

**Newcastle upon Tyne YMCA**  
**(Limited by guarantee and not having a share capital)**  
**Directors' Report and Financial Statements**  
**For the year ended 31 March 2008**



**Company Number: 3582739 (England & Wales)**

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

**Company Information**

<b>Directors</b>	A Greenall (President) Rev J Breslin (Chairman) C Burdess (Vice Chairman – 21 November 2007) (Appointed to Board 27 March 2007) M S Dormer (Treasurer) R M Jackson J Hunter C Tucker A Proud J Jobes S Wrigg (Resigned 21 November 2007) K Malik (Appointed 20 June 2007)
<b>Chief Executive/ Company Secretary</b>	S Barrigan
<b>Company Number</b>	3582739 (England & Wales)
<b>Charity Number</b>	1070578
<b>Registered Office</b>	592-596 Welbeck Road Walker Newcastle upon Tyne NE6 3AB
<b>Independent Auditors</b>	HW Chartered Accountants & Registered Auditors Floor 11 Cale Cross House 156 Pilgrim Street Newcastle upon Tyne NE1 6SU
<b>Bankers</b>	Barclays Bank Plc City Office Percy Street Newcastle upon Tyne
<b>Solicitors</b>	Sinton & Company The Cube Barrack Road Newcastle upon Tyne
<b>Investment Advisors</b>	Brewin Dolphin Commercial Union House 39 Pilgrim Street NEWCASTLE UPON TYNE NE1 6RQ

**Newcastle upon Tyne YMCA**  
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**Report and Financial Statements**  
**For the year ended 31 March 2008**

**Contents**

	<b>Page</b>
Directors' Report	1 - 9
Independent Auditors' Report	10
Statement of Financial Activities	11
Balance Sheet	12
Analysis of Fund Balances between the Net Assets	13
Notes to the Financial Statements	14 - 23
<i>The following pages do not form part of the statutory accounts</i>	
Income and Expenditure Account	24 - 25
Youth Work Initiative	26
Positive Futures Project	27
Steps Forward Mentoring Project	28
Parenting Route Project	29
Student Project	30
Sports, Health and Fitness Project	31
Cashflow Statement	32
Notes to the Cashflow Statement	33

**Newcastle upon Tyne YMCA**  
**(Limited by guarantee and not having a share capital)**  
**Directors' Report**  
**For the year ended 31 March 2008**

The Directors present their report and audited accounts for the year ended 31 March 2008

**Reference and administration**

Reference and administrative information is detailed on the first page of these financial statements

**Structure, Governance and Management**

**Governing documents**

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

The charity's and company's governing documents are its Memorandum and Articles of Association

**Recruitment and 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 prescribed maximum is not then exceeded. Directors are appointed for three years and are eligible for re-election for further three year terms. At the Annual Meeting of the Charity, held in November 2007, four Directors' terms of office were due for renewal, Mr A Greenall, Mrs J Hunter, Mr J Jobes and Mr A Proud. All four members were re-elected for a further three years. There was one resignation, Ms S Wrigg. During the year two new appointments were made, Ms C Burdess and Mr K Malik.

Directors are recruited by recommendation, by personal invitation or from the client group of the YMCA. Anyone wishing to become a Director is required to undergo a check with the Criminal Records Bureau at enhanced level and sign a declaration that they are not debarred from holding office. Before being appointed, Directors are required to meet with the Chair of Trustees and Chief Executive who outline the mission, structure, governance and financial management of the organisation and explains the responsibilities of trustees/directors. New Directors are encouraged to visit each YMCA project site to observe the work done by the organisation and they may be attached to one of the sub committees of the Board, which has direct responsibility for one aspect of the charity's work.

Training is made available on a regional basis through YMCA England and Trustees are encouraged to access these opportunities.

**Newcastle upon Tyne YMCA**  
**(Limited by guarantee and not having a share capital)**  
**Directors' Report Continued ...**  
**For the year ended 31 March 2008**

**Officers**

At the Annual Meeting in November 2007 Alan Greenall was reappointed President and Mark Dormer Treasurer for the forthcoming 12 months James Breslin was reappointed Chair and C Burdess was appointed Vice Chair respectively at the first general meeting of the Board following the AGM These appointments were also for one year

**Organisational structure**

The charity is managed by a Board of Directors and a sub-committee structure All meet quarterly The Chief Executive attends meetings of the Board of Directors, but has no voting rights

A scheme of delegation is in place and day to day responsibility for the provision of services rests with the Chief Executive and the Finance Manager The Chief Executive is responsible for ensuring that the charity delivers the services agreed by the Board of Directors and ensuring adequate support and supervision of the staff team

**Related parties**

In so far as it is complimentary to the charity's objects, the charity is guided by the national YMCA guidance and local and national youth policy The charity is engaged with the local authority play and youth service and is participating in local developments of the Children's Trusts/Children's Services

**Risk Management**

The Board of Directors carries out a full operational risk assessment annually This highlights areas of strength, weaknesses and threats The Directors address the weaknesses and threats in the operation and have contingencies and procedures in place to deal with risks Systems and procedures are in place to mitigate risks the charity faces Significant risks to funding mean that the Board of Directors regularly reviews the operation to ensure ongoing viability Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to YMCA premises

**Objectives and Activities**

The objects as set 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*

**Newcastle upon Tyne YMCA**  
**(Limited by guarantee and not having a share capital)**  
**Directors' Report Continued ...**  
**For the year ended 31 March 2008**

*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.

### **Policies**

The Charity has an equal opportunities, health & safety and child protection policy in place. The Charity works through the National Council of YMCAs in England (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 an enhanced level.

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

- The Smoke Free Policy

### **Achievements and objectives**

The Mission of the Newcastle upon Tyne YMCA is to

***'Work with young people aged 13-25 years in the community providing activities and opportunities that will 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 Newcastle YMCA fulfils its mission through its project work

- The Youth Work Initiative which has bases on the Walker and Byker estates in the City. The Project staff provide a variety of activities and opportunities which young people can access including group work activities, support to young people living independently, outdoor activities and crisis support work. In particular the young people completed a very successful sailing residential around the South East coast of England and the Channel Islands.

**Newcastle upon Tyne YMCA**  
**(Limited by guarantee and not having a share capital)**  
**Directors' Report Continued ...**  
**For the year ended 31 March 2008**

- The Positive Futures Project provides opportunities and activities to young people in the City. Many of the young people are referred by local agencies, schools, organisations and the YMCA youth projects. During the year a group of young people successfully participated in an accredited skiing course in Scotland.
- The Steps Forward Mentoring Project, which provides one to one support to young people using volunteer mentors. The young people accessing the Project are from the refugee and asylum seeking community, young parents, young people engaged with the Youth Offending Team and young people referred by community agencies.

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 The Northern Learning Trust, the Youth Offending Team, the Play and Youth Service, Connexions Tyne and Wear, the Young Separated Asylum Seekers and Refugees Project, the East End Partnership, the Regional Youth Work Unit, Your Homes Newcastle, Newcastle Independence Network, the Newcastle Arts Forum, Newcastle Council for Voluntary Services and the Churches of the East End. The Association also receives support and guidance from YMCA England through the Regional Executive Officer.

During the year the Association continued discussions with the YMCA of North Tyneside regarding the potential of developing closer working relationships with a view to sharing resources and expertise and widening the range of opportunities available for the beneficiary groups. A decision was made in March 2008 to postpone consideration of any further plans for closer working between Newcastle YMCA and YMCA of North Tyneside pending the outcome of a strategic review by the Association.

The Association relies heavily on volunteers to support the delivery of the Steps Forward mentoring Project. Volunteers are recruited from the community and trained to act as mentors to young people who are referred to the Project. Working on a one-to-one basis the mentors meet their young people on a regular, sometimes weekly, basis. At the end of the financial year there were 28 mentors matched to 33 young people accessing the Steps Forward Project. Volunteers are also used in the Youth Work Initiative, however, in this case they are usually young people who have been active in the projects and want to engage in a different way through volunteering.

At the end of March 2008 the Association employed ten full time and five part time staff. Eight full time staff and two part time staff are directly involved in the delivery of services to young people. One full time post was created in the Youth Work Initiative project and one part time post was created in the Positive Futures Project.

**Newcastle upon Tyne YMCA**  
**(Limited by guarantee and not having a share capital)**  
**Directors' Report Continued ...**  
**For the year ended 31 March 2008**

**Premises**

The Association owns four sets of premises, two of which are leased out on long term arrangements and two are used for the delivery of services to clients and the administration of the Association. In addition the Association leases a suite of premises from the City Council for the work in Byker.

**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 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*

**Assets**

The Charity's assets, both property and cash are being held to carry out its objectives. A valuation of all the properties was carried out in 2006. The next revaluation will be in 2011.

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 conditions, who may find themselves marginalised or in situations of need.



**Newcastle upon Tyne YMCA**  
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**Directors' Report Continued ...**  
**For the year ended 31 March 2008**

**Financial Review**

**Reserves policy**

The Charity currently has a contingency fund which amounts to approximately 9 months running costs. These are invested and any interest or dividend accrued is applied to the work of the charity. At 31<sup>st</sup> March 2008 the reserves amounted to £323,866.

**Results**

The fund balances carried forward at 31<sup>st</sup> March 2008 show a total of £3,600,373. The majority is represented by freehold property owned by the Association.

An operating surplus amounting to £12,011 is shown in the Statement of Financial Activities.

The Association continues to be influenced by the uncertainty of financial support from the Voluntary Sector. Throughout the past year a number of external funding streams have ended. However, the organisation continues to receive a guaranteed unrestricted income from rent received for its building in the city centre. This building is leased to the University of Northumbria. The lease has another seven years to run with a rent review due in 2010.

In addition to this funding, dividend payments from reserves and the income received from an invested legacy, the Association has benefited from the ongoing support of a number of funders including The Big Lottery, the Parenting Fund, Northern Rock Foundation, Connexions Tyne & Wear, Neighbourhood Renewal Fund, Football Foundation/Crime Concern, Newcastle Play and Youth Service, Your Homes Newcastle, and other grant making bodies.

**Financial dependency**

Just under half of the current financial requirements of the charity are met from its own sources (rental income, interest & dividends from investments and interest from a legacy). The remainder is derived from a wide range of sources including trusts and grant making bodies and central and local government funding. The YMCA acknowledges with gratitude the support it receives from funding bodies and partners.

**Newcastle upon Tyne YMCA**  
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**Directors' Report Continued . .**  
**For the year ended 31 March 2008**

**Plans for the Future**

The Newcastle upon Tyne YMCA is committed to maintain its work with young people aged 13-25 years. In 2008/2009 the Association will conduct a strategic review. The business and fundraising strategy plan will be reviewed during the period 2008/2009 to address current issues and to support plans for existing work. A revised three year business plan for the Association will then be implemented.

The Board of Directors will undertake an away day to assess the structure of the organisation and to consider ways forward. There are also plans to review the terms of reference for the sub committees of the Board. The Association also aims to commission a research report that would help target resources in order for the organisation to meet identified needs in the city.

Due to funding restrictions, a decision has been taken to close the Steps Forward Project in the 2008/2009 financial year.

**Directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with the applicable law and United Kingdom generally accepted accounting practice.

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

**Accounting policies**

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

**Insurance**

The Association used Bishop Skinner Brokers Ltd, Newcastle upon Tyne, as the insurance providers for the year.

**Newcastle upon Tyne YMCA**  
**(Limited by guarantee and not having a share capital)**  
**Directors' Report Continued ...**  
**For the year ended 31 March 2008**

**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

**Policy of payments of creditors**

It is the Association's 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

**Pension Commitment**

Newcastle upon Tyne YMCA participated in a contributory pension plan operated by YMCA England providing defined benefits based on final pensionable pay for employees of YMCAs in England, Scotland and Wales. This plan closed to new members and future benefit accruals for existing members on 30 April 2007. A Group Stakeholder Scheme administered by YMCA England has been introduced in its place. The Association offers membership to all staff and makes employer's contributions to the scheme. In addition, the Association provides death-in-service cover to all staff regardless of whether they are in the Pension Scheme or not.

**Board Membership**

Members of the Board, who are trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on the company information page of this report

In accordance with company law, as directors, we certify that

- So far as we are aware, there is no relevant audit information of which the charity auditors are unaware, and
- As the directors of the charity we have taken all steps that we ought to have taken in order to make ourselves aware of any relevant audit information and establish that the charity's auditors are aware of that information

**Newcastle upon Tyne YMCA**  
**(Limited by guarantee and not having a share capital)**  
**Directors' Report Continued ...**  
**For the year ended 31 March 2008**

**Auditors**

In accordance with section 385 of the Companies Act 1985, a resolution proposing that HW be re-appointed as auditors of the charity will be put to the Annual General Meeting

This report has been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting for Charities (issued 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities

Signed on Behalf of the Board

A handwritten signature in black ink, appearing to read 'James Breslin', written over a horizontal line.

James Breslin  
(Chairman)

**Newcastle upon Tyne YMCA**  
**(Limited by guarantee and not having a share capital)**  
**Independent Auditors' Report**  
**to the members of Newcastle upon Tyne Young Men's Christian Association**

We have audited the financial statements of Newcastle upon Tyne YMCA for the year ended 31 March 2008 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes on pages 14-23. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

The report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditors report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume 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 (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, 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 is not disclosed.

We read other information in the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 misstatement, 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 in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities of the state of the charity's affairs as at 31<sup>st</sup> March 2008 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended, the financial statements have been properly prepared in accordance with the Companies Act 1985.
- The information given in the Directors Report is consistent with the financial statements.

**HW**  
Chartered Accountants  
Registered Auditor

**HW**  
Floor 11  
Cale Cross House  
156 Pilgrim Street  
Newcastle upon Tyne, NE1 6SU

9 September 2008

**Newcastle upon Tyne YMCA**  
**(Limited by guarantee and not having a share capital)**  
**Statement of Financial Activities**  
**For the year ended 31 March 2008**

<u>Notes</u>	<u>General Funds</u> £	<u>Capital Fund</u> £	<u>Designated Funds</u> <u>Contingency Fund</u> £	<u>Restricted Funds</u> £	<u>2008 Total</u> £	<u>2007 Total</u> £
<b>Incoming resources</b>						
<b>Incoming resources from generated funds.</b>						
<i>Voluntary income</i>						
Donations and grants <b>2</b>	5,765	-	-	274,862	280,627	296,946
<i>Investment income</i>						
Rent received	226,000	-	-	-	226,000	226,000
Investment income	12,002	-	-	-	12,002	12,780
<b>Other Incoming Resources</b>						
Other income	3,273	-	-	3,760	7,033	7,096
<b>Total incoming resources</b>	<u>247,040</u>	<u>-</u>	<u>-</u>	<u>278,622</u>	<u>525,662</u>	<u>542,822</u>
<b>Resources expended</b>						
<b>Costs of generating funds</b>						
Charitable activities <b>3</b>	124,230	-	-	383,617	507,847	533,340
Governance costs <b>4</b>	1,465	-	-	4,339	5,804	3,610
<b>Total resources expended</b>	<u>125,695</u>	<u>-</u>	<u>-</u>	<u>387,956</u>	<u>513,651</u>	<u>536,950</u>
<b>Net incoming/(outgoing) resources before other recognised gains and transfers</b>	121,345	-	-	( 109,334 )	12,011	5,872
<b>Transfers</b>	( 119,448 )	-	( 7,090 )	126,538	-	-
<b>Net income/(expenditure) for the year</b>	<u>1,897</u>	<u>-</u>	<u>( 7,090 )</u>	<u>17,204</u>	<u>12,011</u>	<u>5,872</u>
<b>Other recognised gains</b>						
Realised (loss)/gain on revaluation of investments	-	-	-	-	-	( 1,687 )
Unrealised (loss)/gain on revaluation of Investments <b>9</b>	-	-	( 24,605 )	-	( 24,605 )	3,054
<b>Net movement in funds</b>	1,897	-	( 31,695 )	17,204	( 12,594 )	7,239
Fund balances at 1 April 2007	241,606	3,015,800	355,561	-	3,612,967	3,605,728
<b>Fund balances at 31 March 2008</b>	<u>243,503</u>	<u>3,015,800</u>	<u>323,866</u>	<u>17,204</u>	<u>3,600,373</u>	<u>3,612,967</u>

The statement of financial activities include all gains and losses recognised in the year

All incoming resources and resources expended derive from continuing activities

The notes on pages 14 to 23 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 2008**

	<u>Notes</u>	£	<u>2008</u> £	£	<u>2007</u> £
<b>Fixed Assets</b>					
Tangible assets	8		333,120		345,103
Investments	9				
Quoted Investments			230,324		254,846
Investment properties			3,015,800		3,015,800
			<hr/>		<hr/>
			3,579,244		3,615,749
<b>Current Assets</b>					
Debtors	10	28,158		25,121	
Cash at bank and in hand		110,956		101,131	
		<hr/>		<hr/>	
		139,114		126,252	
<b>Creditors: amounts falling due within one year</b>	11	( 117,985 )		( 129,034 )	
		<hr/>		<hr/>	
<b>Net Current (Liabilities)/Assets</b>			21,129		( 2,782 )
			<hr/>		<hr/>
<b>Net Assets</b>			3,600,373		3,612,967
			<hr/>		<hr/>
<b>Unrestricted funds</b>					
Designated funds			3,339,666		3,371,361
Unrestricted funds			198,383		195,546
Revaluation Reserve			45,120		46,060
<b>Restricted funds</b>	12		17,204		-
			<hr/>		<hr/>
<b>Total funds</b>			3,600,373		3,612,967
			<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 January 2007)

Approved by the management committee on **31/3/08** and signed on its behalf by

  
J Breslin – Chairman

  
M S Dormer – Treasurer

**Newcastle upon Tyne YMCA**  
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**Analysis of Fund balances between the Net Assets**  
**as at 31 March 2008**

	<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> £
<b>Fixed assets</b>	333,120	-	-	-	333,120
<b>Fixed asset investment</b>	-	3,015,800	230,324	-	3,246,124
<b>Current assets</b>	28,368	-	93,542	17,204	139,114
<b>Current liabilities</b>	( 117,985 )	-	-	-	( 117,985 )
<b>Net assets</b>	<u>243,503</u>	<u>3,015,800</u>	<u>323,866</u>	<u>17,204</u>	<u>3,600,373</u>
<b>Represented by:</b>					
<b>Fund balances</b>	<u>243,503</u>	<u>3,015,800</u>	<u>323,866</u>	<u>17,204</u>	<u>3,600,373</u>

The notes on pages 14 to 23 form part of these financial statements



**Newcastle upon Tyne YMCA**  
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**Notes to the Financial Statements**  
**For the year ended 31 March 2008**

**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 the Companies Act 1985, the Statement of Recommended Practice (SORP 2005) regulations, the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007) and Part VI of the Charities Act 1993

The company has 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 Compliance with accounting standards**

The financial statements are prepared in accordance with the applicable accounting standards, which have been applied consistently

**1.3 Donations and voluntary income**

Donations and voluntary income are accounted for gross when received

**1.4 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

Legacies received are unrestricted unless otherwise stated

**1.5 Allocation of costs**

Costs are allocated between charitable activities and governance costs according to the nature of the cost

**1.6 Investment assets**

Investment assets are included in the accounts at their open market value. If the investment is to be realised within 12 months it is categorised as a current asset

**1.7 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 1.6. Permanent diminution in the value of fixed assets is charged to the Statement of Financial Activities

**1.8 Fixed assets and depreciation**

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

Freehold properties	2% straight line basis
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 buildings are re-valued every five years commencing on 31 March 2006 and undergo impairment tests annually

**Newcastle upon Tyne YMCA**  
**(Limited by guarantee and not having a share capital)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2008**

**1 9 Pensions**

The cost of employer's contributions to the replacement YMCA Group Stakeholder pension plan are charged to the Income and Expenditure Account as they are incurred

**1 10 Pension Commitment**

Newcastle upon Tyne YMCA participated in a multi-employer defined benefits pension plan for employees of YMCAs in England, Scotland and Wales. This plan closed to new members and future benefit accruals for existing members on 30 April 2007. The plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to Newcastle upon Tyne YMCA for the purposes of FRS 17 disclosure.

The cost of the defined benefit 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 qualified actuaries. Actuarial surpluses and deficits are currently spread over a period of 12 years.

**1 11 Fund Accounting**

The charity maintains various types of funds as follows

**Restricted funds** – These funds are where the donor has imposed restrictions on the use of the funds which are legally binding.

**Unrestricted funds** – General unrestricted funds represent funds which are expendable at the discretion of the Directors in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

**Designated funds** – These funds are held for a specific purpose. The directors have decided that setting aside funds in this way is a useful financial discipline which will help the charity make the best use of its resources, even though there is no legal force to the designation.

**1 12 Governance Costs**

These represent costs incurred attributable to the management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

**Newcastle upon Tyne YMCA**  
**(Limited by guarantee and not having a share capital)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2008**

**2 Donations and grants**

	<b><u>Unrestricted</u></b>	<b><u>Restricted</u></b>	<b><u>Designated</u></b>	<b><u>2008</u></b>	<b><u>2007</u></b>
	<b><u>Funds</u></b>	<b><u>Funds</u></b>	<b><u>Funds</u></b>	<b><u>Total</u></b>	<b><u>Total</u></b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Legacy	5,635	-	-	5,635	4,697
Memberships	130	-	-	130	150
Play and Youth Services	-	13,500	-	13,500	13,000
Asylum Seekers and Refugee Route Connexions	-	-	-	-	15,000
BIG Lottery Fund	-	35,642	-	35,642	41,389
Northern Rock Foundation	-	6,667	-	6,667	20,000
Parenting Fund	-	58,340	-	58,340	63,590
NRF Safe Newcastle	-	36,778	-	36,778	18,222
Football Foundation	-	50,000	-	50,000	50,000
Other Donations	-	73,935	-	73,935	70,898
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	5,765	274,862	-	280,627	296,946
	<hr/>	<hr/>	<hr/>	<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 2008**

**3 Charitable activities**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Designated</u>	<u>2008</u>	<u>2007</u>
	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Total</u>	<u>Total</u>
	£	£	£	£	£
Salaries	42,151	289,529	-	331,680	379,042
Severance Payment	29,717	-	-	29,717	13,025
Travelling and subsistence	962	1,657	-	2,619	7,180
IT & Technical Costs	392	1,535	-	1,927	2,368
Telephone	1,108	5,287	-	6,395	6,707
Legal costs	131	-	-	131	2,462
Insurance and Affiliation	4,322	7,214	-	11,536	10,052
Staff training and conferences	1,720	4,585	-	6,305	10,976
Depreciation	11,912	71	-	11,983	13,606
Rent, rates, light and heat	2,896	4,454	-	7,350	7,879
Bank charges	101	-	-	101	75
Printing, postage, stationery and advertising	2,552	8,570	-	11,122	11,464
Refurbishment and set up costs	-	-	-	-	551
Repairs, renewals and cleaning	3,499	4,606	-	8,105	11,828
Overheads	486	285	-	771	1,999
Project costs	-	9,059	-	9,059	12,331
Programme	-	46,765	-	46,765	41,795
Restructuring Costs	1,817	-	-	1,817	-
YMCA Pension Deficit	20,464	-	-	20,464	-
	<u>124,230</u>	<u>383,617</u>	<u>-</u>	<u>507,847</u>	<u>533,340</u>

**4 Governance costs**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Designated</u>	<u>2008</u>	<u>2007</u>
	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Total</u>	<u>Total</u>
	£	£	£	£	£
Audit	1,465	4,339	-	5,804	3,610

**Newcastle upon Tyne YMCA**  
**(Limited by guarantee and not having a share capital)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2008**

**5 Staff Costs and Numbers**

**Staff costs were as follows:**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Wages and salaries	291,148	307,870
Pension Costs	6,883	6,488
Social Security costs	28,717	24,302
YMCA Defined Benefits Scheme	4,932	40,382
YMCA Defined Benefits Pension Plan deficit	20,464	-
	<hr/>	<hr/>
	352,144	379,042
	<hr/>	<hr/>

For additional information regarding the YMCA Pension Plan deficit refer to note 7

During the year expenses were paid to the value of £74 for mileage One Director was paid expenses

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

No employee received emoluments of more than £ 60,000

**Number of employees**

The average number of employees during the year was

<b>2008</b>	<b>2007</b>
<b>Number</b>	<b>Number</b>
15	15
<hr/>	<hr/>

**6 Surplus for the year**

The surplus/(deficit) is stated after charging -

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	11,983	13,606
Auditors' remuneration	5,804	3,610
	<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 2008**

**7 Pension Scheme**

Newcastle upon Tyne YMCA participated in a contributory pension plan providing defined benefits based on final pensionable pay for employees of YMCAs in England, Scotland and Wales. After taking professional advice and having consideration to the various options open to them, YMCA England in its capacity as Principal Employer in the YMCA Pension Plan, and in conjunction with the Trustee of the YMCA Pension Plan, made the recommendation that the YMCA Pension Plan should close to new members and future benefit accruals. After consultation with members and participating YMCA employers, the YMCA Pension Plan closed with effect from 30 April 2007.

The assets of this YMCA Pension Plan are held separately from those of Newcastle upon Tyne YMCA and at the year-end these were invested in pooled funds operated by Legal & General (equities and bonds and property units) and Schroder (property units only).

The most recent completed three year valuation was as at 1 May 2005. The assumptions used which have the most significant effect on the results of the valuation are those relating to the pre-retirement investment yield of 7.0% per annum, the post-retirement investment yield of 5.0% and the rate of earnings increase of 5.25% per annum. The result of the valuation showed that the actuarial value of the assets was £34.3m. This represented 57% of the benefits that had accrued to members, after allowing for expected future increases in earnings. However, under Section 56 of the Pensions Act 1995, the Minimum Funding Requirement (the MFR) funding level was 89%.

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 purposes of FRS 17 disclosure and accordingly the FRS 17 deficit is not shown on the balance sheet.

An interim valuation, prepared as at 1 May 2006, showed that the YMCA Pension Plan had a deficit of £22 million. Newcastle upon Tyne YMCA has been advised that it will need to make monthly contributions of £1,860 over a period of 12 years. This amount is based on the current actuarial assumptions (as outlined above) and will vary in the future as a result of actual performance of the Pension Plan.

In addition, Newcastle upon Tyne YMCA may have over time liabilities in the event of the non-payment by other participating YMCAs of their share of the YMCA Pension Plan's deficit. It is not possible currently to quantify the potential amount that Newcastle upon Tyne YMCA may be called upon to pay in the future.

A new YMCA Group Stakeholder pension plan administered by YMCA England was launched on 1 May 2007. Newcastle upon Tyne YMCA offers membership of this scheme to all staff, making employer contributions to the scheme.

Pension contributions payable in respect of the YMCA Defined Benefit Scheme for the year ended 31 March 2008 amounted to £ 4,932 (2007 £40,382).

Newcastle upon Tyne YMCA's Defined Benefits Pension Deficit liability for the year ended 31 March 2008 amounted to £20,464.

**Newcastle upon Tyne YMCA**  
**(Limited by guarantee and not having a share capital)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2008**

**8 Tangible fixed assets**

	<u>Freehold Properties</u>	<u>Motor Vehicles</u>	<u>Fixtures Fittings &amp; Equipment</u>	<u>Leasehold Improvements</u>	<u>Total</u>
	£	£	£	£	£
<b>Cost or valuation</b>					
At 1 April 2007	351,948	15,401	79,071	2,043	448,463
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2008	351,948	15,401	79,071	2,043	448,463
<b>Depreciation</b>					
At 1 April 2007	26,758	11,746	63,237	1,619	103,360
Disposals	-	-	-	-	-
Charge for year	7,039	914	3,959	71	11,983
At 31 March 2008	33,797	12,660	67,196	1,690	115,343
<b>Net book value</b>					
At 31 March 2008	318,151	2,741	11,875	353	333,120
At 31 March 2007	325,190	3,655	15,834	424	345,103

The freehold properties were re-valued on 31 March 2006 by Sanderson Wetherall Chartered Surveyors and Property Consultants. All of the valuations were based on the current open market freehold value of the premises in their existing condition.

The historic cost of freehold properties are as follows

<u>Freehold Property</u>	<u>Cost</u>	<u>Net book value</u>
	£	£
Head Office	231,948	218,031
Direct charitable use	73,000	58,400
	304,948	276,431

**Newcastle upon Tyne YMCA**  
**(Limited by guarantee and not having a share capital)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2008**

<b>9</b>	<b>Investments</b>	<b><u>2008</u></b> £	<b><u>2007</u></b> £
	<b>Quoted investments</b>		
	Balance at 1 April 2007	254,846	253,470
	Additions at cost	18,808	23,311
	Disposals at market value	( 19,000 )	( 25,687 )
	Interest on cash deposits	83	9
	Cash Deposit	-	689
	Proceeds from Sale of Stock	192	-
	Net unrealised investment loss	( 24,605 )	3,054
		<hr/>	<hr/>
	Balance at 31 March 2008	230,324	254,846
		<hr/>	<hr/>
	The investments are made up of the following portfolios as at 31 March 2008 -		
	<b>Narrow range total portfolio</b>	<b><u>2008</u></b> £	<b><u>2007</u></b> £
	Eurobonds	33,928	55,011
		<hr/>	<hr/>
	<b>Wide range total portfolio</b>	<b><u>2008</u></b> £	<b><u>2007</u></b> £
	Permanent Interest Bearing Shares	46,470	58,064
	United Kingdom Unit Trusts	131,488	123,586
	Eurobonds	17,429	17,451
	Cash	1,009	734
		<hr/>	<hr/>
		196,396	199,835
		<hr/>	<hr/>
	<b>Investment properties</b>	<b><u>2008</u></b> <b>Cost or</b> <b>Valuation</b> £	<b><u>2007</u></b> <b>Cost or</b> <b>Valuation</b> £
	Wynne Jones Building	3,100,000	3,100,000
	Ovingham Gardens	150,000	150,000
	Depreciation charged before revaluation	( 234,200 )	( 234,200 )
	<b>Book Value</b>	<hr/> <b>3,015,800</b> <hr/>	<hr/> <b>3,015,800</b> <hr/>

The investment properties were re-valued on 31 March 2006 by Sanderson Wetherall Chartered Surveyor and Property Consultants. The valuation was based on the current open market freehold value of the premises in their existing condition.



**Newcastle upon Tyne YMCA**  
**(Limited by guarantee and not having a share capital)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2008**

<b>10</b>	<b>Debtors</b>	<b><u>2008</u></b> £	<b><u>2007</u></b> £
	Trade and other debtors	28,158	25,121
		<u>28,158</u>	<u>25,121</u>
<b>11</b>	<b>Creditors: amounts falling due within one year</b>	<b><u>2008</u></b> £	<b><u>2007</u></b> £
	Accruals and other creditors	10,381	7,092
	Deferred income	107,604	121,942
		<u>117,985</u>	<u>129,034</u>
	Deferred income is split as follows		
	At 1 April 2007	121,942	
	Amounts released from opening balance	( 121,942 )	
	Additions to deferred income	107,604	
		<u>107,604</u>	
	At 31 March 2008	<u>107,604</u>	

**Newcastle upon Tyne YMCA**  
**(Limited by guarantee and not having a share capital)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2008**

**12 Funds**

Grants and donations are received towards the projects operated by Newcastle upon Tyne YMCA. These are the Youth Work Initiative Project, the Positive Futures Project, Steps Forward Project and Parenting Route 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 12 months, and meet its obligations to staff, should employment need to be terminated. The current fund represents approximately 9 months of budgeted running costs and further transfers will be made to this fund as and when future surpluses arise.

Movements on restricted funds are summarised below -

**Restricted funds**

	<u>Balance</u>	<u>Movement in funds</u>		<u>Transfer from</u>	<u>Balance</u>
	<u>2007</u>	<u>Incoming</u>	<u>Outgoing</u>	<u>Unrestricted Funds</u>	<u>2008</u>
	£	£	£	£	£
Youth Work Initiative	-	72,196	( 181,167 )	108,971	-
Positive Futures	-	100,687	( 83,483 )	-	17,204
Steps Forward Project	-	47,159	( 79,040 )	31,881	-
Parenting Route Project	-	58,580	( 44,266 )	( 14,314 )	-
Student Project	-	-	-	-	-
Sports, Health & Fitness Project	-	-	-	-	-
	<u>-</u>	<u>278,622</u>	<u>( 387,956 )</u>	<u>126,538</u>	<u>17,204</u>

**13 Related Party Transactions**

There were no related party transactions during the year.

**14 Control**

The ultimate controlling party is the board of trustees.