery and telephone	44,115	50,022
Validation and C4 costs	20,425	10,847
Regional/residential and supervisors expenses	3,662	4,785
Residential course costs	46,726	46,943
Insurance	11,129	12,310
Publicity and advertising	7,188	17,293
Other expenses	50,600	97,117
Cleaning	21,782	24,695
Legal and professional	6,062	4,404
Travel and subsistence	10,107	7,067
Computer implementation and support	9,954	8,075
Connexions cost	29,327	775
Rank costs	6,267	20,245
Lottery costs	6,319	11,405
Foundation Studies Freelance	4,162	3,433
Increase in bad debt provision	-	9,077
	<hr/>	<hr/>
	389,809	406,471
	<hr/>	<hr/>