

Reference and Administrative Details

Founder and President:	HRH The Prince of Wales
Company registration:	04184314
Charity registration number:	1138233
Registered Office:	Tavis House 1 – 6 Tavistock Square London WC1H 9NB
Trustees:	Pauline Norton (chair) resigned 20 th July 2010 Richard Martin appointed chairman 20 th July 2010 Richard Ian Baker resigned 25 th April 2011 Professor Mark Hart Philip Longworth Amy Clarke Robert Wilson co-opted 29 th October 2010 Tom Watkins co-opted 5 th May 2011
Company Secretary:	Mark Lywood resigned 7 th June 2011 appointed 27 th June 2011
Chief Executive:	Nick Bunting appointed 1 st July 2011
Bankers:	Lloyds Bank TSB 40 Rosslyn Hill Hampstead London NW3 1NL
Solicitors:	Bates Wells and Braithwaite 2 – 6 Cannon Street London EC4M 6YH
Auditors:	Baker Tilly UK Audit LLP 12 Gleneagles Court Brighton Road Crawley West Sussex RH10 6AD
Senior Management Team	Richard Baker Interim Management Peter Bennie Director of Development Mark Lywood Director of Finance
Websites	www.primebusinessclub.com www.prime.org.uk

Report of the Trustees for 2010-2011

Introduction by PRIME's Chairman

When His Royal Highness, The Prince of Wales, initiated the founding of PRIME, his aim was to ensure that everyone aged over 50 out of paid employment or at risk of redundancy had the opportunity to remain economically active, financially independent and personally fulfilled, through sustainable self-employment, business or social enterprise.

When I discussed my appointment with His Royal Highness, and the Board of PRIME, it was clear that, as a team, we faced a number of important challenges. The UK was haltingly emerging from a long and difficult recession, with consequences for investment and jobs, and we faced a changing policy environment following the General Election in May 2010. PRIME was going to need to think clearly about how it could contribute most effectively.

I was enormously encouraged, therefore, by the enthusiasm and commitment of everyone involved in PRIME to deliver success and to realise HRH The Prince of Wales' and the Board's 'Vision' for this important charity.

In taking over as Chairman in July 2010, I was mindful of a poster I once saw that said; 'The guy on top of the mountain didn't fall there'. And so, over the latter half of this past year, the whole PRIME team has set about addressing ourselves to each and every one of these challenges. No matter how high the mountain proves to be, we will reach the summit.

As anyone who has ever climbed a mountain will know, it is not something that can be done alone. It is a team effort with each member of the team contributing their particular skills to ensure the venture's success. I have been fortunate in that I have inherited a small but excellent core team. The management and staff at PRIME work tirelessly to ensure that we deliver on our promise to our clients, sometimes in difficult circumstances. Our aim moving forward is to continue to ensure that our team can meet the challenges we face. We are also keen to extend our skills and capacity through secondments and volunteers from partner organisations.

Likewise, we have a small, but highly competent board of Trustees. Each comes with a wealth of experience and a range of very valuable and relevant skills. As volunteers, they contribute vast amounts of their own time and energy, and they are all fully engaged in driving PRIME forward to even greater success. As with our staff, it is a key objective for PRIME to bring further talent onto this Board and I am happy to say that this process is now under way.

But PRIME also extends further. Our colleagues in Clarence House, particularly those in the Prince's Charities Office, our friends at Prime Cymru, as well as our sister charities within the Prince's Charities Group, are all contributing to PRIME and its future success.

And we have a growing group of partners who work hard on our behalf and who provide support to us, and our clients, in a variety of ways. This report aims to provide a profile of all of these contributions.

Then, of course, we are fortunate to continue to enjoy the inspiration and patronage of His Royal Highness. His commitment to PRIME is as strong as it was on the day he suggested it. He seldom gets sufficient credit for all his hard work and yet he continues to work tirelessly to support, not just PRIME, but all of his charities.

So, whilst we still have a way to go and a relatively short period of time to achieve what we need to do and, whilst the mountain remains high, with the foundations we are now putting in place, it is starting to look smaller by the day.

PRIME Trustees

Biographical details of the Trustees of PRIME at the time of this Annual Report are as follows.

Richard Martin, Chairman



Richard joined the Board of PRIME in April 2010 and was elected as Chairman in July 2010. Having studied marketing in London, Richard was for many years Chief Executive and then Chairman of one of the UK's largest specialist strategy and marketing consultancies, working extensively with the boards of major FTSE 100 companies and with major 'Private Equity' firms. He lectured on strategy and marketing at both Cranfield and Heriot-Watt Business Schools.

During his career Richard also he held senior posts at both Castrol Oil and Courage Breweries and was a member of The Marketing Society, a board member of The Management Consultancies Association and a member of The Guild of Management Consultants. Richard is also Chairman of the Prince's Regeneration Trust Social Enterprise Company.

Amy Clarke



Amy joined the Board in 2009. She is the founder and Director of The Bubble Consultancy, a micro-social enterprise focusing on strategic social and economic business innovation. The Bubble Consultancy specialises in helping grow and evolve business for the long term using sustainability and social business models to help businesses improve their financial performance, competitive advantage and brand awareness.

Prior to this, Amy worked for a number of large corporates in social responsibility and business support roles including the Bank of America, where she was Head of International CSR, Microsoft, where she was Head of CSR and PriceWaterhouseCoopers where she was Manager, Sustainable Business Solutions.

Professor Mark Hart



Mark joined the Board of PRIME in 2007. He is Professor of Small Business and Entrepreneurship at Aston University. He jointly manages the Global Entrepreneurship Monitor (GEM) project in the UK and advises a number of Government Departments including BIS, UKTI, HMT and HMRC on enterprise issues and has undertaken a number of national evaluations of business support products and services including Business Link and Regional Selective Assistance.

His research interests include on Business Demography in the UK, the determinants of Entrepreneurial Activity and the effectiveness of public policy for SME development

Philip Longworth



Philip joined the Board of PRIME in 2007. Phil is Chief Executive of Age UK Mid Mersey. Whilst in this role, he worked closely with Age UK nationally to establish the WorkWise employment initiative in St Helens, Merseyside and has overseen three organisational mergers. He has worked in both the private and public sectors and was previously Regional Employment Manager for the RNIB, managing Rehabilitation Services for people who were losing their sight in Liverpool.

He was part of a team of individuals who co-wrote and secured validation for a national training certificate offered through the University of Plymouth. Philip has experience in securing funding including through statutory agencies (including European funding), trust funds and fundraising.

Tom Watkins



Tom was co-opted to the Board of PRIME in April 2011. Tom is a Director at Dickinson Dees LLP, one of the leading independent law firms in the UK. Tom specialises in employment law with a focus on the formulation and progression of major strategic projects such as restructuring of the workforce and outsourcing of services. He is an experienced advocate, regularly appearing in the Employment Tribunals throughout the UK, with particular expertise in discrimination issues, most notably age and disability.

Robert Wilson



Robert was co-opted to the Board of PRIME in 2010. Based in Edinburgh, he is Chairman and owner of Nelsons, the UK's largest Natural Medicine manufacturer. The company was founded in 1860 and markets some of the UK's most well known Natural Brands including "Rescue Remedy" and "Arnica". Nelsons employs over two hundred people and has subsidiaries in Boston, USA and Hamburg, Germany.

Robert is also a trustee of a number of other charities. He is a Board member of The Scottish Civic Trust, Chairman of The Barcapel Foundation (one of the largest grant giving charities in Scotland), Chairman of Prostate Scotland and a Governor of Kilgraston Secondary School, Perthshire. Robert holds an MA in History from Trinity College, Dublin and is a Graduate of The Harvard Business School.

Richard Baker

In addition to these serving Trustees, Richard Baker also served as a Trustee during the year. Richard stood down as a Trustee in April 2011 to support the Board in an Interim Chief Executive Officer role until the appointment of a new Chief Executive in July 2011.



Richard joined the Board of PRIME in 2001. Richard is Director of RBLS Consulting. Richard previously worked for the Northern Way, collaboration between the 3 Regional Development Agencies in the North of England, the 8 City Regions and a range of other partners from public, private and third sectors. He was responsible for development and delivery of a £6 million programme of policy oriented research about the economy of the North of England. Prior to this, Richard was National Development Manager at Age Concern England, leading for the organisation at national and international level on a range of issues related to employment, economic development and equality.

Report of the Board of Trustees of PRIME for 2010-2011

The Board of Trustees of PRIME is pleased to present its Annual Report, covering the financial year 2010-2011. As part of this report we reflect on the progress we made against the priorities we set for ourselves for the year. We also set out our plans for the forthcoming year.

PRIME's charitable objects, its core mission, and organisational vision are as follows:

- **Charitable objects:** "The relief of the charitable needs for the public benefit of people who are over the age of 50, and who are either not in paid work or who are facing redundancy, and who would benefit through enhanced income, opportunities for engagement in meaningful activity and the prevention of social exclusion, particularly through the encouragement of self-employment, especially, but not exclusively, by the provision of practical advice, financial assistance, training and education."
- **Mission:** To ensure everyone aged over 50 who is workless or under threat of redundancy has the opportunity for financial, social and personal fulfilment through sustainable self-employment, business or social enterprise
- **Vision:**
 - to be the leading UK charity that supports the over 50s who are workless or under threat of redundancy to become self-employed or start their own sustainable business or enterprise:
 - to be the acknowledged focus of knowledge, research, best practice and campaigning for 50+ self-employment, business and social enterprise for those who are workless or under threat of redundancy.

Our activities and performance in 2010-2011

2010- 2011 will be seen as a critical year of transition for PRIME.

As we describe elsewhere in this report, we are, like other voluntary organisations, public agencies and businesses across the UK, facing a context of change and some uncertainty. The Board and our staff team have been examining how we can translate our objectives and our core offer to a transformed business environment characterised by economic, social and political dynamism.

During the year we have continued to deliver services and projects which aim to provide direct support to our clients, and to ensure that we shape and influence the environment within which we are working to maximise our capacity to be successful.

Client-focused activities

Our client-focused activities aim to help clients to progress through the PRIME 'client journey'. This responds to the various stages that individuals progress through as they move towards setting up a successful business. A client can access the journey at any stage and access support which can help them, depending on their own needs. We aim to provide support in a number of formats which respond to the different ways that clients seek to access it.

The full 'client journey' recognises that most clients move through a number of stages in their progress towards enterprise and our services are tailored to these stages. They include:

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- Outreach events and activities which aim to make contact with potential over 50's entrepreneurs and to interest them in self-employment and enterprise
- On line resources available from our website which provide individuals with resources, workbooks and case study stories of successful PRIME clients which aim to inspire confidence and help shape thinking
- Workshops, information and one to one support aimed at raising levels of understanding about entrepreneurship and helping people to develop their idea
- Mentoring support to individuals through start up and through the early difficult months
- The possibility to access loan finance from the PRIME Loan Fund
- Ongoing access to business support and advice and the PRIME on-line business club to enable personal advice and peer support and networking

PRIME monitors the number of clients who formally register for support and advice following initial expressions of interest, and sub-divides them by region. These numbers do not reflect all contacts, but do recognise those who choose to complete a registration and continue to engage with PRIME after the initial enquiry. During 2010-2011, PRIME registrations totalled 2822; a decline from the previous years explained by the reduction of PRIME partner funded events and associated client engagement opportunities. These contacts are broken down as follows:

	31/03/06	31/03/07	31/03/08	31/03/09	31/03/10	31/03/11
East Midlands	109	88	126	205	287	214
East of England	115	150	236	326	500	278
London	219	242	234	271	536	406
North East	46	34	41	87	124	111
North West	150	265	343	318	516	270
Northern Ireland		17	333	263	42	16
Scotland	16	19	59	103	215	118
South East	259	215	297	452	841	538
South West	284	326	250	310	561	350
West Midlands	113	100	269	351	473	287
Yorkshire & Humberside	57	176	591	298	486	226
Not quoted	14	73	57	82	84	8
TOTALS	1382	1705	2836	3066	4665	2822

Table 1: Registration of PRIME clients by region

Influencing the activities of other service commissioners and providers

Our activities are also aimed at influencing the environment within which PRIME and its clients operate. Whilst PRIME aims to build itself as a strong service provider, delivering a strong portfolio of activities to support clients through the 'client journey', we recognise that clients will choose to seek services from a range of other organisations; including banks, enterprise agencies and employment service providers.

In this context, we are keen to offer our knowledge and understanding of the needs of the over 50's clients to these other providers to help ensure that their services offer the best support possible. We therefore offer training and awareness-raising events targeted at both service commissioners and service providers. Table 2 reviews those events that we have organised during the year and details the mix of clients and partners who have taken part.

Activity 2010-2011	Events/ Interventions	Attendees	Clients/ beneficiaries	Advisors and other Intermediaries	Strategic contacts/ Influencers/ Policy Makers	Other
50+ Enterprise awareness-raising events to improve the understanding and the policy environment for startup support	25	246	5	119	73	49
Training, events and promotion to increase business startups by the over 50s	72	820	614	175	24	7
Mentor Training and 50+ Enterprise awareness-raising	2	37	0	37	0	0

Table 2: Summary of PRIME events and their participants

Wider website engagement

Finally, through our two websites we monitor contact numbers to assess our overall number of contacts.

PRIME currently receives around 7,500 visitors a month, with 80 per cent being new visitors and 20 per cent recognised as people who have visited on repeat occasions.

The PRIME Business Club, www.primebusinessclub.com, provides a peer support mechanism and practical tools for older entrepreneurs.

The PRIME information site, www.prime.org.uk provides a more general web presence, offering information about PRIME, research and data about older entrepreneurs and providing an underpinning resource to PRIME campaigns.

In April 2011, for example, 4,494 'hits' were recorded on the PRIME Business Club site with 2,744 for the information site.

PRIME intends to look again at its web provision in 2011-2012 to further understand its clients and partners and how they use our on line services.

Our performance, reputation and brand

As well as detailing the specific performance of our activities in year, PRIME carries out a number of activities which aim to understand its wider performance, its reputation and its profile with its key clients and partners.

We do this in two ways.

We have arranged for the Global Entrepreneurship Monitor (GEM) survey undertaken by Aston University to ask direct questions about PRIME and its profile. GEM data shows that nearly 90,000 of the 400,000 over 50s considering setting up a business in 2009 had heard of PRIME and over 3,000 of this group made contact with us during the year.

In addition to work with GEM, PRIME's database of nearly 20,000 over 50s who have considered setting up their own business enables us, through research work also supported by Aston University, to understand their experience and to evolve our service development. This is enabling us to understand better which approaches are most successful with this group. We recognise the enormous value of this data and it is our intention to use it to its full effect in the future.

PRIME management and governance

PRIME is governed by its own Memorandum and Articles of Association. As a company limited by guarantee, it makes an Annual Return to Companies House. In future years PRIME will now also make an annual return to the Charity Commission following the restructuring of its relationship with the National Council on Ageing explained elsewhere in this report.

The Trustees of PRIME are elected at the charity's Annual General Meeting and are the Board members of the Company. PRIME is actively identifying individuals who can offer the expertise required to ensure the proper effective and efficient running of the charity. During the year the Board appointed two new Trustees. The Chairman of PRIME is appointed by the Board, in consultation with HRH, The Prince of Wales.

In the course of its seven meetings in 2010 - 11 (seven 2009 - 10), the Board reviewed its strategy and the broad areas of activity for the charity, and details of the forward strategic direction are set out elsewhere in this report. The Board has also continued to review and update a risk register which is regularly considered both by the Board of Trustees and by the Senior Management Team. This process is also championed by one of the Board members.

The aim of such a review is both to identify new risks and to update procedures on risks already identified. The Board has continued the process of self-evaluation established in 2006 - 07, and has determined that each Trustee should take on an area of specialisation which they will champion on behalf of the Board. The Board has a Code of Good Governance, a job description for Trustees and an induction process for new Trustees.

The Board recognises the need to monitor its environmental impact and has been working with the Prince's Charities Group to monitor the environmental effect of staff travel during the year as part of its policy to minimise its environmental impact under its Environment Policy.

The day to day running of the organisation is delegated to the Chief Executive by the Board under a scheme of delegation.

Delivery against our annual objectives

In our annual report for 2009/2010 we set ourselves 6 objectives for the 2010/2011 year.

Underpinning these objectives were two broad goals – to continue to improve and extend our offer to our clients, and to anticipate and plan for key external changes. We can report a large measure of success in achieving these goals, although it is also the case that some of these were superseded by events. Our short term objectives within the year needed to shift to respond to these events.

Progress against our planned objectives for 2010/2011

1. Delivery under our universal offer

Our first objective was to increase our delivery under our Universal, Intermediate and Enhanced offerings by a minimum of 10%, seeking to ensure that over 50s in need of different levels of support were able to access these offers and develop successful businesses.

Critical to securing this growth is the capacity we have to reach out to those groups within the population who need our service; the unemployed or those facing redundancy. We have benefitted from public sector financial support to enable us to promote our range of services and during the year we had some success in extending our range of services and building our profile for the future.

PRIME was successful in extending its strategic development contract with the North West Development Agency into 2010-11.

In the Welfare to Work sector we strengthened our position as lead organisation for 50+ self-employment, continuing to influence support initiatives and working within 2 DWP-funded programmes to deliver direct business advice and training to unemployed over 50s.

However, we also faced the removal of a number of developmental contracts enabling us to access our clients. Whilst we were pleased to confirm our contract with the North West Regional Development Agency for 2010-2011, unfortunately a further year was curtailed due to Government spending cuts, which affected all of the Regional Development Agencies. This has been followed by other projects with REMPLOY and with Phoenix Enterprises in North East Derbyshire which will cease in June 2011.

This is disappointing, not least for the clients who cannot now access a range of services and projects and for the staff members concerned who were employed on contracts linked to these projects. However, the Board recognised this as an inevitable consequence of public sector funding austerity.

In response to this, as part of our wider strategic review, we have now looked again at our service models to develop new ways of resourcing our important work and are working towards:

- further integration of our direct services into the new 'client journey' delivery model, and,
- careful targeting our outreach activities to a number of key client segments who can enable us to boost client contact and success rates.

Our priorities for the current year will be to work closely with an extended group of key partners to secure new and sustainable sources of core and recurrent finances to support these services and activities.

2. To deliver a Flexible New Deal offer under a core contractor in at least 3 different regions of the UK

This objective was overtaken by events, the results of which have provided an opportunity to achieve this goal in a different way.

The change of Government following the General Election in May 2010 has led to a transformation in the approach to Government 'welfare to work' programmes. The Flexible New Deal programme, created by the previous Labour Government has been replaced since the General Election by the new Government, who have initiated the new integrated Work Programme.

In our work since the General Election, therefore, we have maintained the priority to play our part in the delivery of public sector funded support to benefits claimants, but have shifted our focus to the Work Programme, seeking to ensure that there is a strong self-employment option for the over 50's within the Programme. The change in the Programme has meant both a revised timing and a revised infrastructure for PRIME to work with.

During the year, therefore, we have invested significant energy into establishing PRIME as a potential partner to Government in delivery of the Work Programme and were delighted that when the Department of Work & Pensions announced the identity of the successful 'prime contractors', who will be the key providers under the work programme, PRIME was named as a partner to 12 of the 18 successful bids.

We are now entering a phase of negotiation with the prime contractors to establish the detail of the work that we will do under this programme and will be working, both with DWP and with the 12 prime contractors, to ensure that PRIME is resourced to deliver as strong a level of service to our clients through the 'client journey' as possible.

3. To deliver joint working with Prime Cymru and to have created an Advisory Group in Scotland to help develop delivery there.

This priority has also been the focus of much effort during the year, and we are now on the cusp of a transformed position for PRIME across the UK.

We have engaged in a significant programme of consultation and discussion with our colleagues within Prime Cymru, and also with other partners including the Prince's Charities Office and Age Concern England in their capacity as the sole member of PRIME. More latterly this has included Age UK, following the merger between Age Concern England and Help the Aged.

As a result of these consultations, we have been able to agree with our colleagues in Prime Cymru to develop enhanced harmonisation of our work. Our aim in doing so has been to ensure that we are working closely together to deliver the best possible range of services to our clients, and to operate at maximum levels of efficiency, whilst also recognising the increasing levels of decentralisation in the UK political system.

We have agreed that whilst we will retain two charitable organisations, ensuring that the distinctiveness of the response to different national contexts is maintained. But we also agreed to the creation of a co-ordinated programme of work across the UK as a whole, adding Scotland and Northern Ireland to our existing work in England and Wales. We have agreed to form Co-ordination Group bringing together the two Chairmen with the new Chief Executive and the Chief Executive of Prime Cymru. This group will drive this enhanced collaboration, and work towards the harmonisation of the PRIME Movement.

As part of this development, the two charities have agreed to the replacement of the previous role of PRIME Chief Executive, with a new UK-wide PRIME Chief Executive. The new postholder will have twin responsibilities of leading and managing PRIME in England, Scotland and Northern Ireland, and also leading the development and delivery of a UK-wide PRIME Strategy across the 4 nations of the UK.

This process of change is now well underway. As part of this, the post of Chief Executive of PRIME was deleted. Our Chief Executive for most of this year, Laurie South, left PRIME in December 2010 after 8 years of committed and successful work for PRIME. We would like to acknowledge his contribution to PRIME during his time at the helm.

A process of recruiting to the new UK- wide role commenced early in February 2011. As we prepare this report, an appointment to this role is due in July 2011. During the period of transition, we were grateful for the committed work of our staff, in particular the Senior Management Team, who have contributed beyond their existing roles during the transition.

4. To have undertaken a study and published reports of PRIME's clients and their labour market outcomes

As has been mentioned earlier in this report, PRIME has made important progress in developing a stronger understanding of its existing clients, and in understanding the wider over 50s demographic and their aspirations.

We have mentioned above the work that we have supported through Aston University to use the Global Entrepreneurship Monitor survey, and to undertake detailed research on our client database to improve our understanding of our organisation and what we do.

We are also using this work to inform our influencing and development work and have presented the findings to Government on a number of occasions to help inform public policy about our client group. We aim to continue to do this in the future and to build a stronger public policy capacity.

5. To enhance PRIME's fundraising capacity and success

Over the year, PRIME has been energetic in stepping up its fundraising work.

We have continued to work closely with the Bank of America Merrill Lynch (BAML) as we have evolved and developed our 'client journey' programme, testing new mentoring, and business support and loan services. We have been able to align a significant amount of the activity with work we are doing through a European Union supported Interreg IVb project (see partner website www.seniorenterprise.ie). This has ensured that we have both maximised the developmental opportunities flowing from our relationship with BAML which we report on each year, and leveraged additional resources into PRIME's work.

We were also pleased to launch a new strategic relationship with the Caesars Foundation, and through this by working with the team at the London Clubs International (LCI). As well as offering a very generous core grant to PRIME of US\$100,000, LCI has begun to work with PRIME to make the time of its staff available to support our work through volunteering opportunities.

We were also pleased to be able to take part in a Joint Charities dinner to thank the supporters of the smaller Prince's Charities, hosted by HRH, The Prince of Wales and Duchess of Cornwall, in February 2011. This provided the opportunity for significant conversations with a number of leading business figures with the intention of building strong strategic relationships with them through a new Ambassadors network, and through this network to their organisations and industrial sectors.

Finally, we continue to welcome the ongoing support of Age UK to PRIME, following on from the previous support from Age Concern England. In addition to the welcome grant of £125,000 from which PRIME continues to benefit, we have been located at Age UK's South London offices throughout the year, benefitting from their infrastructure and systems. We will continue to benefit from this practical support, even as the offices in South London are closed. We will be relocating with Age UK to new, more central, offices in Tavistock Square during the early months of 2011-2012

6. To negotiate a new relationship and independent charitable status with Age UK and the Charity Commission

During the course of the year, a longstanding discussion between PRIME and our colleagues in Age Concern England, and subsequently, Age UK was brought to a satisfactory conclusion.

For the past 5 years, PRIME has been a subsidiary charity, linked to the National Council on Ageing (Age Concern England). However, in the context of the decision of the Trustees of Age Concern England and Help the Aged to merge in 2009, this institutional relationship was reviewed and it was agreed by all concerned that the relationship between the two charities should change from one of subsidiarity to one of strategic partnership.

On the 4th October 2010, PRIME was registered with the Charity Commission as an independent charity with its own charity number.

At the same time a new strategic partnership relationship was agreed with Age UK, built around some continuing core funding, office space and practical support, but also an agreement to continue to work closely together, in particular on the work that both charities have an interest in around older workers and the labour market.

PRIME's priorities and focus for 2011 and beyond

PRIME's aim for the future is to build on two key platforms:

- To be the leading UK charity that supports the over 50s who are workless or under threat of redundancy to become self-employed or start their own sustainable business or enterprise.
- To be the acknowledged focus of knowledge, research, best practice and campaigning for 50+ self-employment, business and social enterprise for those who are workless or under threat of redundancy.

In response to the challenging context outlined in the Chairman's introduction, brought about by a combination of factors, during this year the Board of Trustees and the staff have been engaged in a process of review of our response to our changing environment. This review has been largely completed and its results provide the basis for our priorities for the coming year.

Our Strategy and Positioning

Historically, PRIME has largely positioned itself with reference to a business environment characterised by active public policy and ready sources of public sector support. It has:

- Aimed to position itself to complement a range of publicly-funded business support agencies.
- Sought opportunities to deliver projects and activities which responded to, engaged with and supported existing strategies, targeting them at our clients.
- Adopted an influencing focus on central Government and strategic sub-national bodies.
- Held an institutional relationship with Age Concern England which has provided core support.

Our objective has been, over time, for PRIME to shift its position, with a firmer focus on direct service provision, built around a stronger definition of the support needs of clients.

Recent developments, embraced during the process of review, have transformed the positioning of the organisation. The Board now intends to secure its aims through an independent, sustainable business model, with a diversified income generation strategy, and a systematic approach to strategic partnerships. It is now:

- Aiming to develop strategies which can respond directly to the profile and needs of its beneficiaries and stakeholders.
- Seeking direct relationships with Government and other public sector institutions, and private and voluntary organisations which support this aim.
- A legally independent charity, with its own charity number and with full responsibility for governance and management under charity and company law.
- Operating as a full member of the Princes Charities Group, simultaneously aiming to retain a strong strategic partnership with the Enterprise sector.

At the core of the PRIME offer is its current and future capacity to provide services direct to people over 50 who are unemployed or at risk of unemployment.

Priorities for 2011-2012

Looking forward, therefore, we have identified 6 priorities for the next year which can build on this revised strategy:

1. Increasing the numbers of people we assist.

Our core aim is to increase, year-on-year, the numbers of people over fifty who we help to start new enterprises and thereby create new jobs, not only for themselves, but also for others.

As a consequence of a reduction in our funding to support activity, we have been concerned to see that the number of people we have been able to help starting to fall. We are setting about refocusing our service strategy in the light of our strategic review.

At the heart of this strategy PRIME has identified and tested a ‘Client Journey’ to sustainable self-employment and enterprise. Over recent years, we have been able to use a number of projects to test and refine approaches which can respond effectively to this journey and add to its service range in response.

Whilst the current model will benefit from continuing evolution, PRIME believes that it is now able to provide a generic offer to clients entering this journey at different points, depending on their experience, resources, enterprise-readiness and capacity to benefit from PRIME’s services.

The next stage of development, for our core service offer, is to secure a growth in the number of clients we help and to tailor the entry to and experience of the ‘Client Journey’ to key segments of the over 50s population.

In the first instance, the Board has identified 4 segments within the wider client group which should represent a ready source of new clients, and also offer the potential for the development of long term strategic relationships with funding partners. They are set out below.

Segment	Proposed PRIME response
<p><u>Job seekers and claimants:</u> In February 2011, the over 50s (people aged 50 to 64) represent 15.6% of the registered unemployed and 47% of those currently claiming other out-of-work benefits.</p> <p>Through the new Work Programme, the Government aims to provide support to people to move from benefits to active employment.</p> <p>Clients within the programme will be supported through a network of ‘prime’ contractors appointed by the Department of Work and Pensions (DWP) to provide and facilitate services which aim to help them into employment. Within the programme, self-employment is recognised as a potential option, although it has traditionally not been well-supported within some parts of DWP</p>	<p><u>Work Programme participation</u></p> <p>PRIME is working hard to position itself as a sub-contractor to the ‘prime’ contractors who have been selected to deliver the Work Programme in different parts of the UK.</p> <p>PRIME has already promoted itself successfully and, as a result, in the last year it has been named within Work Programme tenders by 12 of the 18 successful bidders, although the nature and volume of the work to be delivered has yet to be clearly specified.</p>

<p><u>People over 50 living in communities facing economic restructuring:</u></p> <p>The spatial distribution of economic change is not even across the UK. There are significant 'hotspots' where a combination of industrial and demographic change has resulted in high levels of economic uncertainty or inactivity for people over 50, particularly in places with low levels of private sector activity. In addition to the figures presented above this includes a large proportion of over 65's, some of whom may wish to work</p> <p>This issue has been recognised explicitly by Governments over many Parliaments, and is a continuing concern for local authorities and the voluntary sector.</p> <p>The current Government has promoted 'rebalancing' as a priority, linking an aspiration to see both higher levels of private sector activity in the economy, and a focus on the economic development of those parts of the country facing challenge.</p> <p>Local Authorities and Businesses have been challenged to come together through Local Enterprise Partnerships (LEPs) to, amongst other things, promote stronger economic performance of these areas. A Regional Growth Fund (RGF) has been established by central government with a focus on pump priming the private sector and third sectors to take action in these areas.</p>	<p><u>Hotspots strategy</u></p> <p>We propose to develop a partnership with private sector partners, Local Authorities/Local Enterprise Partnerships and Job Centre Plus to develop and pilot a PRIME 'Hotspot' strategy which aims to focus on these areas and develop a programme of work which can generate clients into the core service model.</p> <p>A successful pilot of this strategy would lead to a wider programme of work, leveraging both private sector support and potentially a bid to funds such as the Regional Growth Fund (RGF) at scale.</p>
<p><u>People over 50 currently in employment, at risk of redundancy or working in organisations considering restructuring:</u></p> <p>Labour market trends continue to create circumstances within which people over 50 face redundancy, as the organisations within which they work continue to reconfigure in response to economic pressures.</p> <p>In the past some people over 50 have been tempted to choose retirement as a 'respectable' alternative to redundancy, and employers have used this as a default mechanism to facilitate organisational change. Whilst some of the best employers have sought to ease this process by providing pre-retirement support, this has only rarely included a focus on self-employment and enterprise options for a majority of those leaving work under this route.</p>	<p><u>From Employment to Enterprise</u></p> <p>A well-structured programme which can provide employers, and their staff, with an opportunity for a more positive dialogue about individual employment transitions has the potential for a win-win solution to this context, especially as employers seek to maintain positive reputations as 'employers of choice'.</p> <p>It could offer employees an opportunity to consider extending their working lives through self-employment, facilitated by the employers, and in some circumstances it could also potentially help both, by enabling the continuation of a relationship which could enable employers to retain access to skills through a re-positioned relationship with valued individuals and providing over</p>

<p>The recent decision to ban mandatory retirement will, however, significantly impact upon this approach to organisational change, at a time when pressure on pensions will mean that employees will be looking to extend their working lives. This combination provides potentially fertile territory for PRIME.</p>	<p>50s with a more flexible working life.</p>
<p><u>Over 50s facing disadvantage as a result of personal characteristics:</u></p> <p>As the population ages, it is becoming more diverse, with an increasing number of older women people with disabilities, return to work carers, retirees who need to return to work, people from the military seeking employment, ethnic and other minority groups and ex-offenders who could all be interested in self-employment, but whose circumstances might warrant a particularly focused service offer.</p>	<p><u>Diversity in enterprise</u></p> <p>PRIME is, therefore, seeking to work in partnership with organisations representing and supporting people in these sub-segments and we are currently in the process of developing an approach which could successfully build a 'diversity' strategy to address the needs of these particular types of people within the over 50s population.</p> <p>There are potential opportunities for PRIME to match its expertise in delivering enterprise support from a voluntary sector background with generalist organisations with access to these groups.</p>

2. Improving and measuring our rate of success

Improving the ratio of new business start-ups to enquiries, is a second key focus, by ensuring that the products and services we offer remain attractive to a range of different people, cost-effective to deliver and to appropriate 'Best Practice' standards. The team at PRIME will continue to evaluate our success in delivering the 'Client Journey' in order to ensure that PRIME can best deliver the most effective 'Interventions' at the appropriate time.

We will continue to use research and evaluation activities, such as the work of Aston University, to monitor our progress and performance and we have committed to developing a new performance framework, based on nationally recognised evaluation methodologies, to ensure that we can measure our performance throughout our work programme – with metrics linked to inputs, outputs, outcomes and impacts.

PRIME's new 'Client Journey' model identifies the stages to enterprise for individuals from awareness, through development, to the creation of a new business.

These client-focussed services can be flexed to meet specific client needs whenever they contact us and wherever they are on this journey. PRIME's approach provides real added value, by inspiring engagement with self-employment by people who, without an intervention, might not normally consider this work option.

3. Enhancing PRIME's 'Thought Leadership' position

Increasing the level of our influence in the market and, thereby, enhancing the awareness and perceived 'Value' of the PRIME 'Brand' is a key future aim. The issue of people over 50 who are out of work, but who need to work, is huge and is growing by the day, but there is insufficient awareness of the issue at many levels in society.

We are planning to embark, therefore, on a campaign to raise this issue much higher up the social agenda, by developing partnerships with government, the Public Sector, major private sector organisations, sister charities in the Third Sector and a range of influential private individuals, supported fully by HRH, the Prince of Wales.

In a way, this is the embodiment of the 'Big Society' concept in action.

PRIME is already recognised in the field as having developed the evidence base about over 50s enterprise and self-employment, and has published a number of policy-oriented documents and reports. In addition, work to monitor the drivers and experience of PRIME's own clients and beneficiaries provides a unique insight into the practical experience of a group of over 50s already motivated by self-employment, which could help understand options within the wider market.

PRIME's reports have contributed to placing issues on to the policy agenda and to build awareness of PRIME at a number of levels, including within the media and some traction is evident within key parts of Government.

In a much changed context, however, PRIME now aims to be able to deliver:

- Persuasive and influential policy briefings to Ministers and senior Civil Servants, promoting both the interests of clients and beneficiaries and building support and engagement with the organisations.
- A systematic programme of work which firmly embeds these issues across public policy, and answers remaining questions about the scope for public sector actions. PRIME also needs to engender a wider response within the private and voluntary sector, which are increasingly seen as the key agents of both economic development and of the 'Big Society'.

Finally, an enhanced evidence base can underpin PRIME's brand development and the development of its service offer.

In addition to working on key immediate messages for a number of Government departments, PRIME intends to develop a longer, strategic research and public policy programme which can provide:

- An overarching evidence base to support PRIME's influencing and development work; including identification of key influencing goals and clarification of the rationale for organisational development priorities.
- Stronger recognition of PRIME's role as thought leader on its core issue.
- An opportunity to develop new relationships with key influencers.
- A strong proposition to attract new sponsors and partners.

4. Creating greater financial stability for the charity.

The recession and the economic pressures forced upon the public purse have had a significant impact on all charities, including PRIME. For many years PRIME has relied for a considerable part of its income on earning revenue from its excellent work on public sector initiatives and this has been a valuable source of funds.

This source of income is now declining, however, due to public sector cut-backs, PRIME is now adjusting the balance of its revenue streams. It will continue to earn money by supporting government initiatives to the best of its ability, but it is now building 'Strategic Alliance Partnerships' with a number of major corporations in the private sector who are not only supporting PRIME financially, but in many other ways including access to their staff, skills and supply chains.

Leading the way in this are three organisations we have worked with in particular:

- Age UK has been and remains, a very important partner for PRIME, not only because we share a common concern for people in later life, but because we recognise that by working together, we can deliver far better solutions to a greater number of people. They have generously invited us to share their new headquarters, in 2011, which means that we can work even more effectively together.
- Bank of America Merrill Lynch is one of the world's leaders in Corporate Social Responsibility and a great partner who is unstinting in its support for PRIME and its work. They not only help us financially, but their staff are now engaging with us by becoming 'Mentors' and by offering their knowledge, skills and experience to both our staff and our clients.
- Our relationship with the Caesars Foundation and the London Clubs International (LCI) has created a new alliance partnership for PRIME. They too see the work of PRIME as vitally important and have pledged to support us in a number of ways over the next few years. Like our partners above, this is not only through generous donations, but their staff are also joining forces with us to address the ever growing needs of our clients.

The key to these evolving relationships is that they are truly 'Partnerships', where we work together to deliver that all important vision. The task now, is to build more of these partnerships, as PRIME's need for financial and other resources to ensure it can meet its goals is growing fast in line with client demand and the changing world of work.

5. Harnessing the collective strengths of HRH The Prince of Wales' group of charities.

One of the great benefits of being part of HRH The Prince of Wales' group of charities is that they offer a great wealth of knowledge, skills and experience and His Royal Highness does all that he can to encourage his charities to work together and thereby make maximum use of the total resources available.

An obvious partner for PRIME is its sister charity in Wales, Prime Cymru, and both organisations have now committed themselves to the closest possible collaboration, whilst maintaining their own charitable independence.

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

We are eagerly anticipating the appointment of our new Chief Executive Officer for the whole Prime Movement across the United Kingdom which will enable the two charities to both extend the reach of the Prime Movement across the UK and greatly enhance productivity.

The Trustees have strong expectations of this role and will be supporting our new Chief Executive to work closely with the Boards of both charities and particularly with the Head of Wales, to develop a common strategy that, between them, they will deliver, using the combined resources of both charities.

In addition to this, PRIME is building closer relationships with several other organisations within the Prince's Charities Group and looks forward to working with a number of our sister organisations as we pursue our strategy for the future.

FINANCIAL REVIEW

PRIME's Statement of Financial Activities for the year shows a deficit of £234,761 (09/10 deficit £210,852). Again, as per the previous year the main movement to the deficit value is due to expenditure within the designated fund of £518,569 which is partly funded with the in year receipt of £215,000 and brought forward designated reserves. The designated reserves are The Bank of America Charitable Foundation grant monies; these funds are to ensure PRIME's aim to capacity build itself to become the national agency for senior enterprise are met and these funds have been paid partially in advance of expenditure.

The completion of contracts saw a reduction in restricted expenditure to £108,406 (2010/11 £234,325), this expenditure is funded with in year income.

PRIME's expenditure increased by 9.83% to £871,147 (2009/10 £793,199) which includes expenditure supported by in year restricted income of £97,064 and brought forward restricted reserves of £11,342 - excluding this value, the expenditure decreased by 4%. The increase of 9.83% was budgeted in the investment of resources to develop products and services to ensure PRIME remains the lead organisation in older entrepreneurship.

Though PRIME saw a reduction of contracted restricted work in 2010/11 it has reported an increase of its income to £636,386 (2010/11 £582,347). Excluding the in year receipt from the Bank of America, investment and other income in 2010/11, PRIME saw a increase of 11.53% in its core income streams to £286,064 (2009/10 £256,493).

The client loan facility saw less successful applicants than anticipated and PRIME has six loan guarantees in situ to the value of £22,074 – this charge is guaranteed against the £500,000 restricted loan fund with no impact on PRIME's free reserves.

The Trustees approved that in 2011/12 PRIME would be required to utilise the designated funds to maintain the organisation while it continues to invest in the development of the PRIME client programme of services. Trustees anticipate that the investment in development would result in growth in the longer term. To this, PRIME reports the general funds with a surplus of £80,150 (surplus 2009/10 £39,729), which is in line with forecasted figures and PRIME ends the financial year with an increase of its general reserves to £164,327 (2009/10 £84,177).

The trustees have reserves in order to give financial security, to ease the cashflow and to enable the charity to cope with setbacks or take advantage of opportunities. The Trustees considered PRIME should build up, by 2011, sufficient reserves to enable it to fund a minimum of three months and a maximum of six months running costs at any one time. This has been a challenge for PRIME, mainly due to the economic downturn and the current governments realigning of the awarding of its contracts.

The Reserves Policy uses two measures, General Reserves (all unrestricted funds) and Liquid Reserves (non designated unrestricted funds). The General Reserves figure is therefore £606,291 which represents 41.3 weeks of expenditure (2009/10, 77.2 weeks). The Liquid Reserves figure is the General Funds figure of £164,327 which represents 11.2 weeks of expenditure (2009/10, 7.8 weeks). Funds are kept in an interest deposit account with a current account being used for day to day expenditure.

PRIME's Investment Policy is to maximise the financial yield from its investment portfolio and as such PRIME's reserves are currently kept as cash deposits.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees, who are also the directors of The PRIME Initiative for the purposes of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees are responsible for the maintenance and integrity of the corporate and financial information on the website. Legislation in the UK governing the preparation of financial statements may differ from legislation in other jurisdictions.

Trustee R Martin - Chairman

Date 12th July 2011

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE PRINCE'S INITIATIVE FOR MATURE ENTERPRISE (PRIME)**

We have audited the financial statements of The Prince's Initiative for Mature Enterprise (PRIME) for the year ended 31 March 2011 on pages 24 to 32. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 21, 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 and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Opinion on other requirement of the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the charity has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

NICHOLAS SLADDEN (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
12 Gleneagles Court
Brighton Road
Crawley
West Sussex
RH10 6AD

12th July 2011

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME & EXPENDITURE ACCOUNT)

YEAR ENDED 31st March 2011

Note	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
Incoming resources				
Incoming resources from generating funds:				
Voluntary income				
Donations and gifts	1,428	-	1,428	11,094
Grant funded activities	402,572	-	402,572	410,000
Investment income	6,548	-	6,548	10,235
Other income	128,774	-	128,774	19,525
Incoming resources from charitable activities:				
Contracts to provide services promoting Self employment to over 50s through Seminars, workshops, helplines etc	-	97,064	97,064	131,493
Total incoming resources	539,322	97,064	636,386	582,347
Resources expended				
Cost of generating funds				
Costs of generating voluntary income	54,966	-	54,966	4,964
Charitable activities				
Contracts to provide services promoting Self employment to over 50s through Seminars, workshops, helplines etc	647,919	97,064	744,983	736,344
Provision of starter business loans to over 50s	-	11,342	11,342	10,732
Governance costs	59,856	-	59,856	41,159
Total resources expended	762,741	108,406	871,147	793,199
Net movement on funds	(223,419)	(11,342)	(234,761)	(210,852)
Funds brought forward	829,711	489,267	1,318,978	1,529,830
Funds carried forward	606,292	477,925	1,084,217	1,318,978

All of the activities of the company are classed as continuing. The notes on pages 26 to 32 form part of these accounts.

PRIME company number: 04184314 and charity number: 1138233
REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

**BALANCE SHEET
 AT 31 MARCH 2011**

	Note	2011 £	2010 £
CURRENT ASSETS			
Debtors	4	139,222	47,727
Investments	5	1,015,261	1,268,714
Cash at bank and in hand		30,065	53,788
		1,184,548	1,370,229
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
	6	(100,331)	(51,251)
NET CURRENT ASSETS FUNDS		1,084,217	1,318,978
Restricted funds	13	477,926	489,267
Unrestricted funds	13	606,291	829,711
TOTAL FUNDS		1,084,217	1,318,978

The financial statements on pages 24 to 32 were approved and authorised for issue by the board of Directors on 12th July 2011 and signed on their behalf by:-

Richard Martin
 Chairman

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011**

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with the Statement of Recommended Practice 2005 "Accounting and Reporting by Charities" and applicable United Kingdom accounting standards. The particular accounting policies adopted by the Trustees are described below.

Accounting convention

The financial statements are prepared under the historical cost convention as modified to include the valuation of fixed asset investments at market value.

Resources expended

All expenditure is accounted for on an accruals basis and allocated over the activities for the year.

Support costs

Support costs represent the staffing and associated costs of Finance, HR and general administration in supporting the charitable activities of the company. They are allocated over relevant cost centres; are directly allocated where possible or apportioned on the basis of headcount or time allocated.

Income Recognition

All income is recognised in the statement of financial activities when the conditions for receipt have been met and there is reasonable assurance of receipt.

Donations in Kind

PRIME occupies office space and receives support services from Age UK, up to a value of £30,000.

Costs of Generating Funds

This represents the costs of generating funds incurred by the charitable company when applying for grant income.

Costs of Governance

These represent the direct costs of governance including facilities for meetings, external audit, legal and professional advice for trustees and costs associated with constitutional and statutory requirements.

Fund Accounting

The charity maintains various types of funds as follows:

Restricted Funds

Restricted funds represent grants and donations received which are allocated by the donor for specific purposes.

Unrestricted Funds

Unrestricted funds represent funds which are expendable at the discretion of the Trustees in furtherance of the objects of the Charity. Such funds may be held in order to finance both working capital and capital investment.

Designated Funds

Designated funds are unrestricted funds earmarked by the senior management team and trustees for particular purposes.

Costs of Contracts

Costs associated with each contract are accounted for individually.

Pensions

The charity does not operate a pension scheme for its employees however employees are eligible to join the scheme operated by Age Concern (England). PRIME cannot separately identify its share of the scheme's assets and liabilities so this has been accounted for under a defined contribution method.

Contracts

This represents income received from contracts entered into with various bodies for the provision of services.

Investments

The gain or loss for each period is taken to the statement of financial activities.

Loan guarantee facility

PRIME formerly operated a loan guarantee scheme, in partnership with Zopa Ltd until 31st March 2011. PRIME provided guarantees of 50% and 70% of any loan capital value until loan values are settled in full.

2. Total Resources Expended

	2011 Total £	Costs of generating funds £	Support costs £	Charitable contracts £	Restricted contracts £	Governance £	2010 Total £
All Staff Costs	551,634	44,720	115,703	317,778	64,630	8,803	531,779
Rent	30,000	5,517	-	24,483	-	-	31,865
Travel & Expenses	56,768	83	16,050	29,288	6,137	5,210	58,043
Advertising & Marketing	10,628	116	659	9,804	49	-	42,387
Professional Fees	157,442	353	8,652	127,694	143	20,600	65,523
Office Costs	47,807	4,177	9,357	19,080	11,146	4,047	45,400
Other	16,868	-	3,758	1,445	11,665	-	18,202
Reallocation	-	-	(154,179)	118,347	14,635	21,197	-
	871,147	54,966	-	647,919	108,405	59,857	793,199

Support costs are directly allocated where possible or apportioned on the basis of headcount or time allocated.

3. Donations and Grants

Unrestricted	2011	2010
	£	£
Grant received from Age Concern	95,000	95,000
Grant received in kind from Age UK	30,000	30,000
Bank of America Charitable Foundation *	215,000	285,000
Caesars Foundation	62,572	-
Restricted	-	-
	<u>402,572</u>	<u>410,000</u>
3a Incoming resources from charitable activities:	2011	2010
Contracts to provide services promoting self employment to over 50's through seminars, workshops, helplines etc	£	£
Unrestricted	-	-
Restricted		
NWDA – North West Development Agency	48,357	84,888
Success Doncaster	-	46,605
Remploy	48,707	-
	<u>97,064</u>	<u>131,493</u>

Bank of America Charitable Foundation *

A final receipt of £215,000 from the Bank of America Charitable Foundation has been defined, as per the grant agreement; as unrestricted income (funds received April 2010) to support core costs. PRIME's aim is to capacity build itself to become the national agency for senior enterprise, with this substantial financial support this will ensure PRIME meets this objective.

4. Debtors	2011	2010
	£	£
Trade debtors	23,568	36,326
Prepayments and other debtors*	115,654	11,401
	<u>139,222</u>	<u>47,727</u>

* Other debtors = accrued income.

Accrued income, a value of £101k has been allocated to the North West Europe Interreg project. This project is a bi-annual audited grant with payment made nine months post expended cost.

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

5. Investments	2011	2010
	£	£
	Cash	Cash
	Deposit	Deposit
Market value at start of year	1,268,714	1,403,479
Additions	-	180,000
Interest	6,547	10,235
Disposals	(260,000)	(325,000)
Balance as of 31st March 2011	<u>1,015,261</u>	<u>1,268,714</u>

All investments are cash deposits managed by CCLA Investment Management Ltd. Material elements of the investment are as follows:-

	2011	2010
	£	£
COIF Charities Deposit Fund	1,015,261	1,268,714
	<u>1,015,261</u>	<u>1,268,714</u>

6. Creditors: Amounts falling due within one year

	2011	2010
	£	£
Other creditor	33,748	30,377
Accruals* and deferred income	66,583	16,208
Due to linked charity	-	4,667
	<u>100,331</u>	<u>51,252</u>

* Accruals: Includes accrued partner expenditure associated with the Interreg project of £37k (2009/10 £nil) which is fully funded by accrued income.

7. Share Capital

The company is limited by guarantee without share capital. The liability of each member is £1.

8. Parent undertaking and controlling party

On the 4th October 2010 PRIME registered as an independent charity, The Prince's Initiative for Mature Enterprise (PRIME). Our former charity registration status (charity no 261794-2) was a linked charity with the National Council of Ageing (Age Concern England), this linked charity ceased to on the 9th November 2010 and as such PRIME is controlled by its Directors as listed at Companies House. PRIME also amended its company name on the 18th November 2010.

9. Staff Costs and Numbers

Staff costs were made up as follows:

	2011	2010
	£	£
Wages and salaries	465,758	449,779
Social security costs	46,525	46,654
Pension costs	21,814	24,230
Agency costs	7,144	8,522
	<u>541,241</u>	<u>529,185</u>

The average number of employees during the year, calculated on the basis of full time equivalents was as follows:

	2011	2010
Chief Executive	1	1
Marketing	1	1
Support	4	4
Regional	7	7
	<u>13</u>	<u>13</u>

During the year one employee received emoluments in excess of £60,000. This one employee received emoluments totalling £82,796 which included loss of office payment (2010 one employee, £74,892).

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

10. Trustee Remuneration and Related Party Transactions

No trustee received any remuneration during the year. Five trustees (2009/10: five) received reimbursed expenses for travel and subsistence costs totalling £4,950 (2010 - £4,716).

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2009/10: nil).

PRIME occupies office space and receives support services from Age UK up to a value of £30,000.

11. Taxation

As a charity, PRIME is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or S256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

12. Auditors Remuneration

	2011	2010
Audit Fee	£11,280	£10,810
Other non audit work	£6,525	-

13. Analysis of Movement of Funds

	B/fwd	Incoming Resources	Outgoing Resources	C/fwd
	£	£	£	£
Restricted Funds				
Bank of America CF*	489,268	-	(11,342)	477,926
NWDA	-	48,357	(48,357)	-
Remploy	-	48,707	(48,707)	-
	489,268	97,064	(108,406)	477,926
Unrestricted Funds				
Designated Fund **	745,533	215,000	(518,569)	441,964
General Fund	84,177	324,322	(244,172)	164,327
Totals Funds	1,318,978	636,386	(871,147)	1,084,217

	Incoming B/fwd	Incoming Resources	Outgoing Resources	Transfer	C/fwd
	£	£	£	£	£
Designated Fund					
Core costs	685,533	215,000	(518,569)	-	381,964
Property fund transfer of funds ***	60,000	-	-	-	60,000
	745,533	215,000	(518,569)	-	441,964

Bank of America Charitable Foundation*

Funds of £500,000 granted to PRIME for a loan scheme in November 2008, a loan guarantee scheme was launched in mid June 2009. As at 31st March 2011 PRIME has six loans guaranteed by the scheme. PRIME has ceased the loan guarantee scheme with Zopa Ltd as of 31st March 2011 and now runs its wholly independent loan scheme.

Bank of America Charitable Foundation**

A further receipt of £215k (received April 2010) to support core costs. This receipt relates to grant funds to ensure PRIME's aim to capacity build itself to become the national agency for senior enterprise. The senior management team and trustees have therefore continued to designate these funds to meet this objective.

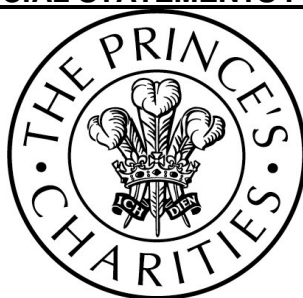
Designated Fund (Property fund) ***

PRIME has currently sources premises and support services from Age UK, though due to the evolving business requirements of PRIME it may be required to source alternative premises and back office support. To ensure PRIME has the reserves to facilitate this requirement, the senior management team and trustees have initiated a property fund and allocated the resources accordingly.

PRIME company number: 04184314 and charity number: 1138233
REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

14. Analysis of assets and liabilities between funds

	Restricted Funds £	Unrestricted funds £	Total funds £
Debtors	-	139,222	139,222
Cash and investments	489,268	556,058	1,045,326
Creditors < 1 year	(11,342)	(88,989)	(100,331)
Net current assets	<u>477,926</u>	<u>606,291</u>	<u>1,084,217</u>
Funds			
Surplus income over expenditure	477,926	606,291	1,084,217
Total funds	<u>477,926</u>	<u>606,291</u>	<u>1,084,217</u>



The Prince's Charities

"PRIME is one of The Prince's Charities of which The Prince of Wales is President; 18 of the 20 charities in the group were founded personally by The Prince.

The Prince's Charities form the largest multi-cause charitable enterprise in the United Kingdom, raising over £100m annually. The organisations are active across a broad range of areas including opportunity and enterprise, the built environment, responsible business and education. The charities reflect The Prince of Wales's long-term, innovative perspective and seek to address areas of previously unmet need". Additionally, six social enterprises make a significant contribution by donating their profits to charity.

Opportunity and Enterprise

The Prince's Initiative for Mature Enterprise (PRIME)	www.prime.org.uk
Prime Cymru	www.prime-cymru.co.uk
The British Asian Trust	www.britishasiantrust.com
The Prince's Scottish Youth Business Trust	www.psybt.org.uk
The Princes Trust	www.princes-trust
The Prince's Youth Business International	www.youth-business.org

Responsible Business and the Natural Environment

Arts & Business	www.AandB.org.uk
Business in the Community	www.bitc.org.uk
In Kind Direct	www.inkinddirect.org
Scottish Business in the Community	www.sbcscot.com
The Cambridge Programme for Sustainability Leadership	www.princescharities.org/cambridge-programme-for-sustainability-leadership
The Prince's Countryside Fund	www.princescountrysidefund.org.uk

Education

The Prince's Drawing School	www.princesdrawingschool.org
The Prince's Foundation for Children and the Arts	www.artsandkids.org.uk
The Prince's School of Traditional Arts	www.princesschooltraditionalarts.org
The Prince's Teaching Institute	www.princes-ti.org.uk

The Built Environment

The Great Steward of Scotland's Dumfries House Trust	www.dumfries-house.org.uk
The Prince's Foundation for the Built Environment	www.princes-foundation.org
The Prince's Regeneration Trust	www.princes-regeneration.org
Turquoise Mountain	www.turquoisemountain.org