Company registration number: 5757621
Charity registration number: 1113927

Prudhoe Community Partnership

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2016

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Prudhoe Community Partnership

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Prudhoe Community Partnership

Reference and Administrative Details

Charity name	Prudhoe Community Partnership	
Charity registration number	1113927	
Company registration number	5757621	
Principal office	The Spetchells Centre Front Street Prudhoe Northumberland NE42 5AA	
Registered office	The Spetchells Centre Front Street Prudhoe Northumberland NE42 5AA	
Trustees	Charles Hope (Chairman)	
	Eileen Burt (Treasurer)	
	Jill Keeler	(Resigned 29 September 2015)
	Julia Cooper	
	Mary Kelly	(Resigned 17 November 2015)
	Joan Russell (Executive member)	
	Doreen Elwell	
	Tony Reid	(Appointed 29 September 2015)
	Tom Martin	(Appointed 27 October 2015)
	Maggie Phillips	(Appointed 27 October 2015)
Solicitor	Caris Robson 7 Front Street Prudhoe, Northumberland NE42 5HJ	
Bankers	Unity Trust Bank Plc Nine Brindley Place Birmingham B1 2HB	

Prudhoe Community Partnership

Reference and Administrative Details

Accountant	Heritage Accountancy Limited 76 Front Street Prudhoe Northumberland NE42 5PU

Prudhoe Community Partnership

Trustees' Report

Introduction

The Trustees present their report and the financial statements for the period ended 31 March 2016 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities.

Governance, Structure and Management

The charitable company, which is limited by guarantee, was incorporated on 27th March 2006 and is also a registered charity, number 1113927.

The charitable company is governed by its memorandum and articles of association.

The business of the Community Partnership is directed by a Management Committee of volunteers who are appointed and elected every year at the Annual General Meeting. At this meeting the Community Partnership also provides an Annual Report and Financial Accounts to the public.

The Community Partnership comprises those persons elected or appointed at the Annual General Meeting (AGM) to the Management Committee together with those persons subsequently co-opted by that committee. The trustees normally meet monthly in closed session with an open meeting at least twice a year. Formally delegated sub committees and informal working groups are established to oversee particular fields of work. Membership of these committees consists of trustees, volunteers and people who possess a specialist knowledge and enthusiasm for the subject.

Prudhoe Community Partnership employs staff to support the operations of the Spetchells Centre:

- Spetchells Centre Manager – Karen Whiteside (20 hours per week)
- Part-time administrator – Alan Stephenson (4 hours per week)
- Casual Receptionist – Hebe McNeil (averages 3 hours per month, leaving in Sept 2015)
- Spetchells Cleaner – Christina Short (10 hours per week, also doing some additional hours as part time receptionist from April 2015)

Management Committee

At the AGM held on 17th November 2015 the following appointments as Trustees were confirmed:

Northumberland County Council Cllr Tony Reid

East Tynedale Parish Forum Tom Martin

Prudhoe Town Council Cllr Eileen Burt

Prudhoe Churches Together Rev Charles Hope

Northumbria NHS Health Care Trust, Prudhoe Partnership Schools, Residents Association and Prudhoe Business Network did not make appointments.

And from the membership of Prudhoe Community Partnership (5 places), the following were elected: Joan Russell, Julia Cooper, Maggie Phillips and Doreen Elwell.

Prudhoe Community Partnership

Trustees' Report

Trustees Responsibilities

Recruitment and appointment of trustees:

The trustees are charity trustees within the meaning of charity law and company directors within the meaning of company law. The trustees are elected annually at the AGM.

Induction and training of trustees:

Trustees in most cases are met prior to election. When elected the trustees are informally inducted by the Management Committee. New trustees are encouraged to take up relevant training and to work with supporting organisations (e.g. FoNDT [Federation of Northumberland Trusts] or Northumberland Community Voluntary Action [Northumberland CVA]). Charity Commission and Companies House information is always given to all new trustees.

Responsibility of trustees:

Charity law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the charity and of its financial activities for that year, together with its assets and liabilities at the end of the period, and adequately distinguish any material special trust or other restricted fund of the charity. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with the appropriate SORP on Accounting by Charities and the Accounting Regulations and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements; and
- 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 enable them to ensure that the financial statements comply with applicable Accounting Standards and Statements of Recommended Practice and the regulations made under the Charities Act 2011.

The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the trustees are aware, there is no relevant information needed by the company's accountants in connection with preparing their report of which the company's accountants are unaware, and each director has taken all the steps that he/she ought to have taken as a director in order to make him/herself aware of any relevant audit information and to establish that the company's accountants are aware of that information.

Risk Review

Prudhoe Community Partnership regularly reviews its exposure to risk; this is measured against our Risk Management Policy and framework. The trust has reviewed its Risk Assessment and addressed the risks contained. This will be continually reviewed and updated.

Prudhoe Community Partnership

Trustees' Report

Objects and Activities

Prudhoe Community Partnership is a long-established and entirely community-led regeneration charity based in Prudhoe, Northumberland. Its area of benefit is Prudhoe and its surrounding communities of East Tyndale. Prudhoe's population is about 12,000, and with hinterland, making a potential beneficial population of 28,000 people. Prudhoe is a community that is both urban and rural in its makeup as it is on the border of the Councils for Northumberland, County Durham and Gateshead. As a result the town has become marginalised for services and activities; hence in recent years the role of the Community Partnership has grown to address these drawbacks.

The Community Partnership, at its conception, was formed to reverse the decline of the town and make Prudhoe a better place to live, work and to do business in. Sixteen years later, the fortunes of the town are now on the rise with a growing population, expanding businesses and increased services - change is inevitable. It is this change that the Partnership wishes to actively be part of to ensure that local people have a say in shaping their town's future. It is also the management of change and the minimisation of threats and risks whilst maximising the opportunities for the town that the Partnership is concerned with.

Prudhoe Community Partnership is playing a key role in building a brighter future for the town and serves both as a catalyst for projects – working through its extensive range of partner organisations and as a delivery agent for key initiatives. These include the highly successful new Spetchells Centre facility, providing frontline services to those most in need, and currently used by in excess of 6,000 people every year, opened March 2012 and doing well. The Community Partnership is wholly committed to the 'Development Trust' ethos, and as such achieves the economic revival of the town and to build a strong, dynamic, independent and vibrant community.

The long standing vision of the Partnership remains that of building upon the confidence and sense of pride in the town and its surrounding communities, with the goal of promoting investment, increasing prosperity and optimising access for all to:

- High quality employment, training and learning opportunities
- Excellent communication and transport links
- A strong and vibrant community
- Good quality, affordable housing and first rate facilities.

The Community Partnership aims to deliver all of these objectives within a high quality and safe environment.

Prudhoe Community Partnership is aware of its strengths, weaknesses, opportunities and threats. This knowledge has provided a robust series of projects and income generation ideas which we are delivering over the forthcoming years through our business plan.

The Partnership has two principal aims:

- To become financially self-sufficient – to become substantially self-sustaining and to build organisational capacity to develop an expanded portfolio of social enterprise initiatives.
- To operate as an enabling organisation – by supporting the development of a broad range of community-based project activities.

Prudhoe Community Partnership

Trustees' Report

The Partnership's core values are to:

- Identify gaps in provision and act as the catalyst to make improvements
- Work together in Prudhoe to bring development and investment into the area
- Reduce duplication by providing effective and joint ventures
- Invest in and support local services (public, private and business)
- Be a sustainable, representative and viable enterprise

There are four main elements to the work of Prudhoe Community Partnership in 2015/16:

- Assets – the Spetchells Centre
- Assets – the Shops (especially 'Live above shop' scheme, focused on the redevelopment of the Bakery)
- Community consultation and community development (focused on the future of Prudhoe Hospital Walled Garden).
- Project Development and delivery (as issues and opportunities arise).

Objects of the Charity

This is a summary of the objects of the charity set out in its governing document:

The charity's objectives are to promote, for public benefit, urban or rural regeneration in areas of social and economic deprivation – in particular the community of Prudhoe and district in the county of Northumberland.

Achievements and Performance

1. Assets - the Spetchells Centre
2. Assets - the 'Live above shop' scheme
3. Community consultation and community development
   a. Walled garden
   b. The Spetchells Centre
4. Financial and structural review

Assets: Spetchells Centre

Now the building is completed we are putting in place a programme of planned maintenance and contract management for all the building services.

The Centre itself is well used. There are still office spaces to be let and in 2015 the trustees agreed to let these via a commercial agent as our own publicity and efforts has got five rooms let. Letting the two spare offices commercially is still within the terms of the lease from Northumberland County Council which limits commercial lettings to 30% of the area of the building.

The interview rooms and meeting rooms are well used. Some months, especially in term time the usage is hitting 80% for meeting rooms, but overall averaging about 50% of time available. This is well above that envisaged by the original Business Plan on which the Centre was predicated.

In May 2015 it was with great pleasure that we were able to welcome Northumbria Citizens Advice Bureau into the Spetchells.

Assets: 'Live Above Shop' Scheme Retail Units

The Partnership has long-term leasehold from Northumberland County Council on three retail units on the Front Street in Prudhoe. These units were asset transferred to the Partnership in late 2011. In the summer of 2012 the Partnership contracted Billinghurst George and Partners; they undertook a survey of the three retail units and defined what renovation works were required to the existing structures.

In addition, in the spring of 2013 working with ISOS housing, the Partnership have commissioned a survey of two of these retail buildings to look at the opportunity for the conversion of the upper floors to affordable housing units in the future. Only one building was found to be suitable to develop upstairs residential accommodation, 68/69 Front Street. In December 2013 the tenant formally surrendered his lease and so created the possibility of doing something with the site.

Work continues with ISOS to draw up viable plans for the future of 68/69 Front Street, formerly Windsor's Bakery, with retail downstairs and live above shop, social housing, on the first floor. The bulk of the preparation work, from a PCP perspective was done by consultants, Social Regeneration Consultancy, as with our current staffing we don't have the capacity or technical knowledge 'in-house' for this sort of detailed work. The site preparation and plans have been done by ISOS, our partners in this project, and their architect. This now has planning permission. The project was delayed by changes in government funding to housing associations changing in 2015-16 resulting in ISOS delaying the start of capital projects till it had adjusted its business model. In January 2016 ISOS recommenced work on capital projects. As this report was being written the final legal work is being done with an imminent start on site and completion anticipated for December 2016.

Our thanks also go to Northumberland County Council for their continuing support to this project. Most notably this year for a further capital grant of £100,000 towards the Partnership element of the capital works.

Community consultation and community development

Prudhoe Community Partnership also acts a channel for bringing together people and issues. The Community Partnership frequently initiates working groups on a variety of different topics to bring together activities within the town. PCP offers space for meetings, basic admin support and the ability to network and draw people together to address common issues.

Walled garden:
Trustee, Julia Cooper has been leading on this topic since our Management Committee meeting in February 2013. The Green Infrastructure Working Group had previously worked with Derwent Valley Heritage Project on a joint bid looking at the Derwent and Tyne valleys and their tourist potential. It has now has taken the lead on community consultation on the future of the Prudhoe Walled garden. With the support of Future Builders England, they commissioned an initial feasibility study to identify potentially viable options for the Garden's Future. This resulted in a report presented in September 2014.

This report has been well received by the HCA (Homes and Community Agency) and Gentoo (the property / social housing landlord for the while hospital site), all members of the working group and the active support of our MP, Guy Opperman.

The next stage agreed by all parties was for a Business / Operational plan to be made, that moved from 'aspirational' to 'deliverable'. If this could be demonstrated, then HCA had said that they would support their preferred solution of ensuring public access to the Walled garden by 'asset transferring' the walled garden and three bungalows (to give a revenue income stream for on-going maintenance) to PCP.

In the course of 2015-16 it was established that this way of working would not be possible (as we could not gain the funding necessary to carry out the detailed level of planning required. However, working with HCA and Gentoo, alternative models of working are being developed that will be more financially viable whilst also maintaining public access to the walled garden.

Prudhoe Community Partnership

Trustees' Report

The Spetchells Centre:
The Centre continues to be a focus for community led groups running a wide range of activities. These complement the services delivered by our tenants.

Our thanks also go to Esh Charitable Trust for its support with a grant for Community based events happening in the Centre and for other activities that promote the use of the Centre.

Financial and structural review

2013/4 going into 2014/5 was a very hard time financially, and 2015/6 has been a time of financial consolidation.

The original Business Plan for the Spetchells included some significant income streams that did not materialise, notably opportunities for income generation from social enterprises and contract delivery of services for other Development Trusts. The main reason for this was the reduction of funding in the Third Sector that happened from 2012. Additionally some of the rental streams we had anticipated did not materialise or were limited, for example two voluntary organisations that had been using the Centre when we first opened had their funding cut in 2013 meaning they could no longer sustain the rent.

We addressed this by first of all, a very careful and thorough analysis of our accounts to identify where we were over spending against budget. In doing so, we are very grateful for the support and hard work of Cllr Anne Dale, (a former Trustee and still a member of the Live Above Shop Working Group), in showing us what to do to get this right. Secondly by a consideration of the original business plan on which was the mortgage repayments with Future Builders England was based. And thirdly by negotiating a mortgage holiday with Future Builders, which ended in November 2015, to give us a breathing space to sort out our finances and put them on an even keel.

PCP continues to closely monitor its accounts and projections. Going forward we are increasing our ability to monitor our accounts by commissioning our accountants to also take on the role of producing management accounts and budget projections.

2016-17 will see significant changes to PCP with the departure of the Rev Charles Hope as Chairman and Trustee as he leaves Prudhoe for a new ministry in Keswick and Borrowdale; additionally, it is anticipated that Karen Whiteside, our Centre Manager, will also be leaving over the summer. Succession planning has been going on behind the scenes with the support of Social Investment Business (SIB) who are our principle financial backers through the mortgage under the Community Builders Programme. SIB have provided consultant support (David Milburn) to work with us on identifying possible new trustees and Chairman and addressing the staffing issues and structures we will need.

It is anticipated that new trustees will be appointed and elected at the AGM in May 2016. A new chairman will also be elected.

PCP Trustees have also been examining how we manage our accounts. We have decided that we need to increase our capacity in this area and the best way to do that is to commission our accountants to take on responsibility for management accounts and projections (they already do our PAYE & VAT returns). We are happy that they are still able to provide an independent scrutiny of the accounts through their own internal divisions. However, in the interest of absolute transparency, the Trustees will be recommending to the AGM that the appointment of Independent Examiners is delegated to the Finance Committee so that a full review of our internal audit processes can be done.

PCP has a wholly owned subsidiary company (trading arm) Prudhoe Development Company Limited (PDCL) this has continued to be financially dormant.

Prudhoe Community Partnership

Trustees' Report

Funds and Reserves

Reserves Policy

We aim to build sufficient unrestricted reserves equivalent to our redundancy liability and six months running cost in order to be able to cover unplanned emergency repairs and other expenditure. Current unrestricted reserves are £47,999.

It is the aim of the directors to continue to build on reserves.

Restricted Funds

The Restricted funds are made up of project based activities that are not core activities of the Community Partnership. Most of the funds are ring fenced for specific activities and given by funding bodies for this purpose only. These are held in a physically separate bank account.

General Unrestricted Funds

General unrestricted funds are made up of income that the Community Partnership has generated from grants, contracts, earned income and enterprise activities.

The Trustees are also designating funds into a 'renewals fund' at a rate in line with depreciation and in light of the level of surplus on the General Fund, so that in years to come money is already set aside for maintenance of the Spetchells and replacement of its assets.

Public Benefit

The Trustees have complied with their duty to have due regard to the guidance on Public Benefit, as published by the Charities Commission, whilst exercising their powers or duties.

And finally....

The Trustees would like to place on record their thanks to Karen for all the work and commitment she has put in to ensuring that the Spetchells is well run, that people are well welcomed. As she leaves our employment in 2016 we wish her well in her future. She has done a huge job in making our users feel welcome and well cared for. Indeed, it is because of her commitment and care that our occasional usage, in particular, is so high. Our thanks also to the other staff for all their work too!

Two trustees are standing down at the AGM. Julia Cooper is standing down, but will continue her input into the Walled garden / Green Infrastructure Group. Our thanks to her for her leadership in this area. The Rev Charles Hope is also leaving. Our thanks to him for his leadership of PCP in so many areas.

Our thanks also go to all our partners, funders, trustees and volunteers. As has been said, the Partnership, as they say, 'does what it says on the can' – it is and can only work, as a partnership of all interested parties. On our own we are weaker; together we are stronger and can make things happen. By co-operating and working together we can be an effective agent for change in our town and area. As Trustees we aim to carry on facilitating this partnership approach to regeneration.

Prudhoe Community Partnership

Trustees' Report

Prudhoe Community Partnership trustees would especially like to thank the following organisations for their financial support over the past year:

- Communitybuilders (Future Builders England Ltd, and as Social Investment Business)
- Prudhoe Town Council
- Northumberland County Council
- ISOS Housing
- HMH Architects
- Social Regeneration Consultants (Pete Duncan)
- David Milburn, consultant
- Heritage Accountancy
- Lloyds Bank Community Fund
- Esh Community Fund
- Guy Opperman MP
- Our partners, members and supporters in Prudhoe.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board and signed on its behalf by:

.....

Charles Hope (Chairman)
Trustee
Date: 17-5-16

.....

Eileen Burt (Treasurer)
Trustee
Date: 11/7/10

Independent Examiner's Report to the Trustees of

Prudhoe Community Partnership

I report on the accounts of the company for the year ended 31 March 2016, which are set out on pages 12 to 25.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

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

- examine the accounts under section 145 of the 2011 Act;
- 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 accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Chris Gillie

Chris Gillie
Heritage Accountancy Limited
Chartered Certified Accountants

Date: 5/7/2016

76 Front Street
Prudhoe
Northumberland
NE42 5PU

Prudhoe Community Partnership

Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 31 March 2016

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	6,850	100,500	107,350	18,666
Investment income	4	117	-	117	51
Incoming resources from charitable activities	5	112,714	-	112,714	98,272
Total incoming resources		119,681	100,500	220,181	116,989
Resources expended					
Charitable activities	6	99,365	27,731	127,096	142,150
Governance costs	6	929	-	929	2,232
Total resources expended		100,294	27,731	128,025	144,382
Net income/(expenditure) before transfers		19,387	72,769	92,156	(27,393)
Transfers					
Gross transfers between funds		-	-	-	-
Net movements in funds		19,387	72,769	92,156	(27,393)
Reconciliation of funds					
Total funds brought forward		28,612	857,017	885,629	913,022
Total funds carried forward		47,999	929,786	977,785	885,629

The notes on pages 15 to 25 form an integral part of these financial statements.

Prudhoe Community Partnership (Registration number: 5757621)

Balance Sheet as at 31 March 2016

	Note	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible assets	11		1,822,103		1,847,924
Current assets					
Debtors	12	23,234		33,317	
Cash at bank and in hand		213,684		64,193	
		236,918		97,510	
Creditors: Amounts falling due within one year	13	(39,498)		(20,423)	
Net current assets			197,420		77,087
Total assets less current liabilities			2,019,523		1,925,011
Creditors: Amounts falling due after more than one year	14		(1,041,738)		(1,039,382)
Net assets			977,785		885,629
The funds of the charity:					
Restricted funds			929,786		857,017
Unrestricted funds					
Unrestricted income funds			47,999		28,612
Total charity funds			977,785		885,629

The notes on pages 15 to 25 form an integral part of these financial statements.

..... *continued*

For the financial year ended 31 March 2016, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Board on 17-5-16 and signed on its behalf by:

Charles Hope (Chairman)
Trustee

Eileen Burt (Treasurer)
Trustee

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16/07/14, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost ortransaction value unless otherwise stated in the relevant accounting policy note(s).

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 19.

Incoming resources

Voluntary income including donations and grants that provide core funding or are of a general nature is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract or where entitlement to grant funding is subject to specific performance conditions. Grant income included in this category provides funding to support programme activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

..... *continued*

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Office equipment	25% straight line basis
Fixtures and fittings	25% straight line basis
Spetchells Centre fixtures, fittings and equipment	15% straight line basis
Land and buildings	1% straight line basis

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

2 Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Donations and legacies				
Donations	1,048	-	1,048	1,161
Grants				
Grants	5,802	100,500	106,302	17,505
	6,850	100,500	107,350	18,666

..... *continued*

3 Grants receivable

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Grants	5,802	100,500	106,302	17,505

4 Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Interest on cash deposits	117	-	117	51

5 Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Retail Rental and General				
Earned income	10,400	-	10,400	10,400
Spetchells Centre				
Earned income	102,314	-	102,314	87,872
	112,714	-	112,714	98,272

6 Total resources expended

	Retail Rental and General	Spetchells Centre	Spetchells Building (Capital Fund)	Spetchells Community Events	Portas Regeneration	Governance	Total
	£	£	£	£	£	£	£
Support costs							
Employment costs	-	17,047	-	-	-	-	17,047
Utilities	491	7,714	-	-	-	-	8,205
Insurance	849	3,889	-	-	-	-	4,738
Building cleaning and maintenance	420	6,716	-	-	-	-	7,136
Equipment	-	34	-	-	-	-	34
Telephone and internet	-	3,379	-	-	-	-	3,379
ICT	411	352	-	-	-	-	763
Printing, postage and stationery	-	3,388	-	-	-	28	3,416
Activities and events	-	8	-	1,730	-	-	1,738
Administration and sundry expenses	-	120	-	-	-	-	120
Advertising	-	-	-	-	180	26	206
Marketing and hospitality	-	307	-	-	-	-	307
Accountancy fees	315	631	-	-	-	875	1,821
Legal and professional fees	1,119	1,055	-	-	-	-	2,174
Bank charges	-	132	-	-	-	-	132
Loan interest	-	50,988	-	-	-	-	50,988
Depreciation	-	-	25,821	-	-	-	25,821
	3,605	95,760	25,821	1,730	180	929	128,025

Income and expenditure for The Spetchells Centre is held in an unrestricted designated fund and is shown within the unrestricted funds.

Loan interest is added to the balance owing to Future Builders per note 13.

7 Trustees' remuneration and expenses

During the year no Trustee received any remuneration (2015 - £Nil).

During the year no Trustee received any reimbursement of expenses (2015 - £Nil).

During the year no Trustee received any benefits (2015 - £Nil).

8 Net income/(expenditure)

Net income/(expenditure) is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets	25,821	25,821

9 Employees' remuneration

The average number of persons employed by the charity (including trustees) during the year was as follows:

	2016	2015
	No.	No.
Charitable activities	4	4

The aggregate payroll costs of these persons were as follows:

	2016	2015
	£	£
Wages and salaries	16,411	16,114
Other pension costs	636	636
	17,047	16,750

No employee received emoluments of more than £60,000 during the year (2015 - No. 0).

10 Taxation

The company is a registered charity and is, therefore, exempt from taxation.

..... *continued*

11 Tangible fixed assets

	Freehold interest in land and buildings (including heritage assets) £	Fixtures, fittings and equipment £	Total £
Cost			
As at 1 April 2015	1,876,471	67,990	1,944,461
Disposals	-	(11,077)	(11,077)
As at 31 March 2016	1,876,471	56,913	1,933,384
Depreciation			
As at 1 April 2015	54,962	41,575	96,537
Eliminated on disposals	-	(11,077)	(11,077)
Charge for the year	18,765	7,056	25,821
As at 31 March 2016	73,727	37,554	111,281
Net book value			
As at 31 March 2016	1,802,744	19,359	1,822,103
As at 31 March 2015	1,821,509	26,415	1,847,924

Revaluation of fixed assets

All assets are reviewed regularly for impairment and written down to their recoverable value where necessary.

The disposals during the year represent the value of computer assets and software acquired in earlier years which are no longer held.

Prudhoe Community Partnership took possession of the Spetchells Centre on 12th April 2012.

12 Debtors

	2016 £	2015 £
Trade debtors	22,911	22,673
Other debtors	-	10,037
Prepayments and accrued income	323	607
	23,234	33,317

..... *continued*

13 Creditors: Amounts falling due within one year

	2016	2015
	£	£
Mortgages and loans	34,152	17,611
Trade creditors	1,781	2,722
Taxation and social security	3,030	-
Other creditors	91	90
Accruals and deferred income	444	-
	39,498	20,423

Mortages and loans above represents the capital repayments payable on the Futurebuilders loan. The total anticipated payments for the coming year are £85,140 which includes approximate interest of £50,988.

14 Creditors: Amounts falling due after more than one year

The Partnership agreed a loan of £986,740 from Futurebuilders England Limited in March 2011. The loan, with a term of 25 years, is secured against the leasehold property known as Prudhoe Library, 58 Front Street, Prudhoe, Northumberland, let to the Company by Northumberland County Council for a term of 150 years. Loan repayments commenced in 2013. An additional loan advance of £66,653 was received during 2015.

	2016	2015
	£	£
Mortgages and loans	1,041,738	1,039,382

Included in the creditors are the following amounts due after more than 5 years:

	2016	2015
	£	£
After more than five years by instalments	905,128	951,433

15 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

16 Other financial commitments

The Partnership was gifted the leases on 3 local shops on 1st August 2011 for a period of 125 years at a peppercorn rent.

..... *continued*

17 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £636 (2015 - £636).

Contributions totalling £91 (2015 - £90) were payable to the scheme at the end of the period and are included in creditors.

18 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

During the prior year the charity was not involved in any transactions with its wholly owned subsidiary, Prudhoe Development Company Limited whch is currently dormant. One of the charity trustees, Joan Russell is a director of the company.

The Trust has not prepared consolidated accounts which include its subsidiary, Prudhoe Development Company Limited, as the gross income of the group in the accounting period is less than the audit threshold under the Charities Act 2011.

..... *continued*

19 Analysis of funds

	At 1 April 2015	Incoming resources	Resources expended	Transfers	At 31 March 2016
	£	£	£	£	£
General Funds					
General Fund (including Retail Rental)	21,556	15,958	(4,410)	-	33,104
Replacement Fund	7,056	-	-	7,056	14,112
	28,612	15,958	(4,410)	7,056	47,216
Designated Funds					
Spetchells Centre	-	103,723	(95,884)	(7,056)	783
Restricted Funds					
Affordable Housing	49,866	100,000	-	-	149,866
WNCLT	6,651	-	-	5	6,656
Children's Centre	1,857	-	-	-	1,857
Portas Regeneration	608	-	(180)	-	428
Spetchells Building (Capital Fund)	794,530	-	(25,821)	-	768,709
Walled Garden	5	-	-	(5)	-
Spetchells Community Events	3,500	500	(1,730)	-	2,270
	857,017	100,500	(27,731)	-	929,786
	885,629	220,181	(128,025)	-	977,785

General Fund (including Retail Rental)
Any income gifted or granted to PCP for its general (non-specific) activities including rental income from three retail properties transferred under 'Asset Transfer' procedures from Northumberland County Council to PCP for the support of any PCP activities.

Spetchells Centre
All income and expenditure relating to the operation and activities of the Spetchells Centre.

Replacement Fund
Setting aside funds equivalent to the Annual Depreciation Charge so that when capital items need replacing we have the money set aside to pay for replacement and renewals of fixtures and fittings.

..... *continued*

Community Events
Funds raised for particular activities within the Spetchells Centre.

Affordable Housing
Grant from Northumberland County Council as 'dowry' for capital works on the three retail properties, that will, in the case of two of the properties, enable 'Live Above Shops Scheme's to be developed, as negotiations with tenants permit. The value of the 'dowry' was based on an historic external visual survey carried out in 1998 of potential landlord repair works.

WNCLT (West Northumberland Community Land Trust fund)
This represents the balance of funds from Northumberland County Council PCP held on behalf of development trusts in the Tyne Valley to support the development of affordable community based housing schemes in the area. Since the main scheme has come to an end, NCC has given permission to PCP to spend the balance of funds as it wishes on schemes that have a housing dimension to them. PCP is using it's fund to support the redevelopment of one of our rental properties, namely the old Bakery.

Children's Centre
Funds held by PCP on behalf of the Prudhoe Children's Centre.

Portas Regeneration
Funds from the Department for Communities and Local Government via Northumberland County Council to support the promotion and marketing of Prudhoe Front Street as a retail destination.

Spetchells Building (Capital fund)
A grant from Future Builders England Ltd for the building of the Spetchells Centre. (The other part of their support is the mortgage which is being repaid over 25 years).

Walled Garden
Grants received to support work on possibilities of redeveloping the Prudhoe Hospital Walled Garden as a community asset.

Capital Fund analysis

	£
Original build value (less depreciation)	1,737,440
Final retention settled during the year (less depreciation)	65,303
Less Original value of Mortgage	(986,740)
Less Additional Mortgage received during the year	(66,653)
	749,350
Add Fixtures & fittings (cost less depreciation)	19,359
	768,709

20 Transfers

During the year the Walled Garden Fund surplus of £5 was transfered to the WNCLT Fund as both funds are housing related.

The General Fund has transferred £7,056 to the Replacement Fund to ensure funds are set aside for future asset replacement.

..... *continued*

21 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2016	Total Funds 2015
	£	£	£	£
Tangible assets	-	1,822,103	1,822,103	1,847,924
Current assets	75,840	161,078	236,918	97,510
Creditors: Amounts falling due within one year	(25,486)	(14,012)	(39,498)	(20,423)
Creditors: Amounts falling due after more than one year	(2,355)	(1,039,383)	(1,041,738)	(1,039,382)
Net assets	47,999	929,786	977,785	885,629

General funds held at the bank at 31st March 2016 amount to £54,987.
Restricted funds held in a separate bank account at 31st March 2016 amount to £158,676.
The balance of restricted monies held in the unrestricted fund bank account of £2,402 will be transferred imminently.