

Registration number 4604379
Registered charity number 1096492

Reachout Youth
(a company limited by guarantee and not having a share capital)

Directors' report and financial statements

for the year ended 31 December 2004



Reachout Youth

Company information

Directors	David T Shakespeare Michael Lower Ashley Stratford Linda Old
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Company number	4604379
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Registered office	30 Selworthy Road Moss Side Manchester M16 7UH
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Accountants	Wrigley Partington Sterling House 501 Middleton Road Chadderton Oldham OL9 LY
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Reachout Youth

Contents

	Page
Directors' report	1 - 4
Accountants' report	5
Statement of financial activities	6
Balance sheet	7 - 8
Notes to the financial statements	9 - 11

Reachout Youth

Directors' report for the year ended 31 December 2004

The Directors have pleasure in submitting their annual report together with the accounts for the year ended 31 December 2004.

Principal objects

The principal objects of the company are to promote educational opportunity, social responsibility and multicultural awareness amongst children and young people.

Policies to further the charity's objects

The income and property of the charity from whatever source derived are applied solely towards the promotion of its objects as set out above. No portion thereof is paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to the members of the company.

Review of activities and future developments

Although it was incorporated as recently as 2002, Reachout Youth, (operating then as now under the name of ReachOut!) actually started its operation in 1994.

Accordingly this year we celebrated the 10th anniversary of the founding of the predecessor of the Charity and in October, to mark the occasion, there was a Reception, which the Lord Mayor of Manchester (Cllr O'Callaghan) attended. We also welcomed both current and past volunteers, staff and supporters of ReachOut!

Mentoring provision in Manchester continued to grow.

In School Mentoring

Mentoring in primary schools in Wythenshawe, Hulme and Moss Side continued as in previous years, with a total of 58 mentoring relationships set up during the year. The schools where mentoring took place were as follows:

- St Mary's C.E. Primary School, Moss Side
- St Wilfrid's R.C. Primary School, Hulme
- St John Fisher & St Thomas More R.C. Primary School, Benchill

Funding from Manchester Connexions enabled us to start a pilot project in Higher Blackley with secondary school pupils who were at risk of exclusion or of dropping out from school altogether. The schools targeted were:

- Plant Hill High School, Higher Blackley
- Our Lady's Sports College, Higher Blackley

It is too early yet to ascertain whether the project has had the desired effects. Early feedback however, is encouraging. In total 21 young high school students are receiving mentoring support.

Youth Centre Mentoring

During September 2004 mentoring started in Procters Young People's Centre in Hulme. In the project at the Millenium Powerhouse in Moss Side, membership numbers continued to grow. In total 20 Volunteers and 55 children took part in the activities in these centres.

Reachout Youth

Directors' report for the year ended 31 December 2004

Partnership Mentoring

During the year we also started mentoring projects with other organisations. ReachOut! acted as a provider of mentoring to members of these organisations:

- Blue Zone, Moss Side
- Making It Work Partnership (Barnardo's, Black Health Agency, Manchester Youth Volunteering Project and ReachOut!)
- Woodhouse Park Family Centre Transition Project

These partnerships are still in their infancy.

London

Undoubtedly, the most significant development was the establishing of an office in Hackney, London. In September 2004 Peter Blackwell, who had volunteered with ReachOut! in Manchester whilst a University student himself, was appointed London Manager.

An initial project at the Jubilee School started in January 2004. A Summer Programme followed this. Both projects were successful and The Hackney Borough Council approved funding for two years through the Neighbourhood Renewal Fund.

By the end of the year mentoring was taking place in

- De Beauvoir Primary
- Jubilee Primary

A total of 31 mentoring relationships have been established and there are plans to expand the programme to other schools during the week and set up a youth centre type activity at weekends.

Glasgow

Activities in Glasgow continued, with a small increase in members in the mentoring scheme in Sighthill. The project, headed by Gerry McCarthy, is totally staffed by volunteers, which makes progress difficult, but their commitment to date has been outstanding.

Training

A new training programme was developed and implemented in the new academic year. It is designed to help mentors to understand the nature of the ReachOut! Mentoring Programme.

We continued with our partnership with Manchester College of Art and Technology (MANCAT). We ran three OCN courses on Mentoring, ably delivered by Mandy Johnson of MANCAT.

Funding

During 2004 we secured or maintained our main funding from the following institutions:

- BBC Children in Need Appeal
- Esme Fairbairn Foundation
- Connexions
- Children in Need
- Manchester Children's Fund

Reachout Youth

Directors' report for the year ended 31 December 2004

We continued with our fund raising projects, the main one being the Annual Sponsored Cycle ride, which this year took place between Manchester and Glasgow. 11 cyclists took part and a total of £5k was raised.

Recruitment

During 2004 we appointed a new recruitment manager, John Boley.

Student volunteers were recruited from the now merged University of Manchester (formerly Victoria University of Manchester and UMIST) from Manchester Metropolitan University and the Royal Northern College of Music.

As in previous years, St Bede's College and Manchester Grammar School provided volunteers from among the 6th form students.

Future Plans

Our projects for the forthcoming months are designed to build on what we have and consolidate on the achievements to date. We are planning for measured increases in capacity especially in London, but not significant. The emphasis is on quality rather than quantity.

We will continue to work towards improving the way we evaluate the work we do and the training we provide to our volunteers. In order to improve our evaluation methods we will continue to work closely with our funders and other experts in the field.

If the secondary school project works according to plan we will expand them, funding provided.

Reserves policy and risk management

The directors are mindful of the need to build up reserves to enable the charity to continue in operation in the event that a major source of funding is lost or unplanned expenditure should arise. At 31st December 2004 unrestricted reserves total £ 8,290. This together with commitments for funding from Government and other institutions is sufficient in the directors opinion to meet six months running costs of around £ 50,000 whilst still applying funds to achieve the main objects of the charity.

Directors and their interests

The directors who served during the year are as stated below:

David T Shakespeare
Michael Lower
Ashley Stratford
Linda Old

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements the directors are required to:

Reachout Youth

Directors' report for the year ended 31 December 2004

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and 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 and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Management Committee

The Committee continues to comprise Mr Xavier Bosch, Chief Executive, Mr John O'Donnell, responsible for Development, Mr John Boley, responsible for recruitment, Miss Monique Willis, office administrator and Mr Peter Blackwell, operations manager in London.

This report was approved by the Board on 21st June 2005 and signed on its behalf by

X Bosch

Secretary

A handwritten signature in black ink, appearing to be 'X Bosch', written over the printed name and title.

Reachout Youth

Accountants' report to the board of directors on the unaudited financial statements of Reachout Youth

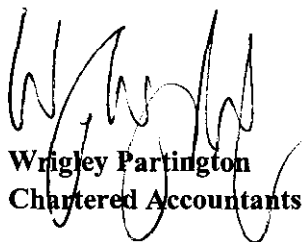
In order to assist you to fulfill your duties under Companies Act 1985, we have compiled the financial statements of the company which comprise the statement of financial activities, the balance sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the company's board of directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report that we have done so and state those matters that we have agreed to state to them in this 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 company and the company's board of directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the year ended 31 December 2004 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Wrigley Partington
Chartered Accountants

Sterling House
501 Middleton Road
Chadderton
Oldham
OL9 1Y

Date: 7 July 2005

Reachout Youth

Statement of financial activities for the year ended 31 December 2004

	Unrestricted funds			
	Year ended 31.12.04		Period from 01.10.02 to 31.12.03	
	£	£	£	£
Incoming resources				
Grants		67,604		23,804
Donations		12,572		16,175
Other income		1,000		240
		<u>81,176</u>		<u>40,219</u>
Resources expended				
Wages and salaries	55,855		19,663	
Training	1,705		758	
Activity materials	1,088		-	
Excursions	2,756		2,251	
Rent payable	1,276		1,150	
Insurance	1,234		1,852	
Volunteers expenses	8,569		6,117	
Printing, postage and stationery	1,484		558	
Telephone	954		785	
I T expenses	3,433		-	
Motor expenses	1,814		372	
Legal and professional	666		-	
Fund raising	-		1,735	
General expenses	990		926	
Subscriptions	69		-	
Depreciation on fixtures & equipment	666		-	
Depreciation on motor vehicles	3,000		3,000	
		<u>85,559</u>		<u>39,167</u>
		(4,383)		1,052
Other income and expenses				
Interest receivable				
Bank deposit interest	187		-	
		<u>187</u>		<u>-</u>
Net movement in funds		(4,196)		1,052
Fund balances brought forward		12,486		11,434
Fund balances carried forward		<u>8,290</u>		<u>12,486</u>

Reachout Youth

Balance sheet **as at 31 December 2004**

		31/12/04		31/12/03	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		4,332		6,000
Current assets					
Debtors	5	13,812		3,500	
Cash at bank and in hand		12,562		3,986	
		<u>26,374</u>		<u>7,486</u>	
Creditors: amounts falling due within one year	6	<u>(22,416)</u>		<u>(1,000)</u>	
Net current assets			3,958		6,486
Net assets			<u>8,290</u>		<u>12,486</u>
Capital and reserves					
Profit and loss account			8,290		12,486
	7		<u>8,290</u>		<u>12,486</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 9 to 11 form an integral part of these financial statements.

Reachout Youth

Balance sheet (continued)

**Directors' statements required by Section 249B(4)
for the year ended 31 December 2004**

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31 December 2004 and

(c) that we acknowledge our responsibilities for:

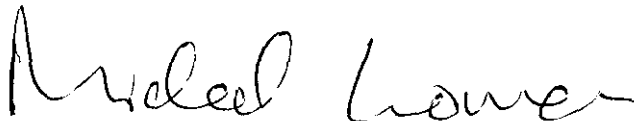
(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies .

The financial statements were approved by the Board on ³⁰~~27~~ June 2005 and signed on its behalf by

Michael Lower
Director



The notes on pages 9 to 11 form an integral part of these financial statements.

Reachout Youth

Notes to the financial statements for the year ended 31 December 2004

1. Accounting policies

1.1. Basis of accounting

The accounts have been prepared under the historical cost convention as modified by the revaluation of investment assets and are in accordance with applicable accounting standards, the Charities Accounts (Scotland) Regulations 1992 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) issued in October 2000.

1.2. Donations, legacies and similar incoming resources

Donations, legacies and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

1.3. Grants receivable and local authority fees

Grants receivable and local authority fees are credited to the Statement of Financial Activities (SOFA) in the year for which they are received. Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received.

1.4. Investment income and rental income

Income from investments and from rental income is included in the SOFA in the year in which it is receivable.

1.5. Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the SOFA. The Trust is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

1.6. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	- 33% straight line
Motor vehicles	- 33% straight line

1.7. Investments

Investments are included at market value at the year end.

Gains and losses on disposal and revaluation of investments are charged or credited to the SOFA.

Reachout Youth

Notes to the financial statements for the year ended 31 December 2004

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	Year ended 31/12/04 £	Period ended 31/12/03 £	
2. Net outgoing resources			
Operating (loss)/profit is stated after charging:			
Depreciation and other amounts written off tangible assets	<u>3,666</u>	<u>3,000</u>	
3. Staff costs			
	Year ended 31/12/04 £	Period ended 31/12/03 £	
Wages and salaries	52,210	18,663	
Social security costs	<u>3,645</u>	<u>1,000</u>	
	<u>55,855</u>	<u>19,663</u>	
4. Tangible fixed assets	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost			
At 1 January 2004	-	9,000	9,000
Additions	<u>1,998</u>	<u>-</u>	<u>1,998</u>
At 31 December 2004	<u>1,998</u>	<u>9,000</u>	<u>10,998</u>
Depreciation			
At 1 January 2004	-	3,000	3,000
Charge for the year	<u>666</u>	<u>3,000</u>	<u>3,666</u>
At 31 December 2004	<u>666</u>	<u>6,000</u>	<u>6,666</u>
Net book values			
At 31 December 2004	<u>1,332</u>	<u>3,000</u>	<u>4,332</u>
At 31 December 2003	-	6,000	6,000

Reachout Youth

Notes to the financial statements for the year ended 31 December 2004

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5. Debtors	31/12/04	31/12/03
	£	£
Trade debtors	<u>13,812</u>	<u>3,500</u>
6. Creditors: amounts falling due within one year	31/12/04	31/12/03
	£	£
Trade creditors	2,456	1,000
Other taxes and social security costs	5,998	-
Other creditors	5,362	-
Accruals and deferred income	8,600	-
	<u>22,416</u>	<u>1,000</u>
7. Reconciliation of movements in general funds	31/12/04	31/12/03
	£	£
(Loss)/profit for the year	(4,196)	1,052
Opening shareholders' funds	12,486	11,434
Closing shareholders' funds	<u>8,290</u>	<u>12,486</u>