

YMCA Essex  
(Limited by Guarantee)  
Charity Registration No. 1054070  
Company No. 3171206

# **YMCA ESSEX**

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**REPORT OF THE TRUSTEES AND  
AUDITED**

**CONSOLIDATED ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2019**

**ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019**

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## STRUCTURE AND ADMINISTRATIVE INFORMATION

### Board of Trustees

<i>Name:</i>	<i>Office:</i>	<i>Serving on Committees:</i>
Mr Roger McFarland	Chair	Governance, Finance
Mrs Helen Robinson	Vice Chair	Finance
Revd Raymond G Gibbs	Vice Chair	Governance
Mr Michael Minta	Treasurer (from July 2019)	Finance (joined 1 January 2019)
Mr David Clarke	Company Secretary (Treasurer until 30 June 2019)	Finance, Governance, Audit
Ms Dawn Bostock		Finance, Audit
Mrs Dahlia Wilkinson		Finance, Audit
Mrs Elspeth Johnson		Governance
Sir Bob Russell		Developments
Mr Mike Bromfield		Governance (joined 1 January 2019)
Mr Tim Leeson		Governance (joined 1 January 2019)
Ms Caroline Bald		Governance (joined 5 February 2019)
Mrs Joanna Eley		(resigned 12 December 2018)
Miss Beverley Strutt		(resigned 7 November 2018)
Mr Daren Vythilingum		(resigned 14 January 2019)

In addition Board meetings were usually attended by:

Lady Rosemary Ruggles-Brise DL	President
Revd Chris Poulard	Vice President

During 2018/19 Chelmsford City Council was represented at Board meetings in a non-voting capacity by:  
Cllr Philip Wilson  
Chelmsford City Council

### Senior Management Staff

Chief Executive  
Revd Andy Drake

### Contact details

Address & Registered Office	YMCA Essex Victoria Road Chelmsford Essex CM1 1NZ
Telephone	01245 355677
Website	<a href="http://www.ymcaessex.org.uk">www.ymcaessex.org.uk</a>
Email	<a href="mailto:reception@ymcaessex.org.uk">reception@ymcaessex.org.uk</a>
Registered charity number	1054070
Company number	3171206

### Main advisers

Auditors: THP Limited Chartered Accountants and Statutory Auditors 34-40 High Street Wanstead London E11 2RJ	Bankers: Barclays Bank PLC Barclays Business Centre 40-41 High Street Chelmsford CM1 1BG
HR Consultants: HR Initiatives Ltd 18 The Hedgerows Stevenage, Herts SG2 7BW	Cater Allen Bank 9 Nelson Street Bradford BD1 5AN

## YMCA ESSEX

YMCA Essex is one of just under 100 YMCAs who constitute the YMCA Federation in England and Wales, working with young people and transforming lives throughout the country. Founded in 1844, the Federation is in turn part of the YMCA World Alliance and now reaches more than 58 million people in 119 countries worldwide, working with young men and women regardless of race, religion or culture.

YMCA Essex is a Christian charity rooted in local communities and working with people of all faiths and none to meet the needs of children, young people and their families, and supporting them so they can develop and grow and achieve their goals in life. Our premises at YMCA Chelmsford and YMCA Colchester provide the base for our activities across a wide and expanding area of Essex. We influence the lives of thousands of young people every year through a diverse range of programmes and services focused on their individual needs.

We have established a trading company, 'YMCA Essex (Trading) Ltd' [company number 03041709]. The trading company is a wholly owned subsidiary of the charity and carries out a number of activities which create a surplus to be used for the benefit of the charity.

## OUR AIMS AND OBJECTIVES

In summary, the objectives of YMCA Essex are to enable Christians to come together with people of other faiths and of none in order to help young people with their personal, social, educational and spiritual development, to provide accommodation, and to improve their health and wellbeing through the services and support we can offer them.

These objectives have shaped the Mission, Strapline, Values and Priorities of YMCA Essex:

### **Our Mission:**

***Building Lives, Hope and Futures  
for children, young people and families***

### **Our Strapline:**

***'Unleashing Potential'***

### **Our Values:**

- ***Christian*** – inspired by faith, hope and love
- ***Caring*** – here to help everyone we can
- ***Creative*** – always looking for new opportunities
- ***Committed*** – aiming for excellence in all we do

### **Our Priorities:**

1. ***SERVICES:*** Strengthen and expand our ability to meet the needs of children, young people and families.
2. ***OPERATIONS:*** Implement an adaptive, resilient, sustainable operational model which optimises resources for our Mission.
3. ***PARTNERSHIPS:*** Pursue opportunities for partnership working to increase our impact and effectiveness.
4. ***COMMUNICATIONS:*** Raise our profile and build support for the vital work we do from communities, beneficiaries, donors, funders and commissioners.

We have taken account of the Charity Commission's Public Benefit Guidance in establishing and reviewing our aims and objectives, and in planning and resourcing our activities to achieve them. We offer services to children, young people and families across a wide area of Essex. We work with all people, while focusing especially on those with greater needs and fewer opportunities. We help to give children a better start in life. We provide positive activities, safe places to go, role models and mentors for young people. We help families through difficult

times at home, in school, in local communities, in finding somewhere to live, and in work and finding work. We aim to make a real difference to the lives of all those with whom we work.

## THE TRUSTEES' AND STRATEGIC REPORT FOR 2018/19

### Our Services

We provided a wide range of services, projects and activities during 2018/19 which included:

- **Housing:** At YMCA Colchester, we have 44 flats available for rent to homeless young people aged between 16 – 25. They can stay at YMCA Colchester for up to two years and during their tenancy are given support in many areas to help them move on to independent living successfully. Support includes budgeting, claiming benefits, getting into, staying at and finishing college, finding work and sustaining a job, coping with mental and physical ill health, sexual health advice, rebuilding relationships with family and many other things. During 2018/19 we had 35 new tenants move in and of those that left 69% moved on positively either to social housing or back to family and friends. We also engaged with tenants in a variety of ways including regular tenant meetings, crafting projects and a weekend camping trip to Mersea Outdoors. Tenants joined in with cooking a Christmas dinner and a decorate a Christmas tree competition, our football team continued to play every week although they did not win many games! They took part in making t shirts with slogans, reflecting social media, protest and mental health. Residents engaged in many individual ways too, chatting about life, mental health, family, job prospects and university. We even had some tenants join in with the Sleep Easy sleep out in Chelmsford.
- **Community Youth Groups:** YMCA Essex provides detached, drop-in and outreach youth work in a variety of locations to provide positive activities for young people to build healthy relationships, to be mentored, and to engage in community programmes which reduce anti-social behaviour and promote improved intergenerational engagement. These include the Great Baddow Drop-in Centre and youth project supported by the parish council, and a youth project in Galleywood supported by the parish council. The YMCA also runs youth provision in other areas with a variety of partner agencies such as Essex County Council's Youth Service, the Myland (alongside St Michaels), Greenstead and Dedham groups in Colchester, and we are continuing to expand this vital work, e.g. we recently started a new group in Theydon Bois. Through our community and outreach youth programmes we have thousands of engagements with young people in Essex across the year.
- **Fusion** This youth group is for young people aged 8-11 and offers a fun, safe environment for young people to come along and meet with their friends. There are fun activities and fundraising opportunities for projects, and residential trips which the young people enjoy hugely. This group splits into a junior and senior youth group of on average 15-20 young people each week. The group was a 'fusion' between a cathedral youth group and a YMCA one based around improving social skills and awareness.
- **Young Carers:** Through family circumstances, young people can often become primary carers for siblings or frail relatives, which can put them under severe pressure. Every Wednesday at our YMCA Chelmsford premises we work with 15-30 young carers, and in the week during schools' sessions with ages ranging from 8-18 years old. They have mentoring support to enable their lives to grow and develop positively, and to build friendships. This work is vital in enabling young people to have encouragement and a positive time together, and also incorporates home visits, home emergency and crisis plans, school holiday respite activities, and attendance for some at the annual Young Carers' Festival.
- **Schools Family Support Work:** Our Family Support service works with children, young people and families to make positive impacts and improve children's attendance, behaviour, wellbeing and life inside school and out. We work with 3 secondary, 16 primary and 0 Nursery schools in the Chelmsford and Maldon areas for both prevention and intervention. The team also runs workshops at the request of the schools, including on the subjects of team building, communication, self-esteem, self-confidence, homelessness and world poverty. In 2018/19, the Family Support team worked with hundreds of children, young people and their families through referrals from schools. Every referral resulted in improved attendance, behaviour and academic achievement. Each child or young person completes a Y-Web soft outcomes monitoring tool which reports on improved emotional, social, domestic and academic wellbeing.
- **Educational Welfare Work:** We operate in 8 schools across North East Essex offering educational welfare support work, which focuses more on attendance issues as opposed to the Family Support Work,

but does have some overlap. We were pleased to see this work expand into Jaywick, which is currently the most deprived ward in Britain, and thus has been a target area for YMCA Essex work for some time.

- **Out of School and Holiday Clubs:** Our Out of School Clubs continue to be very popular – in 2018/19 we ran seven clubs supporting seven schools with over 365 children each week being cared for, located in areas of need for a service to enable parents to work. Children are cared for in the right environment to enable them to engage positively in school, complete homework, and grow their skills and experience to derive the greatest benefit from their education. We run Holiday Clubs each year during school holidays, with families registering for these events from across their local region. Each club has a different theme, with activities and outdoor trips for the children to enjoy. They are a fun and developmental way for children to spend part of their long summer break and are valued by both working and non-working parents and carers. Between out of school, holiday clubs and the Nursery (see below) we engage with 400 local families.
- **Nursery:** Our Nursery is open every weekday from 7:30am-6pm for children aged 3 months to 5 years, and it served approximately 45-50 children and their families each week in 2018/19. We have achieved a “Good” Ofsted rating for the Nursery, which is well deserved. Staff have worked hard in the last year to offer the best service we can for our children and families, and it’s great to see our hard work paying off. Our modern kitchen enables us to prepare the best possible meals for the children, and we have achieved a 5-star rating for three years running. We have been successful in obtaining the Ofsted grade to accept two-year funded children, and we are one of only six nurseries in Chelmsford able to offer this service. We are also one of the few nurseries to welcome social services referrals *and provide help and support to families living in the local women’s refuge.*
- **Community Placements:** We offered community placements for 3 Social Work Students, to provide them with an overview of the variety of youth provision and schools work we deliver in the community. The Social Work Students shadowed and worked alongside Family Support Coordinators in their schools as well as youth groups run by the YMCA.

## Operations

YMCA Essex is delivering on its vision of expanding across the county to deliver its core offers to local communities. At the time of writing the work spans from Harlow in the West to Dedham in the East. All departments are led by a Manager / Deputy Manager team which gives us the flexibility and resilience we need, and contributes to providing cost-effective services with the vast majority of staff working on the ‘frontline’.

Our IT is mostly cloud based running modern versions of Microsoft Windows© and the Office 365 system with Sharepoint for data management.

We are accredited by Investors in People and will work over the next three years for Silver or Gold standing.

Through our Governance Committee we maintain an up-to-date governance framework for YMCA Essex, and in 2018/19 continued the process of comprehensive, systematic policy review and revision.

Y Housing is the Housing Association made up of 7 participating YMCAs each with properties that offer supported accommodation, and our Colchester property is one of these. Each YMCA has a director on its Board of Trustees and a special buyback arrangement means that the YMCAs can purchase the properties within the next 25 years should they become Registered Providers with the Homes and Communities Agency. This has been an exciting development which has ensured the long-term viable future for YMCA supported accommodation in Colchester.

GDPR compliance has been of paramount importance; our data is accessed through Microsoft SharePoint© to help with this. We have also thoroughly reviewed how we handle and control data including ensuring staff know their role in this and the protocols required. Unlike many charities we do not have a large dataset of financial supporters as we operate like something more akin to a social enterprise

## Partnerships

Working with local YMCAs across the country, our national federation of YMCAs in England and Wales has published the Federation Strategy 2017-2021. We endorse the strategy’s vision for the YMCA to be:

- **An inclusive Christian movement transforming communities so that all young people can belong, contribute and thrive**

and the strategy's Key Work Areas and Outcomes, to be delivered by YMCA England and Wales, and local YMCAs, working together:

- **Support & Advice** – We believe every person should have someone they can trust
- **Accommodation** – We believe every young person should have a safe place to stay
- **Family Work** – We believe every family should have the support they need to develop and lead more fulfilling lives
- **Health & Wellbeing** – We believe everyone should enjoy the benefits of good health and wellbeing
- **Training & Education** – We believe every young person should be able to fulfil their potential.

The Chairs and Chief Executives of all the YMCAs in the East of England meet regularly to identify opportunities for us to achieve these aims and objectives in our region, to share experiences and ideas, and to look at how we can extend our impact and generate more resources through working in partnership.

YMCA Essex maintains good working relationships with councillors and senior staff at Essex County Council, Chelmsford City Council, and other local authorities where we are active, and we appreciate their strong support for the YMCA. We were particularly grateful to the City Council for their £25,000 grant in 2018/19.

We work closely with 'Churches Together' in the Chelmsford area and maintain Christian links where we can. The Mylands Youth Club in Colchester is also connected with the Parish Church there. We are developing stronger links with local churches, with our CEO Andy Drake preaching to a number of local congregations on behalf of the YMCA, and we now host a joint YMCA / Cathedral youth group on Mondays, and benefit from a weekly visit from their youth chaplain who interacts with staff and service users alike.

It should be noted that although the schools and parish councils we work with are, strictly speaking, our clients, in practice we are like partners working together to achieve the same goals. This is borne out in how our pricing for such services typically represent 'at cost' models, and how we sometimes work closely to co-design bespoke solutions.

### **Communications**

One of our key strategic priorities is to raise our profile and build support for the vital work we do from communities, beneficiaries, donors, funders and commissioners.

We have continued to carry out the rebrand in line with the toolkit provided by YMCA England and Wales, and this has been especially helpful in the refresh at Colchester. For 2019/20 we aim to employ a Communications and Events Officer who will not only help us develop a cutting edge feel for our print and electronic media, but also better communicate our mission to existing and new stakeholders.

We publicise our activities through our website including our online news and e-newsletter which goes out monthly to all subscribers, through leaflets, through the media, and in face-to-face contacts with people through our services, projects and events, and through networking with businesses, public and voluntary sectors. Relationships with local media have led to positive YMCA coverage.

### **Finance**

Our principal sources of income are the Nursery, the Out of School Clubs, the Housing work and - to a lesser extent - the Family Support Programme, all of which operate on a social enterprise model (all surplus is ploughed back into the local work).

The end of year outturn was an overall surplus on unrestricted general funds of £43,414 which was an excellent result in the circumstances. The most important factor was the increased income from Housing, the Nursery and Out of School Clubs as well as savings in operational costs.

The Trustees recognise that our financial position is particularly dependent on the level of take-up of our income-generating services, and it will therefore be important for us to maintain and expand those services in the coming

years, and to attract further income from additional sources especially to support the costs of our charitable youth work.

### **Future Plans and Strategy**

There are more than 400,000 children and young people aged 19 or under living in Essex. The potential need and demand for the services provided by the YMCA is therefore huge. Our strategy for the future aims to expand our services both geographically and numerically to meet more of these needs, working alongside other leading YMCAs wherever possible.

Our aim is for Community Hubs to be developed organically across Essex out of which YMCA services and staff can share our particular blend of professionalism and kindness. These Community Hubs would offer and/or be connected to a diverse range of services, from our core work of childcare, youthwork and housing to newer projects involving information, advice and guidance giving, intervention for those facing domestic abuse, outward bound community development work, and so much more. From 2019-2030 these hubs will grow both opportunistically and intentionally.

To undergird the strategy a Capacity Building Plan (CBP) has been put into effect, made possible by a £60k donation and match funding from YMCA Essex reserves. The CBP primarily pays for improved staffing levels over three years, allowing for the Youth Services Manager to take on Business Development, the Deputy Youth Services Manager to move further into Youth Management, the employment of the Communications and Events Officer, and some other minor changes.

Alongside these plans we continue to communicate well with our neighbouring YMCAs and seek collaborative work where possible. We remain open to strategic partnerships with other like-minded organisations, and are aware that exciting developments can come from the most unlikely of places.

### **Conclusion**

2018/19 was a very good year for YMCA Essex. The unique services we offer to children, young people and families continued to be of the highest standard and operated smoothly despite the challenges. We ended the year in a healthier financial position than envisaged by the budget, and we can look to the future with confidence and excitement at the opportunities we have, to expand and improve the work we do as a County-wide charity through strategic planning, and responding to opportunities.

Above all though, it is when we hear the many individual stories of children and young people whose lives have been completely turned around by their involvement with the YMCA, that we know we are making a real difference.

None of this would be possible without all the wonderful people who work for and support the YMCA. We would like to pay tribute to our paid and voluntary staff under the leadership of our Chief Executive, Andy Drake. We have a very professional, talented and committed staff team at the YMCA, who are highly valued for everything they are achieving.

We wish to thank our Treasurer, Finance Committee and the Finance Team for their dedication and hard work in financial planning, monitoring and control for YMCA Essex.

We are very grateful to all the organisations and individuals who have made donations, whether large or small, enabling us to undertake many vital projects and activities. We record our thanks to our fellow Board Members and all the other volunteers who give so much to the YMCA.

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

### **GOVERNANCE AND MANAGEMENT**

#### **Articles of Association**

YMCA Essex is a charitable private company limited by guarantee, incorporated on 12 March 1996 and registered as a charity on 26 March 1996. The charity is governed by its Articles of Association adopted on 25 January 2016.



YMCA Essex's charitable objectives, in full, are:

- To advance the Christian faith, including by:
  - (a) promoting a Christian environment inspired and motivated by the life, example and teaching of Jesus Christ, where people of faith and people of none can work together for the transformation of communities; and
  - (b) enabling people of all ages and in particular young people, to flourish through experiencing and responding to the love of God demonstrated by the life, example and teaching of Jesus Christ;
- To provide or assist in the provision in the interests of social welfare of facilities for recreation and other leisure time occupation for men and women with the object of improving their conditions of life;
- To provide or assist in the provision of education for people of all ages and in particular young people, with the object of developing their physical, mental or spiritual capacities;
- To relieve or assist in the relief of people of all ages and in particular young people, who are in conditions of need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances; and
- To provide residential accommodation, including Social Housing, for people of all ages and in particular young people, who are in need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances.

### Board of Trustees

The Board of Trustees meets quarterly. The Board's purpose is to:

- provide **strategic leadership and support** for YMCA Essex;
- uphold the **Christian faith basis** of YMCA and promote its **mission and objectives**;
- agree **vision and strategy**;
- ensure good **governance and accountability**;
- make best use of **human, financial and property** resources;
- take part in YMCA **events and activities**;
- **encourage, praise and thank** staff and volunteers;
- **promote YMCA** and its work within Essex communities.

Trustees serve on the Board for a maximum of three consecutive three-year terms before taking a break of at least one year.

The Board aims to have a balanced and capable team of Board Members including:

- people who will ensure that the Christian founding principle, values and character of YMCA are sustained, providing Christian leadership for the charity (at least half of our Board Members are committed Christians);
- people with diverse backgrounds and diverse attributes, to help ensure healthy debate and challenge, and to bring a range of views and perspectives to inform decision-making;
- people with connections to communities in different parts of Essex;
- people with the skills, abilities, knowledge and experience needed for the effective working of the Board;
- a balance on the Board between experienced members and those who can offer new thinking and independent challenge.

The Board welcomes applications at any time from people who may be interested in serving as Board Members. When it wishes to strengthen or diversify its membership, it will actively seek candidates with the required skills and attributes by a range of means which may include open advertisement. Following a successful recruitment process, the Board will appoint a new Trustee as a Board Member.

New Trustees receive an induction programme, to familiarise them with the services and operations of YMCA Essex and the work of the wider YMCA movement, and to equip them to fulfil their responsibilities as Trustees for governance, strategy, finance, communication and representing the YMCA effectively. Further training and development opportunities are made available to all Trustees on an ongoing basis.

### Committees

The Board has appointed four Committees to assist the work of the Board and the YMCA:

- Finance Committee
- Governance Committee
- Audit Committee
- Board Appeals Committee

## Management and Organisation Structure

A scheme of delegation is in place and the Board has delegated the day to day responsibility for the YMCA's services and operations to the Chief Executive and his/her Managers. The Managers each lead one of the five main areas of Childcare & Corporate Services, Youth Work, Housing, and Finance, and Communications, Fundraising and Events. There are over 70 staff and over 20 volunteers working for YMCA Essex in the charity and its subsidiary trading company.

The key responsibilities of the YMCA's Chief Executive are to:

- Provide Christian leadership to the YMCA in accordance with our vision, mission, values, passion and Christian ethos.
- Develop and implement strategies to maximise the impact of the YMCA in building lives, hope and futures for children, young people and families.
- Provide strategic and operational leadership for the diverse and multi-faceted activities of the YMCA, ensuring effective and legally compliant management, administration and development.
- Support the Board of Trustees to develop and implement strategic direction.
- Provide leadership of all development and fundraising activities and the implementation of long-term viability and sustainability.
- Lead staff teams in providing a professional service in all areas of activity ensuring that the YMCA's aims and purposes are fully met.
- Represent the YMCA externally, promoting their services and values.
- Maintain and develop the relationship of YMCA Essex with the wider YMCA Movement.

## Risk Management

The Board has a Risk Management Policy, incorporating a Risk Register, and both are reviewed and updated annually. Our strategic risk analysis shows that the YMCA currently faces 8 risks classed as Major within the methodology we have adopted:

- Ensure the **Quality and Competitiveness** of our services and projects.
- **Safeguard the Wellbeing** of the Children, Young People and Adults we work with.
- Ensure the **Health and Safety** of all involved in our activities.
- Increase our **Income** and improve our **Financial Position**.
- Recruit, develop and retain the **Staff and Volunteers** we need.
- Safeguard **Business Continuity** for all our services and operations.
- Respond and adapt well to **Changes and New Opportunities**.
- Maintain a good **Reputation and Public Support** for YMCA.

There are also 4 risks classed as Moderate:

- Ensure the effective **Governance** of the YMCA.
- **Fulfil our Mission** to children, young people and families.
- Implement effective **Financial Controls** and **Fraud Prevention** measures.
- Manage staff fairly and effectively through our **Human Resources** policies and procedures.

The Board is satisfied that the above risks are being consistently and effectively managed and mitigated, and considers that the resultant risk profile is acceptable and appropriate in relation to the YMCA's objectives and responsibilities. The nature of the services which the YMCA provides to service users, and the environment within which the charity operates, mean that we will inevitably face risks due to factors beyond our control. We are willing to tolerate higher risks if they can be justified by the potential benefits for children, young people and families.

## **NHF Code of Governance and YMCA England and Wales Governance and Financial Viability Standard**

The Board has been working to comply with the National Housing Federation code of governance to better prepare YMCA Essex to become a Registered Provider of Housing in due course. The most recent self-assessment indicates that we satisfy over 90% of the code criteria, and it is felt that even if we do not become a Registered Provider for some time, achieving this high level of compliance with the Code has strengthened the governance and capability of the organisation.

YMCA Essex also complies with the YMCA England and Wales Governance and Financial Viability Standard.

### **Related Parties**

YMCA Essex is a part of the national federation of YMCAs in England and Wales, and is affiliated to YMCA England and Wales, which is the national organisation responsible for representing and equipping local YMCAs. We support its vision and overall strategy and seek to play our part in delivering them in a way which is appropriate for our local context. Our Vice President Revd Chris Poulard is also a Vice President of YMCA England and Wales.

YMCA Essex (Trading) Ltd is a wholly owned subsidiary of the YMCA Essex charity, whose principal activities are the provision of Nursery care and Out of Schools work, and room hire facilities. The Directors of the trading company are the Board Members who are on the charity's Finance Committee together with the Chief Executive and the Finance Manager.

YMCA Essex receives an annual grant for work in the Chelmsford area from Chelmsford City Council, which has non-voting representation at Board meetings. We contract with a large number of schools for our Out of School clubs and Schools Work programmes.

YMCA Blackburn (known as Y Housing) is a Housing Association whose stock is entirely made up of YMCA Housing Projects, with YMCA Colchester being one of them (and currently the largest). Each YMCA associated with Y Housing in this way has a representative on the Board, and typically the CEO, as in our case.

### **Remuneration and Remuneration Levels**

Remuneration' includes salary, pension, leave, and other financial and non-financial employment benefits.

The Board has a Remuneration Policy which is reviewed annually to provide a framework for all remuneration decisions. Our Chief Executive received a remuneration of £63,880.

The Trustees do not receive any remuneration.

The overall objective of our Remuneration Policy is to offer fair remuneration to attract, develop and retain staff with the right abilities, skills and competencies to lead, manage, support and/or deliver our services to the community.

In deciding on pay levels for staff, the following factors may be taken into account. These factors are not exclusive and any decision will inevitably include an element of discretion on the part of the Trustees.

- Our Vision and Strategy and how this may affect the number and nature of roles for which we need to employ or recruit staff.
- Affordability in relation to the YMCA's financial position.
- The need to recruit and retain high quality, competent staff.
- The level of responsibilities associated with each job role, in relation to leadership, decision-making, service delivery, staff supervision, management of finance and resources, contacts and relationships, and job context.
- Any significant increase in responsibilities.
- The type of skills, experience and competencies that each job role needs, and their link to remuneration.
- Information about comparable roles and pay rates particularly in the charitable sector.
- The wider remuneration package including leave and other benefits.
- The need for consistency and fairness in remuneration between jobs within YMCA Essex.
- Equality of pay amongst people doing similar roles.
- The rate of inflation and other economic factors.

- The 'National Living Wage' set by Government, and the 'Living Wage' recommended by the Living Wage Foundation.
- The likely effect on the charity's reputation, viability and public standing.

## **FINANCIAL INFORMATION**

### **Funds and Reserves Policy**

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

#### **(a) 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 of 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:

- it has no guaranteed regular funding,
- 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 2019, the general fund stood at £163,094.

#### **(b) 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 finishes and until new sources of funding are secured. We have created a Youth Work fund to allow projects to continue during these periods. We also have a replacement fund which is monies set aside for on-going maintenance and improvement of the buildings.

#### **(c) Restricted funds**

These are funds donated for specific purposes that are within the wider objects of the charity. The major restricted funds held at the year-end are for the Capacity Building Project for which we received a grant of £60,947 from the Candap Trust in May 2018. YMCA Essex contributed £90,000 towards this project.

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

#### **(d) 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 Undertaking**

The accounts consolidate the results of the charity and its subsidiary YMCA Essex (Trading) Ltd. whose principal activities are the provision of Nursery care and Out of Schools work, and room hire facilities. Its performance is shown in note 4 to these accounts and is considered to be satisfactory.

### **Fixed Assets**

Movements in the fixed assets are detailed in note 8.

### **Statement of Trustees' Responsibilities**

The Trustees (who are also Directors of YMCA Essex for the purposes of Companies Act 2006) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 subsidiaries 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 subsidiaries and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Statement as to Disclosure of Information to Auditors**

The Trustees confirm that so far as they are aware there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) 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.

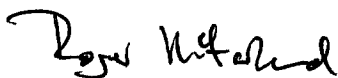
### **Liability of Members**

The liability of members is limited to £1 in the event of the charity being wound up with insufficient funds to meet its debts.

### **Auditors**

In accordance with Section 485 of the Companies Act 2006, a resolution to appoint the auditors THP Limited and authorising the Trustees to agree their remuneration will be proposed at the Board Meeting.

Signed on behalf of the Board of Trustees



Mr Roger McFarland  
Chair

Date: 11 February 2020

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF YMCA ESSEX (Limited by Guarantee)

**Opinion**

We have audited the consolidated financial statements of YMCA Essex (Limited by Guarantee) (the 'charitable company') for the year ended 31 March 2019 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 31 March 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

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

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

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.

### **Responsibilities of trustees**

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

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

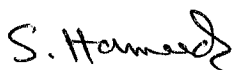
### **Our responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

### **Use of our report**

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



Shahid Hameed ACA FCCA (Senior Statutory Auditor)  
For and on behalf of THP Limited  
Chartered Accountants and Statutory Auditors  
34-40 High Street  
Wanstead  
London E11 2RJ

Date: 20/2/2020

YMCA Essex  
(Limited by Guarantee)  
Charity Registration No. 1054070  
Company No. 3171206

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted		Restricted	2019 Total	2018 Total
		General	Designated			
		£	£	£	£	£
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds:						
Rental income		562,972	-	-	562,972	518,318
Voluntary income		8,595	-	-	8,595	17,734
Grants receivable		25,000	-	60,947	85,947	25,000
Activities for generating funds		3,593	-	-	3,593	1,621
Income of trading subsidiary	4	673,365	-	-	673,365	732,723
Interest receivable		3,863	-	-	3,863	1,847
Incoming resources from charitable activities:						
Youth training		119,966	7,021	9,886	136,873	183,311
Project funding & Childcare		-	-	-	-	18,533
Miscellaneous Income		5,607	-	-	5,607	7,196
<b>TOTAL INCOMING RESOURCES</b>		<b>1,402,961</b>	<b>7,021</b>	<b>70,833</b>	<b>1,480,815</b>	<b>1,506,283</b>
<b>RESOURCES EXPENDED</b>						
Cost of generating funds:						
Expenditure of trading subsidiary	4	525,987	-	-	525,987	548,253
Charitable activities:						
Childcare services		91,616	-	5,043	96,659	94,673
Youth services		608,723	15,116	35,200	659,039	570,815
Other services		-	-	-	-	-
Premises		123,021	-	-	123,021	108,335
		823,360	15,116	40,243	878,719	773,823
Governance costs		10,200	-	-	10,200	9,600
<b>TOTAL RESOURCES EXPENDED</b>	5	<b>1,359,547</b>	<b>15,116</b>	<b>40,243</b>	<b>1,414,906</b>	<b>1,331,676</b>
<b>Net INCOMING/(OUTGOING) RESOURCES</b>		<b>43,414</b>	<b>(8,095)</b>	<b>30,590</b>	<b>65,909</b>	<b>174,607</b>
Transfer (from)/to Designated Funds	12	7,885	(7,885)	-	-	-
Transfer (from)/to Restricted Funds	13	(90,000)		90,000		
<b>FUND BALANCES AT 1 APRIL 2018</b>		<b>201,795</b>	<b>996,163</b>	<b>68,141</b>	<b>1,266,099</b>	<b>1,091,492</b>
<b>FUND BALANCES AT 31 MARCH 2019</b>		<b>163,094</b>	<b>980,183</b>	<b>188,731</b>	<b>1,332,008</b>	<b>1,266,099</b>

All recognised gains and losses are included above.



YMCA Essex  
(Limited by Guarantee)  
Charity Registration No. 1054070  
Company No. 3171206  
CHARITY AND CONSOLIDATED BALANCE SHEET

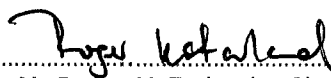
FOR THE YEAR ENDED 31 MARCH 2019

	Notes	TOTAL 2019		TOTAL 2018			
		Restricted £	Unrestricted £	Charity £	Group £	Charity £	Group £
<b>FIXED ASSETS</b>							
Tangible assets	8	-	828,607	828,607	828,607	834,096	836,492
Investments	9	-	2	2	-	2	-
			828,609	828,609	828,607	834,098	836,492
<b>CURRENT ASSETS</b>							
Debtors	10	-	216,148	216,148	159,458	168,600	106,703
Cash at bank in hand		188,731	313,597	502,328	608,819	501,468	607,417
		188,731	529,745	718,476	768,277	670,068	714,120
<b>CREDITORS:</b>							
Amounts falling due within one year	11(a)	-	(107,404)	(107,404)	(150,962)	(113,707)	(153,913)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		188,731	1,250,950	1,439,681	1,445,922	1,390,459	1,396,699
<b>CREDITORS:</b>							
Amounts falling due after more than one year	11(b)	-	(113,914)	(113,914)	(113,914)	(130,600)	(130,600)
<b>NET ASSETS</b>		188,731	1,137,036	1,325,767	1,332,008	1,259,859	1,266,099
<b>FUNDS HELD</b>							
Unrestricted funds:							
General fund		-	156,853	156,853	156,853	195,554	195,554
Retained in subsidiary		-	-	-	6,241	-	6,241
<b>Total</b>		-	156,853	156,853	163,094	195,554	201,795
Designated fund		-	261,795	261,795	261,795	277,775	277,775
Restricted funds	13	188,731	-	188,731	188,731	68,141	68,141
Revaluation reserve	8	-	718,388	718,388	718,388	718,388	718,388
		188,731	1,137,036	1,325,767	1,332,008	1,259,859	1,266,099

These accounts were approved by the Board and authorised for issue on 11 February 2020 and signed on its behalf by:



Mr Michael Minta - Treasurer



Mr Roger McFarland - Chair

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

	2019 £	2018 £
Cash Generated from Operating Activities (see below)	(5,161)	85,456
Cash Flows from Investing Activities		
Interest received	3,863	1,847
Sale of tangible fixed assets	2,700	-
Purchase of tangible fixed assets	-	(7,661)
	6,563	(5,814)
Increase/(decrease) in cash and cash equivalents in the year	1,402	79,642
Cash and cash equivalents at the beginning of the year	607,417	527,775
Total cash and cash equivalents at the end of the year	608,819	607,417

*Reconciliation of Net Incoming Resources to Cash  
Generated from Operating Activities*

	2019 £	2018 £
Net incoming resources	65,909	174,607
Profit on disposal of asset	(432)	-
Add back depreciation charge	5,617	10,638
Deduct interest income shown in investing activities	(3,863)	(1,847)
Decrease/(increase) in debtors	(52,755)	(50,182)
Increase/(decrease) in creditors	(19,637)	(47,760)
Net cash generated from operating activities	(5,161)	85,456

Note to Statement of Cash Flows

The company's cash flow statement reflects the presentation requirements of FRS 102, under which the cash flow statement reconciles to cash and cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1. GENERAL INFORMATION

YMCA Essex is a company limited by guarantee and incorporated and domiciled in England. The Charity's registered number and registered office address can be found on page 1.  
The functional and presentation currency of YMCA Essex and its subsidiary is the pound sterling.

2. ACCOUNTING POLICIES

i. Basis of preparing the financial statements

The financial statements of the charity, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, except for the non-depreciation of freehold property as explained in note 2.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 YMCA Essex and its subsidiary undertaking, YMCA Essex (Trading) Ltd., consolidated on a line by line basis. Common expenses have been allocated between the operations based upon estimated use.

The results of the trading 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 account of the parent charity is not presented as part of these financial statements. The balance sheets of the Charity and Group are both shown on page 15.

iii. Charitable Expenditure and Support Costs

The YMCA Essex operates a childcare, youth and community centre based at its premises in Victoria Road. Colchester division provides supported accommodation for young people. 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 102 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.

v. Covenants and Donations

Covenants and donations are recognised 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.

vi. Financial Instruments

The Group has chosen to adopt Sections 11 and 12 of FRS102 in respect of financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently carried at this value less any provision for impairment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

- 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  
The Charity is exempt from tax on income and gains within Section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.
- x. Pension Contributions  
The charity contributes to a defined contribution scheme on behalf of its employees. Contributions made during the year are shown in note 5.
- xi. Unlisted Investments  
Investments are stated at historical cost.
- xii. Related Party Exemption  
The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with the group companies.

3. INCOMING RESOURCES

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

Rental income is accounted for on a receivable basis.

Income received from charitable activities represents mainly Youth Training funds and is accounted for on a receivable basis.

The turnover of trading subsidiary represents the gross value of goods sold and services provided. Fees billed in advance for nurseries and out of school clubs are deferred according to the expected start date of the services provided.

4. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY

YMCA Essex has a wholly owned trading subsidiary "YMCA Essex (Trading) Ltd." (company registration number 03041709) which is incorporated in the United Kingdom. This operates the childcare programme and room hire facilities on behalf of the charity. Its results for the year ended 31 March 2019 and 2018 are detailed below. The operating profits for both years have been covenanted to YMCA Essex.

PROFIT AND LOSS ACCOUNT

	2019	2018
	£	£
Turnover	673,365	732,723
Cost of sales	412,533	414,501
Gross profit	260,832	318,222
Administrative costs	113,454	133,752
Operating profit	147,378	184,470
Amount covenanted to YMCA Essex	(147,378)	(184,470)
Retained profits at 1 April 2018	6,241	6,241
Retained in subsidiary at 31 March 2019	6,241	6,241
	=====	=====
AGGREGATE SHARE CAPITAL AND RESERVES	£6,243	£6,243
	=====	=====

YMCA Essex  
(Limited by Guarantee)  
Charity Registration No. 1054070  
Company No. 3171206

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

The subsidiary's registered office address is the same as the Registered Office address of YMCA Essex.

5. RESOURCES EXPENDED

	Trading Subsidiary £	Charitable Activities £	Governance £	2019 Total £	2018 Total £
Costs directly allocated to activities					
Staff costs	317,272	331,173	-	648,445	655,511
Other direct costs	95,261	88,620	-	183,881	106,891
Support costs allocated to activities					
<u>Premises</u>					
Heat and light	4,370	25,622	-	29,992	27,706
Repairs	10,840	38,716	-	49,556	59,061
Rates and insurance	-	21,080	-	21,080	21,322
Cleaning	8,774	9,013	-	17,787	32,997
Rent	-	112,340	-	112,340	91,352
<u>Administration</u>					
Office salaries and pensions	84,972	169,718	-	254,690	238,345
Pensions admin charge	-	2,400	-	2,400	2,572
Training	221	11,194	-	11,415	18,292
IT costs	-	8,957	-	8,957	14,929
Stationery and advertising	1,192	5,966	-	7,158	6,254
Telephone and licences	3,388	3,007	-	6,395	9,758
Fees and licences	-	20,130	-	20,130	14,072
Sundry expenses	-	672	-	672	389
Depreciation	129	5,488	-	5,617	10,638
Legal & professional fees	-	20,313	-	20,313	4,830
Redundancy	-	-	-	-	-
Fundraising costs	-	2,560	-	2,560	2,249
Bad Debt	-	-	-	-	1,908
Profit on Sale of assets	(432)	-	-	(432)	-
Auditors remuneration	-	-	10,200	10,200	9,600
Cyclical Provision	-	1,750	-	1,750	3,000
<b>TOTAL RESOURCES EXPENDED</b>	<b>525,987</b>	<b>878,719</b>	<b>10,200</b>	<b>1,414,906</b>	<b>1,331,676</b>
	=====	=====	=====	=====	=====

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

6. STAFF COSTS	2019		2018	
	Charity £	Group £	Charity £	Group £
Wages and salaries	440,962	832,409	441,170	832,376
Social Security costs	34,775	57,942	33,206	53,130
Pension contributions	14,470	14,470	10,922	10,922
	490,207	904,821	485,298	896,428
	=====	=====	=====	=====

One employee earned over £60,000 per annum.

The average number of employees was 73 (2018 total was 71).

In addition the charity uses the services of 20+ volunteers. No valuation has been made for the assistance upon which the YMCA Essex relies to provide many of its services. A further 12 volunteers act as trustees on the Board. No Trustees have received any remuneration or have had expenses reimbursed.

Key management includes the Trustees, the Chief Executive and members of the senior management team. The compensation paid to key management for employee services is £225,786 (2018: £183,418).

7. NET INCOMING RESOURCES	2019 £	2018 £
This is stated after charging		
Depreciation (owned assets)	5,617	10,638
Auditors' remuneration – audit	5,500	5,000
– other services	4,700	4,600
	=====	=====

8. GROUP FIXED ASSETS				Total
Cost or Valuation	Premises £	Furniture & Equipment £	Computer Equipment £	£
At 1 April 2018	825,000	43,954	29,432	898,386
Additions	-	-	-	-
Disposals	-	(3,600)	-	(3,600)
At 31 March 2019	825,000	40,354	29,432	894,786
Depreciation				
At 1 April 2018	-	32,462	29,432	61,894
Charge for the year	-	5,617	-	5,617
Eliminated on disposals	-	(1,332)	-	(1,332)
At 31 March 2019	-	36,747	29,432	66,179
Net book value				
At 31 March 2019	825,000	3,607	-	828,607
	=====	=====	=====	=====
At 31 March 2018	825,000	11,492	-	836,492
	=====	=====	=====	=====

The property was fair valued, as a one-off revaluation, on the basis of existing use value at 31 March 2016, by Elwell Taylor, Chartered Surveyors of 65 New London Road, Chelmsford, Essex CM2 0ND. On transition to FRS 102 the charity has taken the revalued amount as the deemed cost and therefore further revaluations are not required.

Cost or valuation at 31 March 2019 is represented by:

	£
Valuation in 2016	718,388
Cost	176,398
	894,786
	=====

YMCA Essex  
(Limited by Guarantee)  
Charity Registration No. 1054070  
Company No. 3171206

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019

9. INVESTMENTS – Unlisted at Cost

The company owns two ordinary shares, being all the Issued Share Capital of YMCA Essex (Trading) Ltd., a company registered in England. This company operates the trading activities as described in Note 4.

10. DEBTORS

	£	£	£	£
Trade debtors	109,462	114,815	56,487	71,184
Other debtors and prepayments	44,643	44,643	35,519	35,519
Due from group undertakings	62,043	-	76,594	-
	<u>216,148</u>	<u>159,458</u>	<u>168,600</u>	<u>106,703</u>
	=====	=====	=====	=====

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

11. (a) CREDITORS: Amounts falling due within one year

	£	£	£	£
Trade creditors	17,395	19,995	21,370	25,124
Other creditors and accruals	73,684	114,642	76,012	112,464
Pension deficit	16,325	16,325	16,325	16,325
	<u>107,404</u>	<u>150,962</u>	<u>113,707</u>	<u>153,913</u>
	=====	=====	=====	=====

11. (b) CREDITORS: Amounts falling due more than one year

	£	£	£	£
Pension deficit	113,914	113,914	130,600	130,600
	<u>113,914</u>	<u>113,914</u>	<u>130,600</u>	<u>130,600</u>
	=====	=====	=====	=====

12. DESIGNATED FUNDS

	Balances 31 March 18	Income	Expenditur e	Net Transfer	Balances 31 March 19
	£	£	£	£	£
Fixed assets fund	836,492	-	-	(7,885)	828,607
Replacement fund	53,293	-	-	-	53,293
Informal Youth Work	10,040	-	(1,180)	-	8,860
IT – Replacement fund	4,134	-	(2,356)	-	1,778
Youth Work Central	32,275	-	-	-	32,275
Friends of Chelmsford YMCA	1,721	-	-	-	1,721
Colchester fund	40,826	7,021	(11,555)	-	36,292
Childcare fund	17,382	-	(25)	-	17,357
	<u>996,163</u>	<u>7,021</u>	<u>(15,116)</u>	<u>(7,885)</u>	<u>980,183</u>
	=====	=====	=====	=====	=====

The fixed assets fund represents the value of the general funds held within in the fixed assets (including revaluation reserve) 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 improvements 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.

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13. RESTRICTED FUNDS

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

	Balances 31 March 2018 £	Income £	Transfers	Salaries £	Materials/other £	Balances 31 March 2019 £
Capacity Building Plan	-	60,947	90,000	(20,281)	(1,069)	129,597
Childcare services	6,419	-	-	-	(5,043)	1,376
Youth services	44,226	9,886	-	(6,049)	(7,801)	40,262
Other funds	8,944	-	-	-	-	8,944
Grants	8,552	-	-	-	-	8,552
<b>TOTAL ALL FUNDS</b>	<b>68,141</b>	<b>70,833</b>	<b>£90,000</b>	<b>(26,330)</b>	<b>(13,913)</b>	<b>188,731</b>
	=====	=====	=====	=====	=====	=====

Capacity Building Plan funds relate to £60,947 grant and £90,000 YMCA Essex's contribution towards a project which primarily pays for improved staffing levels over three years. Further details are given in Trustees Report.

Childcare Services

This funding includes 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.

Grants and other funds

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

14. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

Fund balances at 31 March 2019 are represented by:

	UNRESTRICTED		RESTRICTED	TOTAL FUNDS
	General £	Designated £	£	£
Fixed Assets	-	828,607	-	828,607
Net assets/(liabilities)	163,094	151,576	188,731	503,401
	<u>163,094</u>	<u>151,576</u>	<u>188,731</u>	<u>503,401</u>
	=====	=====	=====	=====



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

15. PENSION COMMITMENT

Accounting Policy:

YMCA Essex participated in a multi-employer defined benefit pension plan for employees of YMCAs in England, Scotland and Wales, which was closed to new members 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 Essex.

Pension Note:

YMCA Essex participated in the contributory pension plan providing defined benefits based on final pensionable pay for employees of YMCAs in England, Scotland and Wales. The assets of the YMCA Pension Plan are held separately from those of YMCA Essex and at the year end these were invested in De-risking Solutions.

The most recent completed three year valuation was as at 1 May 2017. Placing a value of the plan's liabilities requires a number of assumptions to be made about the future. Such assumptions include how long members might live after retiring and the return that will be generated by the plan's assets. After taking advice from the plan actuary the Trustee of YMCAs in England has adopted what they consider to be 'prudent' funding assumptions, having regard to the Employer's covenant and to financial market conditions. The Trustee's assumptions are prudent in that they are deliberately cautious about the future. Using such assumptions increases the target funding reserves and reduces the risk that the combination of the accumulated assets and future contributions will prove to be inadequate. The result of the valuation showed that the actuarial value of the assets was £141.2m. This represented 81% of the benefits that had accrued to members.

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

The valuation prepared as at 1 May 2017 showed that the YMCA Pension Plan had a deficit of £33.6 million. YMCA Essex has been advised that it will need to make monthly contributions of £1,464 from 1 May 2017. 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 8 years.

The Company has capitalised the pension deficit liability and these accounts include a provision of £130,239 (2018: £146,925) which represents the 8 remaining years.

In addition, YMCA Essex 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 Essex may be called upon to pay in the future.

16. ULTIMATE CONTROL

The charity is ultimately controlled by the Board of Trustees.

17. RELATED PARTY TRANSACTIONS

During the year YMCA Essex paid rent totalling £112,340 (2018: £nil) to Blackburn YMCA for the use of premises in Colchester, owned by Blackburn YMCA. The Chief Executive of YMCA Essex is a member of the board of trustees of Blackburn YMCA.

18. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) Critical judgements in applying the entity's accounting policies

There are no specific judgements, apart from those involving estimates as detailed below, that management has made in the process of applying the entity's accounting policies that have a significant effect on the amounts recognised in the financial statements.

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b) Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates can differ from the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates based on technological advancements, future investments, economic utilisation and the physical condition of the assets. See note 7 for the carrying amount of tangible assets and note 2 for the depreciation policy in respect of each class of asset.