

Newcastle upon Tyne YMCA

**(Limited by guarantee and not having
a share capital)**

**Directors' Report and Financial Statements
For the year ended 31 March 2005**



Company Number: 3582739 (England & Wales)

Newcastle upon Tyne YMCA
(Limited by guarantee and not having
a share capital)

Company Information

Directors	A Greenall (President) Rev J Breslin (Chairman) W Drury (resigned 13 November 2004) J H Howell (resigned 13 November 2004) R M Jackson (Vice Chairman) M S Dormer (Treasurer) J Hunter C Tucker A Proud J Jobes S Wrigg (appointed 21 July 2004)
Company Secretary	M King
Company Number	3582739 (England & Wales)
Charity Number	1070578
Registered Office	26 Forth Street Newcastle upon Tyne NE1 4EU
Independent Auditors	Haines Watts Floor 11 Cale Cross House 156 Pilgrim Street Newcastle upon Tyne NE1 6SU
Bankers	Barclays Bank Plc City Office Percy Street Newcastle upon Tyne
Solicitors	Sinton & Company The Cube Barrack Road Newcastle upon Tyne

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)
Report and Financial Statements
For the year ended 31 March 2005

Contents

	Page
Directors' Report	1-7
Independent Auditors' Report	8
Statement of Financial Activities	9
Balance Sheet	10
Analysis of Fund Balances between the Net Assets	11
Notes to the Financial Statements	12-17
<i>The following pages do not form part of the statutory accounts</i>	
Income and Expenditure Account	18-19
Walker Project	20
Byker Project	21
Student Project	22
Blakelaw Project	23
Steps Forward Project	24
Rank Foundation Project	25
Wor House Project	26
Cashflow Statement	27-28

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)
Directors' Report

For the year ended 31 March 2005

The Directors present their report and audited accounts for the year ended 31st March 2005.

Status

The charity's full name is Newcastle upon Tyne YMCA. It is a registered charity in the United Kingdom, Charity No 1070578 and a company limited by guarantee, registered in England No 3582739.

Governing documents

The charity's and company's governing documents are its Memorandum and Articles of Association. No changes have been made to these during the past year.

The objects of the charity and how they are achieved

The objects as set out in the Memorandum of Association are:

"To unite those who regarding Jesus Christ as their God and Saviour according to the Holy Scriptures, desire to be His disciples in their faith and in their life, and to associate their efforts for the extension of His Kingdom.

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 interests of social welfare of facilities for recreation and other leisure time occupation for men and women with the object of improving their conditions of life.

To provide, improve and manage houses and hostels for providing residential accommodation for men and women of all ages and upon terms appropriate to their means".

The Charity fulfils these objects by:

- Requiring its Directors and staff to be sympathetic to the Christian aims and purposes of the YMCA Movement.
- Its detached, outreach and project work through which the Charity seeks to provide opportunities for personal, social and spiritual development of young people and for young people to explore issues that affect their lives.
- Its support work with young people living independently in council or private rented accommodation
- The support given to individual young people referred to the Steps Forward Mentoring Project.
- The work of the Student Project based in Newcastle College.

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)
Director's Report
Continued ...
For the year ended 31 March 2005

Organisational structure

The Charity is managed by a Board of Directors and sub-committee structure. Day to day management is devolved to the Chief Executive and Staff team.

Review of the development, activities and achievements

The Association has through its various projects, fulfilled the organisation's mission to:

"Work with young people in the community. The Association is committed to working with young people aged 13-25 years to contribute to their social, physical, educational and spiritual development. There will be a focus on supporting young people at times of their greatest need"

The Association has achieved this through its work in Blakelaw, Kenton Bar, Walker and Byker, Newcastle College and its citywide Steps Forward Mentoring Project.

The Association continues to work in partnership with a wide range of agencies to add value to the services that are available to young people. These include: Depaul Trust, the Newcastle Literacy Trust, the Youth Offending Team, Newcastle College, Rank Foundation, Connexions Tyne & Wear, the Local Authority Play and Youth Service, the Newcastle Sexual Health Project, the East End Partnership and the North West Partnership, the Young Separated Asylum Seekers and Refugees Project, the Regional Youth Work Unit, the City Libraries Directorate and NEMLAC (North East Museums, Libraries and Arts Council). These partnerships and those with other voluntary and statutory agencies improve the quality and level of services to young people accessing the YMCA.

The Association has a strategic development plan in place for the period 2002-2005, and approved a revision for the period to 2007 in December 2003. This is supported by an annual plan, which focuses on specific areas of development for each element of the Association.

At the 31st March the Association employed 14 full time and 6 part time staff, 10 full time and 5 part time staff directly delivering services to young people. A full time staff member seconded to work for the YMCA for six months, returned to his host organisation in September. During the year 3 full and 1 part time staff left the employment of the YMCA to work for the other organisations as career development. External recruitment and internal reorganisation has filled some of the vacancies that arose and recruitment for other posts is under way.

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)
Director's Report
Continued ...
For the year ended 31 March 2005

Policies

The Charity has an equal opportunities, health & safety and child protection policies in place. The Charity works through the National Council of YMCA's, (umbrella body) to access the Criminal Records Bureau in respect of clearance of all new staff, paid and voluntary, and Board members. All checks are at enhanced level.

During the year the Board of Directors has reviewed various policies and procedures of the Association, with particular reference to:

- Revised Disciplinary and Grievance procedures in line with legislation effective from October 1st 2004
- The redundancy policies and levels of compensation
- Employee data policy and procedure
- Holiday entitlement

The Board also has established an appeals committee in the event of any internal disputes.

The Charity has an equal opportunities and recruitment policy in place. The Charity works through the National Council of YMCA's, (umbrella body) to access the Criminal Records Bureau in respect of clearance of all new staff, paid and voluntary, and Board members. All checks are at enhanced level.

Premises

In April 2004 the Association entered into a 10 year lease with the City Council on a property in Blakelaw as a base for a detached youth work project.

In August 2004 the Association moved from its offices in Portland Road, upon their sale, to temporary accommodation in Forth Place, pending the purchase of new headquarters premises. In February 2005 negotiations on a suite of premises in Welbeck Road, Walker were completed and it is hoped to locate the Administration Team and Steps Forward Project in this building.

Appointment of Directors

Directors may from time to time appoint any member of the Charity as a Director, whether to fill a casual vacancy or by way of addition to the Board, provided that the individual has been a member for more than six months and that the prescribed maximum is not then exceeded.

Sue Wrigg was appointed a Director in July 2004 21st.

Two Directors retired Harry Howell (Treasurer) and Bill Drury (Vice Chair), having completed a term of six years.

Officer

Alan Greenall was appointed President, James Breslin Chair and Mark Dormer Treasurer. Each position will be held for 12 months.

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)
Director's Report
Continued ...
For the year ended 31 March 2005

Directors responsibilities

Company and Charity law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the result for that year. In preparing those accounts, the directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare the account on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy and at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Investments

The Memorandum of Association states that in furtherance of the objects the company shall have the power:

"to invest the monies of the Association not immediately required for its purpose in or upon such investments, security or property as may be thought fit, subject, nevertheless on such conditions (if any) and such consents (if any) as may for the time being be imposed or required by the law and subject also as herein after provided"

"to employ as a professional investment manager any person who is entitled to carry on investment business under the provisions of the Financial Services Act 2000 and to delegate to any such manager the exercise of all or any of their powers of investment on such terms and at such reasonable remuneration as the Association may think fit by subject always to the following conditions:

- i. the delegated powers shall be exercisable only within clear policy guidelines drawn up in advance by the Association and within the powers of investment conferred by the deed.*
- ii. every transaction carried out by the Manager under delegated powers shall be reported to the Association within 14 days.*
- iii. the Association shall be bound to review the arrangements for delegation at least once in every 12 months.*

The investments held have been acquired in accordance with the powers available to the directors and the value of the investment portfolio has improved in line with stock market performance.

Assets

The charities assets, both property and cash are being held to carry out its objectives. A valuation of all property owned by the Association was planned for 31st March 2005. This has been delayed due to the purchase of new premises and the rent review of the Ellison Place building in July 2005.

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)
Director's Report
Continued ...
For the year ended 31 March 2005

The application of the Charity's funds has been to develop work with young people in a variety of community settings, but with a special emphasis on working with young people living in deprived communities in the city, and those who find themselves in situations of need.

Insurance

The Association has used the brokers recommended by YMCA England for its insurance requirements. However, from March 2005 all insurance was moved to Bishop Skinner Insurance Brokers Ltd., Newcastle upon Tyne.

Results

The fund balances carried forward at 31st March 2005 show a total of £2,417,256. The majority is represented by freehold property owned by the Association.

An operating revenue surplus/(deficit) of £62,639 (2004: £12,767) is shown on the Statement of Financial Activities. This revenue surplus reflects funds realised from the sale of Portland Road and will be reinvested in the new building in Walker as part of a refurbishment programme.

The Association relies upon income from the rental of a building in the City leased to the University of Northumbria, interest and dividends from invested capital, local authority grants, charitable donations, Single Regeneration Budget, the Northern Rock Foundation, the Rank Foundation, Connexions Tyne & Wear & the Neighbourhood Renewal Fund to support its work.

Accounting policies

The accounting policies of the charity have not changed during the year.

The Directors confirm that the accounts comply with statutory requirements of the Charity's governing document.

Reserves policy

The Charity currently has a contingency fund which amounts to approximately eight months running costs. These are invested and any interest or dividend accrued is applied to the work of the charity. The reduction in the value of the investment portfolio due to the fluctuating stock market report last year has improved in line with the improving economic position.

Indemnity Insurance

The Charity does not hold indemnity insurance cover in respect of the Directors of the Charity.

Political Contributions

The Charity made no political contributions during the year.

Pension Commitment

The Newcastle upon Tyne YMCA offers access to the YMCA Superannuation Scheme to all its employees.

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)
Director's Report
Continued ...
For the year ended 31 March 2005

The cost of the defined pension plan is charged to the Statement of Financial Activities so as to spread the cost of pensions over the service lives of employees. Pension cost is assessed in accordance with the advice of a qualified actuary. Actuarial surplus and deficits are spread over the average remaining service lives of employees. The plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to Newcastle upon Tyne YMCA for the purpose of FRS 17 disclosure.

Newcastle upon Tyne YMCA together with many other YMCAs operate a contributory pension plan providing defined benefits on final pensionable pay for its employees. The assets of the Plan are held separately from those of Newcastle upon Tyne YMCA. At the year end these were invested in the Legal and General and Schroders Managed Fund Units. The contributions are determined by a qualified actuary on the basis of triennial valuations using the project unit method. The pension charge for the year is shown in note 3.

The most recent completed three year valuation was as at 1 May 2002. The assumptions used which have the most significant effect on the results of the valuation are those relating to the investment yield of 6.5% per annum and the rate of earning increase of 4.24% per annum. The result of the valuation showed that the actuarial value of the assets was £33.9m. This represented 86% of the benefits that had accrued to members, after allowing for expected future increase in earnings. However, under Section 56 of the Pension Act 1995, the Minimum Funding Requirement (The MFR) funding level was 86%. The plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating the Newcastle upon Tyne YMCA for the purposes of FRS17 disclosure.

During the year ended 31 March 2005 contributions for employees were 8% of salary and the employer contributions were 14.4%.

Policy of payments of creditors

It is charity/company policy, in respect of all suppliers to settle the terms of payment when agreeing the terms of each transaction, to ensure that suppliers are made aware of the terms of payment, and abide by the terms of payment.

Future Plans and Commitments

The Newcastle upon Tyne YMCA is committed to maintain its work with young people aged 13-25 years. It will do this through its current community based initiatives. A fund-raising strategy is in place to identify sources of funding to support existing work and any new work that the Association may wish to pursue.

Through funding received from the Neighbourhood renewal Fund the Association will be able to employ three young people as Project assistants and develop new work engaging young people in sports, health, exercise and fitness activities.

The Association is investigating a gap volunteer scheme with the rank foundation.

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)
Director's Report
Continued ...
For the year ended 31 March 2005

Financial dependency

About one third of the current financial requirements of the charity are met from own sources (rental income, interest and dividends from cash reserves). The remainder is derived from a wide range of sources including Trust and Grant Making Bodies, central and local government funding. The YMCA acknowledges, with gratitude, the support it receives from funding bodies and partners.

Risk Assessment


During the year the Directors have carried out a full operational risk assessment. This has highlighted areas of strength, and weaknesses and threats. The Directors have addressed the weaknesses and threats in the operation, and have contingencies and procedures in place to deal with them.

Auditors

The auditors, Haines Watts, were proposed for re-appointment in accordance with section 385 of the Companies Act 1985, at the Annual General Meeting on 13th November 2004.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on Behalf of the Board



James Breslin
(Chairman)

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)

Independent Auditors' Report
to the members of The Newcastle upon Tyne
Young Men's Christian Association Limited

Independent Auditors' Report to the members of Newcastle upon Tyne YMCA

We have audited the financial statements of Newcastle upon Tyne YMCA for the year ended 31 March 2005 which comprise the statement of financial activities, the balance sheet, and the related notes on pages 9 to 17. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

The report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditors

As described in the Statement of Trustees' Responsibilities the trustees (who are also the directors of Newcastle upon Tyne YMCA for the purpose of company law) are responsible for the preparation of the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all of the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Directors' Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the charity's affairs as at 31 March 2005 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Haines Watts
Chartered Accountants
Registered Auditor

Haines Watts
.....
Floor 11
Cale Cross House
156 Pilgrim Street
Newcastle upon Tyne, NE1 6SU

22 September 2005

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)
Statement of Financial Activities
For the year ended 31 March 2005

	<u>General Funds</u> £	<u>Designated Funds</u> <u>Capital Fund</u> £	<u>Contingency Fund</u> £	<u>Restricted Funds</u> £	<u>2005 Total</u> £	<u>2004 Total</u> £
Income and Expenditure						
Incoming Resources						
Rent received	204,645	-	-	-	204,645	207,486
Donations and grants	8,007	-	-	294,683	302,690	310,030
Investment income	22,996	-	-	-	22,996	17,755
Other income	9,659	-	-	-	9,659	18,638
Total incoming resources	245,307	-	-	294,683	539,990	553,909
Resources expended						
Direct charitable expenditure	11,130	-	-	526,142	537,272	488,528
Management and administration of the charity (note 2)	86,753	-	-	-	86,753	75,865
Depreciation - equipment	-	1,819	-	-	1,819	2,416
	97,883	1,819	-	526,142	625,844	566,809
Net (outgoing)/incoming resources before transfers	147,424	(1,819)	-	(231,459)	(85,854)	(12,900)
Profit on sale of property	129,551	-	-	-	129,551	-
Transfers	(219,148)	-	-	219,148	-	-
Net (outgoing)/incoming resources for the year	57,827	(1,819)	-	(12,311)	43,697	(12,900)
Unrealised gain/(loss) on Investments (note 7)	-	-	18,942	-	18,942	25,667
Net movement in funds	57,827	(1,819)	18,942	(12,311)	62,639	12,767
Fund balances brought forward At 1 April 2004	252,872	1,732,046	338,483	31,216	2,354,617	2,341,850
Fund balances carried forward at 31 March 2005	310,699	1,730,227	357,425	18,905	2,417,256	2,354,617


The notes on pages 12 to 17 form part of these financial statements

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)
Balance Sheet
as at 31 March 2005

	<u>Notes</u>	£	<u>2005</u> £	£	<u>2004</u> £
Fixed assets	6		2,073,251		1,995,126
Fixed assets investments	7		305,799		286,845
			<hr/>		<hr/>
			2,379,050		2,281,971
Current assets					
Debtors	8	44,022		39,165	
Cash at bank and in hand		160,939		191,350	
		<hr/>		<hr/>	
		204,961		230,515	
Creditors : amounts falling due within one year	9	(166,755)		(157,869)	
		<hr/>		<hr/>	
Net current assets			38,206		72,646
			<hr/>		<hr/>
			2,417,256		2,354,617
			<hr/>		<hr/>
Represented by :-					
Restricted funds	10		18,905		31,216
Unrestricted funds			310,699		252,872
Designated funds			2,087,652		2,070,529
			<hr/>		<hr/>
			2,417,256		2,354,617
			<hr/>		<hr/>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).


 Gen Ch Breslin - Chairman


 M S Dormer - Treasurer

14/9/05

The notes on pages 12 to 17 form part of these financial statements

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)

Analysis of Fund balances between the Net Assets
as at 31 March 2005

	<u>Unrestricted</u> <u>Funds</u> £	<u>Designated Funds</u> <u>Capital</u> <u>Fund</u> £	<u>Contingency</u> <u>Fund</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Total</u> <u>Funds</u> £
Fixed assets	343,024	1,730,227	-	-	2,073,251
Fixed asset investment	-	-	305,799	-	305,799
Current assets	134,430	-	51,626	18,905	204,961
Current liabilities	(166,755)	-	-	-	(166,755)
Net assets	<u>310,699</u>	<u>1,730,227</u>	<u>357,425</u>	<u>18,905</u>	<u>2,417,256</u>
 Represented by:					
Fund balances	<u>310,699</u>	<u>1,730,227</u>	<u>357,425</u>	<u>18,905</u>	<u>2,417,256</u>

The notes on pages 12 to 17 form part of these financial statements

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)

Notes to the financial statements
For the year ended 31 March 2005

1. Accounting Policies

1.1 Basis of preparation of accounts

The financial statements are prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and in accordance with applicable accounting standards.

The company has not taken advantage of the exemption in FRS 1 from the requirement to prepare a cashflow statement on the grounds that it is a small company.

1.2 Donations and voluntary income

Donations and voluntary income are accounted for gross when received.

1.3 Grants receivable

Grants for immediate expenditure are accounted for when they become receivable.

Grants received for specific purposes are treated as restricted funds.

Grants restricted to future accounting periods are deferred and recognised in those periods.

1.4 Allocation of costs

Costs are allocated between direct charitable and other expenditure according to the nature of the cost. Where items involve more than one category they are apportioned between the categories according to the nature of the cost. Detailed analysis of the allocation of costs is given in note 2 to the accounts.

1.5 Investment assets

Investment assets are included in the accounts at their market value. Where held as an ongoing investment they are included as fixed assets. If the investment is to be realised within twelve months it is categorised as a current asset.

1.6 Realised and unrealised gains and losses

All realised gains and losses are recognised in the accounts. Unrealised gains and losses on investment assets are recognised as detailed in note 1.5. Permanent diminution in the value of fixed assets is charged to the Statement of Financial Activities.

1.7 Depreciation

The cost or valuation of fixed assets is written off over their expected useful lives as follows :-

Freehold properties	Nil
Investment properties	No depreciation charged
Motor vehicles	25% reducing balance basis
Fixtures and fittings	25% reducing balance basis
Leasehold improvements	10% reducing balance basis

The depreciation policy for investment properties was changed during last year. Due to the high residual value of the investment properties the depreciation charge on these properties is immaterial. The buildings will be revalued every five years commencing on 31 March 2006 and undergo impairment tests annually.

1.8 Pensions

Contributions are charged to the income and expenditure account as they are incurred.

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)
Notes to the financial statements
For the year ended 31 March 2005

2. Management and administration costs

Management and administration costs comprise of all costs, incurred in running the charity, which cannot be directly allocated to the charity's projects. As such it includes:-

	<u>2005</u> £	<u>2004</u> £
Staff costs :-		
Wages and salaries	52,028	44,229
Social security costs	4,290	3,650
Pensions	5,835	5,576
	<hr/> 62,153	<hr/> 53,455
Travel expenses	2,349	2,195
Cleaning, maintenance, repairs and renewals	900	2,134
Telephone charges	1,541	847
Conference, hospitality and training	3,101	1,472
Printing, stationery and postage	2,457	3,757
Insurance and affiliation fees	2,006	1,753
Sundry expenses	673	200
Office heating and lighting	258	647
Office rent and rates	890	989
Audit and accountancy charge	407	380
Bank charges	244	206
Equipment	1,118	606
Relocation costs	3,417	-
Y Care donations	450	108
Depreciation- fixtures and fittings	4,789	3,395
Depreciation - freehold property	-	2,900
Legal fees	-	80
Loss on write off of loan	-	87
Loss on disposal of investment	-	654
	<hr/> 86,753	<hr/> 75,865
	<hr/>	<hr/>

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)

Notes to the financial statements
For the year ended 31 March 2005

3. Employees

Number of employees

The average number of employees during the year was:

	2005	2004
	Number	Number
	26	23
	<hr/>	<hr/>
Employment costs		
Wages and salaries	396,599	366,389
Pension costs	36,075	34,911
Social Security costs	31,235	28,358
	<hr/>	<hr/>
	463,909	429,658
	<hr/>	<hr/>

No directors' remuneration or expenses were paid for the services of any person as a director.

No funds have been used to purchase indemnity insurance for the directors, the charity or the auditors.

1 employee received emoluments in excess of £50,000; (2004: 1).

4. Pension Scheme

The pension is accounted for as a defined contribution scheme and the pension charge represents the amount payable by the company to the fund in respect for the year.

Pension contributions payable for the year ended 31 March 2005 amounted to £36,075 (2004: £34,911).

5. Surplus/(deficit) for the year

The surplus/(deficit) is stated after charging:-

	2005	2004
	£	£
Depreciation of tangible fixed assets	17,253	19,393
Auditors' remuneration	2,368	2,282
	<hr/>	<hr/>

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)

Notes to the financial statements
For the year ended 31 March 2005

6. Tangible fixed assets

	<u>Freehold Properties</u> £	<u>Motor Vehicles</u> £	<u>Fixtures Fittings & Equipment</u> £	<u>Leasehold Improvements</u> £	<u>Total</u> £
Cost or valuation					
At 1 April 2004	2,178,000	15,401	61,787	64,251	2,319,439
Additions	208,296	-	11,782	-	220,078
Disposals	(145,000)	-	-	-	(145,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2005	2,241,296	15,401	73,569	64,251	2,394,517
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 1 April 2004	265,720	6,738	44,228	7,627	324,313
Disposals	(20,300)	-	-	-	(20,300)
Charge for year	1,460	2,166	7,335	6,292	17,253
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2005	246,880	8,904	51,563	13,919	321,266
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
As at 31 March 2005	1,994,416	6,497	22,006	50,332	2,073,251
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 March 2004	1,912,280	8,663	17,559	56,624	1,995,126
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Freehold Property	<u>Cost or Valuation</u> £	<u>Net book value</u> £			
Investment properties	1,960,000	1,725,800			
Head Office	208,296	208,296			
Direct charitable use	73,000	60,320			
	<hr/>	<hr/>			
	2,241,296	1,995,416			
	<hr/>	<hr/>			

A valuation of all property owned by the Association was planned for 31 March 2005. This has been delayed due to the purchase of new premises and the rent review of the Ellison Place building in July 2005.

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)

Notes to the Financial Statements
For the year ended 31 March 2005

7. Investments

	<u>2005</u> £	<u>2004</u> £
Quoted investments		
Balance at 1 April 2004	286,845	262,711
Additions at cost	-	11,993
Disposals at market value	-	(14,119)
Interest on cash deposits	12	593
Net unrealised investment gain	18,942	25,667
	<hr/>	<hr/>
Balance at 31 March 2005	305,799	286,845
	<hr/>	<hr/>

The investments are made up of the following portfolios as at 31 March 2005:-

Narrow range total portfolio	<u>2005</u> £	<u>2004</u> £
Eurobonds	84,965	86,246
	<hr/>	<hr/>
Wide range total portfolio	<u>2005</u> £	<u>2004</u> £
Permanent Interest Bearing Shares	80,813	74,563
United Kingdom Unit Trusts	121,193	107,121
Eurobonds	18,223	18,322
Cash	605	593
	<hr/>	<hr/>
	220,834	200,599
	<hr/>	<hr/>

8. Debtors

	<u>2005</u> £	<u>2004</u> £
Debtors and prepayments	41,444	37,170
Staff loans	2,578	1,995
	<hr/>	<hr/>
	44,022	39,165
	<hr/>	<hr/>

Included in staff loans are amounts due after more than one year of £288 (2004: £770).

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)

Notes to the Financial Statements
For the year ended 31 March 2005

9. Creditors :- amounts falling due within one year

	<u>2005</u> £	<u>2004</u> £
Accruals and deferred income	166,755	157,869

10. Funds

Grants and donations are received towards the projects operated by Newcastle upon Tyne YMCA. These are the Byker Project, Walker Project, Student Project, Progression Forum, Blakelaw Project, Steps Project, Rank Foundation Project and Wor House Project. These funds are disclosed as being restricted.

Two designated funds exist within the Newcastle upon Tyne YMCA. The capital fund relates to the investment properties at Ellison Place and Ovingham Gardens. This is on the basis that the properties are subject to a long term lease and it is unlikely that the YMCA could dispose of the assets.

The contingency fund represents the level of resources necessary to ensure the Association can sustain its current detached youth work operations for a period of twelve months, and meet its obligations to staff, should employment need to be terminated. The current fund represents approximately eight months of running costs and further transfers will be made to this fund as and when future surpluses arise. The Steps Forward project, being externally funded, does not have an impact on this contingency fund.

Movements on restricted funds are summarised below.

Restricted funds

	<u>Balance</u> <u>2004</u> £	<u>Movement in funds</u> <u>Incoming</u> £	<u>Outgoing</u> £	<u>Transfer from</u> <u>Unrestricted Funds</u> £	<u>Balance</u> <u>2005</u> £
Walker project	-	24,344	(109,250)	84,906	-
Byker project	-	39,268	(98,085)	58,817	-
Student project	-	41,057	(65,190)	24,133	-
Blakelaw project	-	49,124	(91,844)	42,720	-
Steps Forward project	15,656	76,652	(100,880)	8,572	-
Rank Foundation project	12,029	40,393	(39,958)	-	12,464
Wor House project	3,531	23,845	(20,935)	-	6,441
	<u>31,216</u>	<u>294,683</u>	<u>(526,142)</u>	<u>219,148</u>	<u>18,905</u>

11. Financial Commitments

At 31st March 2005 the company had annual commitments under non-cancellable operating leases as follows:

	<u>2005</u> £	<u>2004</u> £
In over 5 years	2,000	2,000