

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

(England & Wales Registered Charity Number 1044624)

(Scottish Registered Charity Number SC042186)

(Registered Company Number 2978406)

**ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2012**

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

LEGAL AND ADMINISTRATIVE INFORMATION
YEAR ENDED 31 JULY 2012

BOARD OF GOVERNORS / DIRECTORS:

J Clark	Resigned February 2012
E Caleb	Vice Chair, Nominations Committee
Rev J Daley	
Rev A Edwards	Term ended January 2012
I Green	
B. Holden	Strategic Issues Group
J Hutcheson	Term ended January 2012
G Millar	
A Morisy	Term ended January 2012
S Piotrowski	Strategic Issues Group
M Robbins	Nominations Committee
P. Sathianesan	
N Sherringham	Finance Committee
R Talbut	
D Taylor	Finance Committee, Treasurer
P Thornton	Joined January 2012 Chair, Finance Committee, Strategic Issues Group
P Thompson	
S. Wilson	Finance Committee, Strategic Issues Group

COMPANY SECRETARY: Emma McLaren (commenced January 2012)

PRINCIPAL: Mary Wolfe

NEW PRINCIPAL: Maxine Green (commencing January 2013)

ACTING PRINCIPAL: Jeff Salter (commenced September 2012)

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,

PO Box 306, 11 The Parade, Canterbury, Kent, CT1 2DT

CHARITY NUMBER:

1044624

SCOTTISH CHARITY NUMBER:

SC042186

COMPANY NUMBER:

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GOVERNORS' ANNUAL REPORT
YEAR ENDED 31 JULY 2012

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.

Constitution

YMCA George Williams Company is a charitable company limited by guarantee which obtained its charitable status in March 1995. The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up each member is required to contribute an amount not exceeding £1.

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.

Following the development of the College's work in Scotland, registration was secured in 2011 with the Office of the Scottish Charity Regulator (OSCR) – registration number SC042186.

Principal Activities

The Board of Governors present their annual report and audited financial statements for the year ended 31 July 2012 which have once again been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005).

The College is the largest specialist College offering professional training for youth work, community work, and community learning and development within the United Kingdom. Once again, in 2011 - 2012 both the National Youth Agency and Canterbury Christ Church University received the College's annual monitoring reports positively. The National Student Survey 2012 recorded the student satisfaction rating at 100%, indicating the quality of the College offer and the esteem in which the College is held by the students. This again clearly places the College among the best-regarded of its type in the country.

The quality of the College programmes has been evidenced by results achieved. Across the undergraduate programmes, there were 16 1st Class Honours degrees (3 full time, 13 distance learning). To add some context, the results also included 21 2(i)'s, 16 2(ii)'s and one 3rd out of a total of 67 full time and distance learning students coming to the end of their undergraduate studies. These results mark some exceptional achievement by final year students last year and enhance our reputation in the field.

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During the year, the College has successfully revalidated its undergraduate programmes with the National Youth Agency, the Scottish Standards Council for Community Learning and Development and Canterbury Christ Church University. From September 2012, the College will offer a programme of three undergraduate programmes, each conferring full, UK-wide professional qualification included in the award of BA (Hons). These programmes include BA (Hons) in Youth Work and Community Learning and Development, Education and Learning (Youth Work and Community Learning and Development), and Social Pedagogy (Youth Work and Community Learning and Development).

Additionally, as highlighted in the College's report for 2010 – 2011, we have also succeeded in gaining academic and professional validation from the National Youth Agency, the Scottish Standards Council for Community Learning and Development, and Canterbury Christ Church University for a new set of MA programmes. These include MA Youth Work and Community Learning and Development which includes full, UK-wide professional qualification as well as the MA Youth Work and Community Learning and Development Studies which does not include professional validation. The latter has been developed in response to requests, especially from our own graduates and other already-qualified workers, seeking high quality ongoing professional development opportunities. The MA starts as a part-time route at the College in September 2012 with 18 students and a further cohort is projected in 2013 alongside the distance learning mode (see below).

The College continues to be successful in maintaining external support and investment for its work. The Rank Foundation and Joseph Rank Trust have continued and increased their investment in the College's work in existing areas as well as supporting new initiatives, particularly in Scotland. During the year, the Robertson Trust collaborated with the Rank Foundation to fund a pilot cohort of sports development workers through the College's Level 3 programme. At the end of the year, all trainees completed the programme successfully and five out of six have opted to continue to study with the College in order to achieve the full professional qualification at BA (Hons) level. This programme will be supported financially by the Robertson Trust. The Trust have further agreed to support a similarly sized cohort of students in 2013 – 14 which demonstrates their commitment to the College programmes.

The Rank Foundation have continued their commitment to the College – with a further intake of 12 students in 2012-13 on either the Diploma or undergraduate programmes. The Robertson students as well as Rank's own intake in 2013-14 contains student numbers from this source which continue to climb.

The Joseph Rank Trust have followed up their interest in our new Post Graduate Diploma / MA programme in Youth Work and Community Learning and Development by supporting the development of the programme by distance learning. They have awarded the College £45,000 in total over three years and the first tranche of funding (£15,000) has arrived in order to support the early stages of material development and validation. This mode of delivery, drawing on the successful model of distance learning on the undergraduate programme, will augment our ability to deliver the programme nationally and we aim to launch this in September 2013.

The Jack Petchey Foundation continued to support our work through a grant to develop good practice in youth work with agencies in Essex. The project was completed in partnership with Essex

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Association of Boys and Girls Clubs and was successfully completed in June 2012. The Foundation is actively pursuing a follow-up programme, involving a wider range of agencies. The College acknowledged its gratitude to Jack Petchey for his support for our work over the past 13 years by naming its main Lecture Theatre the Jack Petchey Lecture Theatre in April 2012. This event included a public lecture, attended by Jack Petchey CBE, and a large number of local supporters and stakeholders. The Foundation has subsequently donated a contribution to the refurbishing of the Lecture Theatre.

Barclays Capital (now Barclays) increased its bursary funding in 2011-12 to our full-time undergraduates. However, and following a change in their CSR strategies, this bursary ended in July 2012, although the College continues to offer its own bursaries to its most disadvantaged full-time students.

The College, in partnership with *Youth and Policy* journal, hosted its now Annual Conference focusing on the theme of "Thinking Seriously About Youth Work". Keynote speakers included Ian Mears MP, member of the Parliamentary Select Committee on Youth, and Paul Oginsky, Government Adviser on the Big Society initiative.

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 as well as being the preferred supplier of training to a growing number of local authorities and to charities involved in work with young people.

Public Benefit

The Governors of the College have taken due regard of the guidance issued by the Charity Commission on public benefit and are satisfied that the work that the College does fulfil its charitable aims, which are for the wider public benefit.

The College's main benefits to the public are

- the accessibility of our courses and the support offered to students especially those groups which are traditionally under-represented in Higher Education (with outcomes monitored in terms of age, gender, ethnicity and qualifications on entry),
- the contribution made to good practice in work with young people and support for youth work volunteering particularly in the local area,
- the provision of bursaries to support full-time undergraduates seeking professional qualifications,
- the contribution made to increasing the diversity of higher education participation, and
- the offer of publications, conferences and free access to the on-line Encyclopedia of Informal Education - infed.org

The Board of Governors

The College is committed to exhibiting best practice in all aspects of corporate governance. The College's governing body comprises a Board of between 8 – 18 members including one member elected from student body. The Principal, two other members of staff and one observer elected from

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student body, attend the Board as observers. The Board currently has 14 members, one of whom was newly elected to the Board during the past year. At its AGM held in January 2012, the Board of Governors elected Paul Thornton as Chair of the Board of Governors. He accepted this role which had become vacant upon Ann Morisy completing her permitted term of office.

It is the Board's responsibility to bring independent judgments to bear on issues 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 which are reviewed regularly. Committees report their work to the Governors formally at least once each year and membership is reviewed at that time. These committees are the Finance Committee, The Academic Board, the Nominations Committee and the Strategic Issues Group. Following a recommendation made by the Board, the Board of Governors has now established an Equality and Diversity Sub-Committee which includes members of the Board, of the student body and of College staff. The sub-Committee has met twice and will continue to meet termly and report on its work to the Board.

All Governors are able to take independent professional advice in furtherance of their duties at the College's expense. They 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 its management and free from any business or other relationship which could materially interfere with the exercise of their independent judgment. All members are required to make a formal declaration of any interest at each meeting and are required to complete a written declaration confirming that they are eligible to act as Trustees of the Charity as recommended by the Charity Commission.

Appointments to the Board of Governors

In line with the Board's Memorandum and Articles of Association, 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 is responsible for ensuring that appropriate training and information is provided as required.

Training of the Board of Governors

The Board, via its Nominations Committee, oversees an ongoing skills audit of Board members and seeks to recruit new members in line with clearly defined needs for knowledge and experience. College Governors are inducted into the College's work in meetings with the Chair, the Principal and the Company Secretary. A portfolio of College policies is made available. Governors receive training annually, with members of the College staff. Additionally, Governors are able to take part in training offered by YMCA England and by NCVO.

Internal Control: Board of Governors

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. Also, it can only provide reasonable and not absolute assurance against any material misstatement or loss. 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 of such risks being realised. The Board then seeks to manage these efficiently, effectively and

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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, and
- the safeguarding of assets against unauthorised use or disposition

The Board has a policy statement and a register for risk management which includes specific detailing of the Board's responsibilities This includes an outline of key risks and a schedule and action plan for the carrying out of that responsibility The policy and the workings of the register are formally reviewed by the Board each year During this year, the Board has completed a fundamental review of its Risk Register and agreed an updated and revised document This was completed in line with the publication of the new Strategic Plan 2012 – 2017 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

Consequently, 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 This process has been in place and operational throughout the period from August 2011 – July 2012 During the past year, the Finance Committee has again reviewed the Risk Management document's attention to contingency planning and to managing the risks related to any potential loss of invested funds The key risks have been assessed and identified as

- 1 Losing bursaries
- 2 Failure to meet recruitment targets
- 3 Students not attending committee meetings
- 4 Failure to accommodate pension liability/commitment within and beyond YMCA GWC
- 5 Failure to maintain relationships with external funders

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

Internal control: College Principal

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 The Principal is thereby responsible for reporting to the Board any material weakness or breakdown in internal control which may arise

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, properly recorded and material errors or irregularities are either prevented or would be detected within a timely period This 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

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- 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 and presented to the Finance Committee and Board. These provide relevant, reliable and up to date financial and other information. This ensures that 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,
- financial and other performances are monitored regularly within the context of the College's Strategic Plan,
- planning includes attention to ensuring replacement funding as individual projects approach their completion,
- clearly defined capital investment control guidelines are implemented; and
- formal project management disciplines are adopted where appropriate

The Board has no reason to doubt the reliability of its financial information

Developments in the year

- During the year under review, the College consulted upon and agreed its Strategic Plan 2012 – 2017. The Principal reports upon progress towards achieving its objectives in regular report to the Board
- The College has successfully achieved the academic and professional revalidation of its undergraduate programmes and validation of two new post-graduate programmes
- Amongst other significant qualitative achievements, College undergraduate students achieved 16 1st Class Honours degrees and 100% overall satisfaction rating was achieved in the National Student Survey 2012
- We have successfully offered a pilot short course in Global Youth Work in partnership with YMCA England and Y Care International. All eight students completed the programme successfully
- The College Principal, Mary Wolfe confirmed her intention to retire from her post at the end of August 2012. The Board of Governors has now interviewed and appointed a new Principal, Maxine Green, who will start work on 1st January 2013. Jeff Salter will be Acting Principal up until this point

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- The College has strengthened its own internal management structure with the appointment of a Vice Principal (Curriculum Management) and College Secretary. These posts serve both to ensure robust internal management and to ensure effective succession and continuity planning.
- The College has been awarded new grant funding from the Joseph Rank Trust to develop, deliver and monitor research materials for the post-graduate programme and to commission materials necessary for the launch of the programme by distance learning in 2013.

Future plans

The College will continue to work within its four key objectives outlined in its Strategic Plan. These comprise

Embedding excellence we aim to continue to excel in meeting external quality standards including the National Student Survey and feedback received from the National Youth Agency and Canterbury Christ Church University. We will aim to build on our achievements so far in terms of ensuring that the distance travelled by students academically during the course of their programmes reflects equal levels of achievement by all students, without systematic difference based upon age, disability or cultural background.

The College recognises the difficulties in safeguarding current undergraduate student numbers in the context of increased variable fee levels and the shrinking of statutory and voluntary services for young people. However, with the impact of these issues now a known quantity, we are aiming to maintain our current levels of recruitment through promoting excellence in all our programmes, maintaining accessible fee levels coupled with a high level of student bursaries and diversifying our offer through the developments below.

Working for innovative practice: The College has innovated by offering the first national qualification in social pedagogy and education and learning alongside our youth work and community learning and development core as well as the new MA programme and these initiatives have already enhanced the College's work. The College also intends to seek active new partnerships with key agencies and develop new strands of practice. To this end, we will be developing materials for the Preparing to Teach in the Lifelong Learning Sector (PTLLS) course. This increasingly popular course, which incorporates formal teaching strategies within youth & community work, is to be built in to both the full time and distance learning pathway and as a standalone course that will be offered as part of our standard non-degree offer.

Additionally, we will continue to develop research and focussed programmes for sport development workers at Level 3 in line with interest expressed by both the Robertson Trust and The Rank Foundation. We will seek to present a fourth degree programme for validation. Youth Work and Faith, with the aim of introducing this within two years. We will continue to increase the flexibility of our programme delivery and opportunities for learning by expanding our programme of free-standing modular courses, the offer to our alumni, the distance learning version of the MA programme and exploring the viability of extending our curriculum offer to other bases. The appointment of a tutor in Scotland has been successful in this regard and discussions with Canterbury Christ Church University about the feasibility of running our programmes on campus are ongoing.

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Taking our place in the world: The College is seeking to develop active and productive links with the Commonwealth Secretariat in order to assess the feasibility of establishing a web-based programme of training for youth workers in Asian Commonwealth countries. We will seek to work with Government Agencies, YMCAs and other NGOs in the region to support and inform the development of excellence and sustainability in training and development locally. In the UK, we will seek to establish the College as a centre of excellence and the College of choice for those seeking programmes which are recognised for their global outlook, and to this end will run a further Global Youth Work short course in 2012-13.

We are also continuing to enhance our on-line resources in order to widen access to our research and our programmes of learning and teaching across the UK and internationally. The development of our 'ymoodle' interactive learning environment to include most assessment activities, dissemination of materials and other information and the creation of student and tutor led forums has developed our potential on both distance learning programmes nationally and internationally.

Developing people: The College has now recruited a new Principal, and has developed its structure to form a senior management team comprising the Principal and Vice-Principal (Curriculum Management) alongside the College Secretary and Finance, Resources and Buildings Manager. This is enabling a clearer delineation of roles and an emphasis on outward and inward-facing prioritisation. PTLLS (see above) has been offered to all staff – both academic and administrative team members.

Financial review

Overall, the Board of Governors is satisfied that these accounts evidence the financial situation which the College has achieved during the year. There are examples of loss of income, for example Distance Learning fees have reduced by approximately 18% from 2011, which are partly balanced by new funding sources, such as increased funding from the Rank Foundation due to the new intake of students via the Robertson Trust (12%). Despite significant new initiatives, such as development of the Masters programme, the College's staffing levels have not grown this year and expenditure has been lowered across the College's work. The Board has accepted a budget which has recognised the likelihood that the coming year will again be characterised by austerity and by cuts in public spending. In addition, the Board has received a five-year forecast which highlights areas of risk, of concern or of development over the coming period. The College is facing increasing uncertainties in the field robustly: its secure network of stakeholders and its established reputation for excellence from validating bodies continue to underpin the management and consolidation of its services.

Reserves Policy

The College continues to aim to operate a policy of maintaining reserves at a level to cover three months of committed operational costs and the College continues to work towards that target.

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.

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Statement of Governors' Responsibility

Each of the governors (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

Date: January 17, 2013

Chair of Board of Governors (Paul Thornton)

Treasurer (David Taylor)

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STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

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

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

The governors are responsible for keeping adequate and proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment Scotland Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND GOVERNORS OF
YMCA GEORGE WILLIAMS COMPANY**

We have audited the financial statements of YMCA George Williams Company for the year ended 31 July 2012 which comprise the Statement of Financial Activities, the Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006 and to the charity's governors, as a body, in accordance with regulations made under section 44 of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's members and governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, the charity's members as a body and the charity's governors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditor

As explained more fully in the statement of governors' responsibilities, the governors (who are also the directors of the 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. We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the governors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charity's affairs as at 31 July 2012 and of its outgoing resources and application of resources, including its income and expenditure, for the year then ended,

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- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and with the requirements of the Companies Act 2006

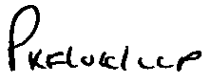
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the governors' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where regulations made under the Charities and Trustee Investment (Scotland) Act 2005 and where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate and proper accounting records have not been kept in respect of the charity, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements do not accord with the accounting records and returns, or
- certain disclosures of trustee's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Ian Mathieson (Senior statutory auditor)
for and on behalf of PKF (UK) LLP, Statutory auditor
London, UK

3rd January 2013

PKF (UK) LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

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STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account)

FOR THE YEAR ENDED 31 JULY 2012

	Notes	Unrestricted Funds £	Restricted Funds £	2012 Total £	2011 Total £
INCOMING RESOURCES					
Incoming resources from generated funds					
- Investment income		3,780	-	3,780	2,211
Incoming resources from charitable activities					
- Canterbury Christ Church University recurrent grant		622,648	-	622,648	768,221
- Tuition fees receivable	2	597,237	298,735	895,972	899,621
- Grants receivable	3	-	130,000	130,000	215,580
Other income		<u>19,716</u>	<u>-</u>	<u>19,716</u>	<u>16,929</u>
Total incoming resources		<u>1,243,381</u>	<u>428,735</u>	<u>1,672,116</u>	<u>1,902,562</u>
RESOURCES EXPENDED					
Charitable activities	4	1,244,064	423,043	1,667,107	1,769,269
Governance costs	5	<u>21,082</u>	<u>-</u>	<u>21,082</u>	<u>19,386</u>
Total resources expended		<u>1,265,146</u>	<u>423,043</u>	<u>1,688,189</u>	<u>1,788,655</u>
Net (outgoing)/incoming resources for the year		(21,765)	5,692	(16,073)	113,907
Funds balances brought forward		<u>624,944</u>	<u>33,439</u>	<u>658,383</u>	<u>544,476</u>
Funds balances carried forward		<u>603,179</u>	<u>39,131</u>	<u>642,310</u>	<u>658,383</u>

All amounts relate to continuing operations
The company has no recognised gains and losses other than the deficit for the year

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COMPANY NUMBER: 2978406

BALANCE SHEET
AT 31 JULY 2012

	<u>Notes</u>	<u>2012</u> £	<u>2011</u> £
FIXED ASSETS			
Tangible assets	8	210,149	218,022
		<hr/>	<hr/>
CURRENT ASSETS			
Debtors	9	120,523	118,585
Cash at bank and in hand		539,343	506,074
		<hr/>	<hr/>
		659,866	624,659
CREDITORS			
Amounts falling due within one year	10	(227,705)	(184,298)
		<hr/>	<hr/>
NET CURRENT ASSETS		432,161	440,361
		<hr/>	<hr/>
NET ASSETS		642,310	658,383
		<hr/>	<hr/>
RESERVES			
Unrestricted			
General	13	554,460	586,225
Designated	13	48,719	38,719
		<hr/>	<hr/>
		603,179	624,944
Restricted	13	39,131	33,439
		<hr/>	<hr/>
		642,310	658,383
		<hr/>	<hr/>

Approved and authorised for issue by the Board of Governors 17 January 2013

Paul Thornton (Governor)

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

NOTES TO THE ACCOUNTS
YEAR ENDED 31 JULY 2012

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 and Reporting by Charities' 2005 and applicable Accounting Standards

(b) Incoming resources

All incoming resources are included in the statement of financial activities when the charitable company is entitled to the income and the amount can be quantified with reasonable accuracy

Grants received as Restricted Funds, defined as those which carry an obligation to repay any sums not actually spent, are brought into the SOFA in the period of receipt and carried forward within Restricted Funds until either spent or refunded

(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) Resources expended

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

Charitable Activities

All costs are allocated between categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly or apportioned on an appropriate basis

Academic Staff Costs are apportioned to Department/Courses, namely Full Time, Distance Learning, Foundation Studies and Short Courses. The Academic Services staff costs relate to the library staff costs

Support services consist of apportioned Administrative and Freelance staff costs to department/courses, staff development, recruitment, and insurance costs

Governance Costs include those associated with meeting the constitutional and statutory requirements of the charitable company and include audit fees and costs linked to the strategic management of the charity

YMCA GEORGE WILLIAMS COMPANY
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NOTES TO THE ACCOUNTS
YEAR ENDED 31 JULY 2012

(e) Tangible fixed assets

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

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) Pensions

YMCA George Williams College participates 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 YMCA George Williams College for the purposes of FRS17 disclosure.

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

(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 11.

(h) Funds

The general funds are available for use at the discretion of the Governors in furtherance of the objectives of the charitable company.

The restricted funds consist of grants and bursaries which are subject to restrictions on their expenditure by the donor.

The designated funds are funds set aside at the discretion of the Governors for a particular purpose and carry no restrictions.

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

NOTES TO THE ACCOUNTS
YEAR ENDED 31 JULY 2012

2 TUITION FEES	<u>2012</u> £	<u>2011</u> £
Academics fees	188,805	168,034
Full time students	183,784	218,051
Part-time fees	1,054	32,899
Joseph Rank Trust (note 13C)	297,681	265,769
Rank Foundation (note 13B)	224,648	214,868
Other courses		
	<hr/> 895,972 <hr/>	<hr/> 899,621 <hr/>

3. GRANTS RECEIVABLE	<u>2012</u> £	<u>2011</u> £
Jack Petchey Foundation (note 13A)	-	10,000
Partnership in Scotland - (note 13F)	55,000	40,000
Myplace	-	37,360
CWDC	-	83,220
Jack Petchey (Essex Boys and Girls Boys Club – (note 13G)	10,000	10,000
Barclays Capital - (note 13H)	65,000	35,000
	<hr/> 130,000 <hr/>	<hr/> 215,580 <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 13A-H)

	<u>Staff costs</u> £	<u>Depreciation</u> £	<u>Other expenses</u> £	<u>2012 Total</u> £	<u>2011 Total</u> £
Academic departments	610,976	-	5,037	616,013	623,157
Academic services	30,408	-	55,570	85,978	81,346
Support services	620,462	2,905	80,373	703,740	707,322
General education expenses	-	-	199,792	199,792	288,203
Premises	-	4,968	56,616	61,584	69,241
	<hr/> 1,261,846 <hr/>	<hr/> 7,873 <hr/>	<hr/> 397,388 <hr/>	<hr/> 1,667,107 <hr/>	<hr/> 1,769,269 <hr/>

YMCA GEORGE WILLIAMS COMPANY
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NOTES TO THE ACCOUNTS
YEAR ENDED 31 JULY 2012

5. GOVERNANCE COSTS	<u>2012</u> £	<u>2011</u> £
Staff costs	6,722	6,252
Audit fees	10,894	8,588
Board training, insurance and expenses	3,466	4,546
	<hr/> 21,082 <hr/>	<hr/> 19,386 <hr/>

6. STAFF COSTS	<u>2012</u> £	<u>2011</u> £
Wages and salaries	1,062,817	1,065,025
Social security costs	95,139	91,277
Other pension costs	90,790	87,228
Staff insurance, recruitment and development	13,100	17,867
	<hr/> 1,261,846 <hr/>	<hr/> 1,261,397 <hr/>

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

	<u>2012</u> Number	<u>2011</u> Number
Academic	12.8	10.0
Administrative	11.3	11.1
Freelance Lecturers	9.8	13.0
Supervisors	8.8	9.3
	<hr/> 42.7 <hr/>	<hr/> 43.4 <hr/>

The number of employees who earned £60,000 or more during the year in the following bands were

	<u>2012</u> £	<u>2011</u> £
£60,001 - £70,000	1	2

Pension costs paid in respect of 1 employee is £3,819 (2011 2 employees £5,574)

No governors 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 10 (2011 9) governors were reimbursed travel expenses totalling £1,045 (2011 £1,319)

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

NOTES TO THE ACCOUNTS
YEAR ENDED 31 JULY 2012

7. NET OUTGOING/(INCOMING) RESOURCES		2012 £	2011 £	
Net (Outgoing)/incoming resources before transfer is stated after charging:				
Payments made under operating leases – equipment		11,467	11,391	
Depreciation		7,873	15,895	
Audit fees		7,500	7,300	
8. TANGIBLE ASSETS				
	Education equipment £	Fittings £	Freehold land and buildings £	Total £
Cost				
At 1 August 2011	40,118	66,548	848,193	954,859
At 31 July 2012	40,118	66,548	848,193	954,859
Depreciation				
At 1 August 2011	(40,118)	(52,023)	(644,696)	(736,837)
Charge for the year	-	(2,905)	(4,968)	(7,873)
At 31 July 2012	(40,118)	(54,928)	(649,664)	(744,710)
Net book value				
At 31 July 2012	-	11,620	198,529	210,149
At 31 July 2011	-	14,525	203,497	218,022
9 DEBTORS		2012 £	2011 £	
Fees due		79,648	78,022	
Other debtors		16,225	15,203	
Prepayments and accrued income		24,650	25,360	
		120,523	118,585	

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

NOTES TO THE ACCOUNTS
YEAR ENDED 31 JULY 2012

10 CREDITORS	<u>2012</u> £	<u>2011</u> £
Amounts falling due within one year		
Trade creditors	70,950	55,857
Other creditors	53,639	3,788
Other taxes and social security costs	10,468	7,529
Accruals and deferred income	92,648	117,124
	<hr/> 227,705 <hr/>	<hr/> 184,298 <hr/>

Included above is deferred income totalling £67,568 (2011 £82,779) All amounts from 2011 were released in 2012

11 LEASE COMMITMENTS

The minimum annual commitments due under operating leases are as follows

	<u>2012</u> £	<u>2011</u> £
Expiring between one and five years		
Equipment	9,584	9,584
	<hr/>	<hr/>

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

NOTES TO THE ACCOUNTS
YEAR ENDED 31 JULY 2012

12 PENSION COMMITMENT

YMCA George Williams College participates in a contributory pension plan providing defined benefits based on final pensionable pay for employees in YMCAs in England, Scotland and Wales. 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 Legal & General (equities and bonds and property units) and Schroder (property units only).

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

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

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 8th May 2006 that they would adopt the recommendation and the YMCA Pension Plan would close with effect from 30 April 2007. Furthermore, it was agreed following a consultation process to remove the salary linkage for benefits from 1 May 2011 and Employed Deferred members became normal Deferred members from that date.

The valuation prepared as at 1 May 2011 showed that the YMCA Pension Plan had a deficit of £32.3 million. YMCA George Williams College has been advised that it will need to make monthly contributions of £5,580.18 from 1 May 2012. 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 11 years.

In addition YMCA George Williams College 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 YMCA George Williams College may be called upon to pay in the future.

YMCA GEORGE WILLIAMS COMPANY
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NOTES TO THE ACCOUNTS
YEAR ENDED 31 JULY 2012

13 FUNDS

	<u>Balance brought forward</u> £	<u>Income in year</u> £	<u>Expenditure in year</u> £	<u>Transfers (Note J)</u> £	<u>Balance carried forward</u> £
RESTRICTED					
Jack Petchey Foundation Bursaries (Note A)	2,881	-	-	-	2,881
Rank Foundation (Note B)	-	297,681	(297,681)	-	-
Joseph Rank Trust (Note C)	-	1,054	(1,054)	-	-
Rank – Community Development Program (Note D)	9,749	-	(48)	-	9,701
Rank – Young Carers Prog (Note E)	20,784	-	-	-	20,784
Partnership in Scotland (Note F)	-	55,000	(42,245)	(12,755)	-
Essex Boys and Girls (Note G)	-	10,000	(9,200)	(800)	-
BARCAP (Note H)	25	65,000	(59,260)	-	5,765
	<u>33,439</u>	<u>428,735</u>	<u>(409,488)</u>	<u>(13,555)</u>	<u>39,131</u>
UNRESTRICTED					
Designated (Note I)	38,719	-	-	10,000	48,719
General	586,225	1,243,381	(1,278,701)	3,555	554,460
	<u>624,944</u>	<u>1,243,381</u>	<u>(1,278,701)</u>	<u>13,555</u>	<u>603,179</u>
TOTAL FUNDS	<u>658,383</u>	<u>1,672,116</u>	<u>(1,688,189)</u>	<u>-</u>	<u>642,310</u>

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

NOTES TO THE ACCOUNTS
YEAR ENDED 31 JULY 2012

Notes

- A Monies carried forward, will be awarded in 2013 to Full Time final year students, which will be the last of the funding for the bursary
- B The Rank Foundation funds distance learning students as part of the "Youth or Adult?" scheme and associated research and publication by the College
- C Funding from the Joseph Rank Trust for future "Youth or Adult?" scheme has now ended
- D The Rank Foundation is funding the Community Development Programme
- E The Rank Foundation is funding the development of the Young Carers Foundation Programme
- F Partnership in Scotland the position of an Outreach and Development Manager's final funding from The Joseph Rank Foundation, Priority Areas and The Rank Foundation
- G Essex Boys & Girls Clubs – The College has been commissioned by Jack Petchey to research and promote Youth raising standards for youth scheme The Project has ended
- H BARCAP – Barclays Capital awards annual bursaries to support full-time undergraduate students who are judged to experience particular financial difficulties The funding has ended but monies carried forward, will be allocated to the Hardship account for students
- I Designated funds represent Third Sector Studies funds received from Colin Williams in 2007 and from William Serendipity in 2012
- J Transfers – Cost allocation totaling £13,555, relate to general costs which include staffing and administrative costs
Designated Funds Transfer - £10,000 received from Serendipity Fund, reallocated to designated funds

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Net assets £
Restricted	-	39,131	39,131
Unrestricted General	210,149	344,311	554,460
Designated	-	48,719	48,719
	<hr/>	<hr/>	<hr/>
	210,149	432,161	642,310
	<hr/>	<hr/>	<hr/>

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

OTHER OPERATING EXPENSES
YEAR ENDED 31 JULY 2012

FOR MANAGEMENT
INFORMATION ONLY

	<u>2012</u> £	<u>2011</u> £
Consumables	7,452	11,194
Books and periodicals	13,335	11,175
Heat, light, water and power	26,026	22,729
Repairs and general maintenance	10,671	8,998
Grant to Students Union and Students Affairs	(216)	2,000
Rent and rates	13,730	16,438
YMCA affiliation fees	6,566	6,415
Printing	7,838	13,365
Postage, stationery and telephone	26,968	29,224
Validation and C4 costs	23,357	34,535
Regional Expenses	5,037	3,160
Residential costs	26,408	29,250
Insurance	10,331	9,555
Publicity and advertising	15,132	15,952
Other expenses	30,752	35,422
Cleaning Expenses	37,042	35,457
Payroll Costs	4,794	4,372
Bank Charges	1271	1,369
Travel and subsistence	5,753	6,328
Computer implementation and support	20,717	20,435
Rank costs	14,192	12,803
Foundation Studies Expenses	1578	3,670
Jack Petchey Bursaries	130	10,150
Introductory Studies Expenses	-	1,586
Third Sector Studies	8,732	988
Bad debts w/o	14,346	26,554
City and Parochial Expenses	-	-
Myplace Expenses	-	2,714
Partnership in Scotland Expenses	3,187	3,668
Capital Funding	-	11,083
Budget of Opportunity	1,185	4,536
CWDC Expenses	-	38,456
PTTLS/PTTLS GWC	324	13,922
Essex Girls and Boys Clubs	2,085	1,561
Legal and Professional	(2,100)	9,842
Ride to Work	-	851
BARCAP	59,260	34,975
Global Youth work	250	1,788
MA in Youth Work	1255	1,709
	<hr/>	<hr/>
	397,388	498,229
	<hr/>	<hr/>