

SCOTTISH NATIONAL COUNCIL OF YMCAs

**Annual Report and Financial Statements
For the year ended 31 March 2016**

Scottish Charity Number SC013792

SCOTTISH NATIONAL COUNCIL OF YMCAs

Annual Report and Financial Statements

For the year ended 31 March 2016

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SCOTTISH NATIONAL COUNCIL OF YMCAs

Executive Committee's Report

For the year ended 31 March 2016

The Executive Committee has pleasure in presenting its report and audited financial statements for the year ended 31 March 2016.

Objective and activities

The objectives of YMCA Scotland for the period from 2013-2016 are:

- To build the capacity of local YMCAs.
- To invest in building excellent leadership within the YMCA.
- To design and develop innovative YMCA programmes.
- To raise the profile and build the brand of YMCA in Scotland.

YMCA Scotland is accountable to the Scottish YMCA movement through the National Council of YMCAs. This accountability is delivered through at least two meetings per year of the Council, including the Annual Business Meeting. The Executive Committee, elected by the Council, meets at least four times a year.

YMCA Scotland received a grant from the Scottish Government Third Sector Early Intervention Fund (TSEIF) to deliver a number of core outcomes focused around Prevention and Early Intervention. 2015/16 was the final year of this funding stream and YMCA Scotland successfully delivered on this work and submitted a final report to the funder.

The TSEIF has now been replaced by the Children and Young People's Early Intervention Fund. In 2016/17 YMCA Scotland has secured funding from the new stream to deliver infrastructure support to local YMCAs.

YMCA Scotland is a federation of 31 local YMCAs working in over 100 communities across Scotland. The core purpose of YMCA Scotland is to represent and support the needs and interests of the YMCA members. In working towards the stated objectives of YMCA Scotland, the key activities of the charity over the past year have included:

Build the capacity of local YMCAs

- Providing targeted support to local YMCAs in response to specific identified needs including recruitment, community needs assessment, governance, staffing and training.
- Providing funded places for legal compliance training to local YMCA workforce in First Aid, Health & Safety & Food Hygiene.
- Consulting with local YMCAs to evaluate the current strategic plan and develop a new Strategic Plan for YMCA Scotland 2017-2020.

Invest in building excellent leadership within the YMCA

- Training young people as Heritage Ambassadors to lead on YMCA Heritage project.
- Providing access to World YMCA Change Agent training for 2 young leaders.

Design and develop innovative YMCA programmes

- Developing Youthworks mentoring; a new employability support programme.
- Monitoring & co-ordinating ongoing programmes including Prevention Project Health Development Project & Plusone Mentoring.

Raise the profile and build the brand of YMCA in Scotland

- Hosting a Global launch of World Alliance of YMCAs One Million Voices Research.
- Developing a YMCA Manifesto for the Scottish Parliament Elections 2016.
- Preparation of bid to host YMCA Europe General Assembly 2017.
- Review and re-shaping of YMCA Scotland fundraising & communications function.

The success of key activities during the year was measured by the YMCA Scotland Programme Committee against a 2015/16 Improvement Framework. Quarterly returns to funders such as the Scottish Government, Robertson Trust and Big Lottery reported on the achievement of agreed outcomes.

SCOTTISH NATIONAL COUNCIL OF YMCAs

Executive Committee's Report

For the year ended 31 March 2016

Achievements and performance

During 2015/16 YMCA Scotland undertook several new developments and initiatives including hosting a global launch for the World YMCA One Million Voices Research. YMCA Scotland used the Scottish data from the Research to write a YMCA Scottish Parliamentary Election Manifesto, highlighting the concerns and needs of young people.

In June 2015, YMCA Scotland secured four year funding from the Queen's Young Leaders Programme for Youthworks mentoring; an employability support programme working in partnership with eight local YMCAs and SCVO.

YMCA Scotland undertook a comprehensive review of its fundraising activities and as a result two staff posts were made redundant in December 2015. YMCA Scotland is now receiving pro-bono support from Tangible (part of the Cello Signal group) to develop a new Fundraising strategy.

YMCA Scotland secured funding to hold a national conference in March 2016. The purpose of the conference was to review the 2013-16 Strategy and consult with local YMCAs on the future strategic direction of the YMCA in Scotland. Key themes emerging from the consultation included: Ensuring that the YMCA is providing high quality youth work across Scotland; developing an effective communication & marketing strategy for the YMCA; developing and empowering young people to have a positive impact on local communities.

Financial review

The results for the year show a deficit of £129,607 of which £13,146 related to restricted funds representing timing differences between income and expenditure on these funds. The balance of the deficit amounting to £116,461 represents the shortfall of income over expenditure on our unrestricted funds. This deficit includes a revaluation loss on our investments of £42,064 and a charge of £23,279 relating to our pension deficit. However even after taking account of the aforementioned items we have still made an operational deficit of £51,118 in the year and a large part of this is due to a continuing decline in our fundraising income of £10,382 and legacy income, of which we have received none in the year, down by £19,084. In addition, during the previous financial year we employed a part time fundraiser which did not work out at all well. Consequently, we have reviewed both our direct mailing operation and our other fundraising functions and have made two posts amounting to 1.6 FTE redundant.

The new accounting standards have been implemented this year, resulting in a change to the require accounting and disclosure of the pension liability. As a result our reserves at 31 March 2015 have been reduced by £708,819 which was the pension deficit liability at that date. This debt will continue to be paid off over the next 10 or so years. This change however has reduced our reserves to £1,101,327 of which £755,137 are unrestricted.

Our balance sheet shows that we hold investments valued at £948,764 of which £862,504 are shares in quoted investment trusts and are classed as moderate risk investments. Although the current year shows a loss in valuation of these investments the trustees consider it in our best interests to continue to hold these investments as they produce a significantly higher income that we would achieve from cash in the bank and secondly the shares are still valued significantly higher than the price we paid for them.

Once again the charity has triggered an exception listed by OSCR in the 'Exception Reporting' return. The charity's debtors represent more than 30% of total incoming resources in 2016 (31.88%) due to sums owing from local YMCA's as disclosed in note 15. Payment plans are in place for the repayment of all of these loans and debts.

SCOTTISH NATIONAL COUNCIL OF YMCAs

Executive Committee's Report

For the year ended 31 March 2016

Reserves policy and going concern

The trustees have established that unrestricted funds not committed or invested in tangible fixed assets (the free reserves) should be a least 6 months of current annual expenditure in general funds. At the year end the free reserves were £256,392 and the annual unrestricted expenditure was £280,129 meaning our reserves are around 11 months expenditure. However given the uncertainties of the pension liabilities and levels of donations the trustees do not wish to see these free reserves reduce significantly.

Going concern is not an issue in the short term due to the level of cash and realisable investments we hold but longer term this is dependent on the elimination of operating deficits and no further significant increases in our pension liability.

Taxation

The Council is a charity and is recognised as such by HMRC for taxation purposes. As a result, there is no liability to taxation on any of its income.

Investment performance

June 2016 will always be remembered as the month when the UK voted to leave the EU and it's fair to say that the overwhelming focus on the referendum dominated price action in markets from start to finish. In fact, you could almost start this performance review from the 23rd June. Risk assets initially tumbled into mid-month as the leave campaign built momentum, however a swing back in favour for the remain campaign saw most major markets wipe out early month losses to go into the vote relatively flat. However, with momentum favouring the 'remain' camp and markets pricing in largely a 'remain' outcome, the vote in favour to leave sparked a huge risk off move. This lasted for all of two days however before markets rebounded into month end.

So, looking more deeply at the events surrounding the vote, it was BoE chief Mark Carney who stole the show markets wise when he discussed the likelihood of looser monetary policy over the summer in an afternoon speech. This was combined with a Bloomberg story late in the day suggesting that the ECB were considering moving away from capital keys to allow them to increase the pool of securities they can buy and possibly give them more flexibility to help direct funds to the more indebted in the future. Both stories helped sharply turn around a day that started with weakness in the morning European session. Expanding on those two in order, in his second televised interview Carney said specifically that 'it now seems plausible that uncertainty could remain elevated for some time' and that 'the economic outlook has deteriorated and some monetary policy easing will likely be needed over the summer'.

Last month the BoE reacted like a cornered lion as they loosened policy more than expected and in a fairly wide reaching manner. This was after the bank made its largest downgrade to its growth forecasts (including 2017 down from 2.3% to 0.8%) since the creation of the MPC back in 1997. The 25bp rate cut was in line with expectations, but this came with a plethora of additional policy moves: a new GBP100bn four-year Term Funding Scheme (TFS) to aid the transmission of monetary policy at low interest rates through the banking system (an unexpected innovation); GBP60bn of gilt-based QE over the next 6 months (they had thought this would wait until September, but the pace of purchasing is about half the rate they were assuming); and a corporate QE programme of up to GBP10bn. The bank did signal that all the policies have room to be expanded if necessary with the caveat that Mark Carney reiterated that he is not a big fan of negative rates. So the UK may respect the zero bound if you take his consistent comments at face value.

The breadth of the policy response was impressive but as other central banks have found you can lead a horse to water (i.e. enhance the supply of bank credit) but you can't make him drink (i.e. create aggregate demand) so these measures are unlikely to be a panacea but it gives the BoE some breathing space before there's a fiscal response in the autumn. That's going to be the main determinant in cushioning the growth shock in say 2017 in our opinion.

Risk assessment

The YMCA Scotland Executive Committee has conducted a review of the major risks to which the charity is exposed and measures have been established to mitigate these risks. The most significant exposure to risk identified was in relation to the Pension Liability and Resource management.

SCOTTISH NATIONAL COUNCIL OF YMCAs

Executive Committee's Report

For the year ended 31 March 2016

Plans for future periods

The Executive committee considers the priorities for the next year are:

- Movement Strengthening – support and development of local YMCAs.
- Empowering young people.
- Leadership Development & training.
- Workforce development for local YMCAs.
- Fundraising & Communication.
- Developing a new Strategic Plan for the YMCA Movement in Scotland 2017-2020.

Structure, governance and management

The Scottish Executive Committee of YMCAs was established by constitution in 1875 and changed its name to Scottish National Council of YMCAs in 1894. The management of the Council is the responsibility of the Executive Committee which is elected under the terms of the constitution.

Executive Committee members for YMCA Scotland are nominated by local member associations in accordance with the timeframes and procedures laid down in the YMCA Scotland constitution. These nominations are then presented to the Annual General Meeting when a public election process makes the appointments to the Executive Committee for that year. A new nominated member of the Executive Committee will be supplied with initial information about the nature and structure of the organisation and the role of a committee member. This will be followed by an induction meeting with the National General Secretary at which a more in depth discussion of the role, purpose, responsibilities and liabilities of a member is undertaken. Induction will also provide the member with copies of all YMCA Scotland policies.

The Executive Committee has overall responsibility for the Strategic and Financial Management of the organisation to:

- Approve the budget, strategic plan and improvement framework for the year.
- Approve signatories to the bank accounts.
- Appoint staff where not delegated to the Chief Executive.
- Agreeing and reviewing pay & remuneration for all staff members including benchmarking of salaries against other Third Sector organisations of a similar size and function.
- Receive reports from the Management Team on areas of concern.
- Approve exceptional items of expenditure.
- Monitor the financial position based on monthly reports, with advice from the Resources Committee and the Treasurer.
- Approve the annual accounts, auditors report and appointment of auditors.
- Approve and review all YMCA Scotland policies, procedures and risk register.

The Resources committee has designated responsibility from the Executive Committee to scrutinize the accounts and make recommendations to the Executive Committee for decision. Membership of the Resources committee is agreed by the Executive Committee and can include external advisors or individuals with a particular area of expertise.

The Chief Executive has designated responsibility from the Executive Committee to:

- Prioritise and manage day to day delivery of the strategic plan.
- Monitor and manage day to day financial performance.
- Ensure that all staff work within agreed budgets.
- Ensure that all staff comply with all YMCA Scotland policies & procedures.
- Day to day management of the YMCA Scotland risk register.

SCOTTISH NATIONAL COUNCIL OF YMCAs

Executive Committee's Report

For the year ended 31 March 2016

Reference and administrative details

Charity Number

SC013792

President

John Naylor OBE

Vice Presidents

Walter C T Crosby

Bob Kilgour

Keith McIntosh

Tom McPherson

May Nisbet

Richard Jones

Peter Robertson

Chairman

Mike Will MBE

Vice Chairman

James Reilly

Treasurer

Robert Clark

National General Secretary

Kerry Reilly

Executive

Dave Bremner

Ross Laird

Andrew Cummings

Stewart McCrae

Paul Rorie

Mark Hutchison

Howard Sercombe

Daniel Bairgrie

Hayley Gillies

Jill McGrath

Graeme McMeekin

Jamie Lockhart (co-opted)

Auditor

Scott-Moncrieff

Chartered Accountants

Exchange Place 3

Semple Street

Edinburgh

EH3 8BL

Bankers

Bank of Scotland plc

Princes Exchange

3 Earl Grey Street

Edinburgh

EH3 9BN

Investment Managers

Tilney Best Invest

25 Melville Street

Edinburgh

EH3 7PE

Solicitors

Blackwood & Smith WS

39 High Street

Peebles

EH45 8AD

Headquarters

James Love House

11 Rutland Street

Edinburgh

EH1 2DQ

SCOTTISH NATIONAL COUNCIL OF YMCAs

Executive Committee's Report

For the year ended 31 March 2016

Statement of Executive Committee's responsibilities

The Executive Committee is responsible for preparing its 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 Scotland requires the Executive Committee to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the charity, and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Executive Committee is 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;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in the business.

The Executive Committee is responsible for keeping adequate accounting records that disclose, with reasonable accuracy at any time, the financial position of the charity and enable it to ensure that the financial statements comply with the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. It is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Executive Committee is responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

To the knowledge and belief of each member of the Executive Committee, at the time the report is approved:

- So far as each member of the Executive Committee is aware, there is no relevant information of which the charity's auditor is unaware, and
- Each member of the Executive Committee has taken all the steps that he/she ought to have taken as a member of the Executive Committee in order to make himself/herself aware of any relevant audit information, and to establish that the charity's auditor is aware of the information.

SCOTTISH NATIONAL COUNCIL OF YMCAs

Executive Committee's Report

For the year ended 31 March 2016

Auditor

A resolution to re-appoint Scott-Moncrieff, Chartered Accountants as auditor will be put to the members at the Annual General Meeting.

By order of the Board:

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Date:

Mike Will MBE
Chairman

SCOTTISH NATIONAL COUNCIL OF YMCAs

Independent Auditor's Report to the Executive Committee

For the year ended 31 March 2016

We have audited the financial statements of the Scottish National Council of YMCAs for the year ended 31 March 2016 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and related notes. 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".

This report is made solely to the charity's Executive Committee, as a body, in accordance with section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's Executive Committee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Executive Committee as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Executive Committee and auditors

As explained more fully in the Statement of Executive Committee's responsibilities set out on page 6, the Executive Committee are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditors under section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (United Kingdom and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2016 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

SCOTTISH NATIONAL COUNCIL OF YMCAs

Independent Auditor's Report to the Executive Committee

For the year ended 31 March 2016

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 (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Executive Committee's Report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the 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.

Scott-Moncrieff
Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Exchange Place 3
Seiple Street
Edinburgh EH3 8BL

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SCOTTISH NATIONAL COUNCIL OF YMCAs

**Statement of Financial Activities
(Incorporating the Income and Expenditure Account)**

For the year ended 31 March 2016

| | Notes | Restricted Funds £ | Designated & Unrestricted Funds £ | Total Funds 2016 £ | Total Funds 2015 £ |
|---|--------------|-----------------------------------|--|---------------------------------------|---------------------------------------|
| Income and endowments from: | | | | | |
| Donations and legacies | 5 | 3,010 | 116,688 | 119,698 | 149,164 |
| Charitable activities | 6 | 604,441 | 27,615 | 632,056 | 519,647 |
| Other trading activities | | - | 11,880 | 11,880 | 27,292 |
| Investment income | 7 | - | 36,487 | 36,487 | 42,111 |
| Total income | | <u>607,451</u> | <u>192,670</u> | <u>800,121</u> | <u>738,214</u> |
| Expenditure on: | | | | | |
| Raising Funds: | | | | | |
| Costs of generating voluntary income | 8 | 38,615 | 60,052 | 98,667 | 58,158 |
| Investment management costs | | - | 8,305 | 8,305 | 6,725 |
| Charitable activities | 9 | 568,920 | 211,772 | 780,692 | 1,000,292 |
| Total expenditure | | <u>607,535</u> | <u>280,129</u> | <u>887,664</u> | <u>1,065,175</u> |
| Net (loss)/gain on investments | 14 | - | (42,064) | (42,064) | 48,506 |
| Net income/(expenditure) | | (84) | (129,523) | (129,607) | (278,455) |
| Transfers between funds | | <u>(13,062)</u> | <u>13,062</u> | - | - |
| | | (13,146) | (116,461) | (129,607) | (278,455) |
| Other recognised gains/(losses): | | | | | |
| Gains on revaluation of fixed assets | | - | - | - | 12,000 |
| Net movement in funds | 10 | <u>(13,146)</u> | <u>(116,461)</u> | <u>(129,607)</u> | <u>(266,455)</u> |
| Balance at 31 March 2015 | | <u>359,336</u> | <u>871,598</u> | <u>1,230,934</u> | <u>1,497,389</u> |
| Balance at 31 March 2016 | | <u><u>346,190</u></u> | <u><u>755,137</u></u> | <u><u>1,101,327</u></u> | <u><u>1,230,934</u></u> |

All activities relate to continuing operations.

There are no other recognised gains or losses in the year.

The notes on pages 13 to 28 form part of these financial statements.

SCOTTISH NATIONAL COUNCIL OF YMCAs

Balance Sheet

As at 31 March 2016

| | | 2016 | | 2015 | |
|--|-------|------------------|------------------|------------------|------------------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 13 | | 498,745 | | 501,117 |
| Investments | 14 | | 948,764 | | 990,828 |
| | | | <u>1,447,509</u> | | <u>1,491,945</u> |
| Current assets | | | | | |
| Debtors | 15 | 255,082 | | 275,294 | |
| Cash at bank and in hand | | 243,085 | | 367,746 | |
| | | <u>498,167</u> | | <u>643,040</u> | |
| Creditors: amounts due within one year | 17 | <u>(180,802)</u> | | <u>(206,077)</u> | |
| Net current assets | | | 317,365 | | 436,963 |
| Debtors: amounts due after more than one year | 16 | | - | | 10,845 |
| Creditors: amounts due after more than one year | 18 | | <u>(663,547)</u> | | <u>(708,819)</u> |
| Net assets | | | <u>1,101,327</u> | | <u>1,230,934</u> |
| The funds of the charity: | | | | | |
| Restricted income funds | 22 | | 346,190 | | 359,336 |
| Designated and unrestricted funds | 23 | | 755,137 | | 871,598 |
| Total Charity Funds | | | <u>1,101,327</u> | | <u>1,230,934</u> |

The financial statements were authorised for issue and approved by the Executive Committee on:

2016

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**Mike Will MBE
Chairman**

**Robert Clark
Treasurer**

Charity Number: SC013792

The notes on pages 13 to 28 form part of these financial statements.

SCOTTISH NATIONAL COUNCIL OF YMCAs

Statement of Cash flows

For the year ended 31 March 2016

| | | 2016 | | 2015 | |
|---|--------------|-------------|----------------|-------------|----------------|
| | Notes | £ | £ | £ | £ |
| Cash flows from operating activities: | | | | | |
| <i>Net cash used in operating activities</i> | 26 | | (160,700) | | (125,668) |
| Cash flows from investing activities: | | | | | |
| Dividends and interest from investments | | 36,487 | | 42,111 | |
| Purchase of tangible fixed assets | | (448) | | (1,730) | |
| Proceeds from sale of investments | | 286,291 | | 166,153 | |
| Purchase of investments | | (256,939) | | (156,253) | |
| | | | <u>65,391</u> | | <u>50,281</u> |
| Change in cash and cash equivalents in the year | | | (95,309) | | (75,387) |
| Cash and cash equivalents at the beginning of the year | | | 381,154 | | 456,541 |
| | | | <u>285,845</u> | | <u>381,154</u> |
| Represented by: | | | | | |
| Cash at bank and in hand | | | 243,085 | | 367,746 |
| Cash held as part of investment portfolio | | | 42,760 | | 13,408 |
| | | | <u>285,845</u> | | <u>381,154</u> |

The notes on pages 13 to 28 form part of these financial statements.

SCOTTISH NATIONAL COUNCIL OF YMCAs

Notes to the Financial Statements

For the year ended 31 March 2016

1. Accounting Policies

Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard 102 as issued by the Financial Reporting Council (effective 1 January 2015), the Statement of Recommended Practice (SORP) "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)", the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are prepared on the historical cost basis, except for investments which have been included at fair value.

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charity's transactions are denominated.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires the Executive Committee to exercise its judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Before 2015 the financial statements were prepared in accordance with UK GAAP applicable prior to the adoption of FRS 102, as issued by the Financial Reporting Council, the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities", the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006, and referred to as "previous UK GAAP". The financial effects of the transition to FRS 102 are set out in notes 28 and 29 below.

Going concern

The Executive Committee is of the opinion that the charity can continue to meet its obligations as they fall due for the foreseeable future, given the level of cash and realisable investments held. As a consequence the financial statements have been prepared under the going concern assumption.

Fixed assets and depreciation

Fixed assets with a useful life of more than one year are capitalised. Fixed assets are stated at cost less accumulated depreciation and impairment losses, with the exception of property. No depreciation has been provided on the property as in the opinion of the Executive Committee the residual value of the property will be greater than the market value and therefore any depreciation charge would be immaterial.

Depreciation is provided in the year in which other fixed assets are purchased. The rates of depreciation are calculated so as to write off the cost less residual value of each asset evenly over its expected useful life as follows:

- Furniture and equipment 33 1/3%

The Executive Committee has reviewed fixed assets for possible impairment and are satisfied that no such impairment has taken place.

SCOTTISH NATIONAL COUNCIL OF YMCAs

Notes to the Financial Statements

For the year ended 31 March 2016

1. Accounting Policies (continued)

Debtors

Trade debtors are amounts due from local associations in relation to services provided. Trade debtors are recognised at the undiscounted amount of cash receivable, which is normally the invoiced amount, less any allowance for doubtful debts.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances with banks and investment managers which are readily convertible, being those with maturities of three months or fewer from inception.

Cash and cash equivalents are measured at amortised cost, based on the relevant exchange rates at the reporting date.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired. Accounts payable are classified as creditors falling due within one year if payment is due within one year or less.

Trade creditors are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

Pensions

Scottish National Council of YMCAs participated in a multi-employer pension plan for employees of YMCAs in England, Scotland and Wales which was closed to new members and future accrual on 30 April 2007. The plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to the charity, therefore the scheme is accounted for as a defined contribution scheme.

As described in note 20, the charity has a contractual obligation to make pension deficit payments of around £67,000 per annum over the period to April 2027, accordingly this is shown as a liability in these accounts.

Investment

Investments in securities are measured initially at cost and subsequently at fair value at each reporting date. Fair value is taken as the mid-market value of the investment reported by the investment managers at the reporting date. Gains and losses on disposal and revaluation of investments are charged or credited to the statement of financial activities in the period to which they relate.

Unlisted investments are included at estimated market value as determined by the Executive Committee.

Financial assets and liabilities

Financial instruments are recognised in the statement of financial position when the charity becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price. Subsequent to initial recognition, they are accounted for as set out below.

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS 102.

At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective interest method.

SCOTTISH NATIONAL COUNCIL OF YMCAs

Notes to the Financial Statements

For the year ended 31 March 2016

1. Accounting Policies (continued)

Financial assets and liabilities (continued)

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the charity has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

Incoming resources

Incoming resources are recognised in the Statement of Financial Activities in the period in which the charity is entitled to receipt when receipt is probable and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfill conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period. The allocation of certain incoming resources was reclassified in the year to align with the requirements of the Charities SORP.

Legacies

Legacies are recognised as income when there is an entitlement, probability and measurability of the legacy. No life interest legacies have been awarded to the charity. All pecuniary and residual legacies are accounted for once they satisfy the criteria above.

Resources expended

Resources expended are recognised when a legal or constructive obligation arises. Where possible, expenditure has been charged direct to charitable expenditure or governance costs. Where this is not possible, the expenditure has been allocated on the basis of time spent by staff on each activity:

- Costs of raising funds comprise the costs associated with attracting voluntary income, and investment manager fees.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.
- Governance costs include those costs associated with meeting of the constitutional and statutory requirements of the charity and include costs linked to the strategic management of the charity.

Leases and hire purchase contracts

Rentals payable under operating leases are charged to expenditure on a straight line basis over the lease term.

Restricted, unrestricted and designated funds

Restricted funds are to be used for specified purposes as laid down by the donor. Unrestricted funds are to be used to carry out the core activities of the charity. Designated funds are to be used for specific purposes as laid down by the charity.

2. Transition to FRS 102

These financial statements for the year ended 31 March 2016 are the charity's first financial statements that comply with the FRS 102. The charity's date of transition to FRS 102 is 1 April 2014. The charity's last financial statements prepared in accordance with previous UK GAAP were for the year ended 31 March 2015.

In preparing the financial statements, the Executive Committee have considered whether, in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102, the restatement of comparative items and at the date of transition were required.

SCOTTISH NATIONAL COUNCIL OF YMCAs

Notes to the Financial Statements

For the year ended 31 March 2016

3. Critical judgements and estimates

In preparing the financial statements the Executive Committee makes estimates and assumptions which affect reported results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of the estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Critical judgements are made in the application of income recognition policies, and the timing of the recognition of income in accordance with the Charities SORP (FRS 102).

4. Comparative statement of financial activities

| | Restricted Funds £ | Designated & Unrestricted Funds £ | Total Funds 2015 £ |
|---|-----------------------------------|--|---------------------------------------|
| Income and endowments from: | | | |
| Donations and legacies | - | 149,164 | 149,164 |
| Charitable activities | 477,734 | 41,913 | 519,647 |
| Other trading activities | - | 27,292 | 27,292 |
| Investment income | - | 42,111 | 42,111 |
| Total income | <u>477,734</u> | <u>260,480</u> | <u>738,214</u> |
| Expenditure on: | | | |
| Raising Funds: | | | |
| Costs of generating voluntary income | - | 58,158 | 58,158 |
| Investment management costs | - | 6,725 | 6,725 |
| Charitable activities | 495,397 | 504,895 | 1,000,292 |
| Total expenditure | <u>495,397</u> | <u>569,778</u> | <u>1,065,175</u> |
| Net gain on investments | - | 48,506 | 48,506 |
| Net expenditure | (17,663) | (260,792) | (278,455) |
| Transfers between funds | (3,000) | 3,000 | - |
| | <u>(20,663)</u> | <u>(257,792)</u> | <u>(278,455)</u> |
| Other recognised gains/(losses): | | | |
| Gains on revaluation of fixed assets | - | 12,000 | 12,000 |
| Net movement in funds | <u>(20,663)</u> | <u>(245,792)</u> | <u>(266,455)</u> |

SCOTTISH NATIONAL COUNCIL OF YMCAs

Notes to the Financial Statements

For the year ended 31 March 2016

5. Income from donations and legacies

| | Restricted Funds £ | Designated & Unrestricted Funds £ | 2016 Total £ | 2015 Total £ |
|-----------|-----------------------------------|--|-----------------------------|-----------------------------|
| Donations | 3,010 | 116,688 | 119,698 | 130,080 |
| Legacies | - | - | - | 19,084 |
| | <u>3,010</u> | <u>116,688</u> | <u>119,698</u> | <u>149,164</u> |

6. Income from charitable activities

| | Restricted Funds £ | Designated & Unrestricted Funds £ | 2016 Total £ | 2015 Total £ |
|-----------------------------|-----------------------------------|--|-----------------------------|-----------------------------|
| Project income (Note 6 (a)) | 604,441 | - | 604,441 | 477,734 |
| Association contributions | - | 13,468 | 13,468 | 14,608 |
| Christian Mission income | - | - | - | 10,972 |
| Other income | - | 14,147 | 14,147 | 16,333 |
| | <u>604,441</u> | <u>27,615</u> | <u>632,056</u> | <u>519,647</u> |

6 (a) Project income

| | 2016 £ | 2015 £ |
|-------------------------------------|-------------------|-------------------|
| Robertson Trust (Health Project) | 34,500 | 34,500 |
| Big Lottery Fund TSEIF | 75,429 | 69,385 |
| Big Lottery (Realising Ambition) | 315,995 | 315,694 |
| Realising Ambition - franchise fee | 15,000 | 13,500 |
| Charles Hayward (Aspire Mentoring) | 10,000 | 10,000 |
| Queens Young Leaders | 48,989 | - |
| Youthlink PDA | - | 5,350 |
| Youthlink (Positively Board) | - | 4,855 |
| Youthlink (NVYO Fund) | 30,300 | - |
| Police Scotland (Tollcross Plusone) | 45,000 | - |
| Heritage Lottery | 20,050 | - |
| Other restricted income | 9,178 | 24,450 |
| Total | <u>604,441</u> | <u>477,734</u> |

SCOTTISH NATIONAL COUNCIL OF YMCAs

Notes to the Financial Statements

For the year ended 31 March 2016

7. Investment income

| | Restricted Funds £ | Designated & Unrestricted Funds £ | 2016 Total £ | 2015 Total £ |
|-------------------------------------|-----------------------------------|--|-----------------------------|-----------------------------|
| Listed investments | - | 32,911 | 32,911 | 39,374 |
| Unlisted investments | - | 3,500 | 3,500 | - |
| Interest from funds held on deposit | - | 76 | 76 | 2,737 |
| | <u>-</u> | <u>36,487</u> | <u>36,487</u> | <u>42,111</u> |
| | <u><u>-</u></u> | <u><u>36,487</u></u> | <u><u>36,487</u></u> | <u><u>42,111</u></u> |

8. Expenditure on raising funds

| | 2016 Total £ | 2015 Total £ |
|----------------------------|-----------------------------|-----------------------------|
| Employee costs | 60,052 | 58,158 |
| Conference costs | 10,770 | - |
| Training costs | 15,635 | - |
| Administration | 8,210 | - |
| Realising ambition plusone | 4,000 | - |
| | <u>98,667</u> | <u>58,158</u> |
| | <u><u>98,667</u></u> | <u><u>58,158</u></u> |

9. Expenditure on charitable activities

| | Project delivery £ | Local Association services £ | Support costs £ | 2016 Total £ |
|------------------|-----------------------------------|---|--------------------------------|-----------------------------|
| Employee costs | 183,350 | 38,630 | 18,861 | 240,841 |
| Project costs | 355,367 | - | - | 355,367 |
| Administration | 25,090 | 63,433 | 14,973 | 103,501 |
| Property costs | 4,113 | - | 38,463 | 42,576 |
| Finance costs | - | - | 23,279 | 23,279 |
| Governance costs | | | | |
| Audit fees | 1,000 | - | 5,920 | 6,920 |
| Employee costs | - | - | 8,208 | 8,208 |
| | <u>568,920</u> | <u>102,063</u> | <u>109,709</u> | <u>780,692</u> |
| | <u><u>568,920</u></u> | <u><u>102,063</u></u> | <u><u>109,709</u></u> | <u><u>780,692</u></u> |

SCOTTISH NATIONAL COUNCIL OF YMCAs

Notes to the Financial Statements

For the year ended 31 March 2016

9. Expenditure on charitable activities (continued)

| | Project delivery | Local Association services | Support costs | 2015 |
|----------------------------|-----------------------------|---|--------------------------|------------------|
| | £ | £ | £ | £ |
| Employee costs | 183,576 | 34,930 | 17,466 | 235,972 |
| Project costs | 265,979 | - | - | 265,979 |
| Administration | 41,197 | 59,691 | 50,500 | 151,388 |
| Property costs | 3,945 | - | 50,432 | 54,377 |
| Finance costs | - | - | 17,160 | 17,160 |
| Pension liability movement | - | - | 258,463 | 258,463 |
| Governance costs | | | | |
| Audit fees | 700 | - | 6,490 | 7,190 |
| Employee costs | - | - | 9,763 | 9,763 |
| | <u>495,397</u> | <u>94,621</u> | <u>410,274</u> | <u>1,000,292</u> |

10. Net movement in funds for the financial year

| This is stated after charging: | 2016 | 2015 |
|--------------------------------|---------------|---------------|
| | £ | £ |
| Depreciation | 2,820 | 2,880 |
| Audit fee | 6,920 | 7,190 |
| Equipment hire | 6,003 | 9,401 |
| | <u>15,743</u> | <u>19,471</u> |

11. Staff costs and numbers

| | 2016 | 2015 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 258,533 | 253,025 |
| Social security costs | 26,210 | 27,196 |
| Pension costs | 24,358 | 25,616 |
| | <u>309,101</u> | <u>305,837</u> |

Redundancy cost of £9,025 (2015 – £nil) was paid to an employee during the year. This amount is included in wages and salaries cost. No amounts outstanding at the year end.

No employee received remuneration in excess of £60,000 (2015 – none). The average weekly number of employees during the year was 8 (2015 – 8).

The key management personnel of the charity comprise of the National General Secretary. The total employee benefits of the key management personnel of the charity were £61,637 (2015: £56,337).

SCOTTISH NATIONAL COUNCIL OF YMCAs

Notes to the Financial Statements

For the year ended 31 March 2016

11. Staff costs and numbers (continued)

| | | |
|--------------------------------|-------------|-------------|
| Staff numbers are analysed as: | 2016 | 2015 |
| | £ | £ |
| Administrative and finance | 1 | 1 |
| Charitable activities | 4 | 4 |
| Management | 1 | 1 |
| Fundraising | 2 | 2 |
| | <hr/> | <hr/> |
| | 8 | 8 |
| | <hr/> <hr/> | <hr/> <hr/> |

12. Executive Committee's remuneration and expenses

Executive Committee members were not paid, nor did they receive any other benefits from employment with the charity, nor did they receive payment for professional or other services supplied to the charity (2015 – £nil). Three Executive Committee members were reimbursed travel expenses during the year totalling £674 (2015 – seven members, £736).

13. Fixed assets

| Cost | Property | Furniture & Equipment | Total |
|-----------------------|-----------------|--------------------------------------|--------------|
| | £ | £ | £ |
| At 1 April 2015 | 495,000 | 31,455 | 526,455 |
| Additions | - | 448 | 448 |
| | <hr/> | <hr/> | <hr/> |
| At 31 March 2016 | 495,000 | 31,903 | 526,903 |
| | <hr/> | <hr/> | <hr/> |
| Depreciation | | | |
| At 1 April 2015 | - | 25,338 | 25,338 |
| Charge for the year | - | 2,820 | 2,820 |
| | <hr/> | <hr/> | <hr/> |
| At 31 March 2016 | - | 28,158 | 28,158 |
| | <hr/> | <hr/> | <hr/> |
| Net book value | | | |
| At 31 March 2016 | 495,000 | 3,745 | 498,745 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| At 31 March 2015 | 495,000 | 6,117 | 501,117 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

Heritable properties were revalued in 2015 by DM Hall, Chartered Surveyors. This revaluation has been taken as deemed cost as the first time adoption of FRS 102.

SCOTTISH NATIONAL COUNCIL OF YMCAs

Notes to the Financial Statements

For the year ended 31 March 2016

14. Investments

| | 2016 | 2015 |
|---|-------------|-------------|
| | £ | £ |
| Market value at 1 April 2015 | 977,420 | 938,816 |
| Disposal proceeds | (286,291) | (166,155) |
| Additions at cost | 256,939 | 156,253 |
| Net (loss)//gain on revaluation at year end | (42,064) | 48,506 |
| | <hr/> | <hr/> |
| Market value at 31 March 2016 | 906,004 | 977,420 |
| Portfolio cash | 42,760 | 13,408 |
| | <hr/> | <hr/> |
| | 948,764 | 990,828 |
| | <hr/> | <hr/> |
| Historical cost at 31 March 2016 | 719,732 | 669,236 |
| | <hr/> | <hr/> |

| Portfolio is analysed as follows: | 2016 | 2015 |
|--|-------------|-------------|
| | £ | £ |
| Unlisted investments | 43,500 | 43,500 |
| Investments on a recognised stock exchange | 862,504 | 933,920 |
| | <hr/> | <hr/> |
| | 906,004 | 977,420 |
| | <hr/> | <hr/> |

15. Debtors due within one year

| | 2016 | 2015 |
|--|-------------|-------------|
| | £ | £ |
| Trade debtors | 29,655 | 25,435 |
| Loan due by Bellshill and Mossend YMCA | - | (37) |
| Loan due by Cumbernauld YMCA – YWCA | 12 | 22,913 |
| Loan due by Dumfries YMCA | 8,750 | 9,000 |
| PAYE & Pension | 1,677 | - |
| Local associations | 170,682 | 138,101 |
| Accrued income | 44,306 | 79,882 |
| | <hr/> | <hr/> |
| | 255,082 | 275,294 |
| | <hr/> | <hr/> |

The loans due by local YMCAs attract no interest.

SCOTTISH NATIONAL COUNCIL OF YMCAs

Notes to the Financial Statements

For the year ended 31 March 2016

16. Debtors: amounts due in more than one year

| | 2016 | 2015 |
|-------------------------------------|-------------|-------------|
| | £ | £ |
| Loan due by Cumbernauld YMCA – YWCA | - | 2,095 |
| Loan due by Dumfries YMCA | - | 8,750 |
| | <hr/> | <hr/> |
| | - | 10,845 |
| | <hr/> <hr/> | <hr/> <hr/> |

The loans due by local YMCAs attract no interest.

17. Creditors: amounts due within one year

| | 2016 | 2015 |
|---------------------------------|-------------|-------------|
| | £ | £ |
| Trade creditors | 67,999 | 85,478 |
| Accruals | 13,524 | 18,546 |
| Social security and other taxes | 28,620 | 26,528 |
| Local associations | 2,108 | 8,382 |
| Pension deficit creditor | 68,551 | 67,143 |
| | <hr/> | <hr/> |
| | 180,802 | 206,077 |
| | <hr/> <hr/> | <hr/> <hr/> |

18. Creditors: amounts due in more than one year

| | 2016 | 2015 |
|--------------------------|-------------|-------------|
| | £ | £ |
| Pension deficit creditor | 663,547 | 708,819 |
| | <hr/> <hr/> | <hr/> <hr/> |

19. Financial assets and liabilities

| | 2016 | 2015 |
|--|-------------|-------------|
| | £ | £ |
| Financial assets held at amortised cost | 253,405 | 275,294 |
| Financial liabilities held at fair value | (732,098) | (775,962) |
| Financial liabilities held at amortised cost | (83,631) | (112,406) |
| | <hr/> <hr/> | <hr/> <hr/> |

Financial assets held at amortised cost comprise of trade debtors, loans receivable and accrued income, all due within one year.

Financial liabilities held at fair value represents the present value of the pension deficit as at the year end.

Financial liabilities held at amortised cost comprise of trade creditors, accruals and amounts due to local associations, all due within one year.

SCOTTISH NATIONAL COUNCIL OF YMCAs

Notes to the Financial Statements

For the year ended 31 March 2016

20. Pension scheme

Scottish National Council of YMCA 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 Scottish National Council of YMCA 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 2014. 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 5.35% and 3.85% respectively, the increase in pensions in payment of 3.3%, and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.6 years, female 24.6 years, and 24.8 years for a male pensioner, female 26.9 years, retiring in 20 years' time. The result of the valuation showed that the actuarial value of the assets was £90.8m. This represented 70% of the benefits that had accrued to members.

The plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to Scottish National Council of YMCA and accordingly the pension deficit is not shown on the balance sheet.

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 2014 showed that the YMCA Pension Plan had a deficit of £38.7 million. Scottish National Council of YMCA has been advised that it will need to make monthly contributions of £5,560 from 1 May 2015. 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 12 years commencing 1st May 2015.

| | 2016 | 2015 |
|-------------------|----------------|----------------|
| | £ | £ |
| Repayable: | | |
| Within one year | 68,551 | 67,143 |
| One to two years | 66,554 | 64,616 |
| Two to five years | 199,662 | 193,848 |
| After five years | 397,331 | 450,355 |
| | <u>732,098</u> | <u>775,962</u> |

In addition, Scottish National Council of YMCA may have overtime 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 Scottish National Council of YMCA may be called upon to pay in the future.

SCOTTISH NATIONAL COUNCIL OF YMCAs

Notes to the Financial Statements

For the year ended 31 March 2016

21. Movements in restricted income funds

| | Balance at 1 April 2015 £ | Income £ | Expenditure £ | Transfers £ | Balance at 31 March 2016 £ |
|---|--|---------------------|--------------------------|------------------------|---|
| Local Association Development | 319,784 | 8,938 | (30,892) | (12,048) | 285,782 |
| James Love memorial | 9,361 | 240 | (50) | - | 9,551 |
| Early Intervention | 1 | 75,429 | (70,000) | - | 5,430 |
| Young Start | 19,000 | - | (14,687) | 2,990 | 7,303 |
| Youthlink (PDA) | 766 | - | - | (766) | - |
| Big Lottery Fund (Plusone) | (10,329) | 330,995 | (320,628) | - | 38 |
| Youthlink (Positively Board) | 3,490 | - | (500) | (2,990) | - |
| Aspire (Charles Hayward Foundation) | 834 | 10,000 | (9,167) | - | 1,667 |
| Health Project (Robertson Trust) | 16,429 | 34,500 | (50,049) | - | 880 |
| Youthlink Scottish Government NVYO Fund | - | 30,300 | (29,037) | (248) | 1,015 |
| Girls work | - | 3,010 | - | - | 3,010 |
| Violence Reduction Unit | - | 45,000 | (14,550) | - | 30,450 |
| Heritage Lottery | - | 20,050 | (15,112) | - | 4,938 |
| Comic Relief: Queen's Young Leaders | - | 48,989 | (52,863) | - | (3,874) |
| | <u>359,336</u> | <u>607,451</u> | <u>(607,535)</u> | <u>(13,062)</u> | <u>346,190</u> |

The Local Association Development fund is money held by National Council on behalf of local YMCA's no longer in service. Grants are awarded to redevelop work in named locations.

The James Love Memorial fund is available to young people in the YMCA under 30 years of age to help meet costs of travel and accommodation outwith Britain in connection with YMCA work.

The Early Intervention fund is funding for prevention projects for five YMCA's national evaluations.

The Young Start fund is money held for Full Board Design and to deliver a management training course for young leaders.

The YouthLink PDA funding was received towards the planning and delivery of an introductory Youth Work course to staff and volunteers of Local YMCA's.

The Big Lottery Grant will fund the Plusone mentoring programme to March 2017. The Plusone programme will be delivered by ten franchises. At the year end the fund is in deficit due to the timing of income receipts.

Youthlink Positively Board; plan & deliver management training to trustees of Local YMCA's.

The Aspire (Charles Hayward Foundation) funding was received to progress a mentoring programme into other locations.

The Health Project (Robertson Trust) fund is to manage and deliver six health demonstration projects through local YMCA's.

The Youthlink Scottish Government NVYO fund is money for workforce development, leadership training and governance support that contributes towards the achievement of the National Youth Work Strategy 2014-2019.

SCOTTISH NATIONAL COUNCIL OF YMCAs

Notes to the Financial Statements

For the year ended 31 March 2016

22. Movements in restricted income funds (continued)

The Girls work is funding for work benefiting young females in the YMCA.

The Violence Reduction Unit fund is for a Community in Motion (ACIM) pilot in East End of Glasgow with Tollcross YMCA.

The Heritage Lottery fund is for a Youth Voice led project gathering history and stories of the YMCA in Scotland.

The Comic Relief: Queen's Young Leaders' is for 'Youthworks Mentoring' employability programme.

23. Movements in designated and unrestricted funds

| | Balance at 1 April 2015 £ | Income £ | Expenditure £ | Gain/(loss) on investment £ | Transfers £ | Balance 31 March 2016 £ |
|---------------------------|--|---------------------|--------------------------|--|------------------------|--|
| Designated funds | | | | | | |
| Staff training | 18 | - | - | - | - | 18 |
| Christian Mission | 29,080 | - | (10,972) | - | - | 18,108 |
| Fixed assets | 501,117 | - | - | - | (2,372) | 498,745 |
| Pension reserve | 608,521 | - | - | - | (608,521) | - |
| | <u>1,138,736</u> | <u>-</u> | <u>(10,972)</u> | <u>-</u> | <u>(610,893)</u> | <u>516,871</u> |
| Unrestricted funds | | | | | | |
| General development | 508,824 | 192,670 | (245,878) | (42,064) | 556,812 | 970,364 |
| Pension deficit | (775,962) | - | (23,279) | - | 67,143 | (732,098) |
| | <u>871,598</u> | <u>192,670</u> | <u>(280,129)</u> | <u>(42,064)</u> | <u>13,062</u> | <u>755,137</u> |

The staff training fund represents monies for all training opportunities for all employees.

The Christian Mission fund represents fund from a legacy dedicated to the development of a Christian Mission Programme.

The fixed asset fund represents the value of funds held within tangible assets on the balance sheet.

The pension reserve represented monies held to cover the pension liability. This has been transferred back into general funds now that the pension deficit fund has been recognised.

The pension deficit represents the deficit on the defined contribution pension scheme, as disclosed in note 20.

SCOTTISH NATIONAL COUNCIL OF YMCAs

Notes to the Financial Statements

For the year ended 31 March 2016

24. Analysis of net assets between funds

| | Restricted | Unrestricted & Designated | Total |
|--|-------------------|--|--------------|
| | funds | funds | funds |
| | £ | £ | £ |
| Fixed assets | - | 498,745 | 498,745 |
| Investments | 306,208 | 642,556 | 948,764 |
| Net current assets | 39,982 | 277,383 | 317,365 |
| Pension deficit due more than one year | - | (663,547) | (663,547) |
| | <hr/> | <hr/> | <hr/> |
| | 346,190 | 755,137 | 1,101,327 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

25. Lease commitments

At 31 March 2016 the total commitments payable under non-cancellable operating leases was as follows:

| | 2016 | Equipment | 2015 |
|------------------------------|-------------|------------------|-------------|
| | £ | | £ |
| Payments falling due within: | | | |
| Less than 1 year | 14,971 | | 16,162 |
| 2 – 5 years | 7,022 | | 14,741 |
| | <hr/> | | <hr/> |
| | 21,993 | | 30,903 |
| | <hr/> <hr/> | | <hr/> <hr/> |

26. Reconciliation of net income to net cash flow from operating activities

| | 2016 | 2015 |
|--|-------------|-------------|
| | £ | £ |
| Net expenditure for the reporting period (as per the statement of financial activities) | (129,607) | (278,455) |
| Adjustments for: | | |
| Dividends and interest from investments | (36,487) | (42,111) |
| Depreciation charges | 2,820 | 2,880 |
| Increase in stock | - | 1,044 |
| Decrease/(increase) in debtors | 31,057 | (22,707) |
| (Decrease)/increase in creditors | (70,547) | 262,187 |
| Loss/(gain) on investments | 42,064 | (48,506) |
| | <hr/> | <hr/> |
| | (160,700) | (125,668) |
| | <hr/> <hr/> | <hr/> <hr/> |

27. Related parties

There were no related party transactions during the year.

SCOTTISH NATIONAL COUNCIL OF YMCAs

Notes to the Financial Statements

For the year ended 31 March 2016

28. FRS 102 transition – reconciliation of funds

| | As previously stated 01/04/2014 £ | Effect of transition 01/04/2014 £ | FRS 102 (as restated) 01/04/2014 £ | As previously stated 31/03/2015 £ | Effect of transition 31/03/2015 £ | FRS 102 (as restated) 31/03/2015 £ |
|---|--|--|---|--|--|---|
| Tangible assets | 490,267 | - | 490,267 | 501,117 | - | 501,117 |
| Investments | 942,322 | - | 942,322 | 990,828 | - | 990,828 |
| | <u>1,432,589</u> | <u>-</u> | <u>1,432,589</u> | <u>1,491,945</u> | <u>-</u> | <u>1,491,945</u> |
| Current assets | 675,503 | - | 675,503 | 643,040 | - | 643,040 |
| Creditors: amounts falling due within 1 year | (80,711) | (71,661) | (152,372) | (138,934) | (67,143) | (206,077) |
| Net current assets | <u>594,792</u> | <u>(71,661)</u> | <u>523,131</u> | <u>504,106</u> | <u>(67,143)</u> | <u>436,963</u> |
| Total assets less current liabilities | <u>2,027,381</u> | <u>(71,661)</u> | <u>1,955,720</u> | <u>1,996,051</u> | <u>(67,143)</u> | <u>1,928,908</u> |
| Debtors: amounts due after more than 1 year | 42,008 | - | 42,008 | 10,845 | - | 10,845 |
| Creditors: amounts falling due after more than 1 year | - | (500,339) | (500,339) | - | (708,819) | (708,819) |
| | <u>2,069,389</u> | <u>(572,000)</u> | <u>1,497,389</u> | <u>2,006,896</u> | <u>(775,962)</u> | <u>1,230,934</u> |
| Restricted funds | 379,999 | - | 379,999 | 359,336 | - | 359,336 |
| Unrestricted and designated funds | 1,689,390 | (572,000) | 1,117,390 | 1,647,560 | (775,962) | 871,598 |
| Total funds | <u><u>2,069,389</u></u> | <u><u>(572,000)</u></u> | <u><u>1,497,389</u></u> | <u><u>2,006,896</u></u> | <u><u>(775,962)</u></u> | <u><u>1,230,934</u></u> |

SCOTTISH NATIONAL COUNCIL OF YMCAs

Notes to the Financial Statements

For the year ended 31 March 2016

29. FRS 102 transition – reconciliation of Statement of Financial Activities

| | As previously stated 31/03/2015 £ | Effect of transition 31/03/2015 £ | FRS 102 (as restated) 31/03/2015 £ |
|---|--|--|---|
| Total incoming resources | 738,214 | - | 738,214 |
| Total outgoing resources | (861,213) | - | (861,213) |
| Pension costs – increase in liability | - | 258,463 | 258,463 |
| Finance costs – unwinding of present value of pension | - | 17,160 | 17,160 |
| Pension cost | - | (71,661) | (71,661) |
| Net gains on investments | 48,506 | - | 48,506 |
| | <u>(74,493)</u> | <u>203,962</u> | <u>129,469</u> |
| Other recognized gains/(losses): | | | |
| Gains on revaluation of assets | 12,000 | - | 12,000 |
| | <u>(62,493)</u> | <u>203,962</u> | <u>141,469</u> |
| Reconciliation of funds: | | | |
| Total funds brought forward | 2,069,389 | (979,924) | 1,089,465 |
| Total funds for the year | <u><u>2,006,896</u></u> | <u><u>(775,962)</u></u> | <u><u>1,230,934</u></u> |

The transition adjustments on the introduction of FRS 102 relates to the:

- Recognition of multi-employer defined benefit pension scheme's liability under FRS 102 SORP 2015 requirements.

30. Non-audit services

In common with many other organisations of its size and nature, the charity uses its auditors to assist the preparation of the financial statements.