

Company No: 05676887
Charity No: 1115084

THE GREGSON COMMUNITY ASSOCIATION LTD
(A COMPANY LIMITED BY GUARANTEE)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2023

THE GREGSON COMMUNITY ASSOCIATION LTD

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THE GREGSON COMMUNITY ASSOCIATION LTD

REFERENCE AND ADMINISTRATIVE INFORMATION

(Registered Company Number: 05676887 (England and Wales))
(Registered Charity Number: 1115084)

Trustees/Directors	Katherine Bevington - Secretary	
	Matthew Deighton	(appointed 02/10/2022)
	Michael Dutton	(appointed 02/10/2022)
	Helen Jackson – Treasurer	(appointed 02/10/2022)
	Loz Kaye	(appointed 02/10/2022)
	Jamie Murphy	
	Anya Nanning Ramamurthy	(appointed 02/10/2022)
	Claire Duff	(resigned 02/10/2022)
	Jack Lennox	(resigned 02/10/2022)
	Lewis Parkinson	(resigned 02/10/2022)
	William Pye	(resigned 02/10/2022)
	Jez Reay	(resigned 02/10/2022)
	Emma Rucastle	(appointed 02/10/2022)
	Michael Sumsion - Chair	
Secretary	Ms. K M Bevington	
Registered Office	The Gregson Community Association Limited 33 Moorgate Lancaster Lancashire LA1 3PY	
Independent Examiner	R Hall MHA Moore and Smalley Chartered Accountants St Mary's Gate Priory Close Lancaster LA1 1XB	

THE GREGSON COMMUNITY ASSOCIATION LTD

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their report and the financial statements of the Trust for the year ended 31 March 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Trust.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Trust's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities applicable in the UK and Republic of Ireland published in October 2019.

Introduction

The Gregson Community Association (GCA) has been a remarkably successful grassroots arts and community centre for nearly forty years. Born out of community need and endeavour, it has helped and inspired many thousands of people over those years.

The GCA was formed in 1983. Our charity operates with the following mission statement:

"To promote and encourage discussion and participation in arts and community events, issues, activities, and groups in order to improve the quality of life for the whole community. To excite, engage, stimulate and fulfil."

Structure Governance and Management

Governing Document

The Memorandum and Articles of Association incorporated on the 16th of January 2006 is the key governing document of the GCA. The GCA is a registered charity and company limited by guarantee.

Having adopted the Charity Code of Governance for smaller charities in 2021-22, this year we made good progress against our action plan to support the application of the Code of Governance. This included:

- Recruiting a diverse group of new Trustees following an open, public recruitment process.
- Successfully managing the transition process following the retirement of the long-standing Chair and Treasurer.
- Carrying out an away day, allowing trustees and the CEO to explore longer-term strategic priorities for the charity.
- Developing our approach to strategic planning including a comprehensive organisational risk register and action plan.

The success of the café bar raised issues in relation to the GCA's trading activity, with trading income significantly exceeding the 25% ceiling recommended by the Charity Commission. In response, the charity formed a working group to look into this issue and took legal and financial advice. We discovered many examples of building-based charities which had created a trading subsidiary to manage the trading element of their operation, with all profits generated by the trading company being reinvested back into the charity. At the 2022 AGM members agreed an in principle recommendation from Trustees to set up a trading subsidiary.

Significant work then followed, including the appointment of a new firm of accountants, MHA Moore and Smalley Chartered Accountants, who have experience of supporting charities with trading subsidiaries. The new subsidiary, Gregson Trading Ltd, is scheduled to be registered in July 2023.

THE GREGSON COMMUNITY ASSOCIATION LTD

REPORT OF THE TRUSTEES *(continued)*

FOR THE YEAR ENDED 31 MARCH 2023

Objectives and Activities for Public Benefit

The Gregson Community Association (GCA) has been a remarkably successful grassroots arts and community centre for nearly forty years. Born out of community need and endeavour, it has helped and inspired many thousands of people over those years.

The Gregson Centre, whilst owned by the charity, ran successfully for many decades with management companies running the operations. In 2020 the Covid pandemic precipitated the insolvency of the then management company. At risk of closure, the Board made the bold decision to 'bring back' the Gregson into its own hands and manage its affairs directly.

Building upon this decision, 2022-23 was a step change year for the charity. The Board appointed a staff team including the charity's first CEO and embarked on a Trustee recruitment drive, successfully recruiting 6 Trustees. With the Gregson up and running, long standing trustees stood down and a new Chair and Treasurer were appointed. In 2022-23 the Gregson 'came back to life', bursting with cultural and community activity. Significant change took place in a short period of time and the charity managed change and mitigated risks with impressive results. From employing no staff in 2020, by March 2023 the charity had 15 staff members and almost 100 volunteers. This was reflected in an increase in turnover, from £124,000 (2021-22) to £340,000 (2023-23.).

Public Benefit

The GCA continued to contribute to the public benefit in carrying out its activities, in order to achieve its charitable objectives through:

- Running the Gregson Community & Arts Centre - the Indices of Deprivation score shows the centre is in the 10% most deprived areas nationally. The running of the centre and ensuring it remained a vital hub for our community was the core activity of the charity.
- Supporting three sub-groups of our charity who work to make community life better. The Friends of Miss Whalley's Field maintain the 'Gregson's Garden', a once disused site which has been transformed into a wonderful urban green space. The Gregson Festival Group deliver community events including an annual firework display and bonfire. And Highfield Recreation Ground, where local people restored a mainly derelict sports facility to provide an essential outdoor community space.

Mission, Aims and Values

This year we reviewed our ambitions, adopting the following Mission and Aims:

Mission: Our mission is for people to be in the driving seat of their community events and cultural experiences.

Aims: We aim to:

- Encourage community involvement and engagement in everything we do.
- Support emerging artists and enable community groups to try out and sustain ideas.
- Be a safe space for all in Lancaster that pursues diversity, equality and inclusivity in everything we do.
- Protect and improve the Gregson Centre (and other sites, Highfield Recreation Ground and Miss Whalley's Field) with a commitment to reducing our carbon footprint.

Our values remained unchanged in the year:

THE GREGSON COMMUNITY ASSOCIATION LTD

REPORT OF THE TRUSTEES *(continued)*

FOR THE YEAR ENDED 31 MARCH 2023

Mission, Aims and Values (continued)

Our Values:

- We challenge oppression and prejudice and promote diversity.
- We are friendly and make everyone feel welcome and supported.
- We are creative and find new ways of making voluntary and community action effective.
- We are dynamic and work with purpose to get things done and to achieve lasting impact.
- We are community focussed and locally relevant.
- We are environmentally conscious.
- We are inclusive and accessible.
- We support local emerging artistic talent and the development of the Lancaster regions creative ecology.

Achievement and performance

Projects and Programmes: Arts, Health, and Wellbeing

We continued to play a range of different roles: venue, partner, facilitator, supporter, connector, and inspirer, supporting partners and communities to achieve their ambitions with us. Our team also developed projects led by the GCA, often in collaboration with other organisations.

Maximising community use of our three hireable spaces - the Hall, the Olive Bar and the Cinema – was core to our purpose. This helped people to fulfil their creative and personal potential and at the same time made a major contribution to our running costs. The more our spaces are used, the more we deliver our core purpose and become financially stronger. Increased use by hirers generated an increase in annual income from £17,380 to £54,949 in the financial year.

By the end of the year, we had over 40 regular groups operating from the centre. We worked to diversify the range of people using the centre through targeting under-represented communities. We partnered with Lancaster City Council to welcome the Ukrainian Community into the centre, worked with local families to run a weekly parent and child support group and welcomed two new weekly youth groups to the centre.

Supporting local artists and creative organisations remained a priority. This year we introduced the Creative Support Programme to nurture regular classes/workshops at the centre. This provided focussed help for creatives make new ideas happen by minimising their financial risks with discounted room hire.

This year we launched a new website, completed a rebrand and employed a part time Community Marketing Officer, ensuring all activity was effectively promoted. We know how challenging project-promotion can be for smaller groups. With a small staff team in place, we were able to collaborate with groups through light touch, informal partnerships, offer marketing support and provide 'added value' by connecting groups and signposting useful information about funding and training opportunities.

THE GREGSON COMMUNITY ASSOCIATION LTD

REPORT OF THE TRUSTEES *(continued)*

FOR THE YEAR ENDED 31 MARCH 2023

Achievement and performance (continued)

Targeted community and arts programming

With a staff team in place, we were able to deliver GCA-led programmes and meaningfully develop relationships with key cultural events and organisations in the city. Examples include:

- Developing and supporting creative projects such as 'Crafty Kids', a daytime craft group including children with ASD and ADHD.
- In partnership with Queens Square Medical Practice, we established the Singing for Lung Health Choir to meet weekly at the centre addressing the poor lung health in Bulk Ward where the centre is based.
- We continued to be a partner of the Bay Health Festival and promote the benefit that the arts and community participation can have on wellbeing.
- We built on our programming for Lancaster Music Festival this year with a focus on international performances as well as emerging artists using our stages. We developed our relationship with Lancaster Music Festival, making a commitment to completing an Access Audit of the centre so we can welcome more disabled artists and audiences in the future.
- Light Up Lancaster used the centre this year for their community choir's rehearsals of the festival's spectacle performance at Lancaster Castle.

Volunteering

Volunteers were integral to the Gregson's success this year. They helped support the cost-effective running of the centre and also, importantly, benefitted as community members themselves, accessing rewarding experiences and opportunities. We successfully strove to make the relationship between organisation and volunteers balanced and mutually beneficial.

With a £10,000 grant from the Community Fund we were able to appoint a (part-time) Volunteer Co-ordinator, allowing us to formalise our work with volunteers and ensure we followed and developed best practice. As a result, we attracted an increased number and diversity of volunteers during the year. By the end of the year volunteers were having major impact across the organisation, in a range of ways:

- As Trustees and strategic advisers
- In 'specialist' roles such as Head Gardener, Membership Support and Administration
- In core delivery support, for example daytime café/hub support, bar support
- Supporting creative projects.

In March 2023 our volunteer team comprised almost 100 people, including a wide demographic in terms of age, ability/disability and ethnicity.

Café Bar

The Gregson is home to Lancaster's only community run café. It is at the heart of The Gregson for many people and is critical to delivering against our ambition to be warm, welcoming, and inclusive, a meeting point of people, ages, ideas and cultures. It also plays an important income generation role.

The bar and café functioned in three key ways:

- as a great place to socialise
- as an introduction/gateway to the range of community activities which happen at the Gregson
- as 'added value' for participants – a place to socialise before and after taking part.

During the year we were successful in ensuring prices were kept competitive/affordable. In only the second financial year in which the bar has been open since COVID-enforced closure, takings rose from £60,716 to £227,637.

The bar became home to many community and cultural events. This year we welcomed a wide range of new activities including Board Games Club, Knitting & Crochet Night and Felting Classes.

THE GREGSON COMMUNITY ASSOCIATION LTD

REPORT OF THE TRUSTEES *(continued)*

FOR THE YEAR ENDED 31 MARCH 2023

HR

The GCA is committed to becoming an excellent and effective employer of both paid staff and volunteers. In 2022-23 we were able to deliver against this commitment in a range of ways: bringing in a generous employer's pension contribution, developing new policies and procedures and making the commitment to pay all staff the Living Wage (at minimum) from 1st April 2023.

In this year we employed 10 part time staff in our Cafe Bar and as cleaners, also we successfully recruited to the following key roles: Chief Executive Officer, Bar Manager, Finance Administrator (0.5 FTE), Volunteer Coordinator (0.3 FTE), Community Marketing Officer (0.6 FTE). We also worked with Lancaster and Morecambe College and Lancaster University to offer work experience and two paid internships funded by Lancaster University.

Our Members

Annual membership continues to be affordable at £15 (waged)/£10 (unwaged). Growing our membership is critical in order to generate interest, community involvement and unrestricted financial support for the charity. We had hoped to refresh our membership offer in 2022-23 but this was not achieved. Community consultation has now started, and this will be a priority for 2023.

Financial review

This has been a year of investment in the charity and rapid growth. The impact of our investments are evident in this year's turnover of £340,446, increasing from £123,973 in 2021-2022.

At the same time as investing heavily in the staff team, our focus was on developing sustainable income streams for the charity from earned income to ensure the long-term sustainability of the organisation. Income from the Cafe Bar rose from £60,716 in 2021-2022 to £227,637. Room Hire income also increased from £17,380 in 2021-2022 to £54,949 in 2022-2023.

We have faced challenges as the custodians of a large Victorian building with rising overhead costs such as electricity. Our staff have reviewed outgoings and sought competitive contracts.

Grants received supported the investment the charity made on staffing as well as allowing us to produce cultural and community activity. For example, participation in the Bay Health Festival and the creation of our Breath of Fresh Air Choir in partnership with Queens Square Medical Practice for those in our community with poor lung health, made possible by a grant of £8,000 from the NHS Population Investment Fund.

During this period of growth for the charity, the Board managed financial risk well. Financial management has and will remain a priority for the Board who will continue to examine Management Accounts at Board meetings every six weeks.

Significant work was done this year by a Board subgroup to develop proposals to create Gregson Trading Limited (see also Structure, Governance and Management below). The Trading Arm will in future operate the Cafe Bar trading activities and, potentially other trading activities in keeping with our overall ethos but which would not be directly related to our charitable objectives. The trading arm will be a limited company wholly owned by the GCA and donate all profits made to the charity. This will benefit the GCA long term as the charity will not have to pay tax on profits made by trading.

We ended the year generating a surplus of £11,674 (2022: £2,526) with free unrestricted reserves in deficit of £7,325 (2022: surplus of £14,468). This deficit free reserves can be adjusted for long term creditors of £37,984 (2022: £43,288) resulting in adjusted free unrestricted reserves of £30,659 (2022: £57,728). In the next financial year, we will review our reserves policy to reflect the changes that have taken place in the organisation during the financial year.

THE GREGSON COMMUNITY ASSOCIATION LTD

REPORT OF THE TRUSTEES *(continued)*

FOR THE YEAR ENDED 31 MARCH 2023

Trustees' Responsibilities

The Trustees (who are also directors of The Gregson Community Association Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP 2019 (FRS 102).
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Trustees

M. Sumsion

M Sumsion
Chairperson

Date: 19/08/2023

THE GREGSON COMMUNITY ASSOCIATION LTD

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE GREGSON COMMUNITY ASSOCIATION LIMITED

I report to the Trust Trustees on my examination of the accounts of the company for the year ended 31 March 2023 which are set out on pages 9 to 22.

Responsibilities and basis of report

As the charity Trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act: or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Richard Hall ACCA
MHA Moore and Smalley
Chartered Accountants
St Mary's Gate
Priory Close
Lancaster
LA1 1XB

Date: 24/08/2023

THE GREGSON COMMUNITY ASSOCIATION LTD

STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:					
Donations, grants and legacies	3	6,130	47,854	53,984	39,714
Charitable Activities	4				
<i>Highfield Recreation Project</i>		1,091	-	1,091	5,252
<i>Room Hire</i>		54,949	-	54,949	17,380
<i>Subscriptions</i>		1,675	-	1,675	887
Investments	6	107	-	107	24
Other trading activities	5	228,640	-	228,640	60,716
Total		292,592	47,854	340,446	123,973
Expenditure on:					
Raising funds		48,081	13,076	61,157	77,346
Charitable activities					
<i>Direct project costs</i>		846	14,294	15,140	-
<i>Highfield Recreation Project</i>		5,670	-	5,670	3,796
<i>Premises costs</i>		32,625	-	32,625	14,845
Other		211,149	-	211,149	25,460
Total	7	298,371	27,370	325,741	121,447
Net surplus or (deficit) before transfers	2	(5,779)	20,484	14,705	2,526
Transfer between funds	15,16	(945)	945	-	-
Net movement in funds before tax		(6,724)	21,429	14,705	2,526
Tax payable		(3,031)	-	(3,031)	-
Net movement in funds		(9,755)	21,429	11,674	2,526
Reconciliation of funds:					
Total funds brought forward		388,258	6,665	394,923	392,397
Total funds carried forward	15,16	378,503	28,094	406,597	394,923

THE GREGSON COMMUNITY ASSOCIATION LTD

BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
		£	£	£	£
Fixed Assets					
Intangible Assets	9	31,275		35,175	
Tangible assets	10	<u>337,909</u>		<u>338,615</u>	
			369,184		373,790
Current assets					
Stocks		10,924		5,000	
Debtors	11	12,443		5,093	
Cash at bank and in hand		<u>82,764</u>		<u>82,223</u>	
		106,131		92,316	
Creditors: amounts falling due within one year	12	<u>(30,734)</u>		<u>(27,895)</u>	
Net current assets			<u>75,397</u>		<u>64,421</u>
Total Assets Less Current Liabilities			444,581		438,211
Creditors: amounts falling due over one year	13		<u>(37,984)</u>		<u>(43,288)</u>
Net assets			<u>406,597</u>		<u>394,923</u>
Funds:					
Unrestricted funds	16	361,859		388,258	
Designated funds	16	16,644		-	
Restricted funds	15	<u>28,094</u>		<u>6,665</u>	
Total funds			<u>406,597</u>		<u>394,923</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

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

All of the above amounts relate to continuing activities.

The notes on pages 12 to 22 form part of these financial statements.

THE GREGSON COMMUNITY ASSOCIATION LTD

BALANCE SHEET *(continued)*

AS AT 31 MARCH 2023

For the year ending 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- (i) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.
- (ii) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

19/08/2023

These accounts were approved by the directors and authorised for issue on and are signed on their behalf by:

21/08/2023

M. Sumsion

.....
M Sumsion
Chairperson

Helen Jackson

.....
H Jackson
Treasurer

Company Registration Number: 05676887

The notes on pages 12 to 22 form part of these financial statements.

THE GREGSON COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting Policies

The Gregson Community Association Limited is a company limited by guarantee in England and Wales.

Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Gregson Community Association Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity, and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably, and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of interest paid or payable by the Bank.

Going concern

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for a period of at least 12 months from the date the accounts are approved. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

THE GREGSON COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting Policies (*continued*)

Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. Any overspends are met by unrestricted funds.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Freehold Property	2% straight line – residual value now reached.
Plant and machinery	25%/33% reducing balance.

Amortisation

Amortisation is calculated so as to write off the cost of the asset, less its estimate residual value, over the useful economic life of that asset as follows:

Goodwill	10 years straight line
Website costs	5 years straight line

Stock

Stock of materials is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items.

Debtors and accrued income

Debtors are recognised at the settlement amount due after any trade discounts allowed. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Pensions

The charitable company operates a defined contribution pension scheme, and the pension charge represents the amount payable by the charity in respect of the year. The assets of the scheme are held separate from those of the charitable company in independently administered funds.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met, and the grants will be received.

THE GREGSON COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 MARCH 2023

2.	2023	2022
	£	£
(Deficit)/ Surplus is stated after charging:		
Depreciation	2,405	10,948
Goodwill amortisation	6,900	6,300
Independent examination fees	3,424	2,250

3. Income from donations, grants and legacies

	2023	2022
	£	£
Grants	47,854	-
Donations	6,130	39,714
	53,984	39,714

Income from donations, grants and legacies was £53,984 (2022: £39,714) of which £47,854 (2022: £nil) was attributable to restricted and £6,130 (2022: £39,714) was attributable to unrestricted funds.

4. Income from charitable activities

	2023	2022
	£	£
Highfield Recreation Project	1,091	5,252
Subscriptions	1,675	887
Room Hire	54,949	17,380
	57,715	23,519

Income from charitable income was £57,715 (2022: £23,519) of which £nil (2022: £nil) was attributable to restricted and £57,715 (2022: £23,519) was attributable to unrestricted funds.

5. Other trading activities

	2023	2022
	£	£
Bar income	227,637	60,716
Artistic Development income	1,003	-
	228,640	60,716

Income from other trading activities was £228,640 (2022: £60,716) of which all income was attributable to unrestricted funds in the current and prior year.

THE GREGSON COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 MARCH 2023

6. Investment income

	2023 £	2022 £
Bank interest receivable	107	24

7. Total expenditure

	Staff costs (note 8)	Support costs £	Total 2023 £
Costs of raising funds	47,721	13,436	61,157
Expenditure of charitable activities	79,406	185,178	264,584
	127,127	198,614	325,741

	Staff costs (note 8)	Support costs £	Total 2022 £
Costs of raising funds	27,285	50,061	77,346
Expenditure of charitable activities	-	44,101	44,101
	27,285	94,162	121,447

Support costs are made up as follows

	2023 £	2022 £
Direct project costs	17,092	3,796
Fundraising costs	6,943	11,698
Bar expenses	102,263	38,363
Freelancers	12,610	-
Premises costs	32,625	14,845
Telephone and internet	1,467	1,527
Printing, postage and stationery	918	378
Sundries	6,862	210
Software licenses	643	364
Bank charges	1,024	493
Bank interest	3,237	2,990
Accountancy	3,625	2,250
Depreciation	2,405	10,948
Amortisation	6,900	6,300
	198,614	94,162

Of the £325,741 expenditure in 2023 (2022: £121,447), £298,371 was charged to unrestricted funds (2022: £121,447) and £27,370 to restricted funds (2022: £nil). Within the total expenditure are governance costs of £3,625 (2022: £2,250) which are included within unrestricted expenses.

THE GREGSON COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

8. Wages and salaries

	2023 £	2022 £
Employee costs during the year		
Wages and salaries	121,863	26,936
Social security costs	2,982	-
Pension costs	2,282	349
	127,127	27,285

The average number of employees during the year was as follows: **8** 5

No employees received total employee benefits of more than £60,000.

9. Intangible assets

	Goodwill	Website	Total £
Cost			
At 1 April 2022	63,000	-	63,000
Additions	-	3,000	3,000
At 31 March 2023	63,000	3,000	66,000
Amortisation			
At 1 April 2022	27,825	-	27,825
Charge for the year	6,300	600	6,900
At 31 March 2023	34,125	600	34,725
Net book value			
At 31 March 2023	28,875	2,400	31,275
At 31 March 2022	35,175	-	35,175

THE GREGSON COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

10. Tangible fixed assets

	Freehold Property £	Plant and Machinery £	Total £
Cost			
At 1 April 2022	402,133	55,185	457,318
Additions	-	1,699	1,699
Disposals	-	-	-
At 31 March 2023	402,133	56,884	459,017
Depreciation			
At 1 April 2022	70,619	48,084	118,703
Charge for the year	-	2,405	2,405
Disposals	-	-	-
At 31 March 2023	70,619	50,489	121,108
Net book value			
At 31 March 2023	331,514	6,395	337,909
At 31 March 2022	331,514	7,101	338,615

11. Debtors

	2023 £	2022 £
Trade debtors	4,601	2,108
Prepayments	2,567	-
Accrued income	2,620	2,985
VAT	2,655	-
	12,443	5,093

Accrued income relates to gift aid not yet received.

THE GREGSON COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 MARCH 2023

12. Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdraft (see note 14)	8,840	11,822
Trade creditors	12,161	3,070
Taxation and social security	5,498	742
Accruals	4,235	9,896
VAT	-	2,365
	30,734	27,895

13. Creditors: amounts falling due over one year

	2023	2022
	£	£
Bank loans (see note 14)	37,984	43,288

The loan is secured by legal mortgage charge on 33 and 35 Moorgate, Lancaster.

14. Loans

An analysis of the maturity of loans is given below:

	2023	2022
Amounts falling due within one year on demand:		
Bank loans	8,840	11,822
Amounts falling between one and two years:		
Bank loans - 1 - 2 years	8,840	11,822
Amounts falling between two and five years:		
Bank loans - 2 - 5 years	29,144	31,466

THE GREGSON COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

15. Restricted Funds

	Movement in resources			
	Balance 1 April 2022	Incoming	Outgoing	Balance 31 March 2023
	£	£	£	£
Banks Lyon Memorial Trust	-	7,000	-	7,000
Eric Wright Charitable Trust	-	500	(500)	-
Walney Extension Community Fund	-	12,500	(12,500)	-
Community Health Champions	-	9,674	(7,544)	2,130
Population Health Investment Fund/NHS Lancashire and South Cumbria Integrated Care Board	-	8,250	(2,504)	5,746
National Lottery Community Fund	-	9,930	(4,322)	5,608
Windows Fund	6,665	-	-	6,665
Wedding License Fund	-	-	-	945
	6,665	47,854	(27,370)	28,094

	Movement in resources			
	Balance 1 April 2021	Incoming	Outgoing	Balance 31 March 2022
	£	£	£	£
Projects and Programmes Fund	921	-	(921)	-
Windows Fund	1,665	-	-	6,665
	2,586	-	-	6,665

Banks Lyon Memorial Trust	This grant will allow us to support a young promoter (17-25) who wants to break into the music/events industry to programme gigs and manage a small budget at the Gregson. The young person will be supported by a mentor who will support their creative professional development.
Eric Wright Charitable Trust	The GCA accepted £500 from the Eric Wright Trust on behalf of Critical and Creative Approaches to Mental Health Practice (ccramhp) to support the delivery of 'Reimagining Mental Health' a day of talking, reading, viewing, and making hosted in collaboration with MadZine research and Asylum Magazine.
Walney Extension Community Fund	This funding has supported the charity to have paid leadership and employ our first Chief Executive.
Community Health Champions - this funding allowed the Gregson to run 'Beyond the pandemic, beyond the Health Festival.'	This project was run in partnership with Bay Health Festival and saw us deliver a rich programme of 25+ events, workshops, and conversations over the Bay Health Festival weekend at the Gregson. This funding also fed into year-round activities at the centre, such as a weeklong exhibition Market Place and I' with a series of one-off events and workshops to bridge the gap from one Bay Health Festival to the next.

THE GREGSON COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 MARCH 2023

15. Restricted Funds (continued)

Population Health Investment Fund/NHS Lancashire and South Cumbria Integrated Care Board	This project has supported those in our community who experience health inequalities (chronic respiratory conditions specifically) in a creative and social way using a non-clinical approach in an informal community setting through our choir - 'Breath of Fresh Air.' This choir builds on successful pilot projects that have taken place at the centre and we are running this choir in partnership with Queens Square Surgery in Lancaster.
National Lottery Community Fund	This funding has paid for the charity to employ a part time (12 hours a week) Volunteer Coordinator to develop volunteering opportunities within the organisation and ensure a robust volunteer offer that focus on recruitment and retention of volunteers, support volunteer from different background, supervision, recognition, and feedback and connecting volunteers to the wider structure of the Gregson.
Windows Fund	This was a donation from a generous individual and is restricted for the replacement of the windows on the ground floor of the Gregson.
Wedding Licence Fund	This restricted fund was donated by an individual who ran a fundraising campaign for the Gregson to obtain a Wedding Licence.
Projects and Programmes Fund	Grants received related to COVID-19.

16. Unrestricted Funds

Unrestricted funds: current year

	At 1 April 2022	Income	Expenditure	Transfers	£ At 31 March 2023
Designated funds	-	-	-	16,644	16,644
General reserves	388,258	292,592	(301,402)	(17,589)	361,859
	388,258	292,592	(301,402)	(945)	378,503

Designated funds are funds allocated by the Trustees for the Highfield Recreation Ground sinking fund (£9,144) which is money set aside to replace the games area surface plus Highfield Recreation Ground buffer (£7,500) which is amounts held to cover two years running costs of Highfield Recreation Ground if such funds were needed.

Unrestricted funds: prior year

	At 1 April 2021	Income	Expenditure	Transfers	£ At 31 March 2022
Designated funds	-	-	-	-	-
General reserves	389,811	123,973	(121,447)	(4,079)	388,258
	389,811	123,973	(121,447)	(4,079)	388,258

THE GREGSON COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 MARCH 2023

17. Defined contribution pension scheme

	2023 £	2022 £
Contributions payable by the company for the year	2,282	349

18. Capital commitments

There were no capital commitments at 31 March 2023 or 31 March 2022.

19. Contingent liabilities

There were no contingent liabilities at 31 March 2023 or 31 March 2022 other than a general obligation to repay grants where the agreed services are not ultimately provided.

20. Taxation

As a charity, The Gregson Community Association Limited is exempt from tax on income and gains falling within sections 472-474 of the Corporation Tax Act 2010, section 478-489 of the Corporation Tax Act 2010, or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

21. Analysis of Net Assets Between Funds

	Fixed assets £	Net assets £	2023 £
<u>Unrestricted funds</u>			
Designated	-	16,644	16,644
General funds	369,184	(7,325)	361,859
<u>Restricted funds</u>	-	28,094	28,094
Total funds	369,184	37,413	406,597
	Fixed assets £	Net current assets £	2022 £
<u>Unrestricted funds</u>			
Designated Funds	-	-	-
General reserves	373,790	14,468	388,258
<u>Restricted funds</u>	-	6,665	6,665
Total funds	373,790	21,133	394,923

THE GREGSON COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 MARCH 2023

22. Related Parties

There were no related party transactions in the current or previous year.

In the year no expenses were reimbursed to the Trustees (2022 - £Nil).

23. Control

No single individual has had control of the company in the current or previous year.

24. Company limited by guarantee

Every member guarantees, in the event of the charitable company being wound up while he, she or it remains a member or within 12 months of he, she or it ceasing to be a member, to contribute £1 towards the cost of dissolution and the liabilities incurred by the charitable company while the contributor was a member.

THE GREGSON COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 MARCH 2023

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

INCOME AND ENDOWMENTS

Donations and legacies

Donations	6,130	39,714
Grants	All restricted	47,854
		-

53,984 39,714

Other trading activity

Other income	1,003	-
Bar income	227,637	60,716

228,640 60,716

Investment income

Bank deposit interest	107	24
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Charitable activities

Highfield Recreation Project	1,091	5,252
Subscriptions	1,675	887
Room hire	54,949	17,380

57,715 23,519

Total incoming resources

340,446 123,973

EXPENDITURE

Raising donations and legacies

Fund raising events	6,668	2,837
Support and coordinators	275	8,861
Support and coordinators - freelancers	6,493	-
Support and coordinators - wages	47,721	-
Bar expenses	-	65,648
	61,157	77,346

Charitable activities

Highfield Recreation Project	5,670	3,796
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Direct project costs	11,422	-
Direct projects - wages	3,718	-
	15,140	-

Rates	99	101
Water	717	228
Repairs and renewals	2,001	8,691
Insurance	1,016	1,346
Heat and light	4,322	4,479
	8,155	14,845

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THE GREGSON COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 MARCH 2023

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

Charitable activities

Other

Bar expenses	see next page	212,689	-
Interest payable		3,237	2,990

Support costs

Management

Telephone and internet	1,467	1,527
Postage and stationery	918	378
Sundries	2,711	210
Software licences	<u>643</u>	<u>364</u>

5,739 2,479

Finance

Bank charges	1,024	493
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Other

Amortisation of intangible fixed assets	6,900	6,300
Depreciation of tangible fixed assets	<u>2,405</u>	<u>10,948</u>

9,305 17,248

Governance costs

Accountancy and legal fees	<u>3,625</u>	<u>2,250</u>
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Total Other costs 235,619 25,460

Total resources expended 325,741 121,447

Net income 14,705 2,526

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THE GREGSON COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 MARCH 2023

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

	2023	2022
	£	£
Bar sales	227,637	60,716
Bar purchases	<u>(96,404)</u>	<u>(28,015)</u>
Gross profit	131,233	32,701
Staff costs	75,688	27,285
Freelancers	6,117	-
Repairs and renewals	7,715	2,679
Cleaning	2,482	-
Licences and sundries	1,669	915
Heat and light	12,966	4,599
Business rates and water	2,449	327
Insurance	3,047	668
Bank charges	<u>4,152</u>	<u>1,160</u>
	116,285	37,633
Net profit/(loss)	<u>14,948</u>	<u>(4,932)</u>

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