

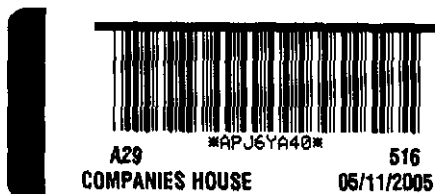
Registers

Charity Registration Number: 700738
Company Registration Number: 1843226

**Merseyside Youth Association Ltd
(Limited by Guarantee)**

Financial Statements

for the year ended 31st March, 2005



**Merseyside Youth Association Ltd
(Limited by Guarantee)**

Charity Information

Charity Name: Merseyside Youth Association Ltd
(Limited by Guarantee)

Charity Registration Number: 700738

Company Registration Number: 1843226

Governing Document: Memorandum and Articles of Association dated 23 August, 1984 as amended
in 1995 and 2000.

Registered Office: Abney Building
65-67 Hanover Street
Liverpool
L1 3DY

Business Address: Abney Building
65-67 Hanover Street
Liverpool
L1 3DY

Directors/Trustees: Ms D. Cooke
Mr T. M. Crutchley (Resigned 27/07/04)
Mr N. H. Ellis
Ms H. Latham
Mr P. McPartland
Mr I. D. Matthews
Mr P. M. Poole (Resigned 05/05/04)
E. N. Rice (Appointed 05/05/04)
Mr J. Rymer (Resigned 13/04/05)

Company Secretary: Mr P. McPartland (to 27/07/04)
Miss G. Bainbridge (from 27/07/04)

Chief Executive: Miss G. Bainbridge

Bankers: HSBC plc
4 Dale Street
Liverpool
L69 2BZ

Barclays Bank plc
Water Street
Liverpool L2

Solicitors: Brabner Chaffe Street
1 Dale Street
Liverpool L2 2ET

Auditors: Collins, Williams & Co.
Chartered Accountants and Registered Auditors
73a New Court Way
Ormskirk Business Park
Ormskirk L39 2YT

**Merseyside Youth Association Ltd
(Limited by Guarantee)**

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**Merseyside Youth Association Ltd
(Limited by Guarantee)**

Trustees' Report for the year ended 31st March, 2005

The trustees, who are also directors for the purposes of company law, present their annual report and the financial statements for the year ended 31st March, 2005.

Governing instrument

The company is a registered charity and is limited by guarantee not having any share capital. The company is regulated by its Memorandum and Articles of Association which were set up on 23 August, 1984 as amended in 1995 and 2000.

Objects

The object of the charity is to act as a co-ordinating body to help educate boys, girls, young men and women, especially those between the ages of 14 and 20 years, through their leisure time activities so as to develop their spiritual, mental and physical capacities that their conditions of life may be improved. To meet this objective the charity seeks grants and contracts with certain local authorities and similar organisations. There have been no changes in the charity's objects or policies during the year. The charity had a total of 43 projects operating in Liverpool, Sefton and Knowsley during the year. The charity is organised with a Board of Directors to oversee planning, with a Chief Executive who is in charge of the day to day running of the Charity.

Organisation

The charity is organised with a Board of Trustees, of up to 10 members, who meet approximately 9 times per year, to administer the charity. The trustees may also set up sub-committees as required, including a fundraising group. A Chief Executive is appointed by the Trustees to manage the day to day operations of the Charity. During the year the Charity has continued a process of restructuring to improve long-term management and financial issues. This has resulted in the close monitoring of some projects, and actively pursuing new profitable projects, staff reductions in appropriate departments and rationalisation of various projects.

Results and dividends

The results for the year are set out on page 10. The Charity had an overall deficit of £141803 for the year, made up a deficit of £12564 on the unrestricted funds, and a deficit of £129239 on the restricted funds.

Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	<u>2005</u>	<u>2004</u>
Ms D. Cooke	-	-
Mr T. M. Crutchley (Resigned 27/07/04)	-	-
Mr N. H. Ellis	-	-
Ms H. Latham	-	-
Mr P. McPartland	-	-
Mr I. D. Matthews	-	-
Mr P. M. Poole (Resigned 05/05/04)	-	-
E. N. Rice (Appointed 05/05/04)	-	-
Mr J. Rymer (Resigned 13/04/05)	-	-

The Trustees are eligible, as the Board of Directors, to appoint additional trustees under the terms of the Memorandum.

Review of the year

The Door - Merseyside Youth Association Ltd (MYA) continues to provide a wide range of services and activities to young people, from its city centre based facility. This year MYA have been in negotiations with Greater Merseyside Connexions Service to facilitate co-location of their City Teams at The Door. This will enable the joining up of services for young people and also provide further income generation for MYA.

**Merseyside Youth Association Ltd
(Limited by Guarantee)**

Trustees' Report for the year ended 31st March, 2005 (continued)

Contact team - This project has worked in partnership with Liverpool Youth Service city centre detached worker and has undertaken outreach work with young people who regularly use the city centre. A young women's group called "Girl Time" has also been set up in response to an identified need to provide group work for young women.

Virtual School - In partnership with Liverpool City Council, this project offers educational support of young people who are looked after. This year a designated classroom space has been created at the Door to enable individual teaching support for their young people.

The Lift - This project also works with young people who are looked after, offering group work and activities.

IAP - This pilot project has grown from strength to strength, providing individual action planning and group work to young people who have offended. A tender has been put into the YOT to extend this project for a further three years.

The Garage - The project moved into new premises at Albion Youth Centre and provides training on motor vehicle mechanics for young people.

UK On-line - The team offers a drop-in IT centre as well as training and accreditation for young people. The project works closely with other projects and has developed the U plan project which aims to re-engage hard to reach young people with training and education.

Creative Opportunities - The team offers young people across the city to participate in a range of arts based activities including drama, film making, visual arts including digital photography. In the school holiday, week long drama rehearsals culminate in a performance.

Noise - This projects works from its recording studio in The Door. It offers young people an opportunity to express themselves through music, song writing and performance. Already one of the bands from the project has been signed by a record label. However, the project does not only work with the musically talented - it is open to any young person, whatever their ability to "make some noise!".

SPACE - Following negotiations with Sefton Youth Service, this project has secured funding to develop this arts based facility in south Sefton. Its theatre, rehearsal space and recording studio are utilised by many groups. Arts based activities and workshops are also on offer.

Millennium Volunteers - This project enables young people to "build on what they are into" by providing volunteering opportunities in a range of settings. Many young people gained their 200 hrs certificates, not only gaining valuable experience for their CV's but also making a valuable contribution to the communities in which they live.

The Choices Project - This offers school holiday and weekend residential experiences for disabled children and young people. The project offers these young people the opportunity to develop through play and leisure activities, which they may not ordinarily have access to.

Disability Equality Project - Working closely with special schools and colleges, the team have worked with groups of young people and on a one to one basis to meet their needs.

Detached Projects - These projects work with young people in the heart of their own communities. They work on the streets engaging with young people and deliver projects, which meet their needs.

Anfield Detached - This year Anfield have delivered a residential based on drug and alcohol education. They have also facilitated a Summer and Winter pops event giving young people a chance to perform and have had one of their young people receive the Jamie Carragher Young Citizen of the Year Award.

Allerton Detached - this project has worked hard to establish a regular girls group who have undertaken a cross generational project working with older people in the area.

**Merseyside Youth Association Ltd
(Limited by Guarantee)**

Trustees' Report for the year ended 31st March, 2005 (continued)

Grassendale and Garston Detached – Successes this year have included a fun pack Splash summer programme, a group completing the Healthy Youth Awards programme and an excellent project for Black History Month.

Fieldwork - This project offers support, advice and training to other voluntary sector youth work projects in the region. The long serving manager for this project retired in August. We have redeployed a worker to assist within the department. We will recruit a new manager in the next financial year.

Healthline - MYA has recruited a new manager to this project, which has launched a new DVD publicising its Healthy Youth Awards.

OK UK- Funded by the Drug and Alcohol Action team, this project developed its service delivery and has a new worker, who works with children of drug using parents. The project has also refurbished the counselling rooms at The Door and has negotiated with a range of Community organisations to enable them to deliver counselling sessions where young people feel most comfortable.

408 – Our Sefton based project has improved its facilities this year, by rearranging this drop in and advice centre, redecorating and purchasing some new furniture. It continues to work in partnership with Sefton Youth Service, the Leaving Care team and Connexions to provide advice, support and counselling to the young people of Bootle.

Playing Fields- MYA continues to provide facilities and pitches for thousands of young sports people. However, the proposed redevelopment of the Heron Eccles site was unable to go ahead following an unsuccessful NOF application. We have invested in the infrastructure of the Jeffrey Humble site, with the construction of a new perimeter fence, with support from the Football Foundation. This has significantly reduced the misuse of the pitches.

Sports Development – This year, following the retirement of the previous Sports Development worker, MYA have recruited a new worker, who is working to develop a range of sporting activities, leagues and events for children and young people across the city. This is an area we hope to develop in the coming year.

Organisational development

A new Chief Executive was appointed in May 2004. One of the priorities for the year was to review the existing organisational structure to enable effective communication and a transparent management structure.

A staff conference was held in October 2004 which sought to ascertain a shared purpose and vision and to gain the views of the full staff team on a range of operational issues. This resulted in the creation of a new statement of purpose and value.

Our statement of purpose:

Since 1890 Merseyside Youth Association Ltd (MYA) has provided a range of diverse, inclusive and quality services for young people. We strive to positively engage young people, to meet their needs and enable them to reach their full potential. MYA is committed to inclusive, anti-oppressive practice, which puts young people at the centre.

Our Values:

Merseyside Youth Association Ltd (MYA) is underpinned by a set of values and principles, which are shared within the organisation. Therefore, MYA strives to be:

- Young person centred – a place where young people are valued and respected
- Inclusive and accessible
- Responsive and supportive
- Friendly and non-judgemental
- Developmental, challenging and rewarding

MYA aims to promote equality and diversity in all aspects of its work.

In January 2005 a three year Strategic Development Plan was written, to drive the organisation forward.

**Merseyside Youth Association Ltd
(Limited by Guarantee)**

Trustees' Report for the year ended 31st March, 2005 (continued)

Policies and procedures

The policies and procedures review team have completed a wholesale review of our policies and has drawn up a draft policy handbook. Once approved by our legal partners, MYA will ratify and adopt this new policy documentation.

Policies

Risk Assessment

The Charity has recently carried out a full Policy review resulting in a revised manual available to all Trustees and staff. This includes a Health and Safety policy, which is implemented through a designated manager. The Charity has also established a Child Protection policy, in conjunction with Liverpool City Council, which is implemented through a designated team.

Investment Policy

Any surplus funds tend to be of a short term nature, and are kept in interest bearing bank accounts.

Reserves Policy

It is the long term intention of the Trustees to build up our unrestricted reserves so that they represent the equivalent of twelve months worth of running expenses (currently approximately £250,000). It is also the intention of the trustees to hold an additional sum, equivalent to three months worth of restricted expenditure, in unrestricted reserves (currently approximately £400,000). This is due to the nature of the funding of the majority of restricted projects, whereby notification of the continuation of funding is only received at very short notice. The total of unrestricted reserves currently stands at £124908, and it is the directors' intention to seek to increase these levels as soon as possible.

Fund Balances

The different types of funds can be confusing at first sight, and the directors would like to take the opportunity to explain them to our supporters.

The general (unrestricted) funds are available for use by the association, as it sees fit to meet any of its charitable objectives. The deficit of £12564 for this year represents the true financial picture of the organisation's income and expenditure for the period, as it performed its day to day activities. This added to the balance of £137472 brought forward from last year, produces a balance on Unrestricted Funds at the year end of £124908.

The deficit for the year on the unrestricted funds is disappointing, and has been caused by a number of funding sources coming to an end. The directors are addressing this problem, by controlling our costs, looking for additional sources of funds, and by seeking to sub-let part of The Door Centre, where we have some under-utilised space. In addition, the directors review all activities on a quarterly basis, to ensure that individual projects do not incur deficits.

The Restricted Funds have been obtained from external funders for use on specific projects. The detailed balances at the year end are set out on page 25. By far the largest amount relates to the Starting Point Appeal, which was used to purchase and equip The Door Centre, the Association's main youth facility in Liverpool. It is from this building that we offer our range of services to the young people of Merseyside. These funds are continuing to be defined as restricted, because a proportion of the money raised (see note 31 on page 26) was with the condition that should the building cease to be used for the Association's core activities, the grants may be repayable. The longest period attached to this condition is 20 years, and after that time the fund will revert to unrestricted status.

The balance on this fund will reduce each year as the cost of the building is depreciated in our accounts. This year the depreciation figure amounted to £40,935, which left a balance at the year end of £1746077.

**Merseyside Youth Association Ltd
(Limited by Guarantee)**

Trustees' Report for the year ended 31st March, 2005 (continued)

Statement of Trustees' Responsibilities

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of its surplus or deficit for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards and Statements of Recommended Practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

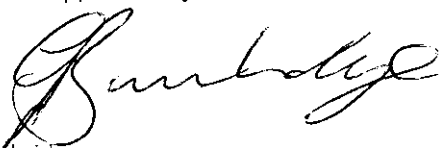
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets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

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Collins, Williams & Co. be reappointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board of Trustees on 12th October, 2005 and signed on its behalf by:

x G.B



Miss G. Bainbridge
Secretary

**Merseyside Youth Association Ltd
(Limited by Guarantee)**

**Independent Auditors' Report to the Trustees of
Merseyside Youth Association Ltd**

We have audited the financial statements of Merseyside Youth Association Ltd for the year ended 31st March, 2005 which comprise pages 10 to 27. These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

As described in the Statement of Trustees' Responsibilities on page 7 the company's directors are responsible, as trustees, for the preparation of the financial statements in accordance with applicable law and United Kingdom accounting standards.

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the company 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 company is not disclosed.

We are not required to consider whether the statement in the Trustees' Report concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

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.

**Merseyside Youth Association Ltd
(Limited by Guarantee)**

**Independent Auditors' Report to the Trustees of
for the year ended 31st March, 2005 (continued)**

Opinion

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

**Collins, Williams & Co.
Chartered Accountants and Registered Auditors
73a New Court Way
Ormskirk Business Park
Ormskirk L39 2YT
12th October, 2005**

Collins Williams & Co

Merseyside Youth Association Ltd
(Limited by Guarantee)

Statement of Financial Activities and Income and Expenditure Account
for the year ended 31st March, 2005

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS	
					2005 £	2004 £
INCOMING RESOURCES						
<i>Incoming resources from donors</i>	7	13,469	13,668	0	27,137	48,512
<i>Other voluntary incoming resources</i>	8	0	1,627,130	0	1,627,130	1,813,358
<i>Incoming resources from operating activities to further the work of the charity</i>	9	57,836	94,946	0	152,782	261,741
<i>Incoming resources from operating activities to generate funds</i>	10	0	0	0	0	15
<i>Income from investments</i>	11	3,961	0	187	4,148	4,992
<i>Other ordinary incoming resources</i>	12	0	0	0	0	0
TOTAL INCOMING RESOURCES		<u>75,266</u>	<u>1,735,744</u>	<u>187</u>	<u>1,811,197</u>	<u>2,128,618</u>
RESOURCES EXPENDED						
<i>Costs of generating funds</i>	13	356	0	0	356	160
<i>Grants</i>	14	0	0	0	0	1,878
<i>Activities directly relating to the work of the charity</i>	15	25,789	1,851,549	0	1,877,338	1,892,257
<i>Charity management and administration</i>	16	43,961	30,096	0	74,057	121,259
TOTAL RESOURCES EXPENDED		<u>70,106</u>	<u>1,881,645</u>	<u>0</u>	<u>1,951,751</u>	<u>2,015,554</u>
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS						
		5,160	-145,901	187	-140,554	113,064
<i>Transfers</i>	36	-16,475	16,662	-187	0	0
NET INCOMING/(OUTGOING) RESOURCES AFTER TRANSFERS						
		-11,315	-129,239	0	-140,554	113,064
GAINS AND LOSSES ON INVESTMENTS						
		-1,249	0	0	-1,249	3,251
NET MOVEMENT IN FUNDS		<u>-12,564</u>	<u>-129,239</u>	<u>0</u>	<u>-141,803</u>	<u>116,315</u>
Balances brought forward at 1st April, 2004		137,472	2,134,826	8,388	2,280,686	2,164,371
Balances carried forward at 31st March, 2005		<u>124,908</u>	<u>2,005,587</u>	<u>8,388</u>	<u>2,138,883</u>	<u>2,280,686</u>

There are no recognised gains or losses other than the net movement in funds for the above two financial years.
The notes on pages 13 to 27 form part of these accounts.

Merseyside Youth Association Ltd
(Limited by Guarantee)

Balance Sheet at 31st March, 2005

	Note	2005 £	2004 £
FIXED ASSETS			
Tangible fixed assets	20	1,924,264	1,950,011
CURRENT ASSETS			
Investment assets	21, 22	7,058	11,004
Stock		0	0
Debtors	23	274,863	285,799
Cash at bank and in hand		137,287	245,907
		<u>419,208</u>	<u>542,710</u>
LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR	24	204,589	212,035
NET ASSETS		<u><u>2,138,883</u></u>	<u><u>2,280,686</u></u>
FUNDS	25		
Unrestricted		124,908	137,472
Restricted		2,005,587	2,134,826
Endowment		8,388	8,388
		<u><u>2,138,883</u></u>	<u><u>2,280,686</u></u>

Approved by the Board of Trustees on 12th October, 2005 and signed on its behalf by:

N. H. Ellis

I. D. Matthews

The notes on pages 13 to 27 form part of these accounts.

Merseyside Youth Association Ltd
(Limited by Guarantee)

Group Balance Sheet at 31st March, 2005

	Note	2005 £	2004 £
FIXED ASSETS			
Tangible fixed assets	20	1,924,264	1,950,011
CURRENT ASSETS			
Investment assets	21	7,053	10,999
Stock		0	0
Debtors	23	277,849	291,580
Cash at bank and in hand		142,638	248,455
		<u>427,540</u>	<u>551,034</u>
LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR	24	204,935	213,210
NET CURRENT ASSETS		<u>222,605</u>	<u>337,824</u>
LIABILITIES: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		0	0
NET ASSETS		<u><u>2,146,869</u></u>	<u><u>2,287,835</u></u>
FUNDS	25		
Unrestricted		124,908	137,472
Restricted		2,005,587	2,134,826
Endowment		8,388	8,388
Profit & Loss Account		<u>7,986</u>	<u>7,149</u>
		<u><u>2,146,869</u></u>	<u><u>2,287,835</u></u>

**Merseyside Youth Association Ltd
(Limited by Guarantee)**

**Notes to the Financial Statements
for the year ended 31st March, 2005**

1 Accounting policies

The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in October 2000 ("SORP 2000") together with applicable accounting standards and the Companies Act 1985.

The financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) except for the valuation of investment assets, which are shown at market value.

Funds

General funds represent the funds of the charity that are not subject to any restrictions regarding their use and are available for application on the general purposes of the charity. Funds designated for a particular purpose by the trustees are also unrestricted.

Restricted funds are funds subject to specific conditions imposed by the donors.

Endowment funds are funds subject to the restriction that the capital may not be spent, but must be invested - the income from which is to be spent in accordance with the donors restrictions.

Transfers of funds are made to recognise the release of restricted funds or to meet expenditure not covered by restricted income.

The accounts include all transactions, assets and liabilities for which the charity is held responsible in law. They do not include the accounts of groups that owe their main affiliation to another body.

Turnover

Turnover comprises the amounts receivable in respect of grants, donations, subscriptions and the sale of goods to customers.

Incoming Resources

Donations, legacies and other voluntary income

All voluntary income is included in the Statement of Financial Activities in the year in which it is received by or on behalf of the charity. The charity received substantial amounts of voluntary help from its supporters, but no attempt is made to place a financial value on these services and they have not been included.

Grants receivable

All grants (whether they are capital or revenue in nature) are credited to the Statement of Financial Activities in the period in which they are receivable over the expected useful lives of the related assets.

Other income

Rental income from the letting of the charity's premises is recognised when the rental is due.

Income from investments

Dividends and interest are accounted for when due and payable. Interest entitlements are accounted for as they accrue. Tax recoverable on such income is recognised in the same accounting year.

Gains and losses on investments

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation of investments at 31st March.

**Merseyside Youth Association Ltd
(Limited by Guarantee)**

**Notes to the Financial Statements
for the year ended 31st March, 2005 (continued)**

1 Accounting policies (cont.)

Resources Expended

Grants

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the charity.

Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year.

Costs of generating funds

All expenses relating to fundraising, publicity and public relations are charged to this heading.

Management and administration

These costs relate to the management of the company itself, as opposed to the management of charitable activities or fundraising and publicity.

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:

Freehold leasehold land and buildings	-	2% on cost (or valuation)
Long leasehold land and buildings	-	Amortised over a maximum of 50 years
Short leasehold land and buildings	-	Amortised over the period of the lease
Fixture & fittings	-	15% reducing balance
ICT equipment, including computers	-	33.33% on cost

All equipment, fixtures and fittings with an original cost of less than £5000, are written off in the year in which the expenditure was incurred on the basis that due to the nature of the company's activities, there is no expectation that the cost of the assets will be recovered in the way of future revenues.

Investments

Investments are valued at market value at 31st March.

Current Assets

Amounts owing to the charity at 31st March in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectible.

Short-term deposits include cash held on deposit at the bank.

Charitable status and taxation

As a registered charity, the company benefits from rates relief and is generally exempt from income tax and corporation tax. The charity is not registered for value added tax.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the U.K.

Merseyside Youth Association Ltd
(Limited by Guarantee)

Notes to the Financial Statements
for the year ended 31st March, 2005 (continued)

3	<i>Income from investments</i>	2005	2004
		£	£
	Income from investments	-460	699
	Profit/(Loss) on disposal of investments	-261	-33
		<u>-721</u>	<u>666</u>
4	<i>Amounts written off investments</i>	2005	2004
		£	£
	Amounts written off fixed asset investments		
	- permanent diminution in value	989	-3,284
		<u>989</u>	<u>-3,284</u>
5	<i>Interest receivable and similar income</i>	2005	2004
		£	£
	Bank interest	4,608	4,294
		<u>4,608</u>	<u>4,294</u>
6	<i>Interest payable and similar charges</i>	2005	2004
		£	£
	Bank interest		
	- on bank loans and overdrafts	2	0
		<u>2</u>	<u>0</u>

Merseyside Youth Association Ltd
(Limited by Guarantee)

Notes to the Financial Statements
for the year ended 31st March, 2005 (continued)

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS	
				2005 £	2004 £
7 Incoming resources from donors					
Donations	8,370	11,009	0	19,379	41,791
Donation from subsidiary undertaking	5,000	2,659	0	7,659	3,900
Income tax refunds	99	0	0	99	2,821
	<u>13,469</u>	<u>13,668</u>	<u>0</u>	<u>27,137</u>	<u>48,512</u>
8 Other voluntary incoming resources					
Legacies	0	0	0	0	0
Grants					
LEA Grant	0	806,705	0	806,705	700,058
Knowsley MBC	0	29,690	0	29,690	29,690
Liverpool Health Authority	0	117,015	0	117,015	68,256
Arts Council for England	0	16,420	0	16,420	12,013
Metropolitan Borough of Sefton	0	88,695	0	88,695	72,338
LCC Social Services Grant	0	41,525	0	41,525	89,947
LCC Recreation Grant	0	7,872	0	7,872	15,519
SRB Grant	0	0	0	0	29,336
Riverside Housing	0	0	0	0	1,585
Arts Council for England Community Development Foundation	0	12,000	0	12,000	29,000
Forum Housing	0	18,068	0	18,068	18,068
New Opportunities Fund	0	0	0	0	101,467
BBC Children in Need	0	20,944	0	20,944	21,146
Mersey Volunteers Bureau	0	23,460	0	23,460	28,404
Miscellaneous Grants	0	0	0	0	406
Youth Justice Board	0	17,292	0	17,292	24,668
Children's Fund	0	105,438	0	105,438	281,196
Connexions	0	47,360	0	47,360	48,333
Sefton Education	0	13,000	0	13,000	53,000
Henry Smith Charity	0	25,000	0	25,000	25,000
Youth Music	0	0	0	0	-2,180
LCC/Splash	0	-25	0	-25	15,525
Liverpool City Safe	0	0	0	0	8,000
LCC/Self Build	0	15,168	0	15,168	44,129
Sefton Community Foundation	0	9,290	0	9,290	0
Awards for All	0	0	0	0	-1,007
Learning Skills Council	0	14,975	0	14,975	41,925
ISSP	0	4,000	0	4,000	4,000
Barnardo's	0	0	0	0	46,532
Youth Offending Team	0	118,926	0	118,926	3,000
Community Foundation for Liverpool	0	26,643	0	26,643	0
Participation Fund	0	5,000	0	5,000	0
Football Foundation	0	12,978	0	12,978	0
c/fwd	<u>0</u>	<u>1,597,439</u>	<u>0</u>	<u>1,597,439</u>	<u>1,813,358</u>

**Merseyside Youth Association Ltd
(Limited by Guarantee)**

**Notes to the Financial Statements
for the year ended 31st March, 2005 (continued)**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS	
				2005 £	2004 £
8 Other voluntary incoming resources (continued)					
b/fwd	0	1,597,439	0	1,597,439	1,813,358
Grants (continued)					
Merseytravel	0	3,200	0	3,200	0
Merseysie Police Authority	0	4,895	0	4,895	0
UFI	0	18,866	0	18,866	0
MYA/Youth Advisory Board	0	950	0	950	0
The Football Association	0	800	0	800	0
Aimhigher	0	850	0	850	0
PSS	0	130	0	130	0
	<u>0</u>	<u>1,627,130</u>	<u>0</u>	<u>1,627,130</u>	<u>1,813,358</u>
9 Incoming resources from operating activities to further the work of the charity					
Affiliation Fees	1,736	0	0	1,736	2,935
Training income	0	2,165	0	2,165	43,705
Programme and hire of facilities	49,267	88,085	0	137,352	199,768
Rent Receivable	6,217	0	0	6,217	12,382
Consultancy income	0	1,796	0	1,796	833
Other income	616	853	0	1,469	530
MYA Fun Run	0	2,047	0	2,047	1,588
	<u>57,836</u>	<u>94,946</u>	<u>0</u>	<u>152,782</u>	<u>261,741</u>
10 Incoming resources from operating activities to generate funds					
Vending machine income	0	0	0	0	15
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>15</u>
11 Income from investments					
Dividends and interest (including any reclaimed tax)	3,961	0	187	4,148	4,992
	<u>3,961</u>	<u>0</u>	<u>187</u>	<u>4,148</u>	<u>4,992</u>
12 Other ordinary incoming resources					
Insurance claims	0	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Merseyside Youth Association Ltd
(Limited by Guarantee)

Notes to the Financial Statements
for the year ended 31st March, 2005 (continued)

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS	
				2005 £	2004 £
13 Costs of generating funds					
Misc. fundraising costs	356	0	0	356	160
	<u>356</u>	<u>0</u>	<u>0</u>	<u>356</u>	<u>160</u>
14 Grants					
Sundry grants	0	0	0	0	1,878
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,878</u>
15 Activities directly relating to the work of the charity					
Cost of hiring facilities	0	0	0	0	232
Wages and salaries	188,663	1,183,381	0	1,372,044	1,315,248
Staff pension costs	3,420	20,029	0	23,449	26,867
Staff training/health & safety	2,375	9,387	0	11,762	28,790
Rent & rates	-26,683	49,624	0	22,941	15,462
Insurance	-58	45,149	0	45,091	44,812
Light and heat	2,975	14,876	0	17,851	27,028
Cleaning and laundry	8,836	13,959	0	22,795	20,650
Repairs and maintenance	21,739	45,713	0	67,452	39,096
Security costs	0	399	0	399	858
Telephone	9,755	27,013	0	36,768	38,569
Hire of equipment	0	0	0	0	2,479
Travel and motor expenses	604	16,472	0	17,076	27,074
Programme expenses	-45	136,232	0	136,187	183,410
Equipment and resources	11,921	32,775	0	44,696	40,287
Conference fees	35	94	0	129	108
Volunteers	1,166	2,132	0	3,298	2,442
Session fees	1,658	210	0	1,868	2,781
Entertaining	149	0	0	149	546
Fees & subscriptions	1,651	1,120	0	2,771	2,787
Support services charges	-207,768	207,768	0	0	0
Depreciation	2,842	45,306	0	48,148	69,751
(Profit)/loss on disposal of fixed assets	0	-1,000	0	-1,000	0
Sundries	2,554	910	0	3,464	2,980
	<u>25,789</u>	<u>1,851,549</u>	<u>0</u>	<u>1,877,338</u>	<u>1,892,257</u>
16 Charity management and administration					
Administration:					
Printing, postage and stationery	7,889	22,235	0	30,124	37,533
Advertising	725	4,937	0	5,662	13,231
Legal and professional	1,274	781	0	2,055	2,902
Consultancy fees	3,056	0	0	3,056	6,150
Accountancy	28,294	0	0	28,294	25,474
Auditors' remuneration	5,875	799	0	6,674	7,614
Bank charges	1,690	0	0	1,690	4,526
Bank interest	2	0	0	2	0
Bad debts	-4,844	1,344	0	-3,500	23,829
	<u>43,961</u>	<u>30,096</u>	<u>0</u>	<u>74,057</u>	<u>121,259</u>

Merseyside Youth Association Ltd
(Limited by Guarantee)

Notes to the Financial Statements
for the year ended 31st March, 2005 (continued)

17 Net incoming resources	2005	2004
	£	£
Net incoming resources is stated after charging:		
Depreciation of tangible fixed assets	48,148	69,751
(Profit)/loss on disposal of fixed assets	-1,000	0
Staff costs (see note 18)	1,395,493	1,342,115
Auditors remuneration	6,674	7,614
	<u>1,395,493</u>	<u>1,342,115</u>
 18 Staff Costs	 2005	 2004
	£	£
Wages and Salaries	1,372,044	1,315,248
Social Security Costs		
Pension Costs	23,449	26,867
	<u>1,395,493</u>	<u>1,342,115</u>

The average monthly number of employees employed by the company was as follows:

	2005	2004
	£	£
Administration	9	9
Finance	1	1
Projects, activities and sessions	65	72
	<u>75</u>	<u>82</u>

During the year the charity employed members of staff as detailed above, none (2004: None) of whom earned more than £50,000 p.a. The trustees received £Nil remuneration (2004: £Nil) during the year. There were no other discloseable transactions in respect of trustees, persons closely connected with them or other related parties.

19 Pension costs

The company operates defined contribution schemes in respect of certain employees. The schemes and their assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £23449 (2004: £26867).

Merseyside Youth Association Ltd
(Limited by Guarantee)

Notes to the Financial Statements
for the year ended 31st March, 2005 (continued)

20 Tangible Fixed Assets

	Freehold land & buildings £	Long leasehold property £	Short leasehold property £	Fixtures, fittings & equipment £	Total £
COST OR VALUATION					
At 1st April, 2004	12,000	2,174,854	0	89,951	2,276,805
Additions	0	1,998	0	20,403	22,401
Disposals	0	0	0	2,670	2,670
At 31st March, 2005	<u>12,000</u>	<u>2,176,852</u>	<u>0</u>	<u>107,684</u>	<u>2,296,536</u>
DEPRECIATION					
At 1st April, 2004	4,080	241,500	0	81,214	326,794
Charge for the year	240	43,537	0	4,371	48,148
Depreciation on disposals	0	0	0	2,670	2,670
At 31st March, 2005	<u>4,320</u>	<u>285,037</u>	<u>0</u>	<u>82,915</u>	<u>372,272</u>
NET BOOK VALUE					
At 31st March, 2005	<u>7,680</u>	<u>1,891,815</u>	<u>0</u>	<u>24,769</u>	<u>1,924,264</u>
At 31st March, 2004	<u>7,920</u>	<u>1,933,354</u>	<u>0</u>	<u>8,737</u>	<u>1,950,011</u>

The freehold and leasehold buildings consist of various youth club premises throughout Merseyside (which are held on behalf of those clubs) and a Sports Playing Field, together with the company's head office building in Liverpool. The fixtures and fittings consist of the telephone system, various chairs/tables, computer equipment and the fencing at the company's Playing Field site.

Certain of the buildings are bound by restrictive covenants which provide that they may only be used as youth clubs.

The company's freehold land and buildings were revalued on an open market basis in 1987 by Messrs Edmund Kirby (Chartered Surveyors).

The company's long term leasehold land and buildings were similarly revalued by the directors in 1987.

A long term leasehold property which was purchased in 1987 via a 100% grant, was revalued in 1997 by the directors.

21 Investments

	2005 £	2004 £
Market value at 1st April, 2004	10,999	7,897
Additions at cost	0	0
Proceeds from disposals	-2,697	-149
Net gains on disposals and annual revaluation	-1,249	3,251
Market value at 31st March, 2005	<u>7,053</u>	<u>10,999</u>
Historical Cost	<u>9,671</u>	<u>18,898</u>

The investments held at the year end are either investments listed on a recognised Stock Exchange or investments in authorised investment funds.

**Merseyside Youth Association Ltd
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**Notes to the Financial Statements
for the year ended 31st March, 2005 (continued)**

22 Investments in subsidiary undertakings

	2005 £	2004 £
Cost at 1st April, 2004	5	0
Additions at cost	0	5
Proceeds from disposals	0	0
Cost at 31st March, 2005	<u>5</u>	<u>5</u>

The investments held at the year end, and the percentage shareholding, are as follows:

<u>Name</u>	<u>Company No.</u>	<u>Incorporated in</u>	2005	2004
MYA Youth Ltd	4745797	England & Wales	100%	100%

It is the charity's intention that the trading company donates its profits to the charity on a regular basis.

The profit and loss account of the trading company for the year ended 31st March, 2005 was as follows:

	2005	2004
Turnover	16,531	18,593
Cost of sales	-6,402	-6,353
Gross profit	<u>10,129</u>	<u>12,240</u>
Administrative expenses	-1,776	-1,226
Donation to parent company	-7,659	-3,900
	694	7,114
Other interest receivable and similar income	143	35
Profit on ordinary activities before taxation	<u>837</u>	<u>7,149</u>
Tax on profit on ordinary activities	0	0
Profit on ordinary activities after taxation	<u>837</u>	<u>7,149</u>
Retained profit b/fwd	7,149	0
Retained profit c/fwd	<u>7,986</u>	<u>7,149</u>

23 Debtors

<u>Parent Company</u>	2005 £	2004 £
Trade debtors	259,031	268,616
Prepayments and Accrued Income	0	0
Amounts owed by subsidiary undertakings	-1,129	1,115
Other Debtors	16,961	16,068
	<u>274,863</u>	<u>285,799</u>

Group

Trade debtors	260,888	275,512
Prepayments and Accrued Income	0	0
Other Debtors	16,961	16,068
	<u>277,849</u>	<u>291,580</u>

24 Liabilities: Amounts falling due within one year

<u>Parent Company</u>	2005 £	2004 £
Bank overdraft	5,652	0
Other taxes and social security costs	220	0
Other Creditors	-8,748	8,330
Accruals and Deferred Income	207,465	203,705
	<u>204,589</u>	<u>212,035</u>

Merseyside Youth Association Ltd
(Limited by Guarantee)

Notes to the Financial Statements
for the year ended 31st March, 2005 (continued)

24 Liabilities: Amounts falling due within one year (continued)	2005	2004
	£	£
<u>Group</u>		
Bank overdraft	5,652	0
Other taxes and social security costs	220	0
Other Creditors	-8,748	8,330
Accruals and Deferred Income	207,811	204,880
	<u>204,935</u>	<u>213,210</u>

The bank overdraft is secured by a legal charge dated 29th September 2000, over the company's long leasehold property (Abney Building). Deferred income represents monies received on restricted funds, for which the appropriate expenditure will be incurred at a date after the year end.

25 Analysis of Net Assets by Fund

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£
Fixed Assets	95,843	1,828,421	0	1,924,264
Current Assets	42,494	368,326	8,388	419,208
Current Liabilities	-13,429	-191,160	0	-204,589
Long Term Liabilities	0	0	0	0
Fund Balance	<u>124,908</u>	<u>2,005,587</u>	<u>8,388</u>	<u>2,138,883</u>

26 Movement on funds

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£
Balance b/fwd	137,472	2,134,826	8,388	2,280,686
Net movement in year	-12,564	-129,239	0	-141,803
Fund Balance c/fwd	<u>124,908</u>	<u>2,005,587</u>	<u>8,388</u>	<u>2,138,883</u>

27 Fund Details

Restricted funds are established for projects which are funded by a specific source, which can only be expended for the particular purpose of that project, as follows:

<u>Fund</u>	<u>Purpose</u>
Playing Fields	Three playing fields of over 100 acres of land provide young people with access to open spaces and a range of sporting activities including Junior Football Leagues, cricket and athletics.
Creative Opportunities	Provides diverse range of art related opportunities including dance, drama, film making, photography and visual art.
Detached Project - Anfield	Provides a range of youth work opportunities to young people in the Anfield area of Liverpool, by engaging them on the streets, where they hang out. Informal education and developmental projects are facilitated as well as information and support, one to one and group work, recreational activities, residential and accreditation opportunities.
Detached Project - Grassendale	Provides a range of youth work opportunities to young people in the Grassendale area of Liverpool, by engaging them on the streets, where they hang out. Informal education and developmental projects are facilitated as well as information and support, one to one and group work, recreational activities, residential and accreditation opportunities.

**Merseyside Youth Association Ltd
(Limited by Guarantee)**

**Notes to the Financial Statements
for the year ended 31st March, 2005 (continued)**

27 Fund Details (continued)

<u>Fund</u>	<u>Purpose</u>
Fieldwork	Provides a range of responsive services to voluntary sector young people's projects, in order to build capacity and enhance their organisation's delivery.
Disability Project	Provides one to one support, group work, advice and information to young people who are disabled to enable their full inclusion into mainstream services.
Healthline Project	Provides health education programmes aimed at enhancing young people's knowledge, confidence and skills to lead.
Halewood Youth Centre	Halewood Youth Centre provides service provision on behalf of children, young people and their families within the Halewood district of Knowsley.
408 for Young People (Choices)	This project provides an open access drop in centre, which includes: information and advice, group work, one to one support and therapeutic counselling. Specific support is available for young people leaving care and those in housing need.
Liverpool Automotive Project	The project team work with young car offenders on behalf of Liverpool Youth Offending Team (YOT) in a remedial and preventative method. The project receives referrals solely from YOT, and its clients are predominately convicted young people serving community disposals.
Choices Project	Provides inclusion play and youth work opportunities to disabled children and young people including residential holidays, volunteer recruitment, training and development programme.
SPACE Project	Youth Arts venue, with 200 seater theatre space, rehearsal space, recording studio and editing equipment. Art based workshops are on offer and facilities are available for hire.
UK Online Centre Project 1st Base	ICT drop in centre, providing training and accreditation for young people. This is a housing support scheme for 16 to 17 year olds. The project provides floating support to young people in preparing them to move into their own accommodation. The support offered includes young people undertaking a 12 week programme which covers all aspects of moving into their own accommodation, e.g. furniture inventory, budget monitoring etc.
Time Out	This project is a numeracy and literacy project to raise the educational attainment of young offenders or those who may be at risk of offending. The Time Out project was funded through the Youth Justice Board.
Millennium Volunteers	This is part of a national project, promoting community work and accredited volunteering opportunities to young people.
Noise	This project provides confidence building, inclusion and skills enhancement through music including song writing, performing and recording.
Riverside Participation Fund	This project holds funds on behalf of Liverpool City Council and is specifically for the Dingle/Toxteth area of the city. Applications for funding are invited from local youth projects and young people and are considered by the relevant committee.
Lift Project	Provides support for young people within the care system to enhance their social inclusion and provide access to developmental activities and projects.
NSF Project	Provides support of voluntary sector projects in receipt of NSF funding.
Intensive Surveillance and Supervision Programme (ISSP) Project	This is an initial assessment programme and currently takes referrals solely through ISSP. The project is funded through the Connexions Service and is considered to be the very first stage of a re-engagement process with disaffected and disengaged young people.
Connexions	Ground floor drop-in and project work with young people.

**Merseyside Youth Association Ltd
(Limited by Guarantee)**

**Notes to the Financial Statements
for the year ended 31st March, 2005 (continued)**

27 Fund Details (continued)

<u>Fund</u>	<u>Purpose</u>
Starting Point Appeal	This appeal was set up in 1992, to raise funds for the Door centre building. The Association has kept this project "live" due to the depreciation aspect in relation to this building.
Transforming Youth Work - Health	This project delivers health education to young people in partnership with Liverpool Youth Services and Leisure Services. This is part of the Transforming Youth Work agenda and thus funding was allocated under this heading.
Youth Engagement Project	This project employs a team of young people to develop young people's participation in Liverpool Youth Service.
LAP in Schools	The project's brief was to deliver preventative work in the field of car crime predominately for young people in school years 6 to 11.
Self Build Project	This project received support from Liverpool's Neighbourhood Renewal Fund and delivered a programme to young care leavers. This incorporated assisting the young people to set up their own homes and helping them build their own futures. The scheme also assisted the young people in basic budgeting skills etc.
Transforming Youth Work	This project is funded through Liverpool City Council, and was set up to review youth service provision across the city.
Liverpool Children's Fund Project	The Association currently provides support and supervision to a team of two administrative staff who are seconded to Liverpool Children's Fund.
Splash	This project is funded through Liverpool Children's Fund, and the programme provides activities and opportunities for young people to participate in programmes during school holiday periods.
Virtual School	Provides support for looked after young people.
Children's Activity Project	This project was set up with funding through Liverpool Children's Fund and enables specifically earmarked events for young people to take place throughout the year.
OKUK (DAAT) Project	Provides therapeutic counselling for young people affected by drugs and alcohol including children of drug using parents.
Step Up Fund	The Step Up Fund is a small fund established through a legacy from Mrs Stella Warren. The fund is designed to help unemployed young people within MYA projects to access training or education by helping with course fees, travel costs, childcare etc. Awards of up to £350 are available (in exceptional circumstances awards of £500 may be made).
IAP Project	Action planning, one to one support, group work and inclusion work with some of the hardest to reach young people.
The Garage	Aimed at car crime prevention, this project provides Road Safety training, driver education and basic motor mechanics. Accreditation is available through City & Guilds.
Allerton Detached Youth Work	Provides a range of youth work opportunities to young people in the Allerton area of Liverpool, by engaging them on the streets, where they hang out. Informal education and developmental projects are facilitated as well as information and support, one to one and group work, recreational activities, residentials and accreditation opportunities.
Junior Soccer League	This is a Junior football league for young people across the sphere of Merseyside. The league currently consists of 110 teams made up of 1,500 young people from the 7 year olds to under 13 age groups.
Youth Advisory Board	This project holds funds on behalf of Liverpool City Council and is specifically for the North Liverpool area. Local youth projects and young people can access funding subject to meeting the criteria through the relevant application process.

Merseyside Youth Association Ltd
(Limited by Guarantee)

Notes to the Financial Statements
for the year ended 31st March, 2005 (continued)

27 Fund Details (continued)

Endowment funds are established where the donor wants the capital invested to generate an income which may be spent for the general purposes of the charity, as follows:

<u>Fund</u>	<u>Purpose</u>
J. R. Gibbons Fund	General purposes of the charity

28 Designated Funds

The closing balance of Unrestricted Funds comprised the following:
General Funds

2005	2004
£	£
124,908	137,472
<u>124,908</u>	<u>137,472</u>

29 Restricted Funds

The closing balance of Restricted Funds comprised the following:

	2005	2004
	£	£
Playing Fields	6,934	16,606
Creative Opportunities	7,753	5,449
Detached Project - Anfield	6,176	7,371
Detached Project - Grassendale	4,006	2,516
Fieldwork	11,369	7,949
Disability	0	2,036
Healthline Project	21,641	14,642
Halewood Youth Centre	0	379
408 for Young People	23,648	33,391
Choices Project	0	4,378
SPACE Project	19,906	27,016
UK Online Centre Project	0	29,912
1st Base	19,669	20,972
Time Out	0	11,259
Millennium Volunteers	8,364	13,533
Noise	0	460
Riverside Participation Fund	1,990	140
Lift Project	3,763	6,095
NSF Project	1	109
ISP Project	15,826	8,918
Connexions	930	4,306
Starting Point Appeal	1,746,077	1,788,322
Transforming Youth Work - Health	12,903	7,540
Youth Engagement Project	0	2,724
Self Build Project	0	15,330
Transforming Youth Work	11,279	11,529
Liverpool Children's Fund Project	1	830
Splash	0	16,054
Virtual School	33,856	5,793
Children's Activity Project	12,832	0
DAAT Project	3,188	30,830
Step Up Fund	12,938	14,500
IAP Project	9,804	23,937
The Garage	3,968	0
Allerton Detached Youth Work	2,350	0
Junior Soccer League	3,976	0
Youth Advisory Board	439	0
	<u>2,005,587</u>	<u>2,134,826</u>

**Merseyside Youth Association Ltd
(Limited by Guarantee)**

**Notes to the Financial Statements
for the year ended 31st March, 2005 (continued)**

30 Endowment Funds

The closing balance of Endowment Funds comprised the following:

J. R. Gibbons Fund

2005	2004
£	£
8,388	8,388
<u>8,388</u>	<u>8,388</u>

31 Contingent liabilities

The company had the following contingent liabilities at 31st March, 2005 and at 31st March 2004:

- As part of the fundraising process for the Starting Point Building Project, a grant of £63,000 was received from Foundation for Sports and Arts. One of the conditions of this grant is that if the building is sold, then all of the grant will be repayable. This condition applies until 2011.

- As part of the fundraising process for the Starting Point Building Project, a grant of £450,000 was received from Community Fund. One of the conditions of this grant is that if the organisation ceases to operate, or if it is found not to be taking positive steps to ensure equal opportunities in its own employment practices and delivery of and access to services, then some or all of the grant may be repayable at the donor's discretion. The directors are of the opinion that this condition applies until 2017.

- As part of the fundraising process for the Starting Point Building Project, a grant of £311,325 was received from Rope Walks Partnership. One of the conditions of this grant is that if the building is used for purposes other than those specified in the application, or is sold, then some or all of the grant may be repayable at the donor's discretion. This condition applies until 2021.

- The association has been notified of a personal injury claim, the value of which exceeds the level of the association's insurance indemnity cover. The amount by which the alleged claim exceeds the level of insurance indemnity cover is not presently known. To date court proceedings have not been issued. On the basis of information currently available, the association is advised that it is unlikely that the Claimant has a direct cause of action against Merseyside Youth Association Limited.

32 Capital commitments

The company had no capital commitments at 31st March, 2005 (2004: None) either contracted for or authorised by the directors but not contracted for.

33 Members' liability

The company is limited by guarantee, and, in the event of the winding up of the company, the liability of each member is limited to a contribution of £1.

34 Custodian trustee

The company acts as Custodian Trustee to two independent youth clubs in the Merseyside area - Gordon Youth Club (Registered Charity No. 521167) and Harthill Youth Centre (Registered Charity No. 521170). At 31st March, 2005 the company held investments with a market value of £18,399 (2004: £30,021) on behalf of Gordon Youth Club, and investments with a market value of £41,129 (2004: £44,542) on behalf of Harthill Youth Club. These investments are either investments listed on a recognised Stock Exchange or investments in authorised investment funds, and are available for the youth clubs to invest and/or withdraw upon application to the Board of Directors, supported by suitable professional advice and/or justification by the youth club for the proposed course of action.

35 Related parties

A number of trustees are also trustees of a related charity, Gordon Youth Club (Registered Charity No. 521167). During the year there were insurance and programme costs levied on Gordon Youth Club totalling £Nil (2004: £3,427). At 31st March, 2005 the company was owed a total of £3,869 by the related charity (2004: £1,369 owed to the charity).

**Merseyside Youth Association Ltd
(Limited by Guarantee)**

**Notes to the Financial Statements
for the year ended 31st March, 2005 (continued)**

36 Transfers

The transfers between different funds relate to the adjustments necessary due to insufficient funding being received for some restricted projects (£12,813 has been transferred from unrestricted funds to cover this shortfall), any adjustments necessary following the closure of certain projects (£3,849 has been transferred from unrestricted funds) and income generated by endowment funds which is for the general use of the charity (£187 has been transferred to unrestricted funds).