

**BIRCH COMMUNITY ASSOCIATION AND  
BIRCH COMMUNITY CENTRE  
(LINKED CHARITIES)**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 MARCH 2021**

Birch Community Association Registered Charity No. 1151781  
Company Registration No. 07923293

Birch Community Centre Registered Charity No. 1151781-1

**BIRCH COMMUNITY ASSOCIATION AND  
BIRCH COMMUNITY CENTRE  
(LINKED CHARITIES)**

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## **BIRCH COMMUNITY ASSOCIATION AND BIRCH COMMUNITY CENTRE (LINKED CHARITIES)**

### **Report of the trustees for the year ended 31<sup>st</sup> March 2021**

The trustees present their annual directors' report and financial statements of the charities for the year ended 31<sup>st</sup> March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the 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) (effective 1 January 2019).

### **Objectives and activities**

The purposes of the charity are to promote the benefit of the inhabitants of Birch in Rusholme and the neighbourhood thereof without distinction of sex, sexual orientation, nationality, age, disability, race or of political, religious or other opinions by associating together the inhabitants and the statutory authorities, voluntary and other organisations and inhabitants in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure-time occupation with the object of improving the conditions of life for the said inhabitants.

Currently the main activities of the charity are running and maintaining Birch Community Centre. The charity runs a regular morning playgroup and afternoon after school club, hosts community events, and regular community activities, and provides facilities for hire to local residents.

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives, in planning future activities, and setting the policies for the year.

We are in the process of obtaining Charity Commission's approval to act as vested trustees of the Birch Community building and manage the centre for the benefit of all the residents of Birch.

The Children's Projects ceased in December 2020 due to Covid.

### **A review of our achievements and performance**

This year both the playgroup and the after school club were well attended and we were pleased to provide these much needed services for the local community. Once again this year, we ran a holiday scheme for children with additional needs.

During the year we put on several successful fundraising events for the charity, both 'regulars' such as the Summer and Christmas Fairs, but also entertainment events. As well as raising money to keep the centre going, these events served to help bond the community together.

During the year, we provided a venue for local activities such as Scouts, Social Café, Martial Arts classes, Mikron Theatre Company productions, Polling Station, HS2 consultation, Allotment Society Show, Childcare provision, Community film screening and MP's surgeries. We also held two



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successful bring-and-share community events to facilitate everyone in the area we work in to come and meet together, share food and get to know their neighbours better. All of these are local activities educating or otherwise benefiting the local community.

### **Financial review**

The financial position of the charity has strengthened having made a small surplus during the year.

We have been able to supplement the grant from local authority by holding fundraising events and hiring out the hall, community room and kitchen for private use when it is not required for community events. We continue to be supported by regular donations from individuals in the local community.

Financial Reserves are being built up for Phase 1 & 2 to renovate and renew the Centre building and to expand its potential to benefit the whole community. We intend to bid for grants to help with the cost of repairing and renovating the internal and the external structure of the building.

We are actively looking to expand the financial potential of the building and maximise the grant funding from all sources in order to financially back a variety of groups that the trustees believe will be of benefit to the inhabitants of the area and the general public.

We are aware that we may need to call on the reserves that we have built up in future years.

### **Investment powers and policy**

The trustees, having regard to the liquidity requirements of operating the charity, have kept available funds in an interest bearing deposit account.

### **Reserves policy and going concern**

The balance held in unrestricted reserves at 31<sup>st</sup> March 2021 was £96,992 of which £91,250 are free reserves, after allowing for funds tied up in tangible fixed assets.

The trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately twelve months of unrestricted charitable expenditure. The trustees consider that this level will provide sufficient funds to respond to applications for grants and ensure that support and governance costs are covered.

### **Risk management**

The trustees have conducted a review of the major risks to which the charity is exposed and systems have been established to mitigate those risks.

### **Structure, governance and management**

Birch Community Association is a company limited by guarantee governed by its Memorandum and Articles of Association dated 16<sup>th</sup> January 2012. It was registered as a charity by the Charity Commission on 26<sup>th</sup> April 2013.

On the 4<sup>th</sup> December 2020 the Charity Commission appointed Birch Community Association, under the power given in section 80 of the Charities Act 2011, the trustee of Birch Community Centre,

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formerly charity registration number 506244-1. The title to the land was transferred to Birch Community Association in trust for the charity.

### **Appointment of trustees**

As set out in the Articles of Association trustees are elected annually by the members of the charitable company attending the Annual General meeting and serve until the following Annual General meeting where they may or may not be re-appointed. There is no upper limit to how long trustees can serve.

### **Trustee induction and training**

Trustees are sent electronic copies of the articles of Association and fellow trustees explain their duties to them. New trustees are advised to read up on the duties of a trustee that can be found on the internet.

### **Organisation**

The board of trustees administers the charity. The board normally meets once a month. Two managers are appointed by the trustees to manage the day-to-day running of the centre and the children's services respectively.

### **Related parties and co-operation with other organisations**

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager with any service providers must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

### **Reference and administrative information**

Charity Name: Birch Community Association

Charity Number: 1151781

Company Registration Number: 07923293

Linked Charity: Birch Community Centre

Charity Number: 1151781-1

### **Directors and trustees**

The directors of the charitable company (the charity) are its trustees for the purpose of charity law.

The trustees and officers serving during the year and since the year end were as follows:

### **Key management personnel: Trustees and Directors**

Hazel Andrews (resigned February 2021)

Amanda Childs Treasurer

Jonathon Grosskopf

Alan Ingham

Jill Ingham Secretary

Harry Spooner Chair

**BIRCH COMMUNITY ASSOCIATION AND BIRCH COMMUNITY CENTRE  
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Professor Jim Aulich

Jim Battle

Tim Wilcox

**Senior Managers**

Yana Anderton (Centre Manager)

Sue Turley (Children's Services Manager – until January 2021)

**Registered Office**

Brighton Grove

Manchester

M14 5JT

**Independent Examiners**

Community Accountancy Service Limited

The Grange

Pilgrim Drive

Beswick

Manchester

M11 3TQ

**Bankers**

Co-operative Bank plc

1 Balloon Street

Manchester

M60 4EP

Unity Trust Bank plc

Nine Brindleyplace

Birmingham

B1 2HB



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**Trustees responsibilities in relation to the financial statements**

The charity trustees (who are also the directors of Birch Community Association for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each 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 the financial statements, the trustees are required to:

- Select suitable accounting principles and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- Prepare the financial statements on a going concern basis unless it is appropriate to presume that the charity will continue in business.

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

By order of the board of trustees

-----

Amanda Childs  
Treasurer

Date: 12<sup>th</sup> December 2021

**Independent examiner's report to the trustees of BIRCH COMMUNITY ASSOCIATION AND BIRCH COMMUNITY CENTRE (LINKED CHARITIES)**

I report on the accounts of the company for the year ended 31<sup>st</sup> March 2021, which are set out on pages 7 to 17.

**Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity is required by company law to prepare accrued accounts and I am qualified to undertake the examination by being a qualified member of The Association of Chartered Certified Accountants.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act ;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

**Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006, ; and
  - with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

AM King FCCA *A.M. King*  
 Community Accountancy Service Ltd  
 The Grange, Pilgrim Drive  
 Beswick, Manchester, M11 3TQ

Date: 12<sup>th</sup> December 2021



**LINKED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED**  
**31 MARCH 2021**

|  |                 | Birch<br>Community<br>Centre | Birch Community Association |                       |   | Birch<br>Community<br>Association             |
|--|-----------------|------------------------------|-----------------------------|-----------------------|---|---|
|  |                 |                              |                             |                       | Total Funds<br>Year Ended<br>31 March<br>2021 | Total Funds<br>Year Ended<br>31 March<br>2020 |
|  | Further Details | Restricted<br>Funds<br>£     | Unrestricted<br>Funds<br>£  | Restricted Funds<br>£ | £   | £   |
| <b>Income from:</b>                      |                 |                              |                             |                       |   |   |
| Donations and legacies                   | (3)             | -                            | 21,326                      | -                     | 21,326  | 1,267   |
| Charitable Activities                    | (4)             | -                            | 3,065                       | 66,247                | 69,312  | 76,172  |
| Other Trading Activities                 | (5)             | -                            | 5,070                       | -                     | 5,070   | 37,692  |
| Investment Income                        |                 | -                            | 38                          | -                     | 38  | 241   |
| Other Income                             |                 | -                            | -                           | -                     | -   | 85  |
| <b>Total</b>                             |                 | -                            | 29,499                      | 66,247                | 95,746  | 115,457                                       |
| <b>Expenditure on:</b>                   |                 |                              |                             |                       |   |   |
| Raising Funds                            | (6)             | -                            | 1,838                       | -                     | 1,838   | 1,255   |
| Charitable Activities                    | (6)             | 10,795                       | 35,477                      | 92,197                | 138,469                                       | 109,551                                       |
| Other                                    | (6)             | -                            | 366                         | -                     | 366   | 13  |
| <b>Total</b>                             |                 | 10,795                       | 37,681                      | 92,197                | 140,673                                       | 110,819                                       |
| <b>Net income/(expenditure)</b>          |                 |                              |                             |                       |   |   |
|  |                 | (10,795)                     | (8,182)                     | (25,950)              | (44,927)                                      | 4,638   |
| Transfers between funds                  | (15)            | 10,795                       | (27,160)                    | 16,365                | -   | -   |
| <b>Net movement in funds</b>             |                 | -                            | (35,342)                    | (9,585)               | (44,927)                                      | 4,638   |
| Transfer in Birch Community Centre Funds |                 | 1,117,800                    | -                           | -                     | 1,117,800                                     | -   |
| <b>Reconciliation of funds</b>           |                 |                              |                             |                       |   |   |
| Total funds brought forward              | (15)            | -                            | 132,334                     | 21,376                | 153,710                                       | 149,072                                       |
| <b>Total funds carried forward</b>       | (15)            | 1,117,800                    | 96,992                      | 11,791                | 1,226,583                                     | 153,710                                       |

Birch Community Centre and Birch Community Association became linked during the year to 31st March 2021.

All children's projects and the after school club closed in December 2020 due to Covid-19.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 9 to 17 form part of these accounts.

LINKED BALANCE SHEET AS AT 31 MARCH 2021

|  | Notes | Birch<br>Community<br>Centre<br>2021<br>£ | Birch<br>Community<br>Association<br>2021<br>£ | 2021<br>£        | Birch<br>Community<br>Association<br>2020<br>£ |
|--|-------|---|--|------------------|--|
| <b>Fixed assets:</b>                           |       |   |  |                  |  |
| Tangible assets                                | (11)  | 1,117,800                                 | 5,742  | 1,123,542        | 1,976  |
| Total fixed assets                             |       | 1,117,800                                 | 5,742  | 1,123,542        | 1,976  |
| -  |       |   |  |                  |  |
| <b>Current assets:</b>                         |       |   |  |                  |  |
| Debtors  | (12)  | -   | 10,780   | 10,780           | 16,179   |
| Cash at Bank & in Hand                         |       | -   | 99,414   | 99,414           | 140,372  |
| Total current assets                           |       | -   | 110,194  | 110,194          | 156,551  |
| <b>Liabilities:</b>                            |       |   |  |                  |  |
| Creditors: Amounts falling due within one year | (13)  | -   | 7,153  | 7,153            | 4,817  |
| Net current assets or liabilities              |       | -   | 103,041  | 103,041          | 151,734  |
| Total assets less current liabilities          |       | 1,117,800                                 | 108,783  | 1,226,583        | 153,710  |
| <b>Total net assets or liabilities</b>         |       | <b>1,117,800</b>                          | <b>108,783</b>                                 | <b>1,226,583</b> | <b>153,710</b>                                 |
| <b>The funds of the charity:</b>               |       |   |  |                  |  |
| Restricted income funds                        | (15)  | 1,117,800                                 | 11,791   | 1,129,591        | 21,376   |
| Unrestricted income funds                      | (15)  | -   | 96,992   | 96,992           | 132,334  |
| <b>Total charity funds</b>                     |       | <b>1,117,800</b>                          | <b>108,783</b>                                 | <b>1,226,583</b> | <b>153,710</b>                                 |

Birch Community Centre and Birch Community Association became linked during the year to 31st March 2021.

For the year in question the company was entitled to the exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

- The members have not required The company to obtain an audit of its accounts for the year in question in accordance with section 476.

- The directors acknowledge their responsibilities for complying with The requirements of The Act with respect to accounting records and the preparation of accounts.

Approved by the trustees on 12th December 2021

Amanda Childs Treasurer

The notes on pages 9 to 17 form part of these accounts.

## Linked Statement of Cash Flows for the year ending 31 March 2021

|  | Birch<br>Community<br>Association<br>Year Ended 31<br>March 2021<br>£ | Birch<br>Community<br>Association<br>Year Ended<br>31 March<br>2020<br>£ |
|--|---|--|
| <b>Net cash used in operating activities</b>                     | (33,977)  | 3,159  |
| <b>Cash flows from investment activities:</b>                    |   |  |
| Interest   | 38  | 241  |
| Purchase of fixed assets   | (7,019)   | -  |
| <b>Net cash provided by investing activities</b>                 | <u>(6,981)</u>  | <u>241</u>   |
| Increase/(decrease) in cash and cash equivalents during the year | (40,958)  | 3,400  |
| Cash and cash equivalents brought forward                        | 140,372   | 136,972  |
| <b>Cash and cash equivalents carried forward</b>                 | <u><u>99,414</u></u>  | <u><u>140,372</u></u>  |



## Notes to the accounts

**1. Accounting policies****(a) Basis of preparation and assessment of going concern**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

**(b) Funds structure**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There are 4 restricted funds.

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Further details of each fund are disclosed in note 15.

**(c) Income recognition**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

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 the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

**(d) Expenditure Recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (f) below.

**(e) Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

**(f) Allocation of support and governance costs**

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on type of expense. The allocation of support and governance costs is analysed in note 7.

**(g) Costs of raising funds**

The costs of raising funds consists of licence fees.

**(h) Charitable Activities**

Costs of charitable activities include governance costs and an apportionment of support costs as shown in note 7.

**(i) Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised and valued at historical cost. Depreciation is charged on the following basis:

|   |                |
|---|----------------|
| Equipment                                 | 16.67% on cost |
| Fixtures and Fittings                     | 16.67% on cost |
| Building Refurbishment                    | 20% on cost    |
| Birch Community Centre Land and Buildings | at valuation   |

The building known as Birch Community Centre is run by Birch Community Association as an appointed trustee under section 80 of the Charities Act 2011. The Charity Commission has linked the two charities and the insurance value of the building is now incorporated into these accounts.

**(j) Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their varying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**(k) Pensions**

The charity currently does administer contributions to an auto enrolment pension scheme.

The charity has no liability beyond making its contributions and paying across the deductions for the employees contributions.

**2. Related party transactions and trustees' expenses and remuneration**

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2020: £nil). Expenses paid to the trustees in the year totalled £nil (2020: £nil).

**3. Donations and Legacies**

|                                | Birch<br>Community<br>Centre<br>Restricted | Birch Community Association<br>Unrestricted | Birch Community Association<br>Restricted | Total Funds                 | Birch Community Association<br>Total Funds<br>Year Ended<br>31 March<br>2020 |
|--------------------------------|--|---|---|-----------------------------|--|
|                                | Year Ended 31<br>March 2021                | Year Ended 31<br>March 2021                 | Year Ended 31<br>March 2021               | Year Ended 31<br>March 2021 | 31 March<br>2020   |
|                                |  | £   | £   | £                           | £  |
| Donations                      | -  | 1,157                                       | -   | 1,157                       | 1,017  |
| General grants:                |  |   |   |                             |  |
| Greater Manchester MH NHS      | -  | 500   | -   | 500                         | -  |
| MCC Covid Support              | -  | 10,000                                      | -   | 10,000                      | -  |
| MCC Local Restrictions Support | -  | 9,669                                       | -   | 9,669                       | -  |
| Greater Manchester NHS         | -  | -   | -   | -                           | 250  |
|                                | -  | 21,326                                      | -   | 21,326                      | 1,267  |
| Previous reporting period      | -  | 1,267                                       | -   | 1,267                       |  |

## 4. Income from charitable activities

|                                  | Birch<br>Community<br>Centre<br>Restricted | Birch Community Association<br>Unrestricted | Birch Community Association<br>Restricted | Total Funds                 | Birch<br>Community<br>Association<br>Total Funds<br>Year Ended<br>31 March<br>2020 |
|----------------------------------|--|---|---|-----------------------------|--|
|                                  | Year Ended 31<br>March 2021                | Year Ended 31<br>March 2021                 | Year Ended 31<br>March 2021               | Year Ended 31<br>March 2021 | 31 March<br>2020   |
|                                  | £  | £   | £   | £                           | £  |
| Parental Fees                    | -  | 3,065                                       | -   | 3,065                       | 29,195   |
| Restricted grants:               |  |   |   |                             |  |
| Short Breaks                     | -  | -   | -   | -                           | 8,095  |
| Early Years                      | -  | -   | 30,534                                    | 30,534                      | 38,882   |
| Greater Manchester Police        | -  | -   | 2,500                                     | 2,500                       | -  |
| MCC NIF                          | -  | -   | 3,500                                     | 3,500                       | -  |
| HMRC CVJRS                       | -  | -   | 27,238                                    | 27,238                      | -  |
| Office for Social Responsibility | -  | -   | 1,975                                     | 1,975                       | -  |
| Greater Manchester NHS MH FT     | -  | -   | 500                                       | 500                         | -  |
|                                  | -  | 3,065                                       | 66,247                                    | 69,312                      | 76,172   |
| Previous reporting period        | -  | 37,290                                      | 38,882                                    | 76,172                      |  |

## 5. Income from other trading activities

|                           | Birch<br>Community<br>Centre<br>Restricted | Birch Community Association<br>Unrestricted | Birch Community Association<br>Restricted | Total Funds                 | Birch<br>Community<br>Association<br>Total Funds<br>Year Ended<br>31 March<br>2020 |
|---------------------------|--|---|---|-----------------------------|--|
|                           | Year Ended 31<br>March 2021                | Year Ended 31<br>March 2021                 | Year Ended 31<br>March 2021               | Year Ended 31<br>March 2021 | 31 March<br>2020   |
|                           | £  | £   | £   | £                           | £  |
| Fundraising events        | -  | 177   | -   | 177                         | 5,575  |
| Solar Panel Income        | -  | 238   | -   | 238                         | 174  |
| Rental income             | -  | 4,655                                       | -   | 4,655                       | 31,943   |
|                           | -  | 5,070                                       | -   | 5,070                       | 37,692   |
| Previous reporting period | -  | 37,692                                      | -   | 37,692                      |  |



## 6. Expenditure

|  | Birch<br>Community<br>Centre | Birch<br>Community<br>Association           | Birch<br>Community<br>Association |
|--|------------------------------|---|-----------------------------------|
|  | Building Costs               | Children's<br>Projects and<br>Running Costs | Year Ended<br>31 March 2021       |
|  | £                            | £   | £                                 |
| <b>Expenditure on raising funds:</b>         |                              |   |                                   |
| Licence fees                                 | -                            | 1,112                                       | 1,112                             |
| Website                                      | -                            | 726   | 726                               |
| Fundraising                                  | -                            | -   | -                                 |
|  | -                            | 1,838                                       | 1,838                             |
| <b>Expenditure on charitable activities:</b> |                              |   |                                   |
| Employment Costs                             | -                            | 108,180                                     | 108,180                           |
| Project Management                           | -                            | -   | -                                 |
| Staff Training                               | -                            | -   | -                                 |
| Resource Materials and Activities            | -                            | 368   | 368                               |
| Minor Equipment                              | -                            | 1,092                                       | 1,092                             |
| Repairs and Maintenance                      | 6,469                        | 5,313                                       | 11,782                            |
| Bank Charges                                 | -                            | 3   | 3                                 |
| Subscriptions                                | -                            | 30  | 30                                |
| Bad Debts                                    | -                            | (438)                                       | (438)                             |
| Refreshments                                 | -                            | 168   | 168                               |
| Heat, Light & Water                          | -                            | 4,095                                       | 4,095                             |
| IT Maintenance                               | -                            | 699   | 699                               |
| Cleaning and Waste Disposal                  | -                            | 1,108                                       | 1,108                             |
| Telephone                                    | -                            | 719   | 719                               |
| Rent and Rates                               | -                            | -   | -                                 |
| Insurance                                    | 1,613                        | 348   | 1,961                             |
| Governance and Support Costs                 | 2,713                        | 2,483                                       | 5,196                             |
| Post, Printing & Stationery                  | -                            | 253   | 253                               |
| Depreciation                                 | -                            | 3,253                                       | 3,253                             |
|  | 10,795                       | 127,674                                     | 138,469                           |
| <b>Other expenditure:</b>                    |                              |   |                                   |
| Sundries                                     | -                            | 366   | 366                               |
|  | -                            | 366   | 366                               |
|  | 10,795                       | 129,878                                     | 140,673                           |
| Restricted funds                             |                              |   | 102,992                           |
| Unrestricted funds                           |                              |   | 37,681                            |
|  |                              |   | 140,673                           |

67,438

43,381

110,819

**7. Analysis of expenditure on charitable activities**

As per note 6.

**8. Allocation of governance and support costs**

The breakdown of support costs and how these were allocated between governance and other support costs is shown below:

|                                     | General<br>Support | Governance | Total        | Basis of apportionment |
|-------------------------------------|--------------------|------------|--------------|------------------------|
| Accountancy Fees                    | -                  | 960        | 960          | type of expense        |
| Payroll Bureau Fees                 | 1,163              | -          | 1,163        | type of expense        |
| Consultancy                         | 3,073              | -          | 3,073        | type of expense        |
|                                     | <u>4,236</u>       | <u>960</u> | <u>5,196</u> |                        |
| <b>Birch Community Centre:</b>      |                    |            |              |                        |
| Consultancy                         | 2,713              | -          | 2,713        |                        |
|                                     | <u>2,713</u>       | <u>-</u>   | <u>2,713</u> |                        |
| <b>Birch Community Association:</b> |                    |            |              |                        |
| Accountancy Fees                    | -                  | 960        | 960          |                        |
| Payroll Bureau Fees                 | 1,163              | -          | 1,163        |                        |
| Consultancy                         | 360                | -          | 360          |                        |
|                                     | <u>1,523</u>       | <u>960</u> | <u>2,483</u> |                        |

**9. Analysis of staff costs**

|                       | Birch<br>Community<br>Association<br>Year Ended 31<br>March 2021<br>£ | Birch<br>Community<br>Association<br>Year Ended<br>31 March<br>2020<br>£ |
|-----------------------|---|--|
| Wages and Salaries    | 77,627  | 76,958   |
| Redundancy            | 27,969  | -  |
| Social Security Costs | -   | 344  |
| Pension Costs         | 2,584   | 2,562  |
|                       | <u>108,180</u>  | <u>79,864</u>  |
| Charitable activities | 108,180   | 79,864   |
| Support costs         | -   | -  |
|                       | <u>108,180</u>  | <u>79,864</u>  |

The average number of employees during the year was 9 (previous year: 9).

The charity considers its key management personnel comprises the trustees and Managers. The total employment benefits, including employer pension contributions of the key management personnel were £32,812 (previous year: £35,427). No employee has benefits in excess of £60,000 (previous year: none).

**10. Independent Examiner Fees**

|                              | Birch<br>Community<br>Association<br>Year Ended 31<br>March 2021<br>£ | Birch<br>Community<br>Association<br>Year Ended<br>31 March<br>2020<br>£ |
|------------------------------|---|--|
| Independent examination fees | 960   | 912  |
|                              | <u>960</u>  | <u>912</u>   |

## 11. Tangible Fixed Assets

| Cost                  | Birch<br>Community<br>Centre<br>Land and<br>Buildings | Birch Community Association<br>Building<br>Refurbishment | Equipment | Fixtures and<br>Fittings | Total     |
|-----------------------|---|--|-----------|--------------------------|-----------|
|                       | £   | £  | £         | £                        | £         |
| At 1st April 2020     | -   | 7,892  | 9,037     | 2,050                    | 18,979    |
| Additions             | 1,117,800   | 3,206  | 1,000     | 2,813                    | 1,124,819 |
| At 31st March 2021    | 1,117,800   | 11,098   | 10,037    | 4,863                    | 1,143,798 |
| <b>Depreciation</b>   |   |  |           |                          |           |
| At 1st April 2020     | -   | 6,313  | 8,874     | 1,816                    | 17,003    |
| Charge for Year       | -   | 2,221  | 329       | 703                      | 3,253     |
| At 31st March 2021    | -   | 8,534  | 9,203     | 2,519                    | 20,256    |
| <b>NET BOOK VALUE</b> |   |  |           |                          |           |
| At 31st March 2021    | 1,117,800   | 2,564  | 834       | 2,344                    | 1,123,542 |
| At 31st March 2020    | -   | 1,579  | 163       | 234                      | 1,976     |

Birch Community Association has been appointed as trustee to run The Birch Community Centre and vest the land in the charitable company in trust for the charity under section 80 of the Charities Act 2011.

The Birch Community Centre building insurance valuation was provided by surveyors in June 2020.

## 12. Analysis of debtors

|             | Birch<br>Community<br>Centre<br>2021 | Birch<br>Community<br>Association<br>2021 | 2021   | Birch<br>Community<br>Association<br>2020 |
|-------------|--------------------------------------|---|--------|---|
|             | £                                    | £   | £      | £   |
| Debtors     | -                                    | 7,671                                     | 7,671  | 12,474                                    |
| Prepayments | -                                    | 3,109                                     | 3,109  | 3,705                                     |
|             | -                                    | 10,780                                    | 10,780 | 16,179                                    |

Debtors and prepayments related to restricted funds £1,000 (2020: £nil) and unrestricted funds £9,780 (2020: £16,179).

## 13. Creditors: amounts falling due within one year

|   | Birch<br>Community<br>Centre<br>2021 | Birch<br>Community<br>Association<br>2021 | 2021  | Birch<br>Community<br>Association<br>2020 |
|---|--------------------------------------|---|-------|---|
|   | £                                    | £   | £     | £   |
| Creditors                                     | -                                    | 2,439                                     | 2,439 | 2,600                                     |
| Short-term compensated absences (holiday pay) | -                                    | -   | -     | -   |
| Deferred Income                               | -                                    | 3,330                                     | 3,330 | 850                                       |
| Other creditors and accruals                  | -                                    | 1,384                                     | 1,384 | 1,367                                     |
| Taxation and social security costs            | -                                    | -   | -     | -   |
|   | -                                    | 7,153                                     | 7,153 | 4,817                                     |

## 14. Deferred income

|  | Birch<br>Community<br>Centre<br>2021 | Birch<br>Community<br>Association<br>2021 |
|--|--------------------------------------|---|
|  | £                                    | £   |
| Deferred income comprises rental income received in advance. |                                      |   |
| Balance as at 1st April 2020                                 | -                                    | 850                                       |
| Amount released to income earned from charitable activities  | -                                    | (850)                                     |
| Amount deferred in year                                      | -                                    | 3,330                                     |
| Balance at 31st March 2021                                   | -                                    | 3,330                                     |



## 15. Analysis of charitable funds

## Analysis of movements in unrestricted funds

|              | Birch Community Association |           |           |               |
|--------------|-----------------------------|-----------|-----------|---------------|
|              | Balance at 1                | Incoming  | Resources | Balance at 31 |
|              | April 2020                  | Resources | Expended  | March 2021    |
|              | £                           | £         | £         | £             |
| General Fund | 132,334                     | 29,499    | (37,681)  | 96,992        |
|              | 132,334                     | 29,499    | (37,681)  | 96,992        |

Previous reporting period

|              | Birch Community Association |           |           |               |
|--------------|-----------------------------|-----------|-----------|---------------|
|              | Balance at 1                | Incoming  | Resources | Balance at 31 |
|              | April 2019                  | Resources | Expended  | March 2020    |
|              | £                           | £         | £         | £             |
| General Fund | 136,429                     | 76,575    | (43,381)  | 132,334       |
|              | 136,429                     | 76,575    | (43,381)  | 132,334       |

Name of unrestricted fund:

General Fund

Description, nature and purpose of the fund

The "free reserves"

## Analysis of movements in restricted funds

|                                  | Linked Birch Community Centre and Birch Community Association |           |           |               |
|----------------------------------|---|-----------|-----------|---------------|
|                                  | Balance at 1  | Incoming  | Resources | Balance at 31 |
|                                  | April 2020  | Resources | Expended  | March 2021    |
|                                  | £   | £         | £         | £             |
| Birch Community Centre           | -   | 1,117,800 | (10,795)  | 1,117,800     |
| Manchester Airport               | 53  | -         | (53)      | -             |
| Early Years                      | 17,518  | 30,534    | (64,417)  | -             |
| Greater Manchester Police        | -   | 2,500     | -         | 2,500         |
| HMRC CVJRS                       | -   | 27,238    | (27,238)  | -             |
| Office for Social Responsibility | -   | 1,975     | (489)     | 1,486         |
| Greater Manchester NHS MH FT     | 2,565   | 500       | -         | 3,065         |
| MCC NIF                          | 1,240   | 3,500     | -         | 4,740         |
|                                  | 21,376  | 1,184,047 | (102,992) | 1,129,591     |

Previous reporting period

|                              | Birch Community Association |           |           |               |
|------------------------------|-----------------------------|-----------|-----------|---------------|
|                              | Balance at 1                | Incoming  | Resources | Balance at 31 |
|                              | April 2019                  | Resources | Expended  | March 2020    |
|                              | £                           | £         | £         | £             |
| Manchester Airport           | 179                         | -         | (126)     | 53            |
| Early Years                  | 8,659                       | 38,882    | (67,312)  | 17,518        |
| Greater Manchester NHS MH FT | 2,565                       | -         | -         | 2,565         |
| MCC NIF                      | 1,240                       | -         | -         | 1,240         |
|                              | 12,643                      | 38,882    | (67,438)  | 21,376        |

## 15. Analysis of charitable funds

| Name of restricted fund:         | Description, nature and purpose of the fund  |
|----------------------------------|--|
| Birch Community Centre           | for the valuation and upkeep and maintenance of the building occupied by Birch Community Association |
| Manchester Airport               | for equipment. The balance on this fund represented depreciation                                     |
| Early Years                      | for the playgroup  |
| Greater Manchester Police        | for planters near the centre and new chairs  |
| HMRC CVJRS                       | for salaries   |
| Office for Social Responsibility | for building refurbishment   |
| Greater Manchester NHS MH FT     | to run Birch Café, room hire and trips   |
| MCC NIF                          | for the social café and for roof repairs   |

## 16. Analysis of net assets between funds

|  | Birch<br>Community<br>Centre | Birch Community Association |                     |                  |                  |
|--|------------------------------|-----------------------------|---------------------|------------------|------------------|
|  | Restricted<br>Funds          | Unrestricted<br>funds       | Designated<br>funds | Restricted funds | Total 2021       |
|  | £                            | £                           | £                   | £                | £                |
| Tangible fixed assets                  | 1,117,800                    | 5,742                       | -                   | -                | 1,123,542        |
| Cash at bank and in hand               | -                            | 88,623                      | -                   | 10,791           | 99,414           |
| Other net current assets/(liabilities) | -                            | 2,627                       | -                   | 1,000            | 3,627            |
| <b>Total</b>                           | <b>1,117,800</b>             | <b>96,992</b>               | <b>-</b>            | <b>11,791</b>    | <b>1,226,583</b> |

Previous reporting period

|  | Birch<br>Community<br>Centre | Birch Community Association |                     |                  |                |
|--|------------------------------|-----------------------------|---------------------|------------------|----------------|
|  | Birch<br>Community<br>Centre | Unrestricted<br>funds       | Designated<br>funds | Restricted funds | Total 2020     |
|  | £                            | £                           | £                   | £                | £              |
| Tangible fixed assets                  | -                            | 1,923                       | -                   | 53               | 1,976          |
| Cash at bank and in hand               | -                            | 119,049                     | -                   | 21,323           | 140,372        |
| Other net current assets/(liabilities) | -                            | 11,362                      | -                   | -                | 11,362         |
| <b>Total</b>                           | <b>-</b>                     | <b>132,334</b>              | <b>-</b>            | <b>21,376</b>    | <b>153,710</b> |

## 17. Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised on a transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at an amortised cost using the effective interest method.

## 18. Reconciliation of net movement in funds to net cash flow from operating activities

|  | Birch<br>Community<br>Association | Birch<br>Community<br>Association |
|--|-----------------------------------|-----------------------------------|
|  | Year Ended 31<br>March 2021       | Year Ended<br>31 March<br>2020    |
|  | £                                 | £                                 |
| Net movement in funds                        | (44,927)                          | 4,638                             |
| Add back depreciation                        | 3,253                             | 2,049                             |
| Deduct investment income                     | (38)                              | (241)                             |
| Decrease/(increase) in debtors               | 5,399                             | 1,048                             |
| Increase/(decrease) in creditors             | 2,336                             | (4,335)                           |
| <b>Net cash used in operating activities</b> | <b>(33,977)</b>                   | <b>3,159</b>                      |

## Linked Income and Expenditure Account

|                                   | Birch<br>Community<br>Centre<br>Year Ended<br>31 March<br>2021<br>£ | Birch<br>Community<br>Association<br>Year Ended<br>31 March<br>2021<br>£ | Birch<br>Community<br>Association<br>Year Ended<br>31 March<br>2021<br>£ | Birch<br>Community<br>Association<br>Year Ended<br>31 March<br>2020<br>£ |
|-----------------------------------|---|--|--|--|
| <b>Income</b>                     |   |  |  |  |
| Donations                         | -   | 1,157  | 1,157  | 1,017  |
| General grants:                   |   |  |  |  |
| Greater Manchester MH NHS         | -   | 500  | 500  | -  |
| MCC Covid Support                 | -   | 10,000   | 10,000   | -  |
| MCC Local Restrictions Support    | -   | 9,669  | 9,669  | -  |
| Greater Manchester NHS            | -   | -  | -  | 250  |
| Investment Income                 | -   | 38   | 38   | 241  |
| Other Income                      | -   | -  | -  | 85   |
| Parental Fees                     | -   | 3,065  | 3,065  | 29,195   |
| Restricted grants:                |   |  |  |  |
| Early Years                       | -   | -  | -  | 38,882   |
| Short Breaks                      | -   | 30,534   | 30,534   | 8,095  |
| Greater Manchester Police         | -   | 2,500  | 2,500  | -  |
| MCC NIF                           | -   | 3,500  | 3,500  | -  |
| HMRC CVJRS                        | -   | 27,238   | 27,238   | -  |
| Office for Social Responsibility  | -   | 1,975  | 1,975  | -  |
| Greater Manchester NHS MH FT      | -   | 500  | 500  | -  |
| Fundraising events                | -   | 177  | 177  | 5,575  |
| Solar Panel Income                | -   | 238  | 238  | 174  |
| Rental income                     | -   | 4,655  | 4,655  | 31,943   |
| <b>Total Income</b>               | -   | <b>95,746</b>  | <b>95,746</b>  | <b>115,457</b>   |
| <b>Expenditure</b>                |   |  |  |  |
| Licence fees                      | -   | 1,112  | 1,112  | 1,092  |
| Website                           | -   | 726  | 726  | 73   |
| Fundraising                       | -   | -  | -  | 90   |
| Employment Costs                  | -   | 108,180  | 108,180  | 79,864   |
| Project Management                | -   | -  | -  | 1,230  |
| Staff Training                    | -   | -  | -  | 36   |
| Resource Materials and Activities | -   | 368  | 368  | 1,840  |
| Minor Equipment                   | -   | 1,092  | 1,092  | 2,637  |
| Repairs and Maintenance           | 6,469   | 5,313  | 11,782   | 6,605  |
| Bank Charges                      | -   | 3  | 3  | 77   |
| Subscriptions                     | -   | 30   | 30   | 257  |
| Bad Debts                         | -   | (438)  | (438)  | 411  |
| Refreshments                      | -   | 168  | 168  | 862  |
| Heat, Light & Water               | -   | 4,095  | 4,095  | 5,548  |
| IT Maintenance                    | -   | 699  | 699  | 1,013  |
| Cleaning and Waste Disposal       | -   | 1,108  | 1,108  | 1,485  |
| Telephone                         | -   | 719  | 719  | 604  |
| Rent and Rates                    | -   | -  | -  | 544  |
| Insurance                         | 1,613   | 348  | 1,961  | 1,943  |
| Governance and Support Costs      | 2,713   | 2,483  | 5,196  | 2,010  |
| Post, Printing & Stationery       | -   | 253  | 253  | 536  |
| Depreciation                      | -   | 3,253  | 3,253  | 2,049  |
| Sundries                          | -   | 366  | 366  | 13   |
| <b>Total Expenditure</b>          | <b>10,795</b>   | <b>129,878</b>   | <b>140,673</b>   | <b>110,819</b>   |
| <b>Surplus/(deficit for year)</b> | <b>(10,795)</b>   | <b>(34,132)</b>  | <b>(44,927)</b>  | <b>4,638</b>   |