

Newcastle upon Tyne YMCA

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

**Directors' Report and Financial Statements
For the year ended 31 March 2004**

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 (Vice Chairman) J H Howell (Treasurer) R M Jackson M S Dormer J Hunter C Tucker A Proud (appointed 25 February 2004) J Jobes (appointed 25 February 2004) |
| Company Secretary | M King |
| Company Number | 3582739 (England & Wales) |
| Charity Number | 1070578 |
| Registered Office | 180 Portland Road Newcastle upon Tyne NE2 1DJ |
| Independent Auditors | Haines Watts 9 Portland Terrace Jesmond Newcastle upon Tyne NE2 1QQ |
| 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 2004

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

**For the year ended 31 March 2004
Newcastle upon Tyne YMCA**

The Directors present their report and audited accounts for the year ended 31st March 2004.

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 is 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.

**Newcastle upon Tyne Young Men's Christian Association
(Limited by guarantee and not having a share capital)**

Director's Report

Continued ...

For the year ended 31 March 2004

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 is in a strong position to continue to support and develop each of its projects in the coming year, consequently fulfilling the mission of the organisation which is 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.

The Association employed 17 full time and 6 part time staff, 15 full time and 5 part time staff directly delivering services to young people. A further full time staff member is seconded to work for the YMCA for six months.

During the year 3 full time staff left employment. Two staff left to work for other organisations as career development and one emigrated. External recruitment, internal reorganisation has filled the vacancies that arose.

Newcastle upon Tyne Young Men's Christian Association
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Director's Report
Continued ...
For the year ended 31 March 2004

Policies

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.

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

- Terms of Reference for all sub-committees
- Agreed to adopt YMCA England's recommended policy on 'Safeguarding Children and Young People'
- Approved an ethos statement in line with the recommendation of YMCA England in response to the Employment Equality Regulations 2003
- Raised the retirement age to 65
- Introduced a new pay and grade structure

Following an access survey conducted in the previous year the Association has been reviewing the requirements of the Disability Discrimination Act 2004, to make appropriate and necessary alterations, where such is possible, to its premises.

During the year the Association has worked with a large number of young people and has had many achievements, of particular note are:

- 14 people, 10 young people and 4 staff attended a European YMCA event in Prague, a gathering of 7500 people from YMCA's throughout Europe
- Two young people from Byker project participated in Operation Raleigh
- An award made to Walker by High Sheriff for crime diversion work
- The provision of one to one support to vulnerable young people by community volunteers attached to the Steps Forward Project.
- The involvement of volunteers from Newcastle College Project who took part in a summer activity scheme for young people from the East End of London who have emotional and behavioural difficulties.
- A new base has been refurbished for the Blakelaw Project. This will improve the facilities for young people in the area. The North West SRB Partnership provided grant funds for the refurbishment
- In partnership with a number of agencies, the YMCA is involved with a pilot project "Youth Work in Libraries".

Newcastle upon Tyne Young Men's Christian Association
(Limited by guarantee and not having a share capital)
Director's Report
Continued ...
For the year ended 31 March 2004

In each of the projects volunteers are a greatly valued asset. Volunteering by young people in the Projects is increasing across the Association and provides an excellent training environment for them in community development with young people.

The Steps Forward Project relies almost entirely on volunteers to deliver the service. Each person has to undergo a rigorous and accredited mentor training programme before being matched to a young person who has been referred by agencies, who feel that the young person will benefit from the one to one support provided by the volunteers. As at March 31st 2004 there were 35 volunteer mentors attached to the Project.

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.

Cath Tucker was elected to serve as a director, for a further three years, at the Association Annual General Meeting held in November 2003. In addition two directors were appointed in February 2004. Andrew Proud and Jason Jobes have been involved with the YMCA since their early teens.

Officers

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

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 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 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.

Newcastle upon Tyne Young Men's Christian Association
(Limited by guarantee and not having a share capital)
Director's Report
Continued ...
For the year ended 31 March 2004

Investments

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

"to invest the moneys of the Association not immediately required for its purposes in or upon such investments, security or property as may be thought fit subject, nevertheless to 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 here in 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 1986 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.

Assets

The Charity's assets, both property and cash are being held to carry out its objectives. A Director's valuation of the property was carried out at 31st March 2004 confirming that there has been no material movement.

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 links with YMCA England for its insurance requirements. Following a tendering process, carried out by YMCA England, Marsh & Co., were appointed brokers for the YMCA Movement.

Newcastle upon Tyne Young Men's Christian Association
(Limited by guarantee and not having a share capital)
Director's Report
Continued ...
For the year ended 31 March 2004

Results

The fund balances carried forward at 31st March 2004 show a total of £2,354,617. The majority is represented by freehold property owned by the Association (page 17).

An operating revenue deficit of £12,900 (2003: £15,302) is shown on the Statement of Financial Activities (page 11). This is due to the depreciation of equipment and the Board's decision to underwrite the involvement of young people in the YMCA Prague Event.

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 and the Rank Foundation to fund its work.

Accounting policies

The accounting policies of the charity have not changed during the year, apart from the depreciation policy for investment properties (see note 1.7).

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

Reserve 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 reported 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 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 purposes of FRS 17 disclosure.

Newcastle upon Tyne Young Men's Christian Association
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Director's Report
Continued ...
For the year ended 31 March 2004

Newcastle upon Tyne YMCA together with many other YMCAs operate a contributory pension plan providing defined benefits based 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 projected 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 76% of the benefits that had accrued to members, after allowing for expected future increases 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 to Newcastle upon Tyne YMCA for the purposes of FRS17 disclosure.

During the year ended 31 March 2004 contributions for employees were 6% of salary and the employer contributions were 14.4%. On 1 May 2003 the contribution rate for employees was increased to 8%, employer contributions remaining at 14.4%.

Policy on 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.

The Association is investigating the potential of developing a supported housing scheme for young people in the City and with support of the Heritage Lottery Fund (Young Roots Project) will develop a project with young people investigating Youth Culture in the City Centre over the past 50 years.

Premises

It has already been reported that the YMCA has taken over possession, by leasehold, of premises to serve young people in the Blakelaw/Kenton Bar wards. The Directors have also decided to relocate its headquarters operation and is currently marketing its premises using a firm of agents in the city. The relocation is expected to take place during 2004.

Newcastle upon Tyne Young Men's Christian Association
(Limited by guarantee and not having a share capital)
Director's Report
Continued ...
For the year ended 31 March 2004

Financial dependency

A little under half 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 has 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 6 November 2003.

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

We have audited the financial statements on pages 11 to 19 which have been prepared under the historical cost convention and the accounting policies set out on page 14.

This report is made solely to the charity's trustees, as a body, in accordance with regulations issued under section 44 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities.

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 regulations made under section 44 of the Charities Act 1983. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all 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 the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of 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 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.

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

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

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 2004 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Haines Watts

Haines Watts
Registered Auditors and Chartered Accountants
9 Portland Terrace
Jesmond
Newcastle upon Tyne
NE2 1QQ

Date:- *7 October 2004*

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)
Statement of Financial Activities
For the year ended 31 March 2004

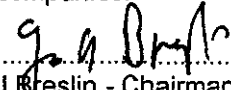
| | <u>General</u> <u>Funds</u> £ | <u>Designated Funds</u> <u>Capital</u> <u>Fund</u> £ | <u>Contingency</u> <u>Fund</u> £ | <u>Restricted</u> <u>Funds</u> £ | <u>2004</u> <u>Total</u> £ | <u>2003</u> <u>Total</u> £ |
|---|-------------------------------------|---|--|--|----------------------------------|----------------------------------|
| Income and Expenditure | | | | | | |
| Incoming Resources | | | | | | |
| Rent received | 207,486 | - | - | - | 207,486 | 208,850 |
| Donations and grants | 4,354 | - | - | 305,676 | 310,030 | 275,447 |
| Investment income | 17,755 | - | - | - | 17,755 | 20,008 |
| Other income | 18,638 | - | - | - | 18,638 | 8,914 |
| Total incoming resources | 248,233 | - | - | 305,676 | 553,909 | 513,219 |
| Resources expended | | | | | | |
| Direct charitable expenditure | 6,428 | - | - | 482,100 | 488,528 | 424,398 |
| Management and administration- of the charity (note 2) | 75,865 | - | - | - | 75,865 | 61,966 |
| Depreciation - investment property | - | - | - | - | - | 39,200 |
| - equipment | - | 2,416 | - | - | 2,416 | 2,957 |
| | 82,293 | 2,416 | - | 482,100 | 566,809 | 528,521 |
| Net (outgoing)/incoming resources before transfers | 165,940 | (2,416) | - | (176,424) | (12,900) | (15,302) |
| Transfers | (172,953) | - | - | 172,953 | - | - |
| Net (outgoing)/incoming resources for the year | (7,013) | (2,416) | - | (3,471) | (12,900) | (15,302) |
| Unrealised gain/(loss) on Investments (note 6) | - | - | 25,667 | - | 25,667 | (35,350) |
| Net movement in funds | (7,013) | (2,416) | 25,667 | (3,471) | 12,767 | (50,652) |
| Fund balances brought forward At 1 April 2003 | 259,885 | 1,734,462 | 312,816 | 34,687 | 2,341,850 | 2,392,502 |
| Fund balances carried forward at 31 March 2004 | 252,872 | 1,732,046 | 338,483 | 31,216 | 2,354,617 | 2,341,850 |

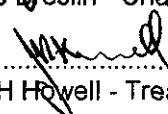
The notes on pages 14 to 19 form part of these financial statements

Newcastle upon Tyne YMCA
(Limited by guarantee and not having a share capital)
Balance Sheet
as at 31 March 2004

| | <u>Notes</u> | £ | <u>2004</u> £ | £ | <u>2003</u> £ |
|--|--------------|-------------|------------------|------------|------------------|
| Fixed assets | 5 | | 1,995,126 | | 1,950,916 |
| Fixed assets investments | 6 | | 286,845 | | 262,711 |
| | | | <hr/> | | <hr/> |
| | | | 2,281,971 | | 2,213,627 |
| Current assets | | | | | |
| Debtors | 7 | 39,165 | | 62,322 | |
| Cash at bank and in hand | | 191,350 | | 140,236 | |
| | | <hr/> | | <hr/> | |
| | | 230,515 | | 202,558 | |
| Creditors : amounts falling due within one year | 8 | (157,869) | | (74,335) | |
| | | <hr/> | | <hr/> | |
| Net current assets | | | 72,646 | | 128,223 |
| | | | <hr/> | | <hr/> |
| | | | 2,354,617 | | 2,341,850 |
| | | | <hr/> | | <hr/> |
| Represented by :- | | | | | |
| Restricted funds | 9 | | 31,216 | | 34,687 |
| Unrestricted funds | | | 252,872 | | 259,885 |
| Designated funds | | | 2,070,529 | | 2,047,278 |
| | | | <hr/> | | <hr/> |
| | | | 2,354,617 | | 2,341,850 |
| | | | <hr/> | | <hr/> |

Approved by the Board of Directors on 30/9/04 and signed on its behalf. The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.


 J Breslin - Chairman


 H Howell - Treasurer

The notes on pages 14 to 19 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 2004

| | <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 | 263,080 | 1,732,046 | - | - | 1,995,126 |
| Fixed asset investment | - | - | 286,845 | - | 286,845 |
| Current assets | 147,661 | - | 51,638 | 31,216 | 230,515 |
| Current liabilities | (157,869) | - | - | - | (157,869) |
| Net assets | <u>252,872</u> | <u>1,732,046</u> | <u>338,483</u> | <u>31,216</u> | <u>2,354,617</u> |
| Represented by: | | | | | |
| Fund balances | <u>252,872</u> | <u>1,732,046</u> | <u>338,483</u> | <u>31,216</u> | <u>2,354,617</u> |

The notes on pages 14 to 19 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 2004

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 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 | 2% straight line |
| Investment properties | No depreciation charged |
| Motor vehicles | 25% reducing balance basis |
| Fixtures and fittings | 25% reducing balance basis |
| Leasehold improvements | 25% reducing balance basis |

The depreciation policy for investment properties was changed during the 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 2005 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 2004

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>2004</u> £ | <u>2003</u> £ |
|---|------------------|------------------|
| Staff costs :- | | |
| Wages and salaries | 44,229 | 30,775 |
| Social security costs | 3,650 | 5,506 |
| Pensions | 5,576 | 6,566 |
| | <hr/> 53,455 | <hr/> 42,847 |
| Travel expenses | 2,195 | 1,277 |
| Cleaning, maintenance, repairs and renewals | 2,134 | 1,697 |
| Telephone charges | 847 | 963 |
| Conference, hospitality and training | 1,472 | 2,298 |
| Printing, stationery and postage | 3,757 | 2,990 |
| Insurance and affiliation fees | 1,753 | 1,378 |
| Sundry expenses | 200 | 320 |
| Office heating and lighting | 647 | 778 |
| Office rent and rates | 989 | 949 |
| Audit and accountancy charge | 380 | 368 |
| Bank charges | 206 | - |
| Equipment | 606 | 318 |
| Y Care donations | 108 | 1,153 |
| Depreciation- fixtures and fittings | 3,395 | 4,020 |
| Depreciation - freehold property | 2,900 | 2,900 |
| Depreciation – Leasehold improvements | - | 236 |
| Legal fees | 80 | - |
| Loss on write off of loan | 87 | 440 |
| (Profit)/loss on disposal of investment | 654 | (2,966) |
| | <hr/> 75,865 | <hr/> 61,966 |

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

Notes to the financial statements
For the year ended 31 March 2004

3. Employees

Number of employees

The average number of employees during the year was:

| 2004 | 2003 |
|---------------|---------------|
| Number | Number |
| 23 | 22 |
| <hr/> | <hr/> |

Employment costs

| | | |
|-----------------------|---------|---------|
| Wages and salaries | 366,389 | 315,074 |
| Pension costs | 34,911 | 35,645 |
| Social Security costs | 28,358 | 22,140 |
| | <hr/> | <hr/> |
| | 429,658 | 372,859 |
| | <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 (2003:nil) employee received emoluments in excess of £50,000.

4. Deficit for the year

The deficit is stated after charging:-

| | 2004 | 2003 |
|---------------------------------------|-------------|-------------|
| | £ | £ |
| Depreciation of tangible fixed assets | 19,393 | 54,984 |
| Auditors' remuneration | 2,282 | 1,950 |
| | <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 2004

5. 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 2003 | 2,178,000 | 34,240 | 59,305 | 2,043 | 2,273,588 |
| Additions | - | - | 2,482 | 62,208 | 64,690 |
| Disposals | - | (18,839) | - | - | (18,839) |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 March 2004 | 2,178,000 | 15,401 | 61,787 | 64,251 | 2,319,439 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Depreciation | | | | | |
| At 1 April 2003 | 261,360 | 21,602 | 38,375 | 1,335 | 322,672 |
| Disposals | - | (17,752) | - | - | (17,752) |
| Charge for year | 4,360 | 2,888 | 5,853 | 6,292 | 19,393 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 March 2004 | 265,720 | 6,738 | 44,228 | 7,627 | 324,313 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Net book value | | | | | |
| As at 31 March 2004 | 1,912,280 | 8,663 | 17,559 | 56,624 | 1,995,126 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| As at 31 March 2003 | 1,916,640 | 12,638 | 20,930 | 708 | 1,950,916 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| <u>Freehold Property</u> | <u>Cost or Valuation</u> £ | <u>Net book value</u> £ | | | |
| Investment properties | 1,960,000 | 1,724,800 | | | |
| Head Office | 145,000 | 124,700 | | | |
| Direct charitable use | 73,000 | 62,780 | | | |
| | <hr/> | <hr/> | | | |
| | 2,178,000 | 1,912,280 | | | |
| | <hr/> | <hr/> | | | |

The freehold properties were revalued by the Directors at their estimate of current market value as at 31 March 1997. A review by the Directors at 31 March 2004 confirmed that there has been no material movement from the 1997 values. A full professional valuation of the investment properties will be undertaken as at 31 March 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 2004

6. Investments

| | <u>2004</u> £ | <u>2003</u> £ |
|--------------------------------|-------------------------|-------------------------|
| Quoted investments | | |
| Balance at 1 April 2003 | 262,711 | 295,094 |
| Additions at cost | 11,993 | 27,426 |
| Disposals at market value | (14,119) | (25,297) |
| Interest on cash deposits | 593 | 838 |
| Net unrealised investment loss | 25,667 | (35,350) |
| | <hr/> | <hr/> |
| Balance at 31 March 2004 | 286,845 | 262,711 |
| | <hr/> | <hr/> |

The investments are made up of the following portfolios as at 31 March 2004:-

| | | |
|-------------------------------------|-------------------------|-------------------------|
| Narrow range total portfolio | <u>2004</u> £ | <u>2003</u> £ |
| Eurobonds | 86,246 | 88,340 |
| | <hr/> | <hr/> |
| Wide range total portfolio | <u>2004</u> £ | <u>2003</u> £ |
| Permanent Interest Bearing Shares | 74,563 | 69,357 |
| United Kingdom Unit Trusts | 107,121 | 85,223 |
| Eurobonds | 18,322 | 18,909 |
| Cash | 593 | 882 |
| | <hr/> | <hr/> |
| | 200,599 | 174,371 |
| | <hr/> | <hr/> |

7. Debtors

| | <u>2004</u> £ | <u>2003</u> £ |
|-------------------------|-------------------------|-------------------------|
| Debtors and prepayments | 37,170 | 58,961 |
| Staff loans | 1,995 | 3,361 |
| | <hr/> | <hr/> |
| | 39,165 | 62,322 |
| | <hr/> | <hr/> |

Included in staff loans are amounts due after more than one year of £770 (2003 - £1,940).

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

Notes to the Financial Statements
For the year ended 31 March 2004

8. Creditors :- amounts falling due within one year

| | <u>2004</u> £ | <u>2003</u> £ |
|------------------------------|------------------|------------------|
| Accruals and deferred income | 157,869 | 74,335 |
| | <hr/> | <hr/> |

9. 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 Forward – Basic Skills 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 Basic skills 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>2003</u> £ | <u>Movement in funds</u> <u>Incoming</u> £ | <u>Outgoing</u> £ | <u>Transfer from</u> <u>Unrestricted Funds</u> £ | <u>Balance</u> <u>2004</u> £ |
|-------------------|------------------------------------|--|----------------------|--|------------------------------------|
| Walker project | - | 17,085 | (94,825) | 77,740 | - |
| Byker project | - | 68,714 | (102,076) | 33,362 | - |
| Student project | - | 15,705 | (53,201) | 37,496 | - |
| Blakelaw project | - | 68,747 | (93,102) | 24,355 | - |
| Steps Forward | 25,582 | 75,278 | (85,204) | - | 15,656 |
| Rank Foundation | 9,105 | 36,809 | (33,885) | - | 12,029 |
| Wor House Project | - | 23,338 | (19,807) | - | 3,531 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | 34,687 | 305,676 | (482,100) | 172,953 | 31,216 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

10. Financial Commitments

At 31st March 2004 the company had annual commitments under non-cancellable operating leases as follows:

| | <u>2004</u> £ | <u>2003</u> £ |
|-----------------|------------------|------------------|
| In over 5 years | 2,000 | - |
| | <hr/> | <hr/> |