



COMPANY REGISTRATION NUMBER 08555227
REGISTERED CHARITY NUMBER 1152861

**PRIMROSE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

FINANCIAL STATEMENTS

31ST MARCH 2021

BELL TINDLE WILLIAMSON LLP

Chartered Accountants & Registered Auditors
The Old Post Office
63 Saville Street
North Shields
Tyne and Wear
NE30 1AY

PRIMROSE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
YEAR ENDED 31ST MARCH 2021

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PRIMROSE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31st March 2021 which are also prepared to meet the requirements for a directors report and financial statements 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 charities Statement of Recommended Practice (applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland; FRS 102) issued in October 2019.

Our Purposes and Activities

Purpose

The objects of the charity are specifically restricted to the following:

- (1) To promote the benefit of the inhabitants of the Borough of South Tyneside and the neighbourhood without distinction of sex or political, religious or other opinions by associating the local authorities, voluntary and other organisations 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.
- (2) To establish or to secure the establishment of a community centre and to maintain and manage, or to co-operate with the South Tyneside Metropolitan Borough Council in the maintenance and management of such a centre for activities promoted by the Association and its constituent bodies in furtherance of the above objectives.
- (3) The Association shall have power to affiliate to other organisations with similar charitable objects and shall be non-party in politics and non-sectarian in religion.

In pursuance of these objectives the trustees shall be responsible for the management of the community centre and administration of the Community Association in accordance with the provision of its Articles of Association.

Vision Statement

Primrose Community Association serves the needs of the local community, takes up stewardship on their behalf and confidently and competently keeps pace with the changes in our society.

How We Met Our Charitable Objectives

Charity trustees have a duty of public benefit and this is demonstrated at Primrose Community Association through the management of the community centre delivering a programme of activities which meet the needs of the local community. The board of trustees have a strong pedigree of integrity, an ability to balance the books, in maintaining solvency and in ensuring the efficiency of the charity.

The first priority of the trustees is to support the charitable objectives of Primrose Community Association. In doing so we regularly check to make sure that Primrose Community Association complies with Charity Law, that no breaches occur in any of the requirements set out in our governing document and that we remain true to our charitable purposes and objects. The trustees fully recognise their legal responsibility for the affairs of the charity and uphold their explicit duty to scrutinise key issues and decisions, take independent advice and report as necessary.

PRIMROSE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

Our Purposes and Activities *(continued)*

Ensuring Our Work Delivers Our Aims

The trustees review our aims, objectives and activities each year and consider what has been achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits that they have brought to those groups of people we are set up to help.

The review also helps us to ensure that our aims, objectives and activities have remained focused on our stated purposes. The trustees have referred to guidance contained in the Charity's Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The Focus of Our Work

The purposes and objects of the charity are noted above. Primrose Community Centre has been closed for the majority of the financial year due to the restrictions of the Covid-19 pandemic. As a consequence our traditional activities have been restricted, but additional activities were developed to support the local community through the challenges of the pandemic. The strategies used to meet these objectives included:

- The trustees moved the membership year to begin in September, offering membership of the Association at a reasonable price to allow the local community access to the facilities offered.
- Activity groups which met Government Guidance were offered.
- Government restrictions made it impossible to offer facilities for family functions, and local community groups.
- A pop up food bank was developed to support members of the local community who were experiencing food poverty.
- Support was offered to the local residents who were isolating and unable to shop, and regular telephone support was given to members.
- Grant applications were made to support the Association's support services, and on going core costs.

How Our Activities Deliver Public Benefit

The trustees remain fully focused on providing a community hub for social collaboration, inclusion and well being; ensuring our work reflects our membership profile; supporting children and young people; delivering adult education; facilitating sports and leisure activities and tackling health inequalities. All these activities are undertaken to further our charitable purposes for the public benefit.

Who Used and Benefitted from Our Services?

Primrose Community Centre was closed for its traditional activities through the majority of the financial year. Activity groups: squash; indoor bowls; and children's dance met when Government Guidance allowed.

The establishment of the pop up food bank, and telephone contact service gave support to members and local residents who were experiencing food poverty, and social isolation as a result of the pandemic.

PRIMROSE COMMUNITY ASSOCIATION
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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

Achievements and Performance

Primrose Community Association has undertaken the management and maintenance of the Community Centre.

At the beginning of the lockdown due to the Covid-19 pandemic, leaflets were delivered to all the houses on the Primrose estate offering support to the residents with shopping and prescription collection. Volunteers were recruited to undertake these support services and keep in telephone contact with centre members and local residents.

Risk assessments were undertaken on our premises to ensure Covid-19 safe procedures were put in place and appropriate sanitising and protective equipment was purchased to keep everyone safe.

A pop up foodbank was developed to support local residents who were experiencing food poverty. Volunteers sought donations of food from the local community, shops and Fair share. Grants were received from the Community Area Forum, and local organisations to support the foodbank.

As Government Guidance allowed, three activity groups, squash, indoor bowls and children's dance restarted their activities. Advice was sought from the various governing bodies, risk assessments were undertaken and operating procedures revised to ensure participants were protected.

During the lockdown the trustees took the opportunity to enhance the storage in the centre by reconfiguring the office, corridor and accessible toilet, and forming a new cupboard for storage of furniture and equipment.

The trustees concluded their plans for the refurbishment of the old reception. This work was completed at the end of the year, developing a quality multi-purpose facility to enhance the spaces available for groups and users of the centre. The hall was also refurbished to enhance the quality of the facilities available to the community.

The trustees revised the charity budgets to reflect the significant reduction in income. Research was undertaken for appropriate grants to support the charity through the difficult times. These receipts have assisted the charity's financial position going forward.

The utilities contracts were reviewed with the assistance of Troocost. Alternative suppliers for gas and electric were identified with significantly reduced costs. The new contracts will commence early in the new year and assisted the charity's financial position going forward.

The subsidiary trading company, Primrose Community Enterprises Ltd, was unable to trade through the majority of the year and has made a trading loss. Consequently it has been unable to make a financial contribution to the charity. The trustees will continue to monitor the financial situation of the company. However the trustees remain confident that the situation will improve as life begins to return to normality and the bar will re-establish its contribution to the life of the charity and the service it provides to members of the Community Association, users of the centre, and local residents for their family functions.

PRIMROSE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

Financial Review

The charity with the aid of sound financial management, reports an unrestricted trading deficit of £44,236 for the year to 31st March 2021. There was no donation made by Primrose Community Enterprises Ltd due to the reported loss suffered by the bar.

The Trustees invested £47,000 in refurbishment and decoration of the Primrose room and hall and internal wall and carpet treatments, and the creation of additional storage.

During the financial year the Community Association suffered a severe reduction in the majority of its normal income streams as a result of the impact of the Covid-19 pandemic. HMRC CJRS grants amounting to £13,633 were received and £44,522 grant funding was received from South Tyneside Council.

Our subsidiary, Primrose Community Enterprises Ltd, reports a loss of £4,965 for the year to 31st March 2021. As a consequence, no donation has been made to the Association.

Principal Funding Sources

The funding of the charity comes from a range of sources and the principal funding sources are as follows:

- Association Membership fees.
- Income from the Association's sections. In the current and prior year the squash group contributed the most income from activity groups.
- Income from the hire of facilities by local activity groups and training providers.
- Income from the coffee bar.
- Local authority grants.
- HMRC CJRS grants.

Cost Analysis

Staff salaries and building and equipment maintenance costs are the largest expenditure of the Charity. Gas, electricity and water charges are direct costs to the charity through contracts with EDF, Corona and Wave. Business rates are subject to the 80% mandatory reduction for charities.

Investment Powers and Policy

Under the Articles of Association, the charity has the power to invest funds in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000.

Reserves Policy and Going Concern

The charity regularly assesses and reviews its reserves policy in line with financial performance, risk and the external environment.

It is good practice for a charity to reserve funds for future planned activity and contingencies These are designated as follows:

PRIMROSE COMMUNITY ASSOCIATION
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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

Reserves Policy and Going Concern (continued)

Restricted Funds

Section funds
 Specific grants and donations

Unrestricted Funds

Staffing and redundancy fund.
 Equipment replacement contingency fund.
 Six months running costs of the Association.
 Limited liability contingency fund.

The amount of reserved funds is included in each month's management accounts and is reviewed regularly to ensure that the charity can meet its financial commitments.

Plans for Future Periods

The impact of COVID-19 dominates our plans for the future as we start 21/22 with a closed community centre and an unprecedented lack of activity. The Trustees are determined that Primrose Community Association will play its part in supporting its members and the residents of the Primrose Estate through the on-going pandemic.

The trustees are aware that the closure of the centre has a profound effect on income to the charity. Budgets will be revised to take account of reduced income and cash flows will be closely monitored.

Primrose Community Association will continually review its health and safety procedures to ensure that the charity is a safe environment for those entering the centre.

The Trustees will prepare a plan for the re-opening of the centre in preparation for the lifting of restrictions. This will include a risk assessment, budget plan and revised operational procedures.

Primrose Community Association will continue to connect people to the services they need across health, economy and social programmes making the best use of partnerships between statutory, voluntary, faith and business communities.

The pandemic and its related restrictions have had a fundamental impact on the mental and physical health of people in our area. Improving residents life satisfaction and day to day happiness is essential work of the community centre. The link between being active and positive mental health is well established. Primrose Community Association will promote its current programme of activities and seek to broaden the range of activities available to engage more people in positive activity.

The Trustees will re-engage with our established volunteers and seek to recruit additional voluntary support for our centre and its activities.

The Trustees will seek to finalise negotiations with South Tyneside Council in relation to the lease of the community centre, which will complete the asset transfer. A solicitor will be engaged to act on behalf of the trustees.

As this report was being prepared the Trustees learnt of the resignation of John Watson as Chair and Trustee of Primrose Community Association. John has faithfully served Primrose for nearly 20 years, meeting the challenges of developing the centre in terms of the building, its activities and reputation for delivering services to the local community. The Trustees give their heart felt thanks to John for all his hard work on behalf of the Association and the Primrose community.

The Trustees will be seeking to recruit new Trustees to join the Board to take Primrose into a new era.

PRIMROSE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

Reference and Administrative Details

<i>Charity Name:</i>	Primrose Community Association
<i>Charity Registration Number:</i>	1152861
<i>Company Registration Number:</i>	08555227
<i>Registered Office & Operational Address:</i>	Lambton Terrace Jarrow Tyne and Wear NE32 5QY
<i>Bankers :</i>	Barclays Bank plc 1 -3 King Street South Shields Tyne and Wear NE33 1DA
<i>Independent Examiner:</i>	E. J. Hartshorne-Ferguson BA FCA Bell Tindle Williamson LLP The Old Post Office 63 Saville Street North Shields NE30 1AY
<i>Association Treasurer:</i>	S. P. Chilton

Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees who served during the year and since the year end were as follows:

Key management personnel Primrose Community Association: Trustees' and Directors

<i>Elected Trustees:</i>	J. Watson	<i>(Resigned 23.10.21)</i>
	J. A. Nicol	
	S. P. Chilton	<i>(Treasurer)</i>
	H. Bell	
	B. Bennett	
	A. Ede	
	J. A. Mason	
	D. Nicol	
	V. Patterson	
	D. Proudlock	
	H. Sprouting	
	J. Stobbs	
	J. Young	

PRIMROSE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

Structure, Governance and Management

Governing Document

Primrose Community Association is a registered charity (registered number 1152861) and a company limited by guarantee established and governed under its Articles of Association dated 4th June 2013 which states the objects and powers of the charitable company.

The trustees confirm that if the charity is wound up whilst they are a trustee or if it is wound up within one year of them ceasing to be a trustee, they would be required to contribute an amount, not exceeding £1, towards the payment of the debts and liabilities of the charity.

Appointment of Trustees

Trustees are recruited to meet specific needs in the organisation for specialist expertise, business skills and professional standing within relevant fields.

Without prejudice, to any provision in the Articles of Association, the trustees holding office at any time may include the following:

- (1) One person nominated by each of the Sections recognised by the trustees;
- (2) Up to four people elected by and from the membership (or prior to) the Annual General Meeting;
- (3) Up to two people nominated by Valley View Primary School; and
- (4) Up to three people co-opted by the trustees for the skills or experience they will bring to running the Association.

Under the requirements of the Articles of Association, the trustees shall from time to time determine procedures for the election of trustees, which may include elections held at the Annual General Meeting, or a postal ballot of the members conducted prior to the Annual General Meeting, or any other method considered to be effective and democratic.

Elected trustees shall take office at the conclusion of that meeting and shall serve until the conclusion of the next Annual General Meeting. A retiring trustee shall be eligible to be re-elected.

All of the trustees give their time voluntarily and receive no benefits from the charity.

Trustee Selection

The trustees, who served the charity during the year are detailed on page 6. Thirteen trustees served the charity during the year. Should the charity wish to appoint further trustees, it would do so using the criterion noted above.

Trustee Induction and Training

New trustees are likely to know the background of the work that the charity does before joining the board but will still attend a series of short training sessions to fully learn about the charity.

PRIMROSE COMMUNITY ASSOCIATION
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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

Structure, Governance and Management *(continued)*

Trustee Induction and Training *(continued)*

The main documents which set out the operational framework of the charity, including the Articles of Association will be discussed with any new trustees. New trustees will also be briefed on the current financial position of the charity with the aid of the most recent set of financial statements. Finally, the current resources, grant funding and other revenue streams will be discussed with new trustees as well as the future plans of the charity.

All trustees are familiar with the practical work of the charity and have also been encouraged to consult the various Charity Commission publications signposted through the Commission's guide "The Essential Trustee" and the information sheets provided on the Commission's website.

In the forthcoming year, the current trustees will seek to ensure appropriate training is provided for them and that proposals are brought forward to enhance the potential pool of trustees.

Organisation

The board of trustees administer the charity and set the strategic direction. On an annual basis they agree the strategy and set the objectives which are incorporated into the strategic plan. They meet bi-monthly to receive an update from the treasurer and agree actions to move the business plan forward. The trustees oversee governance of the charity.

Primrose Community Association is led by the chair and officers of a board of trustees and executive trustees have been granted a range of delegated authorities by the trustees in order to run the organisation efficiently.

Related Parties

Primrose Community Enterprises Ltd is a wholly owned subsidiary of the Association. During the year surplus funds amounting to £Nil (2020: £6,000) were donated to the Association. In addition, £873 (2020: £1,063) of insurance costs, borne by Primrose Community Association have been recharged to Primrose Community Enterprises Ltd. £7,163 (2020: £6,735) was outstanding at the year end and is included within debtors.

J. A. Mason, D. Proudlock, H. Sprouting and J. A. Nicol, who are directors and trustees of Primrose Community Association, are also directors of Primrose Community Enterprises Ltd.

Pay Policy for Senior Staff

The board of directors, who are the charity's trustees, give of their time freely and no director received remuneration in the year. Primrose Community Association does not currently employ any staff in a senior position.

Risk Management

The trustees have conducted a review of the major risks to which the charity is exposed. As part of the risk management process, the trustees have implemented a risk management strategy which comprises:

- (1) An annual review of the risks that the charity may face;
- (2) Detailed action plans to mitigate those risks identified; and

PRIMROSE COMMUNITY ASSOCIATION
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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

Structure, Governance and Management *(continued)*

Risk Management (continued)

- (3) Implementation procedures designed to minimise any potential impact on the charity should any of these risks materialise.

The biggest risk the charity currently faces is the loss of income from the facilities offered or the activity groups due to the COVID-19 pandemic. The trustees have revised its budget and will monitor it and the cash flow regularly, seeking to reduce expenditure wherever possible. They will also research available funding through grants related to the Furlough Scheme and COVID-19 recovery.

The trustees will undertake a health and safety risk assessment of the implications of COVID-19 for staff, volunteers and users of the centre. New procedures will be implemented following Government Guidelines, and guidance from National Bodies for activities undertaken in the centre.

Corporate Governance

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by the trustees.

Trustees' Responsibilities in Relation to the Financial Statements

The charity trustees (who are also the directors of Primrose 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 for that period.

In preparing the 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;
- make judgments 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 charity will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

PRIMROSE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

Trustees' Responsibilities in Relation to the Financial Statements *(continued)*

Statement as to disclosure to our independent examiners

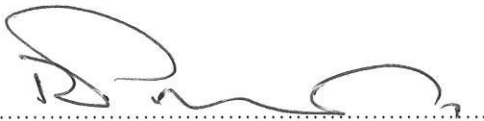
In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the independent examiner in connection with preparing their report, of which the company's independent examiner is unaware; and
- the trustees, having made enquiries of fellow directors that they ought to have individually taken, have each taken all the steps that he/she is obliged to take as a director in order to make themselves aware of any relevant information and to establish that the charity's independent examiner is aware of that information.

Independent Examiner

E. J. Hartshorne-Ferguson BA FCA of Bell Tindle Williamson LLP will continue in office as independent examiner for the ensuing year.

This report was approved by the trustees on 13th December 2021 and signed on their behalf by:



.....
D. PROUDLOCK
Trustee/Director

PRIMROSE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PRIMROSE
COMMUNITY ASSOCIATION FOR THE YEAR ENDED 31ST MARCH 2021

I report on the financial statements of the charity for the year ended 31 March 2021, which are set out on pages 12 to 22.

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 financial statements. The charity's 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.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act, and
- 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and the seeking of explanations from you, as Trustees, concerning any such matters. The procedures undertaken do not provide all of the evidence that would be required in an audit and, consequently, no opinion is given as to whether the financial statements 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:

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

Bell Tindle Williamson LLP
 Chartered Accountants
 The Old Post Office
 63 Saville Street
 North Shields
 Tyne & Wear
 NE30 1AY

E. J. Hartshorne-Ferguson

E. J. Hartshorne-Ferguson BA FCA
 Independent Examiner

CHARTERED ACCOUNTANTS AND
 REGISTERED AUDITORS
 13th December 2021

PRIMROSE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST MARCH 2021

	<u>Note</u>	<u>Unrestricted</u> <u>Funds</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>£</u>	<u>2021</u> <u>£</u>	<u>2020</u> <u>£</u>
INCOME:					
Donations and Legacies	3	59,875	-	59,875	6,984
Income from Charitable Activities	4	4,031	449	4,480	40,964
<i>Investment Income</i>					
Interest on Cash Deposits		120	-	120	128
<i>Income from Other Trading Activities</i>					
Coffee Bar		1,651	-	1,651	32,785
Facilities		2,531	-	2,531	30,871
Sundry Income		21	-	21	709
TOTAL INCOMING RESOURCES		<u>68,229</u>	<u>449</u>	<u>68,678</u>	<u>112,441</u>
EXPENDITURE:					
<i>Costs of Raising Funds</i>					
Cost of Goods Sold and Other Costs	5	1,767	-	1,767	15,877
Expenditure on Charitable Activities	6	110,698	915	111,613	126,967
TOTAL RESOURCES EXPENDED		<u>112,465</u>	<u>915</u>	<u>113,380</u>	<u>142,844</u>
NET MOVEMENT IN FUNDS		(44,236)	(466)	(44,702)	(30,403)
RECONCILIATION OF FUNDS					
Total Funds Brought Forward		129,584	10,405	139,989	170,392
TOTAL FUNDS CARRIED FORWARD		<u>85,348</u>	<u>9,939</u>	<u>95,287</u>	<u>139,989</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All incoming resources and resources expended derive from continuing activities

The notes on pages 14 to 22 form part of these financial statements.

PRIMROSE COMMUNITY ASSOCIATION
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BALANCE SHEET AS AT 31ST MARCH 2021

	<u>Note</u>	<u>2021</u>	<u>2020</u>
		<u>£</u>	<u>£</u>
FIXED ASSETS			
Tangible assets	13	20,012	23,506
CURRENT ASSETS			
Stocks	14	101	1,534
Debtors	15	10,430	7,024
Cash at Bank and in Hand		103,107	116,081
TOTAL CURRENT ASSETS		<u>113,638</u>	<u>124,639</u>
CREDITORS - AMOUNTS DUE WITHIN ONE YEAR	16	<u>38,363</u>	<u>8,156</u>
NET CURRENT ASSETS		75,275	116,483
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>95,287</u>	<u>139,989</u>
FUNDS OF THE CHARITY			
Unrestricted Funds	17	85,348	129,584
Restricted Funds - Other	17	2,000	2,000
Restricted Funds - Section Accounts	17	7,939	8,405
TOTAL CHARITY FUNDS		<u>95,287</u>	<u>139,989</u>

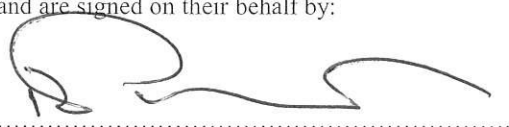
These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

For the year ending 31st March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charitable company to obtain an audit of its financial statements 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 financial statements.

These financial statements were approved by the board of directors and authorised for issue on 13th December 2021 and are signed on their behalf by:



.....
D. PROUDLOCK
Trustee/Director

Registration Number: 08555227

The notes on pages 14 to 22 form part of these financial statements.

PRIMROSE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of Preparation

The financial statements have been prepared under the historical cost convention, and in accordance with the 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Primrose Community Association 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.

b) Preparation of the Financial Statements on a Going Concern Basis

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. This includes taking into account the potential impact of COVID-19 to ensure that cashflow is positively managed and the impact to the charity's operations are mitigated. There are no significant judgements or key sources of estimation uncertainty that affect the financial statements.

c) Cash Flow Statement

The trustees have taken advantage of the exemption from including a cash flow statement in the financial statements on the grounds that the charity is small.

d) Income

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.

The following specific policies are applied to particular categories of income:

- Donations and grants 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.
- Income from activity groups is recognised when monies are receivable for taking part in the relevant activity.
- Income from charitable fundraising events is recognised when it becomes receivable.
- Income from trading activities is recognised when goods are sold or facilities provided.
- Sundry income is included when receivable.

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(A COMPANY LIMITED BY GUARANTEE)
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FOR THE YEAR ENDED 31ST MARCH 2021

1. ACCOUNTING POLICIES *(continued)*

e) Fund Accounting

Unrestricted 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.

Restricted funds comprise donations which the donor has specified are to be solely used for particular areas of the charity's work or for special projects being undertaken by the charity, and designated Section funds.

f) Expenditure and Irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading including the coffee bar.
- Expenditure on charitable activities includes the costs of performances, events and other activities undertaken to further the purposes of the charity and their associated support costs.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include independent examination fees and costs linked to the strategic management of the charity.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) Support Costs

Support costs are those functions that assist in the work of the charity but do not directly undertake charitable activities. Support costs include office costs, finance, payroll and governance costs which support the charity's activities. These costs have been included within expenditure on charitable activities.

h) Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation is calculated to write off the cost of fixed assets over the expected useful lives of the assets concerned. The principal annual rates for this purpose, which are consistent with those of the previous year, are:-

Asset Category	Annual Rate
Equipment	20%
Coffee Bar	10%

i) Stock

Stock is included at the lower of cost and net realisable value.

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1. ACCOUNTING POLICIES *(continued)*

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k) Cash at Bank and in Hand

Cash at bank and in hand comprises petty cash and funds held in the charity paypal account, bank current and deposit accounts.

l) Creditors and Provisions

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

m) Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. LEGAL STATUS

Primrose Community Association is a company limited by guarantee and as such has no share capital. In the event of the charitable company being wound up, the members would be required to contribute an amount not exceeding £1.

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3. DONATIONS AND LEGACIES

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Grants				
HMRC CJRS Grants	13,633	-	13,633	-
Local Authority Grants	44,522	-	44,522	-
Donations				
Primrose Community Enterprises Ltd	-	-	-	6,000
General	1,720	-	1,720	984
	<u>59,875</u>	<u>-</u>	<u>59,875</u>	<u>6,984</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Events	-	-	-	2,051
Section Receipts	-	449	449	6,560
Activity Groups				
Membership	732	-	732	2,809
Friday Dance	-	-	-	1,788
Indoor Bowls	402	-	402	5,224
Squash	2,897	-	2,897	16,210
Toddlers	-	-	-	3,104
U3A Bowls	-	-	-	663
XYW	-	-	-	1,394
Atoria Sci-Fi	-	-	-	774
Mayors Award	-	-	-	33
Woodwork	-	-	-	354
	<u>4,031</u>	<u>449</u>	<u>4,480</u>	<u>40,964</u>

PRIMROSE COMMUNITY ASSOCIATION
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FOR THE YEAR ENDED 31ST MARCH 2021

5. COSTS OF RAISING FUNDS

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Cost of Goods Sold and Other Costs				
Coffee Bar	1,767	-	1,767	15,877

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Events	-	-	-	1,948
Section Expenditure	-	915	915	10,393
Wages and Salaries	23,776	-	23,776	32,008
Stationery and Postage	1,183	-	1,183	1,321
Telephone and Internet	1,295	-	1,295	1,019
Heat and Light	10,715	-	10,715	22,526
Water	8,130	-	8,130	2,511
Rates	-	-	-	4,234
Insurances and Licences	1,320	-	1,320	4,712
Building and Equipment Maintenance	48,754	-	48,754	16,700
Cleaning, Laundry and Refuse	4,070	-	4,070	18,044
Professional Fees	475	-	475	307
Independent Examiners Fees	2,016	-	2,016	1,920
General Expenses	26	-	26	600
Loss on Disposal of Fixed Assets	318	-	318	-
Depreciation of Equipment	6,102	-	6,102	6,206
Depreciation of Coffee Bar	2,518	-	2,518	2,518
	<u>110,698</u>	<u>915</u>	<u>111,613</u>	<u>126,967</u>

7. NET EXPENDITURE FOR THE YEAR

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
This is stated after charging:		
Independent Examiner's Fees	2,016	1,920
Loss on Disposal of Fixed Assets	318	-
Depreciation	<u>8,620</u>	<u>8,724</u>

PRIMROSE COMMUNITY ASSOCIATION
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8. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Wages and Salaries	23,776	-	23,776	32,008
	<u>23,776</u>	<u>-</u>	<u>23,776</u>	<u>32,008</u>

No employees had employee benefits in excess of £60,000 during the year (2020: £nil).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil) neither were they reimbursed expenses during the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

The key management personnel of the charity comprise the trustees. The total employee benefits of the key management personnel of the charity were £Nil (2020: £Nil).

9. STAFF NUMBERS

The average monthly head count was as follows:

	<u>2021</u>	<u>2020</u>
	<u>Number</u>	<u>Number</u>
Centre support workers	<u>4</u>	<u>4</u>

10. RELATED PARTY TRANSACTIONS

Primrose Community Enterprises Ltd is a wholly owned subsidiary of the Association. During the year surplus funds amounting to £Nil (2020: £6,000) were donated to the Association and are included in note 3 to the financial statements. In addition, £873 (2020: £1,063) of insurance costs, borne by Primrose Community Association have been recharged to Primrose Community Enterprises Ltd. £7,163 (2020: £6,735) was outstanding at the year end and is included within debtors.

J. Mason, D. Proudlock, H. Sprouting and J. A. Nicol, who are directors and trustees of Primrose Community Association, are also directors of Primrose Community Enterprises Ltd.

No further transactions with related parties were undertaken such as are required to be disclosed under FRS 102.

11. INDEPENDENT EXAMINERS FEE

The independent examination work conducted during the period constituted a fee of £2,016.

12. TAXATION

As a charity, Primrose Community Association is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

PRIMROSE COMMUNITY ASSOCIATION
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13. TANGIBLE FIXED ASSETS

	<u>Coffee</u> <u>Bar</u> £	<u>Equipment</u> £	<u>Total</u> £
COST			
At 1st April 2020	25,178	33,028	58,206
Additions	-	5,444	5,444
Disposals	-	(1,073)	(1,073)
At 31st March 2021	<u>25,178</u>	<u>37,399</u>	<u>62,577</u>
DEPRECIATION			
At 1st April 2020	13,430	21,270	34,700
Charge for Year	2,518	6,102	8,620
Disposals	-	(755)	(755)
At 31st March 2021	<u>15,948</u>	<u>26,617</u>	<u>42,565</u>
NET BOOK VALUE			
At 31st March 2021	<u>9,230</u>	<u>10,782</u>	<u>20,012</u>
At 31st March 2020	<u>11,748</u>	<u>11,758</u>	<u>23,506</u>

14. STOCK

	<u>2021</u> £	<u>2020</u> £
Coffee Bar Stock	<u>101</u>	<u>1,534</u>

15. DEBTORS

	<u>2021</u> £	<u>2020</u> £
Trade Debtors	200	-
Primrose Community Enterprises Ltd	7,163	6,735
Other Debtors	3,067	289
	<u>10,430</u>	<u>7,024</u>

16. CREDITORS

	<u>2021</u> £	<u>2020</u> £
Amounts due within one year:-		
Accruals	<u>38,363</u>	<u>8,156</u>

PRIMROSE COMMUNITY ASSOCIATION
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FOR THE YEAR ENDED 31ST MARCH 2021

17. STATEMENT OF FUNDS

	<u>At 1st</u> <u>April 2020</u> <u>£</u>	<u>Incoming</u> <u>Resources</u> <u>£</u>	<u>Resources</u> <u>Expended</u> <u>£</u>	<u>At 31st</u> <u>March 2021</u> <u>£</u>
Unrestricted Funds	129,584	68,229	(112,465)	85,348
Restricted Funds				
Northumbrian Water	2,000	-	-	2,000
	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>2,000</u>
Restricted Funds				
<i>Section Accounts</i>				
Afternoon Carpet Bowls	120	-	-	120
Indoor Bowls	1,907	35	-	1,942
Squash Maintenance	994	378	(867)	505
Residents Association	1,228	-	-	1,228
Toddlers	398	-	-	398
Wednesday Night Ladies	16	-	-	16
Friday Dance	4	-	-	4
XYW	63	-	-	63
Youth Club	469	-	-	469
Bar Social Fund	2,678	36	(48)	2,666
Mayors Award	507	-	-	507
Women's Festival	21	-	-	21
	<u>8,405</u>	<u>449</u>	<u>(915)</u>	<u>7,939</u>
Total Funds	<u>139,989</u>	<u>68,678</u>	<u>(113,380)</u>	<u>95,287</u>

Unrestricted Funds - General

These funds can be used in anyway by the trustees in accordance with the objectives of the charity.

Unrestricted Funds - Designated

These funds have been reserved for future planned activity and contingencies.

The unrestricted funds held are summarised as follows:-

	<u>2021</u> <u>£</u>	<u>2020</u> <u>£</u>
<i>General</i>	22,848	67,084
<i>Designated</i>		
Staffing and redundancy	15,000	15,000
Equipment replacement contingency	2,000	2,000
Six months running costs of the Association	45,000	45,000
Limited liability contingency	500	500
	<u>85,348</u>	<u>129,584</u>

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17. STATEMENT OF FUNDS (continued)

Restricted Funds

These represent funds received which are restricted for a specific purpose. Amounts are released from these funds when the expenditure to which they relate is incurred by the charity.

The restricted funds received are summarised as follows:-

Northumbrian Water

This was a grant, restricted for the 'Birds, Bees and Butterflies' project.

Restricted Funds - Section Accounts

These funds represent Section funds held within the charity.

18. ANALYSIS OF NET ASSETS

	<u>Unrestricted</u> <u>Funds</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>Other</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>Section Accs</u> <u>£</u>	<u>TOTAL</u> <u>£</u>
Fixed Assets	20,012	-	-	20,012
Current Assets	103,699	2,000	7,939	113,638
Current Liabilities	(38,363)	-	-	(38,363)
Net Assets at 31st March 2021	<u>85,348</u>	<u>2,000</u>	<u>7,939</u>	<u>95,287</u>

	<u>Unrestricted</u> <u>Funds</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>Other</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>Section Accs</u> <u>£</u>	<u>TOTAL</u> <u>£</u>
Fixed Assets	23,506	-	-	23,506
Current Assets	114,234	2,000	8,405	124,639
Current Liabilities	(8,156)	-	-	(8,156)
Net Assets at 31st March 2020	<u>129,584</u>	<u>2,000</u>	<u>8,405</u>	<u>139,989</u>

19. ULTIMATE CONTROLLING PARTY

In the opinion of the trustees, there is no ultimate controlling party of the charity other than the board itself.