

Dear Trustees,

Following the preparation of the annual financial accounts for Swalwell Community Association CIO, I would like to highlight my professional opinion in relation to cash records not provided to us. I suspect that these annual accounts do not depict a true representation of all financial activity for the year and inconsistencies may be found between this years and prior years account figures.

Only 4 months of cash records were provided to us for the preparation of these financial accounts. Therefore, for the remaining 8 months, we have had to include a balancing figure of £1893.12 to ensure our cash records balance to the closing balance of £6.71. This balancing figure is an annual net movement of cash and excludes any cash expenditure within the missing 8 months as the balance was to account for cash paid into the bank. It is highly unlikely that within the 8 months we are missing records for that there is no cash expenditure. Therefore, we anticipate that there is cash expenditure and cash income for these 8 months excluded from the accounts.

Please be aware that the net surplus/profit for the year would be the same if these missing records were to alter figures, however, we do anticipate that individual income and expenditure categories should have more financial activity within them, which would net off to our balancing figure of £1893.12.

As an example, we could be missing £10,000 worth of income and £8,106.88 of expenditure, which would net off to our figure of £1893.12 included in sales, although we arrive at the same profit, it does cause the financial activity for the year to be understated.

If any elaboration is needed, please feel free to contact me.

Kind Regards,

Amy Bowman  
Brown & Lough Accountants Ltd

**SWALWELL COMMUNITY ASSOCIATION CIO**

**REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2021**



**Brown & Lough Accountants Ltd**

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**SWALWELL COMMUNITY ASSOCIATION CIO  
REPORT AND ACCOUNTS  
FOR THE YEAR ENDED  
31 DECEMBER 2021**

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**SWALWELL COMMUNITY ASSOCIATION CIO  
TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>Trustees</b>	(Chair)	Smitesh Chauhan	
	(Treasurer)	Christopher Ord	
		Manjinder Singh	
		Gary Moorhead	
		Sonya Hawkins	
		David Brophy	
		Peter Craig	
		Clare Hardie	Appointed 22 July 2022

**31-Dec-21**

**Registered Charity Number** 1160081

**Principal Address** 74 Clavering Road  
Swalwell  
Newcastle Upon Tyne  
Tyne and Wear  
NE16 3EX

**Accountants** Brown & Lough Accountants Ltd  
4 Tyne View  
Lemington  
Newcastle upon Tyne  
NE15 8DE

**Bankers** Lloyds Bank Plc  
44 Front Street  
Whickham  
Newcastle Upon Tyne  
NE16 4DS

**Structure, governance and management**

Swalwell Community Association became a charitable incorporated organisation (CIO) on 22 January 2015 under its constitution registered with the Charity Commission on that day. The charity aims to maintain its functions by recruiting local people and other appropriate individuals from the locality who have the necessary skills and local knowledge to monitor the financial position of the charity, and to make the necessary provision of accommodation to the community.

**SWALWELL COMMUNITY ASSOCIATION CIO  
TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

The recruitment of new Trustees is a matter for the Board of Trustees, and when vacancies arise, in either numbers or skill coverage, the Chairman will be asked to approach suitable candidates from the combined contacts of all current Trustees. Such appointments will bear in mind the need to have knowledge of the area, an understanding of and empathy with the charitable sector, coupled with a general recognition of the needs of the community. Other than as noted in the financial review on page 3 none of the Trustees are entitled to, nor received, any remuneration for their services to the charity during the year.

**Objectives and activities**

The charitable objectives of the CIO are:

- To improve the conditions of life of the inhabitants of the local area without distinction of sex, sexual orientation, age, disability, nationality, race or of political, religious or other opinions, by associating together in a common effort to advance education and to provide facilities in the interests of social welfare, recreation and leisure.
- To secure the establishment of a community centre and to maintain and manage that centre (whether alone or in co-operation with any statutory authority or other person or body) in furtherance of the objectives.
- To promote such other charitable purposes as may from time to time be determined by the Trustees.

During the year the community centre was made available for various community activities such as dancing clubs, fitness clubs, sports clubs, nature clubs, history clubs, fund raising as well as hosting coffee mornings and bingo in the afternoons.

The trustees have had regard to the guidance issued to the Charity Commission on public benefit.

**Achievements and performance**

Restrictions imposed by the global COVID pandemic has meant that for periods throughout 2020 the CIO was unable to provide the use of the community centre.

When open the Community Centre continued to host a variety of events and even when closed the CIO has been able to assist local food banks with donations worth £1,000 to help support those most in need in our area.

**Financial review**

The financial statements comprise the Receipts and Payments Account, the Statement of Assets and Liabilities and the Notes to the Accounts. They have been prepared as described in Note 1 to the Accounts.

Total receipts in the year amounted to £21,008. Most of these receipts relate to Government grants received which amounted to £15,449. These grants have supported the ongoing operating costs of the centre.

**SWALWELL COMMUNITY ASSOCIATION CIO  
TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

Due to the nature of records provided to prepare the accounts, it is our professional opinion that turnover and expenditure may be under represented with regards to missing cash records. Therefore, although payments look to have reduced and income increased, our accounting opinion would be that these are both understated and should have more activity included within the profit and loss accounts. Due to inadequate cash records provided (only 4 out of 12 months), a balancing charge of £1893.12 worth of cash paid into the bank has been included within the sales figure. However this is simply the net movement of missing cash in the year and doesn't include all financial activity which would have been accounted for if records were kept and provided.

Overall the CIO has achieved a significant surplus of £11,478 and reserves are healthy which can be used for ongoing maintenance and improvement of the centre and for the CIO to be a greater asset to the local community.

The CIO has engaged the services of Brown & Lough Accountants Ltd, an independent firm of accountants to ensure continued annual reporting compliance. The Trustees are grateful for their time and assistance for this work.

**Reserves policy**

The trustees have agreed that the association should maintain a minimum level of reserves sufficient to cover all operating costs for at least 6 months. At the year end funds on hand were sufficient to potentially cover over 2 years' normal operating costs however the Trustees recognise the need to continually invest funds into the maintenance and improvement of the Community Centre and facilities.

**Declaration**

The Trustees declare that they have approved the Trustees' report above.  
Signed on behalf of the charity's Trustees:

Signature:

**Smitesh Chauhan - Chair**

**Christopher Ord - Treasurer**

Date:

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**SWALWELL COMMUNITY ASSOCIATION CIO  
RECEIPTS AND PAYMENTS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Receipts</b>		
Centre hire	4,913	5,486
Canteen income	90	33
Fund raising activities	527	375
Grants received	15,449	12,803
Membership fees	-	184
Bank interest	29	109
	<hr/> 21,008 <hr/>	<hr/> 18,990 <hr/>
<b>Payments</b>		
Trustee remuneration	-	3,925
Volunteers' gratuities	-	66
Food bank donations	-	1,000
Water rates	227	165
Heat and light	4,261	2,617
Cleaning and hygiene	1,921	277
Canteen expenses	90	-
Telephone and internet	412	425
Postage, printing and stationery	101	-
Repairs and maintenance	489	996
Insurance	730	730
PPL/PRS Licence	280	254
TV Licence	-	116
Accountancy Fees	468	
Professional fees	110	1,038
Sundries	65	42
Depreciation of plant and machinery	188	
Depreciation of computer equipment	188	
	<hr/> 9,530 <hr/>	<hr/> 11,651 <hr/>
<b>Net Receipts / (Payments)</b>	<b>11,478</b>	<b>7,339</b>
<b>Net Surplus/Defecit at the end of the year</b>	<hr/> <b>11,478</b> <hr/>	<hr/> <b>7,339</b> <hr/>

All above transactions and balances relate to unrestricted funds.



**SWALWELL COMMUNITY ASSOCIATION CIO**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT 31 DECEMBER 2021**

	<u>2021</u> £	<u>2020</u> £
<b>Cash at bank and in hand</b>		
Lloyds Bank Treasurer's Account	50,362	15,764
Virgin Money Savings Account	-	22,230
Cash in hand	7	12
<b>Total Cash Funds</b>	<u>50,369</u>	<u>38,006</u>
<b>Other monetary assets</b>		
Stock at cost	25	15
Insurance paid for the next year	602	730
31-Dec-21 PPL/PRS prepaid for the next year	6	31
PAYE balance due from HMRC	15	22
Council grant receivable	-	1,334
	<u>648</u>	<u>2,132</u>
<b>Assets retained for the charity's own use</b>		
Computer equipment - at current value*	752	-
Other equipment - at current value*	563	750
	<u>1,315</u>	<u>750</u>
<b>Liabilities</b>		
Heat and light	728	1,173
Water and sewerage	60	10
Accountancy Fees	720	360
	<u>1,508</u>	<u>1,543</u>
<b>Charity Funds at Year End</b>	<u>50,823</u>	<u>39,345</u>

All balances recorded above relate to unrestricted funds.

\*Current value has been estimated by the Trustees.

**Other assets and financial commitments**

At the period end the CIO was the registered leaseholder of Swalwell Community Centre, 74 Clavering Road, Swalwell, Newcastle Upon Tyne, NE16 3EX. The lease expires on 4 June 2050 and has been provided to the CIO at no charge by The Borough Council of Gateshead.

The Statement of Assets and Liabilities was approved by the trustees on 12 August 2021 and signed on their behalf by:

Signature:

**Smitesh Chauhan - Chair**

**Christopher Ord - Treasurer**

Date:

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**SWALWELL COMMUNITY ASSOCIATION CIO  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**1 Accounts: Basis of preparation**

These accounts have been prepared on a Receipts and Payments basis under section 133 of The Charities Act 2011 and with regard to the application of s.62 of The Charitable Incorporated Organisations (General) Regulations 2012.

Due to the nature of records provided to prepare the accounts, it is our professional opinion that turnover and expenditure may be under represented with regards to missing cash records.

**2 Guarantees and security**

During the entire year under review and at the year end the CIO has not entered into any agreements for which guarantees of debt have been provided.

The CIO does not have any liabilities at the year end for which security over any of its assets has been given.

**31-Dec-21**

