

CHELMSFORD Y.M.C.A.
(Limited by Guarantee)
Charity Registration No. 1054070
Company No. 3171206

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

CHELMSFORD Y.M.C.A.
(Limited by Guarantee)

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013

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Who Are We?

Trustees' details

Name:	Office:	Serving on committee/task groups
The Lady G Dixon-Smith	President	
Rev. C. Poulard	Vice President	(Appointed 28 January 2013)
Mrs H. Robinson	Chairman	Development, Finance
Mrs. R. Marshall	Vice-Chair	Finance, Policy
Mr. D. Clarke	Treasurer	Development, Finance
Mrs E. Chiwaka		
Mrs C. Henley		(Resigned 24 July 2013)
Mr P. McCann		Development, Finance
Mr. K. Miller		
Mrs. R. Webb		Development, Policy
Mr R. McFarland		(Appointed 5 November 2012) Development, Policy
Rev. E. Carter		(Appointed 2 July 2012)

In addition other organisations were represented at Board level in non-voting positions by:

Cllr Paul Hutchinson

Chelmsford Borough Council replacing Cllr Robert Burgoyne

Key staff

Chief Executive / Company Secretary

Mr. P. Martin

Senior Staff:

Director of Management Services

Mr P. Andrew (Retired 31 March 2013)

Director of Client Services

Mrs H. Venables

Development Manager

Mr A. Wallis

Head of Finance

Mrs E. Marks (Appointed 1 April 2013)

Contact details

Address & Registered Office

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Telephone:

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Website

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Email

admin@chelmsfordymca.co.uk

Registered charity number

1054070

Company number

3171206

Main advisors

Auditors: Conway Fielden Gough

Bankers: Barclays Bank PLC
Barclays Business Centre
40-41 High Street
Chelmsford CM11BG

Colne House

Guithavon Street

Witham CM8 1BL

HR Consultant :

HR Initiatives Ltd
18 The Hedgerows
Stevenage, Herts
SG2 7BW

Cater Allen Bank
9 Nelson Street
Bradford BD1 SAN

The Trustees of Chelmsford YMCA (who are also Directors for the purposes of the Companies Act) submit their report and the audited financial statements for the Charity and the Group for the year ended 31 March 2013.

How Do We Work?

Governing Document

The company is a Christian organisation called to serve the local community; it is a registered Charity and is registered under the Companies Acts as a Company Limited by Guarantee. Chelmsford YMCA is governed by its Memorandum and Articles of Association dated 12 March 1996 which are periodically reviewed.

Trustees

The trustees, collectively referred to as the Board, are responsible for the YMCA's vision and strategy development, implementation, monitoring and review. The Board are advised by the CEO, Senior Staff and young people regarding the local needs, opportunities, strategic challenges and areas of work.

The key functions of the Board:

To define and ensure compliance with the values and objectives of the Association.
To establish strategy and action plans to achieve these objectives.
To approve each year's budget and annual accounts prior to publication.
To establish and oversee a framework of delegation and systems of control.
To ensure that robust and effective internal controls are in place.
To agree policies and make decisions on all matters that might create significant financial or other risks to the Association, or which raise material issues of principle.
To monitor the Association's performance in relation to these plans, budgets, controls and decisions.
To appoint (and, if necessary, dismiss) the Chief Executive Officer.
To satisfy itself that the Association's affairs are conducted lawfully and in accordance with generally established standards of performance and probity.
To manage its own affairs and meetings in an effective, courteous and efficient manner.

Recruitment and Training of trustees:

As a local Charity, we draw new trustees from our local community to represent the many groups and areas we serve. In addition, we evaluate the skills of existing trustees to identify the skills gaps we have and seek to appoint people with the right governance understanding, experience and skills for our strategy and vision. As a Christian organisation, it is vital that the trustees are all committed to the Christian aims and purposes of the YMCA. All potential trustees have an interview with the Chairman and Chief Executive and complete and submit an application form.

Once appointed, they follow an induction programme. In addition, continual governance training and development opportunities are available to them and Board training evenings are held twice a year.

Staff

Led by the Chief Executive Officer and the Senior Management Team, our staff are responsible for the implementation of the Board's strategy and vision. This is implemented through the creation of the annual action plan, staff appraisals, target setting, team work and regular 1-to-1 staff supervision. Throughout the year we had an average staff of 62 people based in various teams, led by managers in each function.

Volunteers

We have 20+ volunteers working with the staff in many of our programmes and a further 12 volunteers on the Board.

Risk Management

The Board has examined the major strategic, business and operational risks of the Charity and the systems in place to alleviate them. These systems are periodically reviewed to ensure that they still meet the needs of the Charity, the requirements of the Charity Commissioners and Government legislation.

What Do We Do?

Summary of objectives

As a Christian Charity affiliated to the National Council of YMCAs, and part of the worldwide YMCA family, we are committed to serving the local community and in particular the children, young people and families of Chelmsford and Essex.

Vision

Motivated by our Christian faith...

Our vision is to build lives, hope and futures for children, young people and families.

Mission

Serving the needs of the local community.

Identity & Strapline

Building lives, hope and futures.

Values

We...

- are motivated by our **Christian Faith**
- seek to show **love** to all those we serve
- **reach out** into the community
- **create opportunities** for people to realise their potential
- strive to be **inclusive**
- build positive **relationships**

Public Benefit

The Trustees and Staff review our vision, mission, strategy and activities annually. This review process looks at what we have achieved and the outcomes of our work in the previous 12 months. We review each key activity for its success and the benefits it has brought to those groups of people we aim to help. The review also helps us to remain focused on our stated objects. We refer to the Charity Commission for guidance when reviewing our work, its aims, objectives and outcomes. We also review annually our future activities and in particular, the trustees and staff team consider how the planned future activities will contribute to the aims and objectives that they have set. We aim to serve all members of the community without discrimination.

Main Areas of our work:

Informal Youth work

We plan and run an extensive programme of informal youth groups for different age groups both at the YMCA and around the city.

Youth Training

We deliver quality training programmes for young people, seeking to enable them to remain in further education and to secure and retain employment.

Young Carers

On behalf of Essex County Council we run a weekly support and youth group for young carers across Chelmsford. This work also includes supporting the young people throughout the week. In addition, we take the young carers away each year to the National Carers' Festival at YMCA Fairthorne Manor in Hampshire.

Childcare

We run a very successful nursery, providing high quality care, education and support for children and families, as well as Out of School Clubs (Breakfast Clubs, Afterschool Clubs and Holiday Clubs) for 12 schools in the city.

What Do We Do?

Schools Family Support Work

We have been supporting schools through our Family Support work. Our Family Support Coordinators have been meeting with families who the schools have identified as needing additional support, as well as working with children in the schools who need early intervention via social skills groups and also specifically working with young people with behaviour and attendance problems.

Administration and Finances

Our administration procedures and computer systems continue to be updated which means that our record keeping, administration and financial management has become even more streamlined and secure.

Premises

Our premises are still a major challenge to our growing programme of work. Our building is a purpose-built YMCA, however the purposes for which it is used now are very different to what it was designed and built for. The Board has established a Developments Group to address this issue and to create a clear plan for our facilities and location of our work and buildings.

The Board of Trustees

The Board has overall responsibility for the correct and legal governance of Chelmsford YMCA. They meet approximately every six weeks to discuss and agree and continually review the overall strategy, policy and financial arrangements for the effective delivery of our various programmes.

Volunteers

We are blessed to have 20+ volunteers (excluding the volunteers on the Board) working with us and they are an essential part of our work and structure.

Governance

We continued to strengthen governance by recruiting new trustees to the Board. In addition, we reviewed our performance as trustees through a series of evaluations, training and skills audits, which enabled us to recruit people with the right skills needed for the Board. The Board has functioned more strategically following the implementation of our Vision and Strategic Plan.

We held two joint Board training and review evenings with Colchester YMCA trustees, and these proved very beneficial.

Helen Robinson continued in her role as Chairman in January 2013, and Rose Marshall continued as Vice Chairman.

We continued to deliver our strategy for Chelmsford YMCA, which this report outlines. This provided new vision, values and priorities for our work. The staff and young people were asked for their input and provided it, including the strapline "*Building lives, hope and futures for children, young people and families*". This strategy and vision for the next few years is now being implemented into one year annual action plans.

Structures

As Chelmsford YMCA grows, develops and adjusts in this tough economic and competitive environment, it is vital that our structures are cost-effective, mission-focused and appropriate to enable the organisation to deliver its core mission and be sustainable in the long term. Therefore, we are regularly reviewing our structures to enable them to meet these objectives.

What Did We Do and How Well Did We Do It?

The Director of Client Services role and Development Manager role continue to bring significant experience, add capacity and prove highly effective in enabling us to deliver our work. The post holder of Director of Management Services chose to retire on 31 March 2013. Therefore the new post of Head of Finance was created and appointed internally. Our Senior Management Team now consists of the CEO along with these three roles which oversee all the core mission delivery, future development and internal operation function for Chelmsford YMCA.

Mission

Our mission statement says "Serving the needs of the local community", and this remains the focus of our work. Although our core charitable objectives are around youth work, childcare, education and families, we seek to identify needs of the local community, and where they meet our charitable objectives, we will aim to develop new services and new work. This currently involves developing additional youth work delivery based on existing models in new areas of Chelmsford, as well as taking existing mission-based programmes and seeking to provide them in new areas of Essex. Our charitable mission is to build lives, hope and futures for children, young people and families by meeting local needs. The YMCA is continually evaluating and identifying these needs, and seeking to fund and sustain new work.

Achievements

Outlined below under each of our strategy headings are the range of achievements:

Sustainability, Finance & Development- We will grow our work and be more financially sustainable.

In terms of mission effectiveness, outcomes and reporting, it has been a year of significant improvement and achievement. However, this year's financial result was an expected substantial operating loss (see Consolidated Statement of Financial Affairs on page 14). The financial loss is primarily due to the reduction of contract income as a result of no longer running the Children's Centres, which provided a management fee and surplus. We have restructured the organisation to meet the reduced income.

We have strengthened our financial reporting, and we continue to monitor all financial information and data appropriately. Our financial operations and procedures have been strengthened with the appointment of the Head of Finance, and we are continually seeking to improve capacity and efficiency by working more effectively with the resources we have.

During this year, the Board sought to invest heavily in development opportunities. This included the Development Manager post which has provided significant capacity and opportunity for development, including income for the new Comic Relief Alcohol Advisory Service programme and a large contribution towards our Christian Spiritual Development Youth Worker post, amongst others.

Our relationship with bid-writing consultants Competitive Solutions, whilst being hugely valuable and resulting in a number of new projects which we can develop, has been unsuccessful in terms of generating the levels of income that we budgeted for and hoped for. The Board have agreed not to renew the contract with Competitive Solutions, but the management team are continuing to develop the projects, relationships and opportunities which they generated.

Other areas of significant growth and development have included new Out of School Clubs, new bookings into Out of School activities, and sustaining the Nursery at the existing level whilst improving quality and profitability.

Furthermore, the YMCA charity shop in Chelmsford run by YMCA England has proved hugely successful in raising our profile, providing opportunities for communication to the public, as well as a profit share which has generated an income for Chelmsford YMCA this year.

Other additional growth areas include funding for Sound Sessions, our music youth club, and a grant for the Great Baddow Youth Club which has enabled the project to grow and develop for another year.

We have continued to focus on fundraising and have published a legacies leaflet through which we are building contacts, relationships and communications with appropriate people and targeting local supporters to consider supporting the YMCA with a legacy contribution. This continues to be a major part of our progress for fundraising in the future.

Our termly appeals programme has also continued and has proved beneficial in terms of income.

What Did We Do and How Well Did We Do It?

Longer term building developments continue to move forward. We have established relationships with major local property developers, and are looking at community and housing facilities in partnership with them, as well as pursuing corporate relationships with new companies moving into Chelmsford. This is providing strong relationships and partnership opportunities for the re-development of the Victoria Road building, which the Board and Developments Group continue to progress extensively.

Integrated Services & Programmes- Our programmes and services for children, young people and families will be more joined up.

The role of Director of Client Services has enabled childcare and youth work to integrate their provision much more effectively, and we are achieving greater levels of teamwork, communication and efficiencies in management as a result of this strategy. The children, young people and families whom we serve are welcoming the benefit of a more integrated approach.

Quality improvement has been a major focus over the last year, and this has resulted in the achievement of a "Good" Ofsted report for our Nursery, and successful "Green" ratings in all our Essex County Council inspections. This Ofsted result is the highest we have ever achieved for our Nursery, and we were one point off receiving an "Outstanding". This is a tremendous achievement for all our staff, and demonstrates improvements in quality and outcomes reporting that have been achieved.

In terms of our youth work and Schools Family Support work, we have implemented new reporting systems and monitoring evaluation outcomes using the Teen Star model for young people to identify their own achievements and outcomes, which are then reported to the school. Our Family Support workers have worked with over 2,500 young people. Over 90% of young people who we work with through our schools work demonstrate an improvement in behaviour, attendance and academic achievement. This outcome has enabled us to renew all our Schools Family Support work contracts and to be referred by our schools to other schools to bid for new contracts. We are continuing to seek to expand this area of work.

Our youth work programmes are a core mission activity. Through these programmes we have worked with over 5,000 young people across Chelmsford. Our youth work provides a safe place for young people to go, positive activities for them to take part in, and role models for them to learn from. Our youth work prevents young people from getting into trouble and therefore prevents anti-social behaviour, damage to property and increased fear of young people. We have identified that as a result of our youth clubs and Schools Family Support programmes, the social value for this work can be stated as: for approximately each £1 spent, we prevent costs and save the tax payer £7 through reducing the need for statutory services. This clearly demonstrates the benefits, value and impact of all our youth work activities.

We celebrated the 20th anniversary of our Nursery with a week of activities. Working together with the youth team and childcare staff, we held a tremendous afternoon party and celebration for local people to enjoy and experience our services. The YMCA as an organisation provides excellent community services through our Nursery and youth work.

Quality & Influence, Reputation- We will be recognised as the leader in the activities and areas in which we operate.

Our Young Governors continued to meet throughout the year. They recruited new members and played a significant part in representing young people, monitoring quality of our services to young people, and providing input to future strategy, policy and development opportunities. As a result of their work, we are now planning the appointment of a Youth President. This is the first time this has been undertaken, and we are looking forward to celebrating this appointment to represent young people across Essex.

Our "Good" Ofsted rating in our Nursery and in other areas of Out of School childcare provision across our services has demonstrated the improvement in quality and reporting achieved. Chelmsford YMCA continues to have a very positive relationship with Essex County Council and Chelmsford City Council. The CEO has been instrumental in the development of a Voluntary & Community Sector Strategy for Essex County Council and working closely with the Essex Community Foundation CEOs' Forum. Chelmsford YMCA is often asked to contribute to the strategic development of services for the Voluntary & Community Sector across local and county government.

What Did We Do and How Well Did We Do It?

Marketing & Brand- We want everyone to know what we do.

We have improved our website and increased access to information and development of new images and details of our websites. We frequently monitor our press presence and work closely with local media and press to increase our coverage, and we have always been put in a positive light. YMCA across Essex are seen as working together, and in a recent Essex County Council mapping exercise of services from the Voluntary & Community Sector, the YMCA was listed as Essex-wide. This is encouraging, and shows that people understand that we have the capacity and the infrastructure to deliver on a county-wide basis.

We have continued to invest heavily in new marketing materials with updated posters at the front of the building, new legacy leaflets and regular campaigns. We are now planning to launch a new marketing leaflet for our work. Our brand continues to be well received, and our reputation has enabled us to improve our brand recognition across the county.

International YMCA Movement- We will engage with the YMCA Movement in achieving our vision and mission.

Three young people attended the YMCA Prague festival in August 2013, and have fundraised their own money to do so. They volunteered in the festival shop for the whole week, and worked very hard to achieve a good service for the young people attending.

We have established positive communication and contact with Kenya YMCA, and are planning a series of opportunities to work together, potentially including an exchange programme in 2015.

Chelmsford YMCA continues to play a full part in the wider YMCA Movement, both in England and further afield. Staff at all levels of the organisation are encouraged to engage in wider Movement events and experiences, and be responsible for supporting the YMCA as a local, regional, national and international organisation. Our Young Governors' activities were used as a Best Practice Case Study in the Youth Participation Strategy for all YMCA in England.

We continue to prepare and plan for young people to attend the YMCA World Alliance conference in Colorado in 2014. This will be a huge experience for many young people to enable them to see the wider YMCA in its broad international scope.

Future Plans

The theme for the next couple of years is to transition from a grant-dependent organisation to a self-sustaining mixed economy of income, and our Strategic Plan and annual action plans focus on these areas. In addition, to continue to improve and develop our quality, outcomes, impact and benefit to children, young people and families, we are continuing to redefine our business model.

Sustainability & Development- We are focusing on developing new Social Enterprises in Chelmsford which meet our mission for the development of young people and the provision of positive opportunities for children and families. We are reviewing our reserves policy and restricted funds to make sure that they are delivering what our stakeholders require. We are continuing to look at the Essex YMCA collaborations, including the establishment of a county-wide delivery body in partnership with other YMCAs in Essex. Furthermore, we will progress with the challenges that our building presents to us and develop strategic relationships with funders and developers to enable us to resolve this issue.

Integrated Services & Programmes- The Client Services department has continued to be more integrated and joined up, thus providing better services for the whole family. We will continue to grow our childcare and youth services. The role of Young Governors will grow and become more integrated into our governance function. We will expand our Schools Family Support Work into new areas of Essex, enabling more young people to stay in education. In addition, we will be establishing new youth clubs and Out of School childcare services in our local community.

Quality & Influence, Reputation- Work will continue with the preparation for future inspections and the strengthening of our policies and procedures. Our Nursery continues to perform well, and quality is a permanent factor for improvement which we will be focusing on. We will also increase our areas of influence within network representation, Chelmsford City Council and Essex County Council, policy impact and networking for work and contracts.

Marketing & Brand- We will be implementing a marketing plan. New marketing leaflets have been developed, and the corporate identity and brand of the YMCAs in Essex will continue to be developed, along with a plan of regular communications to identify our work so people will **know us, like us, follow us and fund us**- these are the main themes of our branding plan.

International YMCA Movement- Future plans include preparation for 2014 World Alliance Conference in Colorado, including taking a group of young people to represent Chelmsford YMCA. We are continuing to develop our relationship with the YMCA in Kenya and develop an exchange programme there. Furthermore, we continue to integrate in the wider YMCA Movement through partnerships, fellowship and collaborations together.

How Did We Afford It?

Review of the year

This report acknowledges the dedication, hard work and commitment of the Honorary Treasurer and the Finance & Administration Team in maintaining financial and budgetary controls at Chelmsford YMCA. We also record our thanks to Chelmsford City Council for their continuing grant of £15,000 and to everyone else who has made a donation, whether large or small, enabling us to undertake many vital pieces of programme.

As our work continues to develop around Chelmsford and in the wider community, so does the administration burden and the need to manage our procedures and systems continues to expand.

The work we do at the YMCA is helping to provide one of life's building blocks; children, young people and families are vulnerable, and we owe them an environment that shelters them from risk to their social, emotional or physical wellbeing and encourages the development of fundamental skills for life. Our goal at the YMCA is to be part of that process and give them options to enable them to build their lives, hope and futures.

We would like to pay tribute to our staff under the leadership of our Chief Executive, Phil Martin. We have a very professional and dedicated staff team who have helped us to achieve our goals at the YMCA.

We record our thanks to our fellow Board members and all other volunteers.

Finally, we thank all those who have supported us both in prayer and financially during the last year.

Funds and Reserves Policy

The charity has various funds available to finance its activities. These are as follows:

Unrestricted funds

These are funds expendable at the discretion of the trustees in furtherance of the charity's objects. Such funds may be designated by the Board for a particular project or purpose. The general fund is the amount of unrestricted funds that has not been designated. The Board have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commissioners and they believe that the charity should hold financial reserves because:

- 1) It has no guaranteed regular funding, and income from donors and grant making bodies is its main source of funding which is inevitably subject to fluctuation;
- 2) It requires protection against, and the ability to continue operating, despite catastrophic or lesser but damaging events. The trustees believe that the minimum level of general funds should be the equivalent of three months' essential operating costs calculated and reviewed annually. As at the end of March 2013, the general fund stood at £160,317 (2012: £248,495) which means that we have not yet met the minimum level.

Designated funds

As shown on the balance sheet, the majority of unrestricted funds are held in the form of fixed assets, and as such these funds are not available to support other activities. The Board have therefore created a designated fund representing the value of fixed assets held (see note 12). In addition, the Board have also recognised the problems caused when existing funding for projects finish until new sources of funding are secured. We have therefore decided to create a Youth Work fund to allow projects to continue during these periods. The replacement fund is monies set aside for on-going maintenance and improvement of the building.

How Did We Afford It?

Restricted funds

These are funds donated for specific purposes that are still within the wider objects of the charity. The major restricted funds held at the year-end are for Childcare and Youth Services.

Other funds represent donations for the activities as detailed in note 13 to these accounts. The Board consider that Chelmsford YMCA has sufficient assets to meet its obligations as they arise on both the designated and restricted funds.

Investment Policy

Where possible all restricted funds are placed on short-term deposit. Due to the nature of our activities, these funds may be required at short notice.

Subsidiary Undertakings

The accounts consolidate the results of the charity and its subsidiary Chelmsford YMCA (Trading) Limited whose principal activities are the provision of Nursery care and Out of Schools work, and room hire facilities. Its performance is shown in note 3 to these accounts and is considered to be satisfactory.

Fixed Assets

Movements in the fixed assets are detailed in note 7.

In the opinion of the trustees the market value of the property owned and used by the charity is considerably higher than the value shown in these financial statements.

Responsibility of the Board in relation to the accounts

Under the Charities Act 1993 (as amended) and the Companies Act 2006, the Trustees are required to:

- Keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and its subsidiary and enable them to ensure that the financial statements comply with the Companies Act 2006;
- Prepare financial statements for each financial year which give a true and fair view of the state of the group's and the charity's affairs and of the surplus or deficit for the year, and to comply with the regulations made by the Secretary of State.

In preparing these financial statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and whether the financial statements have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities', issued by the Charity Commission;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are also responsible for safeguarding the assets of the charity and its subsidiary and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CHELMSFORD Y.M.C.A.
(Limited by Guarantee)
Registered Charity No.1054070

How Did We Afford It?

Auditors

In accordance with Section 485 of the Companies Act 2006, a resolution to appoint the auditors Conway Fielden Gough, and authorising the Directors to agree their remuneration will be proposed at the Annual General Meeting.

The trustees confirm that so far as they are aware there is no relevant audit information of which the charity's auditors are unaware, and that they have taken all steps to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Helen Robinson
Chair 

Date: 9 September 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHELMSFORD Y.M.C.A. (Limited by Guarantee)

We have audited the financial statements of Chelmsford Y.M.C.A. for the year ended 31 March 2013 on pages thirteen to twenty one. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Statement of Trustees' Responsibilities set out on page eleven, the Board of Trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements, in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB'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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees report 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 Charitable Company's and Group's affairs as at the 31 March 2013 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended.
- have been prepared in accordance with the requirements of the Companies Act 2006.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual report

P G Conway - Senior Statutory Auditor
For and on behalf of Conway Fielden Gough Statutory Auditors
Colne House
Guithavon Street
Witham CM8 1BL

Date:.....7 November 2013

CHELMSFORD Y.M.C.A.
 (Limited by Guarantee)
 Registered Charity No. 1054070

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
 FOR THE YEAR ENDED 31 MARCH 2013

	Notes	Unrestricted General £	Designated £	Restricted £	2013 Total £	2012 Total £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income		9,966	-	-	9,966	4,840
Grants receivable		15,000	-	-	15,000	15,000
Activities for generating funds		57,459	-	-	57,459	26,366
Income of trading subsidiary	3	684,660	-	-	684,660	626,957
Interest receivable		4,199	-	-	4,199	4,939
Incoming resources from charitable activities:						
Youth training		205,379	-	-	205,379	29,306
Project funding		-	-	25,851	25,851	1,119,085
Miscellaneous Income		-	3,497	-	3,497	4,693
Membership and admission fees		130	-	-	130	111
TOTAL INCOMING RESOURCES		976,793	3,497	25,851	1,006,141	1,831,297
RESOURCES EXPENDED						
Cost of generating funds:						
Expenditure of trading subsidiary		571,204	-	-	571,204	567,889
Charitable activities:						
Childcare services		245,088	-	1,484	246,572	949,690
Youth services		196,070	-	49,752	245,822	298,293
Other services		-	22,232	12,101	34,333	3,317
Premises		49,018	-	-	49,018	13,118
Governance costs		490,176	22,232	63,337	575,745	1,264,418
5,460		-	-	-	5,460	5,326
TOTAL RESOURCES EXPENDED	4	1,066,840	22,232	63,337	1,152,409	1,837,633
NET INCOMING/(OUTGOING) RESOURCES		(90,047)	(18,735)	(37,486)	(146,268)	(6,336)
Transfer (from)/to Designated Funds	12		104,417		104,417	3,111
Transfer (from)/to Designated Funds	12	1,864	(15,172)		(13,308)	(3,111)
Transfer (from)/to Restricted Funds	13		-	(91,109)	(91,109)	-
Fund Balances on 1 April 2012		248,495	182,763	184,010	615,268	
FUND BALANCES AT 31 MARCH 2013		160,312	253,273	55,415	469,000	615,268

All recognised gains and losses are included above.

COMMENTARY:

As predicted in last years accounts the loss of the Children's Centres contract reduced considerably the contribution to support costs hence the substantial loss. For the coming year major restructuring has occurred to enable the Charity to forecast a breakeven position.

CHELMSFORD Y.M.C.A.
 (Limited by Guarantee)
 Registered Charity No. 1054070

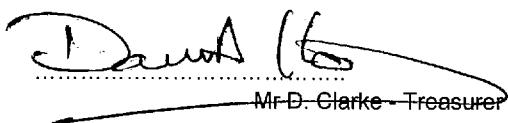
BALANCE SHEET - 31 MARCH 2013

	Notes	Restricted £	Unrestricted £	TOTAL 2013 Charity £	TOTAL 2013 Group £	TOTAL 2012 Charity £	TOTAL 2012 Group £
FIXED ASSETS							
Tangible assets	7	-	113,452	113,452	113,452	115,316	115,316
Investments	8	-	2	2	-	2	-
Long Term Loan	8a	-	-	-	-	20,000	20,000
		-	113,454	113,454	113,452	135,318	135,316
CURRENT ASSETS							
Stocks	9	-	1,690	1,690	3,890	2,193	3,107
Debtors	10	-	176,261	176,261	59,691	193,182	70,320
Cash at bank and in hand		55,415	206,639	262,054	413,200	368,242	524,433
		55,415	384,590	440,005	476,781	563,617	597,859
CREDITOR'S Amounts falling due within one year	11	-	(90,700)	(90,700)	(121,233)	(89,908)	(117,908)
NET CURRENT ASSETS		55,415	293,890	349,305	355,548	473,709	479,952
TOTAL ASSETS LESS CURRENT LIABILITIES		55,415	407,344	462,759	469,000	609,027	615,268
FUNDS HELD							
Unrestricted funds:							
General fund		-	154,071	154,071	154,071	242,254	242,254
Retained in subsidiary company		-	-	-	6,241	-	6,241
Total Unrestricted Funds		-	154,071	154,071	160,312	242,254	248,495
Designated fund	12	-	253,273	253,273	253,273	182,763	182,763
Restricted funds	13	55,415	-	55,415	55,415	184,010	184,010
		55,415	407,344	462,759	469,000	609,027	615,268

The funds have been reduced due to:

- 1) the considerable loss as identified on the SOFA
- 2) the loss of major restricted funds

These accounts were approved by the Board and authorised for issue on 9 September 2013 and signed on its behalf by:


 Mr D. Clarke - Treasurer


 Mrs H. Robinson - Chairman

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

1. ACCOUNTING POLICIES

i. Accounting Convention

The accounts are prepared under the historical cost convention in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities" (SORP 2005) issued by the Charity Commission and in accordance with applicable accounting standards, except for the non-depreciation of freehold property as explained in note 1.iv. The Trustees have decided to adopt the presentation of the Statement of Financial Activities rather than the Income and Expenditure account as required by the Companies Act as they consider that this more accurately reflects the operations of the charity.

ii. Basis of Consolidation

These financial statements incorporate the audited financial statements of Chelmsford Y.M.C.A. and its subsidiary Chelmsford YMCA (Trading) Limited consolidated on a line by line basis. Common expenses have been allocated between the operations based upon estimated use.

The results of the subsidiary are detailed in note 3 to the financial statements. The consolidated balance sheet represents the total assets and liabilities of the group. As permitted by section 408 of the Companies Act 2006, the income and expenditure of the parent charity is not presented as part of these financial statements. The net movement of total funds reported for the year includes a deficit of £146,268 (2012: deficit of £6,336) which is dealt with in the financial statements of the charity.

iii. Charitable Expenditure and Support Costs

The Chelmsford Y.M.C.A. operates a childcare, youth and community centre based at its premises in Victoria Road. Charitable expenditure comprises the costs of programmes operated. No valuation is placed on the services provided by volunteers without whom the programmes could not operate. Support costs comprise the costs of running the building less those costs allocated to the trading activities. Management and administration expenses comprise administrative costs and common overheads, which cannot be allocated to specific activities.

Governance costs are expenditure incurred on the operation of the charity as opposed to any specific activity and comprise Board expenses and audit costs.

iv. Fixed Assets and Depreciation

The Trustees consider that the freehold property is maintained in such a way that the residual value is at least equal to its net book value. As a result the corresponding depreciation would not be material and therefore is not charged in the profit and loss account. The trustees perform annual impairment reviews in accordance with the requirements of the Financial Reporting Standard 15 to ensure that the recoverable amount is not lower than the carrying value.

Other fixed assets are stated at cost less depreciation. The cost of furniture and equipment valued over £1,000 is written off over seven years on a straight-line basis from the date of acquisition. Electrical equipment is written off over four years on a straight-line basis. Assets acquired for use by a Restricted Fund are written off as and when they are acquired.

v. Covenants and Donations

Covenants and donations are included when received. No account has been taken of funds pledged but not received at the balance sheet date. Funds with restricted use are separately identified and are shown in Note 13 to the Accounts.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

- vi. Stocks
Stocks are stated at the lower of cost and net realisable value.
- vii. Debtors
No general provision is made against debtors. Known bad debts are written off and specific provision is made for any considered doubtful of collection.
- viii. Grants and Legacies Receivable
Grants and legacies receivable are recognised at the earlier of:
i) Receipt
ii) When the conditions have been met.
Where these relate to specific items of expenditure these have been included within restricted funds.
- ix. Taxation
As a registered charity, Chelmsford Y.M.C.A. is not liable to taxation on its income.
- x. Pension Contributions
The charity contributes to a defined contribution scheme on behalf of all of its employees who have joined.
Contributions made during the year are shown in note 5.
- xi. Unlisted Investments
Investments are stated at historical cost.

2. TURNOVER
The statement of financial activities contains details of all the income of the charity. All income arose in the United Kingdom.

3. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARIES

Chelmsford Y.M.C.A. has a wholly owned trading subsidiary which is incorporated in the United Kingdom. This operates the childcare programme and room hire facilities. Its results for the years ended 31 March 2012 and 2013 are detailed below. The profits for both years have been covenanted to Chelmsford Y.M.C.A.

PROFIT AND LOSS ACCOUNT

	2013	2012
	£	£
Turnover	684,660	626,957
Cost of sales	<u>498,973</u>	<u>491,644</u>
Gross profit	185,687	135,313
Administrative costs	<u>72,231</u>	<u>76,245</u>
Operating profit	113,456	59,068
Amount covenanted to Chelmsford Y.M.C.A.	<u>(113,456)</u>	<u>(59,068)</u>
Retained profits at 1 April 2013	6,241	6,241
Retained in subsidiary	<u>£ 6,241</u>	<u>£ 6,241</u>
AGGREGATE SHARE CAPITAL AND RESERVES	<u>£ 6,243</u>	<u>£ 6,243</u>

CHELMSFORD Y.M.C.A.
(Limited by Guarantee)
Charity No. 1054070

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

4. RESOURCES EXPENDED

	Trading Subsidiary £	Charitable Activities £	Governance £	2013 Total £	2012 Total £
Costs directly allocated to activities					
Staff costs	440,239	199,554		639,793	1,221,141
Other direct costs	67,936	65,599		133,535	206,687
Support costs allocated to activities					
<u>Premises</u>					
Heat and light	6,284	9,427		15,711	18,692
Rent		1,875		1,875	30,000
Repairs	2,974	4,463		7,437	7,623
Rates and insurance		13,488		13,488	18,948
Cleaning	6,052	4,035		10,087	11,432
Salaries		20,713		20,713	20,628
<u>Administration</u>					
Office salaries and expenses	32,584	179,803		212,387	206,672
Contributions to pension deficit		11,471		11,471	11,475
Training		1,596		1,596	4,489
IT costs		20,894		20,894	19,471
Stationery and advertising	5,479	11,417		16,896	15,173
Telephone and postage	8,756	13,134		21,890	19,855
Fees and licences		12,419		12,419	12,868
Sundry expenses		3,833		3,833	3,974
Depreciation	900	964		1,864	1,974
Legal & professional fees		1,060		1,060	1,205
Auditors remuneration			5,103	5,103	4,920
Board and committee expenses			357	357	406
TOTAL RESOURCES EXPENDED	571,204	575,745	5,460	1,152,409	1,837,633

Premises costs are allocated on floor area and Administration costs are allocated on estimated usage.

CHELMSFORD Y.M.C.A.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

	2013		2012	
	Charity £	Group £	Charity £	Group £
5. STAFF COSTS				
Wages and salaries	372,063	813,348	923,046	1,338,585
Social security costs	30,296	55,409	75,137	98,712
Pension contributions	2,222	2,222	1,711	1,711
Pension deficit payments (note 15)	11,471	11,471	11,472	11,472
	<u>£ 416,052</u>	<u>£ 882,450</u>	<u>£ 1,011,366</u>	<u>£ 1,450,480</u>

No employee earned over £60,000 per annum

The average number of employees was 62. (2012 total was 95).

In addition the charity uses the services of 20+ volunteers. No valuation has been made for this assistance upon which the Chelmsford Y.M.C.A. relies to provide many of its services. A further 13 volunteers act as trustees on the Board. No Trustees have received any remuneration or have had expenses reimbursed.

	2013		2012	
	£	£	£	£
6. NET INCOMING RESOURCES				
This is stated after charging:				
Depreciation (owned assets)			1,864	1,973
Auditors' remuneration			5,103	4,920
7. FIXED ASSETS				
	Premises	Furniture & Equipment	Computer Equipment	Total
Cost	£	£	£	£
At 1 April 2012	106,612	23,115	17,716	147,443
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2013	<u>106,612</u>	<u>23,115</u>	<u>17,716</u>	<u>147,443</u>
Depreciation				
At 1 April 2012	-	14,411	17,716	32,127
Charge for the year	-	1,864	-	1,864
Eliminated on disposals	-	-	-	-
At 31 March 2013	<u>-</u>	<u>16,275</u>	<u>17,716</u>	<u>33,991</u>
Net book value				
At 31 March 2013	<u>106,612</u>	<u>6,840</u>	<u>-</u>	<u>£ 113,452</u>
At 31 March 2012	<u>106,612</u>	<u>8,704</u>	<u>-</u>	<u>£ 115,316</u>

8. INVESTMENTS - Unlisted at Cost

The company owns 2 ordinary shares, being all the Issued Share Capital of Chelmsford YMCA (Trading) Limited, a company registered in England. This company operates the trading activities as described in Note 3.

	2013		2012	
	Charity £	Group £	Charity £	Group £
8a LONG TERM LOAN				
The Company has given a long term loan, to a fellow YMCA, of £20,000, at a rate of interest of 2% above Barclays base rate.			20,000	20,000
This loan was repaid December 2012.	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>

CHELMSFORD Y.M.C.A.
(Limited by Guarantee)
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

	2013		2012	
	Charity	Group	Charity	Group
	£	£	£	£
9. STOCKS				
Consumables	1,690	1,690	2,193	2,193
Goods for sale	-	2,200	-	914
	<u>£ 1,690</u>	<u>£ 3,890</u>	<u>£ 2,193</u>	<u>£ 3,107</u>

The replacement costs of stocks is not materially different from their cost.

10. DEBTORS				
Trade debtors	19,296	22,356	32,500	35,178
Other debtors	10,901	11,496	8,066	8,195
Prepayments	25,839	25,839	26,947	26,947
Due from group undertakings	<u>120,225</u>	<u>-</u>	<u>125,669</u>	<u>-</u>
	<u>£ 176,261</u>	<u>£ 59,691</u>	<u>£ 193,182</u>	<u>£ 70,320</u>

There are no debtors falling due after more than one year.

11. CREDITORS: Amounts falling due within one year				
Trade creditors	19,615	21,681	30,488	31,177
Other creditors and accruals	71,085	99,552	59,420	86,731
	<u>£ 90,700</u>	<u>£ 121,233</u>	<u>£ 89,908</u>	<u>£ 117,908</u>

12. DESIGNATED FUNDS	Balances 31 March 12	Income	Net Transfers	Expenditure	Balances 31 March 13
Fixed assets fund	115,316		(1,864)		113,452
Replacement fund	57,407	3,111	10,000	(3,383)	67,135
Informal Youth Work	10,040		-		10,040
IT - Replacement fund	-		6,826	(2,692)	4,134
Youth Work Central		386	74,283	(16,157)	58,512
	<u>£ 182,763</u>	<u>£ 3,497</u>	<u>£ 89,245</u>	<u>£ (22,232)</u>	<u>£ 253,273</u>

The fixed assets fund represents the value of the general funds tied-up in the fixed assets used by the charity, as such these are not available to support the other activities. The replacement fund is monies set aside for ongoing maintenance and improvement of the building. The Board have also designated funds to allow for the continuation of youth work projects once existing funding sources run out and to allow time for securing future funding.

CHELMSFORD Y.M.C.A.
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

13. RESTRICTED FUNDS

The charity has received the following amounts, which may only be used for specific purposes.

	Balances 1 April 2012 £	Income £	Transfers £	Salaries £	Materials/Other £	Balances 31 March 2013 £
Childcare Services	31,992	297	(23,539)	-	(1,484)	7,266
Youth Services	142,756	19,054	(70,744)	(39,410)	(10,342)	41,314
Other Funds	9,262	6,500	-	3,174	-	6,835
TOTAL ALL FUNDS	184,010	25,851	(91,109)	(39,410)	(23,927)	55,415

Childcare Services

The funding included in Childcare Services consists of:
Donations that are specifically identified for Childcare.

Youth Services - Youth Work

There are a number of Restricted Funds within the Youth Work area, funding derives from various sources including Essex County Council, Chelmsford City Council, Parish Councils and specific grants and trusts. These funds enable us to provide a wide range of services and programmes for young people. These funds are monitored in various ways and their restriction is that funds can only be used for the specific purpose for which they were granted.

Other Funds

These are either small amounts of funds or items that do not align with the previous definitions.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

14. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

Fund balances at 31 March 2013 are represented by:

	UNRESTRICTED		RESTRICTED	TOTAL FUNDS
	General	Designated		
Fixed assets		113,452	-	113,452
Net current assets	160,312	139,821	55,415	355,548
	<u>160,312</u>	<u>253,273</u>	<u>55,415</u>	<u>469,000</u>

15 PENSION COMMITMENT

Accounting policy:

Chelmsford YMCA participated in a multi-employer defined benefit pension plan for employees of YMCA's 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 Chelmsford YMCA for the purposes of FRS 17 disclosure.

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

Pension Note:

Chelmsford YMCA participated in a contributory pension plan providing defined benefits based on final pensionable pay for employees of YMCA's in England, Scotland and Wales. The assets of the YMCA Pension Plan are held separately from those of Chelmsford YMCA 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 Chelmsford YMCA 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 participating YMCA Employers on 8 May 2006 that they would adopt the recommendation and that 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. Chelmsford YMCA has been advised that it will need to make monthly contributions of £955.66 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, Chelmsford YMCA may have over time liabilities in the event of the non-payment by other participating YMCA's of their share of the YMCA Pension Plan's deficit. It is not possible currently to quantify the potential amount that Chelmsford YMCA may be called upon to pay in the future.

16 ULTIMATE CONTROL

The charity is ultimately controlled by the Board of Trustees