



COMPANY REGISTRATION NUMBER 08555227
REGISTERED CHARITY NUMBER 1152861

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

FINANCIAL STATEMENTS

31ST MARCH 2022

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 2022

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PRIMROSE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31st March 2022 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
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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022

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. At the beginning of the year Primrose Community Association was open on restricted sessions only for those activities allowed under government regulations due to Covid 19. In mid-May, when the restrictions were lifted, the centre opened only when groups were meeting, to keep costs down. By June the centre was fully open with lower attendance at activities. The main focus of our work is:

- The management of a welcoming and safe community centre that meets the needs of the local community.
- The provision of regular activities groups for the local community which promote health and well-being. Currently this includes a toddler and baby group, squash, indoor bowls, sci fi and XYW.
- The provision of rooms for hire by activity groups currently Bede of Jarrow U3A, Dancetastic Childrens Dance School, Jarrow Model Railway Club, Yoga, Keep Fit, Karate and Jujitsu classes, and Weightwatchers.
- Facilities for family functions: parties, celebrations, and funerals. Meeting rooms for training courses, group meeting and functions.
- Licensed Lounge Bar managed by our wholly owned trading company Primrose Community Enterprises Ltd providing a social space for the local community and functions.

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?

Membership is open to anyone in the community. The current membership is 285, lower than previously due to the impact of Covid 19 particularly on our older members.

Members of our user groups taking part in social and sporting activities.

Users of the activity groups hiring our facilities.

Local residents attending family and social events.

Attendees of meetings and training courses using our facilities.

PRIMROSE COMMUNITY ASSOCIATION
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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022

Achievements and Performance

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

Membership of the Association was 285, lower than previously due to the impact of the Covid 19, particularly affecting older members.

Attendance at our activity sections is increasing with currently around 450 attendances a week.

The toddler group, under new leadership, attracts around 30 children with parents/carers per session enjoying crafts, and fun activities. There were two Christmas parties with Santa.

The squash section celebrate the achievements of the its 4 teams playing in the Northumbria Squash League. The first team has been promoted to the Premier League, second team to league 1, ladies team to league 1. The third team play in league 2.

The squash section organised the annual Derek Brown Memorial Tournament in September 21 and again in September 22 raising £1,660 for McMillan Charity

The indoor bowls section organised a successful winter league throughout the week.

The traditional Christmas tree lights switch on was badly affected by the high winds. The indoor Christmas Fayre attracted many stall holders and locals to the centre.

Primrose CA is blessed with a group of regular volunteers who support our weekly activities and events without their commitment to the centre it would not function.

The regular activity groups that hire the centre saw attances increasing after the pandemic, with around 500 attendances per week.

Primrose is a popular venue for locals for their family functions. There were 63 functions held during the year.

Financial Review

The charity with the aid of sound financial management, reports an unrestricted trading surplus of £7,148 for the year to 31st March 2022. This includes £2,000 donated by Primrose Community Enterprises Ltd.

During the financial year the Community Association experienced an increase in all income streams as the Community Centre was able to remain open more than the previous financial year following restrictions imposed during the Covid-19 pandemic. HMRC CJRS grants amounting to £1,705 were received and £16,000 grant funding was received from South Tyneside Council.

Our subsidiary, Primrose Community Enterprises Ltd, reports a profit of £1,484 for the year to 31st March 2022, after accounting for its £2,000 donation to the Association.

PRIMROSE COMMUNITY ASSOCIATION
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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022

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.

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 Drax, Avanti 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:

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 trustees are aware that the lower usage of the centre has had 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 to ensure the Association can meet its financial responsibilities.

Primrose Community Association will continually review its health and safety procedures to ensure that the centre is a safe environment for users. The trustees will commission a full fire risk assessment of the premises and activities and implement its proposals.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022

Plans for Future Periods *(continued)*

The trustees have identified the need for a new staff post to co-ordinate the management of the centre and its activities. Grant aid will be sought to fund this post and if successful, recruitment will be undertaken.

Grant aid will also be sought to develop new groups and activities to extend the range of activities in the centre particularly during the day.

A programme of social events will be developed and advertised to celebrate traditional festivals which bring together members, users and the local community

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.

In order to promote the current activities of the Association, encourage new users and activity groups the trustees will agree a 22/23 development plan and a marketing strategy including the redevelopment of the website, and an increased social media profile.

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 charity. The trustees will work with officers of the Council on issues related to the premises to ensure they are resolved to their satisfaction.

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

PRIMROSE COMMUNITY ASSOCIATION
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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022

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>	P. J. Milburn	(Chair)	<i>(Appointed 16.03.22)</i>
	J. A. Nicol		
	S. P. Chilton	(Treasurer)	
	H. Bell		<i>(Resigned 16.03.22)</i>
	B. Bennett		<i>(Resigned 16.03.22)</i>
	A. Ede		<i>(Resigned 16.03.22)</i>
	J. A. Mason		<i>(Resigned 16.03.22)</i>
	D. Nicol		<i>(Resigned 16.03.22)</i>
	V. Patterson		<i>(Resigned 16.03.22)</i>
	D. Proudlock		<i>(Resigned 16.03.22)</i>
	H. Sprouting		
	J. Stobbs		<i>(Resigned 16.03.22)</i>
	A. J. Young		
	C. Goss		<i>(Appointed 16.03.22)</i>
	V. A. McCaffery		<i>(Appointed 16.03.22)</i>
	T. Orr		<i>(Appointed 16.03.22)</i>
	D. Kennedy		<i>(Appointed 16.03.22)</i>
	P. Aidan		<i>(Appointed 16.03.22)</i>
			<i>(Resigned 07.09.22)</i>
	J. Burns		<i>(Appointed 16.03.22)</i>

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

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022

Appointment of Trustees (continued)

- (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.

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.

PRIMROSE COMMUNITY ASSOCIATION
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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022

Related Parties

Primrose Community Enterprises Ltd is a wholly owned subsidiary of the Association. During the year surplus funds amounting to £2,000 (2021: £Nil) were donated to the Association. In addition, £930 (2021: £873) of insurance costs, borne by Primrose Community Association have been recharged to Primrose Community Enterprises Ltd. £2,930 (2021: £7,163) was outstanding at the year end and is included within debtors.

J. A. Mason, D. Proudlock, H. Sprouting and J. A. Nicol, who were 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
- (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 potential impact of the cost of living crisis with the potential reduction in usage and therefore income to the Association, the significant rise in the minimum wage, utilities, and purchases essential to the running of the centre. The trustees will regularly monitor the impact on its budgets and the cash flow, seeking to reduce expenditure wherever possible and develop new activities and user groups. They will also seek funds through appropriate grants for core costs and development of new activities.

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.

PRIMROSE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022

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.

Statement as to disclosure to our independent examiners

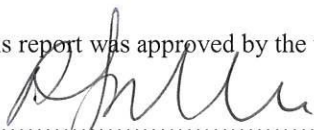
In so far as the trustees are aware at the time of approving our trustees' annual report:

- 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 19th December 2022 and signed on their behalf by:



.....
P. J. MILBURN
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 2022

I report on the financial statements of the charity for the year ended 31 March 2022, which are set out on pages 11 to 21.

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 BA FCA
 Independent Examiner

CHARTERED ACCOUNTANTS AND
 REGISTERED AUDITORS
 19th December 2022

PRIMROSE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST MARCH 2022

	<u>Note</u>	<u>Unrestricted Funds £</u>	<u>Restricted Funds £</u>	<u>2022 £</u>	<u>2021 £</u>
INCOME:					
Donations and Legacies	3	21,783	-	21,783	59,875
Income from Charitable Activities	4	25,325	2,702	28,027	4,480
<i>Investment Income</i>					
Interest on Cash Deposits		7	-	7	120
<i>Income from Other Trading Activities</i>					
Coffee Bar		17,784	-	17,784	1,651
Facilities		23,810	-	23,810	2,531
Sundry Income		124	-	124	21
TOTAL INCOMING RESOURCES		<u>88,833</u>	<u>2,702</u>	<u>91,535</u>	<u>68,678</u>
EXPENDITURE:					
<i>Costs of Raising Funds</i>					
Cost of Goods Sold and Other Costs	5	7,526	-	7,526	1,767
Expenditure on Charitable Activities	6	74,159	4,257	78,416	111,613
TOTAL RESOURCES EXPENDED		<u>81,685</u>	<u>4,257</u>	<u>85,942</u>	<u>113,380</u>
NET MOVEMENT IN FUNDS		7,148	(1,555)	5,593	(44,702)
RECONCILIATION OF FUNDS					
Total Funds Brought Forward		85,348	9,939	95,287	139,989
TOTAL FUNDS CARRIED FORWARD		<u>92,496</u>	<u>8,384</u>	<u>100,880</u>	<u>95,287</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 13 to 21 form part of these financial statements.

PRIMROSE COMMUNITY ASSOCIATION
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BALANCE SHEET AS AT 31ST MARCH 2022

	<u>Note</u>	<u>2022</u>	<u>2021</u>
		£	£
FIXED ASSETS			
Tangible assets	13	16,586	20,012
CURRENT ASSETS			
Stocks	14	215	101
Debtors	15	4,615	10,430
Cash at Bank and in Hand		91,659	103,107
TOTAL CURRENT ASSETS		<u>96,489</u>	<u>113,638</u>
CREDITORS - AMOUNTS DUE WITHIN ONE YEAR	16	<u>12,195</u>	<u>38,363</u>
NET CURRENT ASSETS		84,294	75,275
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>100,880</u>	<u>95,287</u>
FUNDS OF THE CHARITY			
Unrestricted Funds	17	92,496	85,348
Restricted Funds - Other	17	-	2,000
Restricted Funds - Section Accounts	17	8,384	7,939
TOTAL CHARITY FUNDS		<u>100,880</u>	<u>95,287</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 2022 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 19th December 2022 and are signed on their behalf by:



.....
P. J. MILBURN
Trustee/Director

Registration Number: 08555227

The notes on pages 13 to 21 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 2022

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.

PRIMROSE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022

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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(A COMPANY LIMITED BY GUARANTEE)
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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>2022</u>	<u>2021</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Grants				
HMRC CJRS Grants	1,705	-	1,705	13,633
Local Authority Grants	16,000	-	16,000	44,522
Donations				
Primrose Community Enterprises Ltd	2,000	-	2,000	-
General	2,078	-	2,078	1,720
	<u>21,783</u>	<u>-</u>	<u>21,783</u>	<u>59,875</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2022</u>	<u>2021</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Events	282	-	282	-
Section Receipts	-	2,702	2,702	449
Activity Groups				
Membership	1,841	-	1,841	732
Indoor Bowls	5,362	-	5,362	402
Squash	12,854	-	12,854	2,897
Toddlers	3,252	-	3,252	-
U3A Bowls	51	-	51	-
XYW	1,000	-	1,000	-
Atoria Sci-Fi	641	-	641	-
Mayors Award	42	-	42	-
	<u>25,325</u>	<u>2,702</u>	<u>28,027</u>	<u>4,480</u>

PRIMROSE COMMUNITY ASSOCIATION
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5. COSTS OF RAISING FUNDS

	<u>Unrestricted</u> <u>£</u>	<u>Restricted</u> <u>£</u>	<u>2022</u> <u>£</u>	<u>2021</u> <u>£</u>
Cost of Goods Sold and Other Costs				
Coffee Bar	7,526	-	7,526	1,767

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	<u>Unrestricted</u> <u>£</u>	<u>Restricted</u> <u>£</u>	<u>2022</u> <u>£</u>	<u>2021</u> <u>£</u>
Events	151	-	151	-
Section Expenditure	-	2,257	2,257	915
Wages and Salaries	29,362	-	29,362	23,776
Stationery and Postage	1,131	-	1,131	1,183
Telephone and Internet	3,626	-	3,626	1,295
Heat and Light	19,437	-	19,437	10,715
Water	(1,834)	-	(1,834)	8,130
Rates	1,098	-	1,098	-
Insurances and Licences	2,172	-	2,172	1,320
Building and Equipment Maintenance	4,623	2,000	6,623	48,754
Cleaning, Laundry and Refuse	5,393	-	5,393	4,070
Professional Fees	619	-	619	475
Independent Examiners Fees	1,860	-	1,860	2,016
General Expenses	462	-	462	26
Loss on Disposal of Fixed Assets	-	-	-	318
Depreciation of Equipment	3,541	-	3,541	6,102
Depreciation of Coffee Bar	2,518	-	2,518	2,518
	<u>74,159</u>	<u>4,257</u>	<u>78,416</u>	<u>111,613</u>

7. NET INCOME/(EXPENDITURE) FOR THE YEAR

	<u>2022</u> <u>£</u>	<u>2021</u> <u>£</u>
This is stated after charging:		
Independent Examiner's Fees	1,860	2,016
Loss on Disposal of Fixed Assets	-	318
Depreciation	<u>6,059</u>	<u>8,620</u>

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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>2022</u>	<u>2021</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Wages and Salaries	29,362	-	29,362	23,776
	<u>29,362</u>	<u>-</u>	<u>29,362</u>	<u>23,776</u>

No employees had employee benefits in excess of £60,000 during the year (2021: £nil).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2021: £nil) neither were they reimbursed expenses during the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £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 (2021: £Nil).

9. STAFF NUMBERS

The average monthly head count was as follows:

	<u>2022</u>	<u>2021</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 £2,000 (2021: £Nil) were donated to the Association and are included in note 3 to the financial statements. In addition, £930 (2021: £873) of insurance costs, borne by Primrose Community Association have been recharged to Primrose Community Enterprises Ltd. £2,930 (2021: £7,163) 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, were 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 £1,860.

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>£</u>	<u>Equipment</u> <u>£</u>	<u>Total</u> <u>£</u>
COST			
At 1st April 2021	25,178	37,399	62,577
Additions	-	2,633	2,633
Disposals	-		-
At 31st March 2022	<u>25,178</u>	<u>40,032</u>	<u>65,210</u>
DEPRECIATION			
At 1st April 2021	15,948	26,617	42,565
Charge for Year	2,518	3,541	6,059
Disposals	-		-
At 31st March 2022	<u>18,466</u>	<u>30,158</u>	<u>48,624</u>
NET BOOK VALUE			
At 31st March 2022	<u>6,712</u>	<u>9,874</u>	<u>16,586</u>
At 31st March 2021	<u>9,230</u>	<u>10,782</u>	<u>20,012</u>

14. STOCK

	<u>2022</u> <u>£</u>	<u>2021</u> <u>£</u>
Coffee Bar Stock	<u>215</u>	<u>101</u>

15. DEBTORS

	<u>2022</u> <u>£</u>	<u>2021</u> <u>£</u>
Trade Debtors	50	200
Primrose Community Enterprises Ltd	2,930	7,163
Prepayments	1,635	-
Other Debtors	-	3,067
	<u>4,615</u>	<u>10,430</u>

16. CREDITORS

	<u>2022</u> <u>£</u>	<u>2021</u> <u>£</u>
Amounts due within one year:-		
Accruals	12,163	38,363
Social Security and Other Taxes	32	-
	<u>12,195</u>	<u>38,363</u>

PRIMROSE COMMUNITY ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022

17. STATEMENT OF FUNDS

	<u>At 1st</u> <u>April 2021</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 2022</u> <u>£</u>
Unrestricted Funds	85,348	88,833	(81,685)	92,496
Restricted Funds				
Northumbrian Water	2,000	-	(2,000)	-
Restricted Funds				
<i>Section Accounts</i>				
Afternoon Carpet Bowls	120	-	(120)	-
Indoor Bowls	1,942	455	-	2,397
Squash Maintenance	505	1,753	(188)	2,070
Residents Association	1,228	-	-	1,228
Toddlers	398	64	(261)	201
Wednesday Night Ladies	16	-	(16)	-
Friday Dance	4	-	(4)	-
XYW	63	-	-	63
Youth Club	469	-	(469)	-
Bar Social Fund	2,666	430	(671)	2,425
Mayors Award	507	-	(507)	-
Women's Festival	21	-	(21)	-
	<u>7,939</u>	<u>2,702</u>	<u>(2,257)</u>	<u>8,384</u>
Total Funds	<u>95,287</u>	<u>91,535</u>	<u>(85,942)</u>	<u>100,880</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>2022</u> <u>£</u>	<u>2021</u> <u>£</u>
<i>General</i>	31,996	22,848
<i>Designated</i>		
Staffing and redundancy	15,000	15,000
Equipment replacement contingency	2,000	2,000
Six months running costs of the Association	43,000	45,000
Limited liability contingency	500	500
	<u>92,496</u>	<u>85,348</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	16,586	-	-	16,586
Current Assets	88,105	-	8,384	96,489
Current Liabilities	(12,195)	-	-	(12,195)
Net Assets at 31st March 2022	<u>92,496</u>	<u>-</u>	<u>8,384</u>	<u>100,880</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	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>

19. ULTIMATE CONTROLLING PARTY

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