
GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

CONSOLIDATED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

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GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2017

Trustees

G Amann
C Daur
N Daur
A Fox
S Haase (appointed 26 September 2017)
D Losse, Chairman
P Mallinckrodt
J Peachman
P Stokes
M Tinsley
S Yates

Charity registered number

250118

Principal office

35 Craven Terrace
Lancaster Gate
London
W2 3EL

Independent auditors

Haslers
Chartered Accountants
Old Station Road
Loughton
Essex
IG10 4PL

Bankers

National Westminster Bank plc
26 Edgware Road
London
W2 2ZW

Solicitors

Radcliffes Le Brasseur
85 Fleet Street
London
EC4Y 1AE

Investment Advisors

Cazenove Capital Management (A division of Schroder & Co Ltd)
12 Moorgate
London
EC2R 6DA

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2017

Advisers (continued)

Property Managers

Cuthbert Lake
10 Gray's Inn Square
London
WC1R 5JD

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The Trustees present their annual report together with the audited financial statements for the 1 January 2017 to 31 December 2017.

Objectives and Activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the charity commission relating to public benefit and in particular to its supplementary public benefit guidance on charities for the advancement of religion.

The German YMCA gives material and financial support to a number of related national and international charities with objects similar to its own. Some grants are seen as a continuing commitment in pursuance of the German YMCAs own objects. Towards this end voluntary helpers are engaged in several fund raising activities of which a traditional German Christmas Market is the main and best supported event.

Emphasis is given to education and recreation, and also Christian teaching, which is provided in regular bi monthly publications and through lectures and celebrations at special events in the Christian calendar. We recognise the importance of the churches, which we support in their role as providers of spiritual guidance.

b. Strategies for achieving objectives

The charity shares its freehold property, 31 to 38 Craven Terrace, London W2, with its trading company, Lancaster Hall Hotel Limited. The charity has arranged this use of the property so that the trading company may contribute financially to the charity, and so that it may also provide affordable accommodation to groups of young people on educational visits from abroad, as detailed in the review of activities.

c. Activities for achieving objectives

The charity undertakes a number of social and educational activities in the furtherance of its objectives, and the trustees are keen to expand upon these where new opportunities arise and are viable.

Based on the consistently positive performance of its trading subsidiary, the Management Committee felt able to support organisations providing services to the community which the Association could not itself deliver. As a result various organisations with a German connection, and more recently local charities, received grants.

Our Work with Volunteers

In January 2010 the Association commenced a "Volunteer Placement Service" as a new project, originally intended to place volunteers from Germany into Great Britain and vice versa. However, since its inception the service has expanded internationally. Volunteers from Austria, France, Hungary, Germany, Great Britain and Spain have been placed into various projects in Austria, Italy, Slovakia, Spain, Portugal, Russia, Greece, Belarus, Turkey, Croatia, Malta, Great Britain and Germany. The VPS coordinator also supports other organisations, in particular other YMCAs, in placing volunteers and obtaining grants.

Since September 2012 the Association has supported the placements of volunteers by Action Reconciliation for Peace, (Aktion Sühnezeichen) into humanitarian and charitable projects. £6,824 in 2017 and £31,500 in 2016.

The association ceased to fund these projects in the course of 2017 as other funding sources had been identified by the charity.

A grant of £7,500 was made to Sutton Coldfield YMCA to support a volunteer working in their disability projects.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

Our Work across the Generations

Since the spring of 2014 the nursery in the basement area of the hotel is let to The Hyde Park Village Nursery. This is a commercial venture that offers high quality childcare to the local community.

For young children the Association also offers a regular **"After School Club"** and the German speaking toddlers group **"Struwelpeter"**.

Using the investment income from funds held following the legacy of Hilda Sloan, a new Musical Theatre Group called **"Stars & Nightingales"** was formed. This is aimed at local children from 6 to 14 years of age and gives them experience not only in acting and singing but also script writing, directing and set design. From the same investment income singing lessons are funded at **"PIP"**, a local charity for adults with learning disabilities, allowing the formation of The PIP Singers.

Following the loss of financial support from Westminster Council for Youth Services, the Association was approached by the Stowe Centre Youth Club. The Association agreed to a donation of £7,000 to fund one evening activity for one year. Unfortunately, despite considerable efforts by the club for additional fundraising, it has now been forced to close permanently.

Paddington Children's Holiday Scheme (PCHS) offers holidays to underprivileged children aged between 7 and 11 in the Paddington area. A grant of £3,000 enabled PCHS to send an additional 10 children for a week's holiday to Suffolk, in effect doubling their capacity.

In our **Youth Services**, one of the main target groups are young people, aged 18 to 25 plus, who come to London from abroad for a fixed term as au pairs, students, trainees, voluntary workers and employees, the latter mainly in hotel and catering establishments. A diverse programme of leisure time activities, advice for employment and/or accommodation is provided, and counselling and help in acute situations of need is given. Our staff have shown themselves to be highly flexible in catering to this fluid and mobile constituency.

Since 2006 an Au Pair Placement and Advice Service has operated, in cooperation with **"In Via"**, Germany. This has been expanded in recent years and applications are now taken directly from au pairs. Host families and au pairs are given the opportunity to meet before the placement begins and the au pairs are given on-going support, including a leisure and educational programme. In 2017, 54 au pairs were placed into families (2016: 99). Originally as part of the au pair programme, a series of lectures entitled **"Dare to Differ"** was offered as an intercultural course that introduced the participants to British culture, politics, law and society. These lectures have now been opened to all students and volunteers. Certificates are issued to participants on successful completion of the course.

Over the course of the last few years, but particularly in 2016, the number of potential au pairs has decreased sharply. The reason are varied and include other opportunities for working abroad and, for 2017, the result of the referendum leading to Brexit. This decline in numbers is clearly of concern to the Association and strategies are in place to attempt to increase these in the future.

The **"Telephone Contact"** service commenced in 2007, with the financial support of the trustees of the former German Old Peoples Home **"Homelands"**, but is now fully funded by the Association. It provides a regular contact by telephone for elderly, lonely or isolated members of the German community, regardless of location, gender or faith. There is no cost to those being phoned. At present some 40 people are being contacted.

A lecture series entitled **"Faith Talk"** has been running since 2007. Leaders of various faiths and differing Christian traditions are invited to introduce their faith. The lectures are devised to draw out common threads and highlight points of difference. During the year six **"Faith Talks"** were held.

As effective youth work cannot entirely be provided by the resources available in house some of the charity's work is carried out as detached youth work. One of three youth workers is seconded to serve as Pastoral

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

Assistant for youth work in the German congregations of the large parochial district of London West. A grant of £7,000 was made to support this vital work.

The regular programme of **German language classes** has been expanded and there are now five lessons per week during term time. In addition there are now also Italian and English classes available.

The Association now fully funds a "**Street Dance Club**" in local schools to teach children to dance "free, fast and furious". A club has now also been established at "PIP", a local charity for adults with learning disabilities.

Music

Traditionally the Association has always endeavoured to support the making of Music and we now do this in a great variety of ways:

- A Grant of £3,000 was given to the Foundation for Young Musicians to provide bursaries for the Centre for Young Musicians, part of Guildhall School.
- In Association with The London Song Festival a prize of £500 was offered in a competition for the Schubert Society Singer Prize" held during the festival.
- The Association supports the "German Choir London" with an annual donation of £2,000. The Choir is based at the German Christ Church but is not formally part of the church itself. The membership is drawn from the international community in London but has a strong German bias. Both secular and sacred music is performed, often in the German churches in and around London, and on two occasions at our own Association events during the year.

In 2018, to celebrate the centenary of the end of World War I the "German Choir London" is undertaking a series of concerts visiting cathedrals in this country, for which sponsorship has been received from various sources. They will also visit the Menin Gate at Ypres and sing in Brussels Cathedral during the year; a grant of £5,000 will be made in 2018.

- In association with the Schubert Society of Britain live concerts are organized at regular intervals in our own premises and these also support gifted young artists at the beginning of their careers.

The Association and its Outreach

For the better fulfilment of its objects the Association aspires to be inclusive and has an "open house" policy. Our diverse programme of educational or leisure time activities for people of all ages is open to everybody, regardless of gender, ethnic origin, ability or faith.

The Association has, for a number of years, been building ever closer links with the local community. The Association is, and will always remain, the German YMCA in London, serving the needs of the German speaking community as at present; it is our history, identity and culture. But this should not preclude us also becoming a "local" YMCA for the Bayswater and Paddington area, a YMCA serving the needs of its community and one where all feel welcome and able to take part in the programmes on offer. Accordingly, we have begun offering the children and young adults in the area a range of after school activities, be these in the schools themselves such as the Street Dance Club, the After School Club held on our premises or the musical theatre group "Stars & Nightingales" which commenced in April 2016.

As a further part of this process we are building on our already good relationships with our local C of E Church, St James's, and the primary school in Craven Terrace. We perceive there to be a real opportunity to develop an exciting three way cooperation, with all our organisations working on projects within our local community.

Many of the young people with whom we come into contact are foreigners who do not remain long enough in England to consider YMCA membership. Our members' are therefore mainly older, permanent residents, around

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

300 in number, but they are not representative of the considerable actual outreach of the Association itself. Financially too, the income from members' fees is small, reflecting the social background of the people served. The young still in training and the elderly both belong to the lower income groups in our society.

The Association supports the work of YMCA England and YCare International with a donation of £XXX. A further contribution of £7,098 was made by the trading company.

Leadership support is also given by the Association to a variety of other charities, mostly with a German connection.

The German Welfare Council, which operates the German Advice Centre from the Association's premises, received a grant of £10,000 towards its costs in 2013. This was increased to £18,000 from 2014 onwards for an initial period of three years. In addition, the German Welfare Council has the use of its office free of rent, rates, electricity etc. and a member of the Association's staff supports the work directly during busy periods and/or to provide holiday cover. Due to a reduction in staffing, the grant will be reduced to £10,000 from 2018.

The direct contribution made by Lancaster Hall Hotel to our Charitable Work

The sharing of premises at 31 38 Craven Terrace, in Bayswater in London, between the German YMCA and the Lancaster Hall Hotel has the benefit of ensuring the upkeep of several function rooms for both commercial use and a variety of charitable activity within the local community at little or no cost to the user.

Over the last decade or so, the trading company has made a special effort to broaden its services to other charities, much to the benefit of its parent charity and to the other charities concerned. In 2016, conference and lecture room facilities, at a greatly reduced charge or as a free gift, were provided to a variety of different charities and on-going national projects/operations of YMCA England. This represents a benefit of approximately £22,100 (2016: £18,218) to the participating charities.

The trading company has again provided an excellent service in the form of affordable accommodation in a pleasant and comfortable environment for, in the main, groups of young people on educational visits from abroad. In this the company continues a traditional function of the Association. Furthermore, the trading company provides employment and accommodation for 30 staff drawn to a substantial extent from young people from other EU countries, and gives them the opportunity to live and work in London. Often these are for the relatively short periods which young people set aside for the study of the English language and in order to gain work experience in a foreign country.

Achievements and performance

a. Key financial performance indicators

The successful achievement and development of our charitable activities rests on three important financial pillars:

Our donation income:

This derives principally from the gift aid payments from our trading subsidiary, the Lancaster Hall Hotel. In the year under review this was £244,941 (2016: £330,880).

Our Investment Portfolio:

Part of our Reserves are invested in a multi asset fund designed for Charities. In the year under review the market value increased from £1,129,172 to £1,146,594 which includes an addition in the year as well as positive market value movements. We are satisfied that the fund remains an appropriate way to safeguard the real value of our assets, whilst providing a stable income.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

Our Property Portfolio:

Our property holdings comprise not only the premises of our Association and the Lancaster Hall Hotel in Craven Terrace but also four adjacent Victorian houses in Craven Road. These serve to preserve and grow a further part of our reserves and provide us with useful rental income. This amounted to £125,942 in the year under review (2016: £123,636).

b. Investment policy and performance

The investments of the charity are managed by Cazenove Capital Management, whose objective is to maximise total return with due regard for risk.

Apart from limited cash reserves held on a Business Reserve Account, the reserves are invested via Cazenove Capital Management through their Charity Multi Asset Fund. The Charity Multi Asset Fund is a common investment fund designed for charities seeking to maintain the real value of their capital over the medium to long term whilst generating a sustainable and reliable distribution level (from income and capital). The portfolio aims to deliver returns similar to equity markets but with a lower level of volatility and is well diversified across asset classes and incorporates exposure to alternative asset classes such as hedge funds, private equity and commodities. The majority of the portfolio is invested in readily tradeable assets, but there is also likely to be a modest exposure to illiquid assets at any point in time.

The value of these investments increased from £1,129,172 to £1,146,594 during the course of the year which includes an addition in the year as well as positive market value movements.

c. Property portfolio

The Association owns the freehold of properties 31 to 38 Craven Terrace, (the Lancaster Hall Hotel and 5 Victorian terraced houses) and 39 to 45 Craven Road, (4 Victorian terraced houses). All properties are free of charges.

d. Grant making policies

The charity, as part of its budgeting procedure, draws up an annual "Proposed Financial Aid Schedule". In 2017 the total aid schedule was £84,935 (2016: £82,700). The actual grant expenditure paid was £76,147. This reduction in the Proposed Financial Aid Schedule is a direct result of the uncertainties faced by the trading company and that a major beneficiary has found alternative funding. It is hoped that these reductions may be reversed at some time in the future.

In addition, indirect grants are made by discounted accommodation and conference room hire charges and reduced or free office space, as detailed under "Review of Activities".

The Association updated its Conflict of Interest Policy and Conflict of Interest Register in October 2016. The Grant Application Guidelines were reviewed and updated at the same time. (The policy and register were again updated in February 2018.)

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. Reserves policy

Accumulated funds will enable the charity to maintain its properties and thus to continue to fulfil its objects and meet its obligations in support of others.

The reserves of the group are adequate at present at a balance of £1,988,433 (2016: £1,957,264), but the aim to increase these reserves remains a priority as a matter of commercial prudence. The reserves figure as stated above includes less non liquid assets (£650,798). The charity, in pursuance of its own objects, remains committed to create new or underpin existing projects and to support other charities whose level of grant aid is under pressure. The trustees have noted that resources have been received in excess of those expended during the current year. The trustees have considered this surplus, and are satisfied that it has arisen as a result of the trading subsidiary, Lancaster Hall Hotel Limited, completing the bulk of its hotel refurbishment programme and remitting its surplus funds to the charity. The trustees are satisfied that the charity has sufficient reserves to continue with its current activities.

The charity does not rely on any grants from Governments or other sources although certain of our volunteer projects are supported to a modest degree by grants from the British Council.

c. Principal funding

The charity receives most of its funding from donations and investment income. As shown in the statement of financial activities and supporting notes, these funds have mostly been utilised in the facilitation of the youth work and other direct works of the German YMCA and the funding of projects by other charities who are better placed to deliver certain charitable objectives of the German YMCA than the Association itself.

The principal source of funding is donations from the Lancaster Hall Hotel, whose exemplary trading performance record has consistently enabled it to give generous support to the Association.

Lancaster Hall Hotel Ltd is the trading subsidiary of German Young Men's Christian Association in London. During the year occupancy decreased by 1%, accommodation revenue was £1,532,470 compared to £1,500,667 in 2016. Improvements were again undertaken costing in the region of £195,000.

Structure, governance and management

a. Constitution

The principal purpose of the charity is to promote the Christian way of life.

Accordingly the objects of the charity are:

- To lead young people to the Lord Jesus Christ and to fullness of life in Him;
- To provide or assist in the provision in the interest of social welfare of facilities for recreation and other leisure time occupation for men and women with the object of improving their condition of life and/or their general circumstances;
- To relieve or assist in the relief of persons of all ages who are in conditions of need, hardship or distress by reason of their social, physical or economic circumstances whether such assistance be through direct provision to such persons or through provision to other organisations, institutions and/or bodies having such a purpose as their objects or part of their objects; and
- To undertake any action, make such donation(s), provide such assistance (whether financial or otherwise) which may in the reasonable opinion of the Board be ancillary to, incidental to or otherwise assist the charity in the obtaining of such aforementioned objects

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

The charity is constituted under a Constitution dated 21 November 1977 amended 8 June 1993 and last amended 24 June 2003 and is a registered charity number 250118.

b. Method of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who form the Board of Management and are elected and co opted under the terms of the Model Constitution YMCA adopted 21 November 1977, amended 8 June 1993 and last amended 24 June 2003. Trustees are elected at the Annual General Meeting of the charity for a term of three years.

Holding Trustees of the charity, apart from the National Council of YMCAs, are Members of the Board of Management. These are the continuing trustees appointed in accordance with the Declaration of Trust of 12 May 1969 and Deeds of Appointment dated 9 March 2011 and 15 February 2015:

C Daur
D Losse Chairman
P Mallinckrodt
The National Council of YMCAs (Incorporated)

Mr U Maynard is General Secretary and also the Managing Director of Lancaster Hall Hotel Limited.

c. Policies adopted for the induction and training of Trustees

Newly appointed trustees are provided with copies of the charity's constitution, the previous year's "Trustees Report and Financial Statements" and the previous three year's "Annual Review". There is an oral induction dealing with the philosophy, history and objectives of the charity.

Newly appointed trustees are inducted into their responsibilities and duties under Charity Commission regulations on the basis of Charity Commission publications.

Ongoing trustee development takes place at each meeting of the Board of Management.

d. Pay policy for senior staff

Senior staff are paid with reference to pay scales developed by YMCA England and pay increases are implemented as suggested annually by YMCA England. The YMCA England pay scales and the associated increases are themselves based on those used by local government. There is a Remuneration sub-committee consisting of three trustees which reviews the salaries from time to time and makes adjustments as these become necessary to ensure a fair rate of remuneration.

e. Organisational structure and decision making

The members of the Board of Management are responsible for the day to day running of the charity and its trading subsidiary, Lancaster Hall Hotel Limited. The Board of Management reports annually to the Annual General Meeting of the charity.

The day to day management of Lancaster Hall Hotel Limited is the responsibility of its Directors, appointed by the Board of Management. For the current year these were:

D Losse
P Mallinckrodt
U Maynard – Managing Director and Company Secretary

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

f. Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and its trading subsidiary, and are satisfied that systems are in place to mitigate our exposure to the major risks.

Finances:

The Association and trading company control procedure:

There is a strict budgetary and monitoring regime in place which ensures that income and expenditure is reviewed monthly and any necessary action initiated. The accounts are reviewed regularly by the Board of Management and all Board decisions are based on up to date financial information.

Investments:

For short term investments a Business Reserve Accounts is used. Long term investments with Cazenove Capital Management Limited are divided between equities, fixed interest and cash pool accounts. Investment reports are received quarterly as are cash pool accounts and are submitted to the Board of Management periodically for review.

Properties / Liabilities:

All plant is professionally maintained by outside contractors. The following insurance covers are in place:

- Property Insurance (Fire and other perils)
- Employer's liability
- Public liability
- Terrorist
- Three year's loss of income
- Employer's legal expenses
- Directors' liability

In house security (the charity's offices):

Apart from the mandatory fire alarm systems a camera/recording surveillance system is in place, the reception desk is manned 24 hours a day and regular night patrols are effected.

Staff security:

Exposed staff have to follow an established code of practice to minimise risk. They have a bleep or emergency call button facility to call for assistance.

Health and Safety Risk Assessment:

A comprehensive risk assessment, covering all operational activities of the charity and hotel has been carried out and is regularly reviewed. All staff are given a risk assessment relevant to their department during induction.

A Fire Risk Assessment is carried out annually by an independent consultant for the buildings 31 to 38 Craven Terrace.

Staff induction:

All staff receive a comprehensive induction into all aspects of the charity's or hotel's operation, with special

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

emphasis on health and safety issues and fire training.

The GDPR will be introduced in May 2018 and both the Association and trading company are working towards implementing policies and procedures that will assure compliance by this date.

Plans for future periods

a. Future developments

The Board has for some years been concerned that the structure of the organisation as an unincorporated association was no longer appropriate, given the size of the charitable funds under management and the importance of the trading subsidiary, the Lancaster Hall Hotel. A simple incorporation of the charity was deemed unwise and not in the best interest of the charity as it would involve triggering a Section 75 buy out of the pension liabilities. However, after extensive consultation with our advisers and YMCA England, a possible structure has emerged which will avoid this penalty. Subject to agreement from the Charity Commission and the trustees of the YMCA Pension Fund, we are proposing to create a new Charitable Incorporated Organisation (CIO) to hold the bulk of our property and charitable funds and the shares in our trading subsidiary, the Lancaster Hall Hotel. The CIO would be committed to funding the ongoing German YMCA.

Unexpected delays have meant that the CIO could not be formed in 2017 as planned but it is anticipated that this process will now be completed by the end of 2018.

Trustees' responsibilities statement

The Trustees 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 law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the group for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity and the group's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees, on 24/01/18 and signed on their behalf by:



Trustee



Trustee

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

Opinion

We have audited the financial statements of German Young Men's Christian Association in London (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2017 set out on pages 15 to 41. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2017 and of the group's incoming resources and application of resources 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 Charities Act 2011.

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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

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 group's or the parent charity'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 Auditors' Report 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of financial statements which 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 group's and the parent charity'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 group or the parent charity or to cease operations, or have no realistic alternative but to do so.

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF GERMAN YOUNG MEN'S CHRISTIAN
ASSOCIATION IN LONDON

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an Auditors' Report 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. This description forms part of our Auditors' Report.



Haslers

Chartered Accountants
Statutory Auditor

Old Station Road
Loughton
Essex
IG10 4PL

Date:

Haslers are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Income from:					
Donations and legacies	2	44,772	1,748	46,520	67,030
Other trading activities	3	1,917,883	-	1,917,883	1,888,417
Investments	4	167,174	-	167,174	162,224
Other income		18,901	2,580	21,481	22,697
Total income		2,148,730	4,328	2,153,058	2,140,368
Expenditure on:					
Raising funds		1,133,850	-	1,133,850	1,094,494
Charitable activities		1,021,300	6,354	1,027,654	943,881
Total expenditure	7	2,155,150	6,354	2,161,504	2,038,375
Net income / (expenditure) before investment gains		(6,420)	(2,026)	(8,446)	101,993
Net gains on investments	13	39,616	-	39,616	95,785
Net income / (expenditure) before other recognised gains and losses		33,196	(2,026)	31,170	197,778
Net movement in funds		33,196	(2,026)	31,170	197,778
Reconciliation of funds:					
Total funds brought forward		1,945,329	11,935	1,957,264	1,759,486
Total funds carried forward		1,978,525	9,909	1,988,434	1,957,264

The notes on pages 21 to 41 form part of these financial statements.

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	£	2017 £	As restated 2016 £
Fixed assets				
Tangible assets	11	756,895	780,901	
Investment property	12	180,000	180,000	
Total tangible assets			936,895	960,901
Investments	13		1,146,594	1,129,172
			2,083,489	2,090,073
Current assets				
Stocks	14	14,612	13,160	
Debtors	15	137,630	121,350	
Cash at bank and in hand		407,205	359,986	
		559,447	494,496	
Creditors: amounts falling due within one year	16	(372,738)	(331,376)	
Net current assets			186,709	163,120
Total assets less current liabilities			2,270,198	2,253,193
Creditors: amounts falling due after more than one year	17		(263,179)	(274,111)
Deferred tax	18		(18,585)	(21,818)
Net assets			1,988,434	1,957,264
Charity Funds				
Restricted funds	20		9,909	11,935
Unrestricted funds:				
Unrestricted funds excluding pension asset/(liability)		1,961,816	2,187,064	
Pension reserve		16,709	(241,735)	
Total unrestricted funds			1,978,525	1,945,329
Total funds			1,988,434	1,957,264

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

CONSOLIDATED BALANCE SHEET (continued)
AS AT 31 DECEMBER 2017

The financial statements were approved by the Trustees on 24/10/17 and signed on their behalf, by:



The notes on pages 21 to 41 form part of these financial statements.

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	£	2017 £	£	As restated 2016 £
Fixed assets					
Tangible assets	11	470,798		470,798	
Investment property	12	180,000		180,000	
Total tangible assets			650,798		650,798
Investments	13		1,147,594		1,130,172
			1,798,392		1,780,970
Current assets					
Debtors	15	268,944		340,840	
Cash at bank and in hand		205,690		97,276	
		474,634		438,116	
Creditors: amounts falling due within one year	16	(63,289)		(58,614)	
Net current assets			411,345		379,502
Total assets less current liabilities			2,209,737		2,160,472
Creditors: amounts falling due after more than one year	17		(263,179)		(274,111)
Net assets			1,946,558		1,886,361

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

CHARITY BALANCE SHEET (continued)
AS AT 31 DECEMBER 2017

	Note	£	2017 £	As restated 2016 £
Charity Funds				
Restricted funds			9,909	11,935
Unrestricted funds			1,936,649	1,874,426
Total funds			<u>1,946,558</u>	<u>1,886,361</u>

The financial statements were approved by the Trustees on 24/10/17 and signed on their behalf, by:

 

The notes on pages 21 to 41 form part of these financial statements.

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by operating activities	22	25,027	169,071
Cash pool movements		22,192	(35,615)
Purchase of investments		-	(167,855)
Net cash provided by/(used in) investing activities		22,192	(203,470)
Change in cash and cash equivalents in the year		47,219	(34,399)
Cash and cash equivalents brought forward		359,986	394,385
Cash and cash equivalents carried forward	23	407,205	359,986

The notes on pages 21 to 41 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

German Young Men's Christian Association in London constitutes a public benefit entity as defined by FRS 102.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the charity alone as permitted by.

The financial statements are presented in pounds which is the functional currency of the group and rounded to the nearest pound sterling.

1.2 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

1. Accounting Policies (continued)

1.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

1.4 Basis of consolidation

The financial statements consolidate the accounts of German Young Men's Christian Association in London and all of its subsidiary undertakings ('subsidiaries').

The income and expenditure account for the year dealt with in the accounts of the charity was £60,197 (2016 - £(242,571)).

1.5 Tangible fixed assets and depreciation

All assets costing more than £250 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	0% straight line
Fixtures and fittings	-	15% straight line
Computer equipment	-	25% straight line

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

1. Accounting Policies (continued)

1.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

- (i) **Subsidiary undertakings**
Investments in subsidiaries are valued at cost less provision for impairment.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

1. Accounting Policies (continued)

1.12 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

1.13 Pensions

German Young Men's Christian Association In London participated in a multi-employer defined benefit pension plan for employees of YMCAs in England, Scotland and Wales, which was closed to new members and accruals on 30 April 2007. Due to insufficient information, the plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to German Young Men's Christian Association In London.

As described in note 24 German Young Men's Christian Association In London has a contractual obligation to make pension deficit payments of £25,003 pa over the period to April 2027, accordingly this is shown as a liability in notes 16 and 17 to these accounts. In addition, German Young Men's Christian Association In London is required to contribute £7,170 pa to the operating expenses of the Pension Plan and these costs are charged to the Statement of Financial Activities as made.

1.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

2. Income from donations and legacies

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total fund 2016 £
Donations	44,772	-	44,772	46,335
Legacies	-	-	-	1,000
Grants	-	1,748	1,748	19,695
	<u>44,772</u>	<u>1,748</u>	<u>46,520</u>	<u>67,030</u>
Total donations and legacies	<u>44,772</u>	<u>1,748</u>	<u>46,520</u>	<u>67,030</u>
Total 2016	<u>47,335</u>	<u>19,695</u>	<u>67,030</u>	

3. Other trading activities income

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Income from Christmas Bazaar	9,359	-	9,359	8,276
Income from Lancaster Hall Hotel Limited	1,904,377	-	1,904,377	1,877,448
Income from Bring and Buy	1,675	-	1,675	690
Income from Voices in Harmony	687	-	687	2,003
	<u>1,916,098</u>	<u>-</u>	<u>1,916,098</u>	<u>1,888,417</u>
Total 2016	<u>1,888,417</u>	<u>-</u>	<u>1,888,417</u>	

4. Investment income

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Rental Income	125,942	-	125,942	123,636
Dividends and tax credits	41,191	-	41,191	38,437
Interest on deposits	41	-	41	151
	<u>167,174</u>	<u>-</u>	<u>167,174</u>	<u>162,224</u>
Total 2016	<u>162,224</u>	<u>-</u>	<u>162,224</u>	

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

5. Direct costs

	German YMCA Work and Youth Work £	British Council Grant £	Adult Education £
Travel and coach hire	4,550	489	-
Honorariums	520	-	-
Youth office costs	19,553	-	-
Postage and Stationery	2,030	-	-
Conference fees	480	-	-
Telephone and communications	493	-	-
Equipment leasing	793	-	-
Sundry expenses	3,278	-	-
Grants payable	76,147	-	-
Schubertiade concert costs	387	-	-
Cost of providing lessons	-	-	10,590
Costs of placements	-	5,477	-
Training	-	388	-
Xmas Market Costs	5,418	-	-
Stars and Nightingales and PIP Choir	-	-	-
Wages and salaries	201,427	-	-
Pension cost	14,592	-	-
	<u>329,668</u>	<u>6,354</u>	<u>10,590</u>
<i>Total 2016</i>	<u>328,308</u>	<u>23,170</u>	<u>10,244</u>

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

5. Direct costs (continued)

	Schubertiade Concert £	Hilda Sloan Fund £	Total 2017 £	Total 2016 £
Travel and coach hire	-	-	5,039	10,490
Honorariums	-	-	520	585
Youth office costs	-	-	19,553	22,224
Postage and Stationery	-	-	2,030	2,381
Conference fees	-	-	480	588
Telephone and communications	-	-	493	1,216
Equipment leasing	-	-	793	573
Sundry expenses	-	-	3,278	1,310
Grants payable	-	-	76,147	83,240
Schubertiade concert costs	4,049	-	4,436	5,093
Cost of providing lessons	-	-	10,590	10,244
Costs of placements	-	-	5,477	16,125
Training	-	-	388	1,065
Xmas Market Costs	-	-	5,418	6,045
Stars and Nightingales and PIP Choir	-	5,226	5,226	5,261
Wages and salaries	-	-	201,427	190,650
Pension cost	-	-	14,592	14,550
	4,049	5,226	355,887	371,640
	4,657	5,261	371,640	
Total 2016				

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

6. Support costs

	Unrestricted	Total	Total
	£	2017	2016
	£	£	£
Postage and Stationery	7,894	7,894	9,380
Depreciation	24,007	24,007	27,405
Telephone and communications	13,140	13,140	14,343
Sundry expenses	2,541	2,541	2,460
Auditors Fees	24,778	24,778	19,810
Legal & Professional	53,086	53,086	21,303
Pension Expense	7,170	7,170	8,557
Insurance	62,172	62,172	58,842
Property Expense	73,626	73,626	54,959
Bank charges	27,362	27,362	26,419
Salaries	47,388	47,388	46,045
Deferred tax	(3,233)	(3,233)	21,818
Accountancy fees	1,408	1,408	5,688
Water rates	21,657	21,657	21,987
Advertising	7,315	7,315	7,619
Light and heat	64,724	64,724	61,295
Computer costs	16,899	16,899	16,129
Subscriptions & licenses	24,765	24,765	23,263
Property maintenance	195,068	195,068	124,919
	<u>671,767</u>	<u>671,767</u>	<u>572,241</u>
<i>Total 2016</i>	<u>572,241</u>	<u>572,241</u>	

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

7. Analysis of Expenditure by expenditure type

	Staff costs 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Expenditure on fundraising trading	818,282	315,132	1,133,414	1,094,494
Costs of generating funds	818,282	315,132	1,133,414	1,094,494
German YMCA Work and Youth Work	216,019	113,649	329,668	328,308
British Council Grant	-	6,354	6,354	23,170
Adult Education	-	10,590	10,590	10,244
Schubertiade Concert	-	4,049	4,049	4,657
Support costs	-	671,767	671,767	572,241
Hilda Sloan Fund	-	5,226	5,226	5,261
Charitable activities	216,019	811,635	1,027,654	943,881
	1,034,301	1,126,767	2,161,068	2,038,375
<i>Total 2016</i>	<i>984,352</i>	<i>1,054,023</i>	<i>2,038,375</i>	

8. Net income/(expenditure)

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets: - owned by the charitable group	24,007	27,405
Auditors' remuneration	24,778	24,130

During the year, no Trustees received any remuneration (2016 - £NIL).
During the year, no Trustees received any benefits in kind (2016 - £NIL).
During the year, no Trustees received any reimbursement of expenses (2016 - £NIL).

9. Auditors' remuneration

The Auditor's remuneration amounts to an Audit fee of £19,300 (2016 - £18,740), and taxation and other services of £5,478 (2016 - £5,780).

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

10. Staff costs

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	1,014,776	964,788
Other pension costs (Note 24)	19,525	19,564
	<u>1,034,301</u>	<u>984,352</u>

The average number of persons employed by the charity during the year was as follows:

	2017 No.	2016 No.
Charity Staff	7	7
Hotel Staff	46	45
	<u>53</u>	<u>52</u>

No employee received remuneration amounting to more than £60,000 in either year.

Total remuneration paid to key management personnel was £154,119 (2016: £154,486).

11. Tangible fixed assets

Group	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 January 2017 (as restated) and 31 December 2017	683,213	392,225	34,612	1,110,050
Depreciation				
At 1 January 2017	31,360	263,817	33,972	329,149
Charge for the year	4,248	19,261	497	24,006
At 31 December 2017	35,608	283,078	34,469	353,155
Net book value				
At 31 December 2017	647,605	109,147	143	756,895
At 31 December 2016	651,853	128,408	640	780,901

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

	Freehold property £	Fixtures and fittings £	Total £
Charity			
Cost			
At 1 January 2017 (as restated) and 31 December 2017	470,798	24,146	494,944
Depreciation			
At 1 January 2017 and 31 December 2017	-	24,146	24,146
Net book value			
At 31 December 2017	470,798	-	470,798
<i>As restated</i>			
<i>At 31 December 2016</i>	470,798	-	470,798
12. Investment property			
			Freehold investment property £
Group			
Valuation			
At 1 January 2017 (as restated) and 31 December 2017			180,000
			Freehold investment property £
Charity			
Valuation			
At 1 January 2017 (as restated) and 31 December 2017			180,000
13. Fixed asset investments			
			Listed securities £
Group			
Market value			
At 1 January 2017			1,129,172
Revaluations			39,616
Net transfer from fixed asset investments to current assets			(22,194)
At 31 December 2017			1,146,594

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

13. Fixed asset investments (continued)

Group investments at market value comprise:

	2017 £	2016 £
Listed investments	1,146,594	1,129,172

All the fixed asset investments are held in the UK

	Listed securities £	Sub total carried forward £
Charity		
Market value		
At 1 January 2017	1,129,172	1,129,172
Revaluations	39,616	39,616
Reclassifications	(22,194)	(22,194)
At 31 December 2017	1,146,594	1,146,594

	Sub total brought forward £	Shares in group undertakings £	Total £
Charity			
Market value			
At 1 January 2017	1,129,172	1,000	1,130,172
Revaluations	39,616	-	39,616
Reclassifications	(22,194)	-	(22,194)
At 31 December 2017	1,146,594	1,000	1,147,594

Charity investments at market value comprise:

	2017 £	2016 £
Listed investments	1,146,594	1,129,172
Group	1,000	1,000
Total	1,147,594	1,130,172

All the fixed asset investments are held in the UK

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

14. Stocks

	<u>Group</u>	
	2017	2016
	£	£
Goods to use	14,612	13,160

15. Debtors

	<u>Group</u>		<u>Charity</u>	
	2017	2016	2017	2016
	£	£	£	£
Due after more than one year				
Other debtors	400	1,600	-	-
Due within one year				
Trade debtors	59,560	51,276	-	-
Other debtors	1,250	1,200	244,941	330,880
Prepayments and accrued income	76,420	67,274	24,003	9,960
	137,630	121,350	268,944	340,840

16. Creditors: Amounts falling due within one year

	<u>Group</u>		<u>Charity</u>	
	2017	2016	2017	2016
	£	£	£	£
Pension contractual liability	24,726	23,879	24,726	23,879
Trade creditors	193,276	154,886	439	1,419
Other taxation and social security	101,098	102,606	9,573	9,152
Other creditors	1,212	960	118	-
Accruals and deferred income	52,426	49,045	28,433	24,164
	372,738	331,376	63,289	58,614

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

NOTES TO THE FINANCIAL STATEMENTS
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17. Creditors: Amounts falling due after more than one year

	<u>Group</u>		<u>Charity</u>	
	2017	2016	2017	2016
	£	£	£	£
Pension contractual liability	200,300	217,856	200,300	217,856
Other creditors	62,879	56,255	62,879	56,255
	<u>263,179</u>	<u>274,111</u>	<u>263,179</u>	<u>274,111</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	<u>Group</u>		<u>Charity</u>	
	2017	2016	2017	2016
	£	£	£	£
Repayable by instalments	<u>161,622</u>	<u>175,924</u>	<u>161,622</u>	<u>175,924</u>

18. Deferred taxation

	<u>Group</u>	
	2017	2016
	£	£
At beginning of year	21,818	-
Charge for the year (P&L)	-	21,818
Other movement (P&L)	(3,233)	-
At end of year	<u>18,585</u>	<u>21,818</u>

The provision for deferred taxation is made up as follows:

	<u>Group</u>	
	2017	2016
	£	£
Accelerated capital allowances	<u>18,585</u>	<u>21,818</u>

19. Prior year adjustment

A prior year adjustment has been made to reflect the change in treatment of the property assets. The properties which are rented out to third parties are now included in investment property.

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

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20. Statement of funds

Statement of funds - current year

	Balance at 1 January 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2017 £
Designated funds						
Hilda Sloan Legacy	192,226	7,688	(5,823)	-	7,394	201,485
Schubertiade Concert	721	1,159	(4,049)	5,000	-	2,831
	<u>192,947</u>	<u>8,847</u>	<u>(9,872)</u>	<u>5,000</u>	<u>7,394</u>	<u>204,316</u>
General funds						
German YMCA General Funds	1,923,213	209,815	(202,890)	(5,000)	32,222	1,957,360
Lancaster Hall Hotel Funds	70,904	1,906,189	(1,935,218)	-	-	41,875
Pension reserve	(241,735)	23,879	(7,170)	-	-	(225,026)
	<u>1,752,382</u>	<u>2,139,883</u>	<u>(2,145,278)</u>	<u>(5,000)</u>	<u>32,222</u>	<u>1,774,209</u>
Total Unrestricted funds	<u>1,945,329</u>	<u>2,148,730</u>	<u>(2,155,150)</u>	<u>-</u>	<u>39,616</u>	<u>1,978,525</u>
Restricted funds						
Music Societies Account	-	2,580	-	-	-	2,580
British Council Grant	11,935	1,748	(6,354)	-	-	7,329
	<u>11,935</u>	<u>4,328</u>	<u>(6,354)</u>	<u>-</u>	<u>-</u>	<u>9,909</u>
Total of funds	<u>1,957,264</u>	<u>2,153,058</u>	<u>(2,161,504)</u>	<u>-</u>	<u>39,616</u>	<u>1,988,434</u>

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2016 £
Designated funds						
Hilda Sloan Legacy	167,855	8,067	(5,615)	-	21,919	192,226
Schubertiade Concert	391	1,988	(4,658)	3,000	-	721
	<u>168,246</u>	<u>10,055</u>	<u>(10,273)</u>	<u>3,000</u>	<u>21,919</u>	<u>192,947</u>
General funds						
German YMCA General Funds	1,716,327	210,157	(74,137)	(3,000)	73,866	1,923,213
Lancaster Hall Hotel Funds	115,694	1,877,448	(1,922,238)	-	-	70,904
Pension reserve	(256,191)	23,013	(8,557)	-	-	(241,735)
	<u>1,575,830</u>	<u>2,110,618</u>	<u>(2,004,932)</u>	<u>(3,000)</u>	<u>73,866</u>	<u>1,752,382</u>
Total Unrestricted funds	<u>1,744,076</u>	<u>2,120,673</u>	<u>(2,015,205)</u>	<u>-</u>	<u>95,785</u>	<u>1,945,329</u>
Restricted funds						
British Council Grant	15,410	19,695	(23,170)	-	-	11,935
	<u>15,410</u>	<u>19,695</u>	<u>(23,170)</u>	<u>-</u>	<u>-</u>	<u>11,935</u>
Total of funds	<u>1,759,486</u>	<u>2,140,368</u>	<u>(2,038,375)</u>	<u>-</u>	<u>95,785</u>	<u>1,957,264</u>

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

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Summary of funds - current year

	Balance at 1 January 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2017 £
Designated funds	192,947	8,847	(9,872)	5,000	7,394	204,316
General funds	1,752,382	2,139,883	(2,145,278)	(5,000)	32,222	1,774,209
	<u>1,945,329</u>	<u>2,148,730</u>	<u>(2,155,150)</u>	<u>-</u>	<u>39,616</u>	<u>1,978,525</u>
Restricted funds	11,935	4,328	(6,354)	-	-	9,909
	<u>1,957,264</u>	<u>2,153,058</u>	<u>(2,161,504)</u>	<u>-</u>	<u>39,616</u>	<u>1,988,434</u>

Summary of funds - prior year

	Balance at 1 January 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2016 £
Designated funds	168,246	10,055	(10,273)	3,000	21,919	192,947
General funds	1,575,830	2,110,618	(2,004,932)	(3,000)	73,866	1,752,382
	<u>1,744,076</u>	<u>2,120,673</u>	<u>(2,015,205)</u>	<u>-</u>	<u>95,785</u>	<u>1,945,329</u>
Restricted funds	15,410	19,695	(23,170)	-	-	11,935
	<u>1,759,486</u>	<u>2,140,368</u>	<u>(2,038,375)</u>	<u>-</u>	<u>95,785</u>	<u>1,957,264</u>

Unrestricted general - represents funds for the general use of the Charity towards its charitable objectives on which there is no designation or restriction.

Schubertiade Concert - Its purpose is to cover the cost of the artists and catering at these concerts which are attended by members of the public.

Hilda Sloan Legacy - Its purpose is to fund specific projects that are associated with music and is part of designated general funds.

British Council Grant - Its purpose to provide training and education opportunities for students outside of the UK.

Music Societies Account - Its purpose to fund and facilitate events by various musical societies in Greater London.

Pension Reserve - Its purpose is to disclose separately the pension liability.

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	756,893	-	756,893
Fixed asset investments	1,146,594	-	1,146,594
Investment property	180,000	-	180,000
Debtors due after more than 1 year	400	-	400
Current assets	549,139	9,909	559,048
Creditors due within one year	(372,737)	-	(372,737)
Creditors due in more than one year	(263,179)	-	(263,179)
Provisions for liabilities and charges	(18,585)	-	(18,585)
	<u>1,978,525</u>	<u>9,909</u>	<u>1,988,434</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
Tangible fixed assets	780,900	-	780,900
Fixed asset investments	1,129,172	-	1,129,172
Investment property	180,000	-	180,000
Debtors due after more than 1 year	1,600	-	1,600
Current assets	480,960	11,935	492,895
Creditors due within one year	(331,374)	-	(331,374)
Creditors due in more than one year	(274,111)	-	(274,111)
Provisions for liabilities and charges	(21,818)	-	(21,818)
	<u>1,945,329</u>	<u>11,935</u>	<u>1,957,264</u>

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2017	Group
	£	2016
		£
Net income for the year (as per Statement of Financial Activities)	31,170	197,778
Adjustment for:		
Depreciation charges	24,007	27,405
Losses on investments	(39,616)	(95,785)
Increase in stocks	(1,452)	-
Increase in debtors	(16,279)	7,189
Increase in creditors	30,430	10,666
Movement in tax	(3,233)	21,818
Net cash provided by operating activities	25,027	169,071

23. Analysis of cash and cash equivalents

	2017	Group
	£	2016
		£
Cash in hand	407,205	359,986
Total	407,205	359,986

24. Pension commitments

German Young Men's Christian Association In London participated in a 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 German Young Men's Christian Association In London and at the year end these were invested in the Mercer Dynamic De-risking Solution, 40% matching portfolio and 60% in the growth portfolio and Schroder (property units only).

The most recent completed three year valuation was as at 1 May 2017. 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 3.75% and 2.25% respectively, the increase in pensions in payment of 3.35% (for RPI capped at 5% p.a.), and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.2 years, female 24.1 years, and 24.0 years for a male pensioner, female 26.0 years, retiring in 20 years time. 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 the 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. German Young Men's Christian Association In London has been advised that it will need to make

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

24. Pension commitments (continued)

monthly contributions of £2,084 from 1 May 2018. 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 9 years commencing 1st May 2017.

In addition, German Young Men's Christian Association In London 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 German Young Men's Christian Association In London may be called upon to pay in the future.

25. Operating lease commitments

At 31 December 2017 the total of the group's future minimum lease payments under non-cancellable operating leases was:

Group	2017	2016
	£	£
Amounts payable:		
Within 1 year	11,073	11,687
Between 1 and 5 years	18,317	28,852
After more than 5 years	-	538
Total	29,390	41,077

At 31 December 2017 the charity had annual commitments under non-cancellable operating leases as follows:

Charity		
Amounts payable:		
Within 1 year	1,534	1,534
Between 1 and 5 years	2,761	4,294
Total	4,295	5,828

GERMAN YOUNG MEN'S CHRISTIAN ASSOCIATION IN LONDON

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

26. Related party transactions

During the year transactions with the following related parties occurred:

Lancaster Hall Hotel Limited - Subsidiary
Cazenove Capital Management - P Mallinckrodt is a director of the parent company Schroders PLC

The donation receivable from Lancaster Hall Hotel Limited for the year is £244,941 (2016: £330,880).

Cazenove Capital Management manage the investment portfolio held by the Charity. Cazenove Capital Management charged management fees of £2,386 (2016: £2,881) for the year.

At the year-end the following amounts were due from/(to) the related parties:

	2017 £	2016 £
Lancaster Hall Hotel Limited	<u>244,941</u>	<u>330,880</u>

27. Principal subsidiaries

Lancaster Hall Hotel Limited

Subsidiary name	Lancaster Hall Hotel Limited
Company registration number	02435355
Basis of control	Shareholding
Equity shareholding %	100%
Total assets as at 31 December 2017	£ 615,851
Total liabilities as at 31 December 2017	£ 572,976
Total equity as at 31 December 2017	£ 42,875
Turnover for the year ended 31 December 2017	£ 1,906,162
Expenditure for the year ended 31 December 2017	£ 1,938,450
Loss for the year ended 31 December 2017	£ (29,028)