



The Clifton Community Arts Centre Ltd

Annual Report for the year ending 31st December 2022

Society registration number: 32224R



Society Registration Number

32224R

Directors

Phil Morris-Jones (Chairman)

Nick Brooke

Anne Beresford

Dr Caroline Freeman

Bill Graham

Ray Hughes

Liam McClelland

John McGregor

Heather Reid

Andy Smith

Manager

Damian Breeze

Registered Office

1 Station Road.

Wellington,

Telford,

Shropshire.

Telford.

TF1 1BY

Independent Examiner

James Holyoak & Parker Ltd,

1 Knights Court,

Archers Way.

Battlefield Enterprise Park.

Shrewsbury,

SY1 3GA

Solicitor

Parry Carver

7 Church Street

Wellington

TF1 1BX

Bankers

Barclays Bank PLC

161 High Street

Kings Heath

Birmingham

B14 7LA

INDEX

2

Key Information

4

Directors

6

Objectives & Activities - Public Benefit Statement

8

Chairmans Report

14

People

17

Social Impact

18

Financial Review

21

Structure, Governance & Management

23

Future & Post Balance Sheet Events

24

Directors Responsibilities

25

Financial Information

DIRECTORS



Phillip Morris-Jones MBE

Starting with one car in 1965, Phil built up and expanded the Company Philjo Motors Ltd to include coaches and self-drive vehicles which he sold in 1992 with a purpose built building, 40 staff and 80 vehicles. Phil has been the founder, member, chairman or president of numerous local charitable and community organisations and has been mayor of Wellington on four occasions. In 2008 he was awarded the MBE for community services.



Nick Brooke

Nick's background and training are in community engagement and development. Originally from Missouri, USA, he and his wife moved to Telford in 2017 when Nick accepted the position of Parish Mission Enabler with All Saints church in Wellington. He's passionate about coming alongside and working with individuals and organisations who are seeking to do good works and elevate those on the margins. He and his wife have three young children and a dog named Betty. He enjoys riding motorcycles and playing guitar.



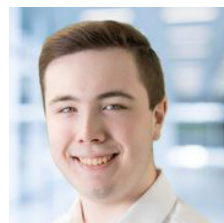
Anne Beresford

Anne grew up in Wellington, where she has fond memories of seeing Fantasia at The Clifton and Dr Doolittle at The Grand Cinema. She is an independent producer working in film and television. Anne is a graduate of Bristol University and a member of the prestigious **Ateliers du Cineĕma Europeĕĕn**. She was for many years a director of arts space The Wapping Project and now chairs the Steering Group for Camden Music Hub. Her credits as producer include Prix Italia winner SWAN LAKE BATH BALLET, the award-winning deaf hip hop music drama HERE/NOT HERE and the acclaimed opera film PETER GRIMES ON ALDEBURGH BEACH.



Dr Caroline Freeman

Caroline has recently retired after 30 years as a GP partner at Shawbirch Medical Centre. She now works part time as a GP retainer, and is involved in developing a local Wellbeing centre. She is keen to help develop similar community resources for the next phase of "The Orbit". She lives in Wellington with her 18 year old son, and takes an active part in the local community. She has been a director of Halfway house on the Wrekin, and on the committee for Friends of Bowring Park.



Liam McClelland

Liam joined the Orbit as a volunteer back in 2019 and since then has devoted a lot of his time to the Orbit with marketing as well supporting the running of the cafe and cinema. He has taken on a great deal of the responsibility for the Orbit's digital marketing and continues to deliver high-quality graphic design and video production. Outside of Orbit, Liam works full-time as a Software Engineer at Capgemini.

Bill gained 15 years professional experience in senior roles in theatre, working for both the Royal Shakespeare Company and the Royal Opera House as well as in London's West End. He is a former Technical Director of the ICC, NIA and Symphony Hall in Birmingham where he was closely involved in the final design, installations and commissioning of all three venues. He was latterly part of the NEC Group's specialist international consultancy division, advising on major public venue projects



Bill Graham

Ray retired in 2013 from HM Revenue & Customs after 37 years' service. His last three appointments were as District Inspector in Oswestry, in Special Compliance Office undertaking high risk investigation work and finally in the Large Business Section in Birmingham as a Customer Relationship Manager being the prime point of contact and leading a team of specialists across the whole raft of taxes for initially major businesses in the Chemicals Healthcare and Pharmaceutical Sector and latterly in the Utilities Sector.



Ray Hughes

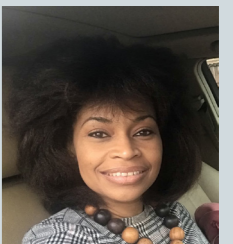
John has over 25 years' experience delivering challenging projects, programmes and portfolios in Government, Finance, Media and Aerospace.

He is internationally experienced, versatile and commercially aware. His experience will be invaluable as we move towards the next phase of the project.



John McGregor

Heather sits on the board of TAARC (Telford African & Afro-Caribbean Resource Centre) raising awareness, promoting diversity and inclusion, liaising with West Mercia Police and T&W Multicultural Development Team, and designing and delivering workshops in local schools. She served as Wellington's first Resident Poet in 2021/22 and cofounded Wellington Community Art Gallery, supporting growing numbers of local artists. Heather is married with four children.



Heather Reid

Starting his marketing business over 20 years ago, Andy has been delivering marketing solutions to businesses nationally and internationally from his Telford base. In 2013, he started a new venture, which attracted investment and has quickly become the leading business in its sector with more than 40 locations in the UK & Northern Ireland. Andy is married with two grown-up children, a motorcycle and a love for local life.



Andy Smith

OBJECTIVES & ACTIVITIES

The Clifton Community Arts Centre Ltd is a charitable Community Benefit Society set up with the aim in their rules to provide arts and cultural facilities for the benefit of the community in Wellington and its environs.

PUBLIC BENEFIT STATEMENT

S2 of the Charities Act 2011 defines charitable purposes as being a purpose that falls within s3(1) of the Act and is for the public benefit in accordance with s4. The Society would confirm it is set up for charitable purposes only thereby meeting the definition of charity at s1. The principal charitable purpose is the advancement of arts and culture at s3(1)(f) but there is an incidental purpose of the advancement of citizenship and community development at s3(1)(e) to include the explanatory subsection at s3(2)(c)(ii) of promoting volunteering.

The Society has paid due recognition to s4(3) of the Act and published guidance by the Charity

Commission on the meaning of public benefit and are satisfied that the Society is for the public benefit.

The regulating act for the Society is the Co-operative and Community Benefit Societies Act 2014. This Act provides that the determination of charitable status lies within that Act so that separate registration with the Charities Commission is not required. Although the Financial Conduct Authority is the registration body the determination of charitable status has been devolved to HMRC. The Directors can confirm that the Society is recognised by HMRC as a charity.

Nov
2012

Campaign started...

Dec
2013

Initial Community Share Issue...

May
2018

Lease Acquired...

May
2019

Open for Business...

Mar
2020

Covid-19...

Dec
2022

Freehold Acquired...

CHAIRMAN'S REPORT

2022 has seen the Society move on significantly towards the fulfilment of its aims and as will be seen below there have been significant further advances.

“...the cinema outperformed the national trends which it had done throughout the pandemic...”

1st January 2022 to 31st March 2022 - The end of Covid support

From this distance, it is hard to remember that 2022 started on a pessimistic note with the threat of Omicron hanging over us and the real prospect of a further period of lockdown notwithstanding the fact the effects were milder.

All businesses received a £4000 grant and we were able to extend the Cultural Recovery Fund to 31st March 2022 but trading performance, particularly in January where people were anticipating either lockdown or being infected, was poor. Even with grants

that were supposed to leave us in a break even position we recorded losses in this period although overall we maintained the capital and reserves position through injections of share capital.

In this respect there was one shortcoming in the Cultural Recovery Fund in that it did not cover expenditure on interest and depreciation and one further, in our view, injustice in that the Fund did allow businesses to reflate their reserves and we put in a bid for c£22k which was denied on the basis that we were an arts centre rather than a pure cinema. At that time, cinema income was core and while we could not

deny our long term aims we would have thought a factual analysis of our state of affairs during the pandemic which had inhibited our progress would have addressed the issue more equitably.



1st April 2022 onwards - Giant steps

As mentioned in the previous report we had secured an option to purchase the freehold from the landlord at a fixed price of £425k in consideration of an option exercise fee of £42500 with the option to be exercised by July.

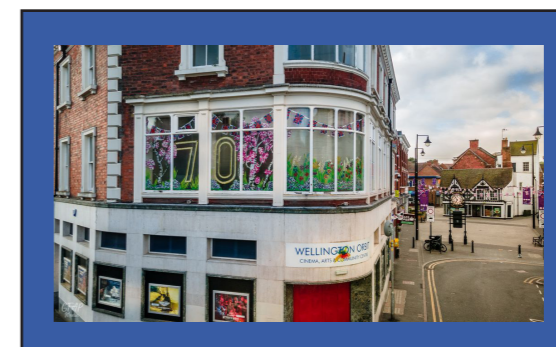
At the time we were pinning our hopes on getting an award under the New Town Deal and supplement it by the exercise of a commercial mortgage with the Charity Bank. We had just about received agreement in principle on the latter when a meeting took place at the end of May that completely changed the landscape.

That meeting was with Telford and Wrekin Council where we were advised that they intended to present a bid to the Department of Levelling Up, Housing and Communities under the Levelling Up Fund for the Wellington Constituency and the purchase of the freehold and the redevelopment we were seeking would be components of that bid.

To obtain this finance would be game changing and we

worked extremely hard with both TWC and their consultant to ensure the best possible bid could be made in the timescale envisaged. TWC declared themselves satisfied with the quality of the bid which went up in early August with an announcement scheduled for September.

As this date was later than the option exercise period we had to negotiate an extension. It will be recalled that July to November was a period of uncertainty politically and it also



All the political changes were accompanied by considerable political turmoil and there was uncertainty whether the government may renege on their Levelling Up plans but one thing was certain and that was that the awards would not be made by the exercise date of 30th November. This being so, we approached the landlord to see if he would be prepared to agree to another extension. This time, we were denied. We can not criticise the landlord for this decision as he had been more than patient for the best part of a year while pegging the price.

Nevertheless, we were left with a strong possibility that we would lose our deposit

and be faced prospectively with a higher purchase price. We had by this time entered into a community share offer and had raised £94928 through 116 share subscriptions which would part fulfil the purchase price but needed further support from third parties. One possibility was the Charity Bank but their position had shifted in that they were only

and be faced prospectively with a higher purchase price. We had by this time entered into a community share offer and had raised £94928 through 116 share subscriptions which would part fulfil the purchase price but needed further support from third parties.

One possibility was the Charity Bank but their position had shifted in that they were only

“...the fact that two floors of the building were not being utilised would make the long term future of the Society unviable.”

prepared to grant a bridging loan but there would be inherent uncertainty if the Levelling Up Fund bid failed.

We had separately approached Wellington Town Council and from an initial meeting on 4th November we came up with a solution that enabled us to complete on 22nd December. The bare bones of the deal are that Wellington Town Council have provided £212,500, i.e. half the purchase price for a half share of the property which is being leased back to us. At the time of writing the precise terms of the lease need to be agreed and a full report will be made in the next year's accounts including details of annual payments of around £6k that we need to make to Wellington Town Council will be treated as rent or a contribution towards their loan interest.

For completeness, I will include two post balance sheet events. The first was that in late January the Levelling Up Fund bid failed and we embarked on preparing

for a programme of piecemeal redevelopment for that to be overturned in the Budget by the announcement of funding on a standalone basis equivalent to the bid although at the time of writing we are awaiting further detail. This will be covered in far greater detail in next year's report and announcements during the year.

As regard for business performance in the year this demonstrated that in the absence of continuing support by way of share capital or donations, the fact that two floors of the building were not being utilised would make the long term future of the Society unviable. In other words the trading activities were running at a loss as there was nowhere else to put certain items of expenditure in.

Having said that, the cinema outperformed the national trends which it had done throughout the pandemic where the figures were skewed by the closure of one of the multiplexes. Using the part year of 2019 which was the last year that was unaffected by the pandemic the national trend was a decline

in audiences by 72.29%. Extrapolating these figures we could project a footfall of 10702 in a steady state position compared to national trends. In fact our footfall was 15395 representing organic growth of 43.86% since opening. This is well in excess of our projections which were 2.2% pure organic growth per annum and an additional 1.5% for

the population increase in the borough.

This trend has continued in the first quarter of 2023 where we have experience a further 30% organic growth and although these figures may decline somewhat during the quieter summer months it has to be

mentioned that nationally footfall has been running at an equivalent rate to 2022 which was boosted by more blockbusters than this year and nationally there may be an increase with quite a few potential blockbusters in the pipeline for later this year.

Nevertheless the figures are encouraging and this has been supplemented by the café performance which has been running at around £1000 a month above projections in the first three months.



PEOPLE

Our staff and volunteers.

The changes that we carried out over the previous two years had equipped us better to run the business in its current state but there have been some further changes that need to be recorded.

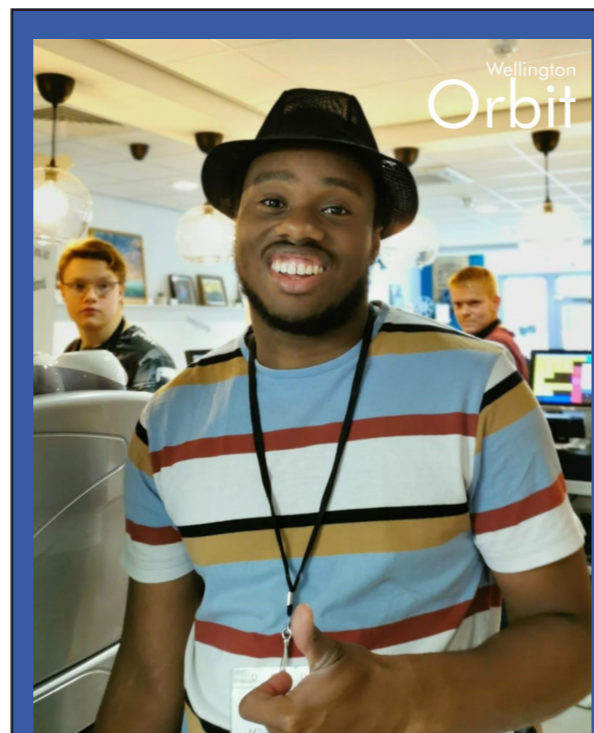
We had for the first part of the year an employee under the Kick Start scheme. Towards the end of his six month engagement he left to gain employment elsewhere and at roughly the same time our other duty manager left to get a full time job with the BBC at Radio 5 Live. We were delighted for him and he readily admitted that the experience he gained with us was a significant factor in securing this appointment. It will remain a commitment of the Society to develop staff to fulfil their potential and not to stand in their way if that development will present opportunities

outside Wellington Orbit. This provided an opportunity to offer new employment which we have done through engaging an existing volunteer together with an outside appointment. Overall we are working with three duty managers with 50 hours a week. This has been done by offering a small number of hours to a director which is covered in the accounts.

There were a number of departures in the kitchen and cleaning staff and some of the vacancies have also been filled by offering employment to existing volunteers.

Two new posts were created in the year with the help of grants. Taking things in reverse chronological order we were able to recruit courtesy of a grant from Social Investment Business, a field researcher

on a short term self employed basis. The idea was that with there being a real prospect of receiving funds for redevelopment it was imperative that these funds should be spent in accordance with community demand for



the facilities and that was best achieved through consulting with the community rather than second guessing. From an impressive list of candidates, we engaged Marc Petty, who is well known in the area for his work with LA21. At the time of writing Marc is more than half way through his term of engagement and we have been impressed with the quality of his work which will culminate around June with a completion of a report setting out all his findings which we anticipate will be a key document later this year in our consultations with Telford and Wrekin on the utilisation of the funds we will be awarded.

The second post is the creation

of a volunteer co-ordinator. This is a part time post for an initial 12 months secured by a grant from the National Lottery Community Fund. We are hoping for an extension via the fund or another fund for a further year and would then hope that with redevelopment we can self fund the post from increased turnover. The idea is to release managerial time to have a bespoke person to recruit, retain and develop volunteers. There will be no counselling responsibilities per se but the co-ordinator will be used to ensure any non work related issues are directed towards the appropriate channels.

Overall, I would be failing in my duties if I did not thank all the staff for their dedication, enthusiasm, commitment and hard work during another challenging year.

This will of course extend to our army of volunteers without which our business could not run. Currently our numbers extend to around 40 operational and administrative posts aided by the volunteer co-ordinator post outlined above.

Nothing gives us more pleasure than helping a volunteer get into full time employment. While we are sad to lose them we take confidence in contributing towards their development and increasing their confidence and the highlight of the year was the nomination of the volunteers for the BBC Radio Shropshire Make a Difference Award. In fact the helpfulness of the staff and volunteers as well as our overall cleanliness are the two major complements we habitually receive.

We never lose sight of the fact that our reserves are swelled by the precious gift of the devotion of their time for free. That will never be unrecognised or undervalued.

SOCIAL IMPACT

Put simply, if it's not benefiting the community we shouldn't be doing it. Our stated purpose within our rules of providing arts and cultural facilities for the benefit of the community needs to be considered in its entirety. This building cannot be an ivory tower satisfying esoteric predilections of a minority that do not satisfy wider needs, but that is more for the future and the expansion into the upper floors.

Besides the continuation of the parents and toddlers groups and the screening of films on request for local schools, running charities, the Telford Climate Emergency committee and Wellington Walkers are welcome other highlights include.

- Providing support for the humanitarian crisis in Ukraine through a special screening
- The setting up of a kitchen garden in the courtyard at the back of the building which had been neglected and used as a dumping ground by the previous tenant. With the help of a grant from Telford and Wrekin Council and the help of Men in Sheds in Newport who constructed planters we saved on transport costs in growing food for our kitchen as well as providing alternative volunteering opportunities.
- In September Wellington Town Council again provided finance to enable us to show for a full day a free film for the benefit of the town's pensioners
- We received a grant from Telford and Wrekin under their Platinum Jubilee Grant to enable us to show a free film festival displaying the best of British films through the seven decades of her majesty's reign.
- When showing Jurassic Park we displayed in the Market Square courtesy of Hoo Farm dinosaurs which proved popular in attracting people into the town



Cllr Raj Mehta, Mayor of Telford & Wrekin presents Wellington Orbit with Diversity Award



Stacie Parker
8 reviews
★★★★★ 20 hours ago
Such a cute little place with character! Fantastic friendly service, excellent refreshments and for a small quirky space it had great seats, showings and screen. It was a really pleasant visit!



Beccie Williams
1 review
★★★★★ 16 hours ago
We travelled over an hour and a half to visit this cinema when a film we wanted to see wasn't showing near us. A very rare night out together for me and my husband and we couldn't fault the experience. Excellent facilities, clean, and thoroughly enjoyable. We will definitely be back!
Less



This scheme is operated
in partnership with your
local authority



FOOD HYGIENE RATING



VERY GOOD

RISKS & UNCERTAINCIES

The board confirms that it has carried out an assessment of the principal risks facing the Society, including those that would threaten its business model, future performance, solvency or liquidity. The board's assessment of the principal risks and uncertainties and the mitigations in place is set out below.

RISK	IMPACT	MITIGATION
The Society will be unable to generate sufficient funds to develop the whole building	insufficient utilisation of the building and attendant loss of revenue	Securing the freehold, stand alone funding to redevelop and engagement of the field researcher
There will be insufficient unrestricted reserves &/or cash to pay back existing loans	Additional financial burden going forward	Additional security through holding the freehold, redevelopments achieved through awards, refinancing of Resonance loan
The Society will be unable to obtain grants	Stalling on the redevelopment of the upper floors	Provision of award to substantially perfect the project. Robust balance sheet to support any further capital projects going forward
The Society will become insolvent	Ultimate dissolution, potential forfeiture of lease	Securing the freehold so increase in value will accrue to the Society. Achievement of redevelopments through the award
The Society will not be able to attract sufficient volunteers	Incomplete satisfaction of charitable objectives	Support, encouragement and recognition of existing volunteers, sourcing of volunteers from a wide area of outlets. Engagement of volunteer co-ordinator.
The Society will lose its charitable status or be affected by other tax and legislative changes	Loss of favourable treatment for rates and taxes, breaching the aims of the Society according to the rules, reputational damage in denying the favourable tax treatment for Social investment Tax Relief loans and shares	Monitoring all activities to ensure they are within the rules, liaising with national bodies who lobby government on legislative changes and anomalies.
The Society will suffer business interruption	Loss of income through inability to open	Full insurance to cover risks. Re-modelled cash reserves policy building on the impact of the Coronavirus pandemic with the long term aim of holding in reserves nine months of operational expenditure

Financial review (including reserves policy)

This has been a year when the business has been transitioning between support to tackle Coronavirus to returning to normality with arguably the support being withdrawn prematurely when looking at the recovery of the industry. This is particularly true of the withdrawal of the temporary increase in VAT which could have been extended for the long term benefit of the industry.

In addition we felt aggrieved that we were denied support under the Cultural Recovery Fund for a reflation of reserves of c£22k because the BFI who administered the fund on behalf of the government indicated that this support was not available to mixed arts venue and just for independent cinemas. While we would acknowledge that our long term aspirations are for the former the actuality was that for the period where the harm was caused was effectively during our development period where we were more akin to an independent cinema and we still feel that this is money that we have been deprived of.

This also reflects another reality that the business of the Society is not sustainable in the long term in the absence of the full utilisation of building and has been sustained in the interim by further injections of share capital.

Having said that, this is not to deny that the cinema outperformed the industry as a whole. We have recently received some statistics for 2022 which we can measure our performance against.

The starting point would be cinema performance when measured against the performance of the last year that was unaffected by Covid and that was 2019. Obviously, we only began trading at the end of June 2019 so the best that can be done is to extrapolate our turnover to closure in March 2020 to give an annualised figure of 14804.

A six year comparison based on national box office shows the following

Year	Annual Box Office	% Change vs Prior Year	Number of New Releases
2017	£1,380,541,205	+ 3.7%	926
2018	£1,377,835,217	- 0.2%	924
2019	£1,353,637,851	- 1.8%	938
2020	£323,350,946	- 76.1%	445
2021	£597,075,205	+ 84.7%	503
2022	£978,529,874	+ 63.9%	911

This would suggest that the 2022 market is roughly 72.29% of the 2019 level. Applying this percentage to our 2019 notional figure of 14804 we could have anticipated a footfall of 10702 for 2022. In fact we got 15395 which represents organic growth of 43.86% which is, I would consider a good achievement.

This also reflects itself in relation to the café performance which has carried itself forward to 2023 where turnover has consistently exceeded targets.

The Society has business models that set turnover targets, targeted profit rates and budgets for overheads to ascertain the break even position and an acceptable surplus bearing in mind the level of incidental income and revenue grants are volatile. These models are very much working documents being revised frequently on the basis of experience and quarterly management accounts were prepared to measure performance against targets.

For 2023 we would consider that we are in a transitional period while finalisation of the award is awaited. In the meantime we are projecting on the current state of affairs and seeing the extent to which we require temporary additional support before the business can be self-sustaining.

The results for 2022 were affected by two factors. Firstly, an amount was put into a loan account to pay for the option exercise fee. When it was exercised the amount was recharacterized as a gift. Secondly when the initial constructed work was undertaken, an amount as capitalised as leasehold improvements which represented expenditures such as demolitions and redecorations which were not revenue in nature while there was also a considerable amount of

tenant's fixtures where although it was unlikely that the fixtures would be removed at the termination of the lease that right did exist. With the termination of the lease and having received a professional valuation that the freehold value of the building would increase to £850k after completion of the works which will now be met out of an award the directors are of the view that there is sufficient evidence that there would be no loss on the expenditure incurred and that the value of the freehold should include this expenditure with consequent adjustments to a revaluation reserve.

Under the SORP for charities, charities are required to have a reserves policy. All charity trustees or directors have an obligation to manage their charity in the best interests of the charity and its beneficiaries. This involves managing the charity's income, running costs, future plans and potential risks. Originally going forward, the directors have taken into account the regular cash flows from the business and felt that we should work to a reserves policy that would leave reserves equivalent to an average three months expenditure. The pandemic was one of the rainy days that reserves are meant to be in place for and our capital and reserves are in excess of three months expenditure. However the experience of the pandemic led to a reconsideration and to look more at cash reserves. The worst case scenario has been put at a business interruption of nine months with no insurance recovery or government support and the directors have calculated that cash reserves of £120k would cover any such contingency. Accordingly the long term aim would be to strive towards that figure.

acquiring the freehold ... will save us £283k

In the year, the Directors have set the following financial policies.

We are looking at a debt equity ratio of no more of 1:1. This was achieved during the year but will be affected by the purchase of the freehold and the post balance sheet events

We were looking to have an interest rate cover ratio of 3:1 using EBITDA (earnings before interest, tax, depreciation and amortisation) as the measure. This has not been achieved in this accounting period but would be if we recharacterized the additional share subscriptions as falling in the income and expenditure account which would reflect the economic substance of the transaction. Looking forward there will be a period of flux for some time before the position stabilises.

This section will close with more information on the acquisition of the freehold.

Firstly I would set out the three major advantages in acquiring the freehold being that it will save us £283k as opposed to paying rent up to the duration of the existing lease and at least £45k per annum thereafter. It also means that any appreciation in the value of the property going forward will accrue to the Society rather than being a factor in considering future purchase value. Finally it will enable us to carry out structural alterations which may not have been in the best interests of the landlord to consent to. The purchase was facilitated through the transfer of a half interest to Wellington Town Council as well as two bridging loans amounting to £75k. With the award in 2023 it is expected that the Society will be able to purchase back the interest given up and repay the bridging loans which will in turn affect our debt/equity ratio and interest cover figures.

Structure, governance and management

The other factor was that the purchase has virtually stripped us of cash reserves and we have issues to manage on this pending generating income from the completed projects.

There was in addition one further protective measure we were aware of in relation to the Resonance loan which I will cover in the Post Balance Sheet events below.

The Society's rules underpin everything and set out the organisation's hierarchy.

There is no higher level of ownership and control than that exercised by the members and as stated before the Board would encourage as many people in the local community to become members as the Society's assets then become their own and they can influence and collectively dictate the future of the Society albeit within the context of the rules.

It is the members who appoint the directors at a General Meeting and can choose not to re-elect them or seek their removal at a general meeting by way of ordinary resolution.

The directors are tasked by the rules to manage the business of the Society. All directors are members of the Society although it is possible to co-opt an independent director for their particular abilities. Currently the Board consists of eight members. Directors are not appointed simply to make up the numbers or as a name dropping exercise but are selected for the wide range of abilities they possess that can benefit the Society although the bottom line is that they must passionately care about the town and the community.

There was one appointment, four co-options, two resignations and one death since my last report.. Having been elected at the last AGM Rebekah Fozard had to resign because of family reasons and Joerg Niehoegen left as well. We have been looking to strengthen the Board in the light of the expansion of the business. As a result four directors have been co-opted on to the Board and their CV's are set out above. The Board will be seeking their formal appointment at the next AGM.

Sadly, it is also my duty to advise members of the death of Fiona Hunter in December 2022 after battling COPD for a number of years. Fiona was one of two remaining founder members and it is

no exaggeration to say that but for her persistence and enthusiasm over a number of years the Society would not have developed to the stage it is currently at and would probably be at best a market stall and community cinema showing seasonal films at the Belmont Hall. She will be sadly missed and our sympathies extend to her family especially as her death closely followed that of her husband, Neil.

It was also necessary to find a replacement for Fiona and we are now in the capable hands of Pam Booth-Jones as secretary.

Throughout the year Board Meetings have been held each month. Since the pandemic meetings have been held by Zoom with local directors either meeting collectively or at home depending on the social distancing rules. Wider strategic issues and operational performance are discussed at these meetings which include a report and presentation from the Office Manager. Occasionally mini local director meetings will be held to discuss issues of immediate import that don't extend to wider strategic issues

Beyond that, the manager, Damian Breeze, has overall responsibility for the other staff members and the recruitment, retention, motivation and recognition of volunteers. The management team of Damian, Sarah Chard (office manager) and Lynn Willans (café supervisor) has remained stable throughout the year and this is an opportune moment to pay full tribute to the capabilities, talents, devotion and enthusiasm



ITV's Beccy Wood reporting on acquisition



Birthday Celebration



Ghost Dog Films presenting to Orbit Creators Network



Orbit Talks with Jon King

Plans for future periods & Post Balance Sheet Events



The launch of Live Cinema in 2022 added another string to the Orbit bow



A talk by Justin Pearson – Hollywood Stuntman

The Board have a clear vision of how the Society should continue and develop which is

- To use the whole building for the Society's stated aims
- To be debt free
- To ultimately own the freehold
- To have an annual excess of income over expenditure
- Subject to the reserves policy, apply reserves to advance the charitable objectives outside the four corners of the building
- To provide satisfying and fulfilling careers for employees
- To encourage and develop volunteers to cater for their individual needs
- To provide for the community what they want and not tell them what they want
- To help residents feel citizens and not just inhabitants of Wellington
- To increase the spending of the pound in Wellington Town Centre by contributing to its regeneration
- To encourage membership so that the asset is "our" asset
- To help people to love as well as live in Wellington

The purchase of the freehold has now been accomplished and further progress will take place as a result of the award after the accounting period end.

It needs to be advised that in the quest to be ultimately debt free, the Society had an issue that the loan we received from Resonance to part fund the initial construction which was interest free until February 2023 would then become interest and capital repaying over the next three years. This loan was refinanced by a director's loan account over 20 years at base rate and subject to the Society's finances permitting it annual payments of 5%. In addition if the director died during the term of the loan any balance would be gifted to the Society. This measure will significantly improve the Society's cash flow position.

Phillip Morris-Jones MBE, Chair

8th June 2023

Directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors 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 directors 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 these financial statements, the directors are required to:

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

The directors 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.

On behalf of the board



Phillip Morris-Jones MBE, Chair

8th June 2023

Accounting Information

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF THE CLIFTON COMMUNITY ARTS CENTRE LTD FOR THE YEAR ENDED 31 DECEMBER 2022

We have reviewed the financial statements of The Clifton Community Arts Centre Ltd for the year ended 31 December 2022, which comprise the Profit and Loss Account, the Balance Sheet and the appended notes. 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Society's members, as a body, in accordance with regulations made under the Co-operative and Community Benefit Societies Act 2014 and the terms of our engagement letter dated 30 August 2018. Our review has been undertaken so that we may state to the Society's members those matters we have agreed with them in our engagement letter and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members as a body for our work, for this report or the conclusions we have formed.

Directors' Responsibility for the Financial Statements

It is the directors' duty to ensure that The Clifton Community Arts Centre Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of The Clifton Community Arts Centre Ltd. The directors consider that The Clifton Community Arts Centre Ltd is exempt from the statutory audit requirement for the year.

Accountants' Responsibility

Our responsibility is to express a conclusion based on our review of the financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to review historical financial statements and ICAEW Technical Release TECH 09/13AAF Assurance review engagements on historical financial statements. ISRE 2400 also requires us to comply with the ICAEW Code of Ethics.

Scope of the Assurance Review

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. We have performed additional procedures to those required under a compilation engagement. These primarily consist of making enquiries of management and others within the entity, as appropriate, applying analytical procedures and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK and Ireland). Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements have not been prepared:

- so as to give a true and fair view of the state of the charitable company's affairs as at 31 December 2022, and of its profit for the year then ended;
- in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.



James Holyoak & Parker Limited

Chartered Accountants

.....
1 Knights Court
Archers Way
Battlefield Enterprise Park
Shrewsbury
SY1 3GA

Accounting Information

THE CLIFTON COMMUNITY ARTS CENTRE LTD

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Turnover	231,600	150,824
Cost of sales	(78,661)	(38,797)
Gross profit	152,939	112,027
Administrative expenses	(198,907)	(153,009)
Other operating income	17,371	-
Operating loss	(28,597)	(40,982)
Interest receivable and similar income	-	20
Interest payable and similar expenses	(8,423)	(6,030)
Loss before taxation	(37,020)	(46,992)
Tax on loss	-	-
Loss for the financial year	(37,020)	(46,992)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

THE CLIFTON COMMUNITY ARTS CENTRE LTD

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £		2021 £	
Fixed assets					
Intangible assets	4		9,760		9,104
Tangible assets	5		742,642		488,027
			752,402		497,131
Current assets					
Stocks			4,035		3,667
Debtors	7		8,565		28,113
Investments	6		310		310
Cash at bank and in hand			10,272		46,210
			23,182		78,300
Creditors: amounts falling due within one year	8		(39,273)		(20,563)
Net current (liabilities)/assets			(16,091)		57,737
Total assets less current liabilities			736,311		554,868
Creditors: amounts falling due after more than one year	9		(400,918)		(341,541)
Net assets			335,393		213,327
Capital and reserves					
Called up share capital			237,124		124,716
Revaluation reserve	13		46,678		-
Profit and loss reserves			51,591		88,611
Total equity			335,393		213,327

For the financial year ended 31 December 2022 the company was entitled to exemption from audit under section 84 of the Co-operative and Community Benefit Societies Act 2014.

The directors acknowledge their responsibilities for complying with the requirements of the Co-operative and Community Benefit Society Act 2014 with respect to accounting records and the preparation of financial statements, and the accounts in the opinion of the directors give a true and fair view under s80 (3) of the Act.

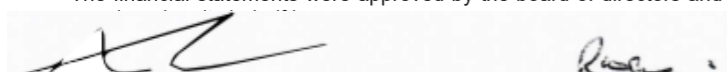
Accounting Information

THE CLIFTON COMMUNITY ARTS CENTRE LTD

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2022

The financial statements were approved by the board of directors and authorised for issue on8th June 2023 and



.....
A Smith
Director

.....
R Hughes
Director

Panella Booth-Jones
.....
P Booth-Jones
Secretary

Company Registration No. 32224R

1 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Accounting policies

Society information

The Clifton Community Arts Centre Ltd is a Community Benefits Society limited by shares incorporated under the Co-operative and Community Benefits Society Act 2014 and regulated by the Financial Conduct Authority. Under s79 of the Act it is required to produce accounts. The registered office is 1 Station Road, Wellington, Telford, Shropshire, TF1 1BY.

2.1 Accounting convention

Although the society is a charity it is not regulated by the Charities Commission. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

The society has adopted the standards of materiality covered in the SORP whereby an item is material if in the directors' view its inclusion or exclusion from the accounts would be likely to change the reader's view about the accounts. In the directors' view no items have been excluded from the Accounts which could be considered material.

2.2 Turnover

All incoming resources are included in Profit and Loss Account when the society is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Voluntary income is received by way of grants, donations and gifts, and is included in full in the Profit and Loss Account when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the society, are recognised when the society becomes unconditionally entitled to the grant.

Investment income is included as it becomes receivable.

2.3 Intangible fixed assets other than goodwill

This represents the value of the project manager's fees employed on bringing systems and processes in place with a view to the Orbit being operational and will be amortised once the building is trading.

Accounting Information

THE CLIFTON COMMUNITY ARTS CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2 Accounting policies (Continued)

2.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	
Leasehold Improvements	10-25 years on a straight line basis
Other plant and equipment	10 years on a straight line basis
Fixtures and fittings	10 years on a straight line basis
Cafe equipment	10 years on a straight line basis
Cinema equipment	10 years on a straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

2.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

2.6 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

2.8 Taxation

The company is an exempt entity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

THE CLIFTON COMMUNITY ARTS CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

2 Accounting policies (Continued)

2.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	12	9

Accounting Information

THE CLIFTON COMMUNITY ARTS CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Intangible fixed assets

	Development costs £
Cost	
At 1 January 2022	11,649
Additions	44,040
Transfers	(42,576)
At 31 December 2022	<u>13,113</u>
Amortisation and impairment	
At 1 January 2022	2,545
Amortisation charged for the year	808
At 31 December 2022	<u>3,353</u>
Carrying amount	
At 31 December 2022	<u>9,760</u>
At 31 December 2021	<u>9,104</u>

5 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements and equipment £	Other plant and equipment £	Fixtures and fittings £	Cafe equipment £	Cinema equipment £	Total £
Cost							
At 1 January 2022	-	130,818	16,333	305,853	42,785	89,509	585,298
Additions	173,552	-	-	10,150	30	7,120	190,852
Disposals	-	-	-	-	-	(2,800)	(2,800)
Transfers	387,836	(130,818)	-	(214,442)	-	-	42,576
At 31 December 2022	<u>561,388</u>	<u>-</u>	<u>16,333</u>	<u>101,561</u>	<u>42,815</u>	<u>93,829</u>	<u>815,926</u>
Depreciation and impairment							
At 1 January 2022	-	12,107	3,522	53,409	8,941	19,292	97,271
Depreciation charged in the year	-	-	1,854	8,184	4,362	8,899	23,299
Eliminated in respect of disposals	-	-	-	-	-	(608)	(608)
Revaluation	-	(12,107)	-	(34,571)	-	-	(46,678)
At 31 December 2022	<u>-</u>	<u>-</u>	<u>5,376</u>	<u>27,022</u>	<u>13,303</u>	<u>27,583</u>	<u>73,284</u>
Carrying amount							
At 31 December 2022	<u>561,388</u>	<u>-</u>	<u>10,957</u>	<u>74,539</u>	<u>29,512</u>	<u>66,246</u>	<u>742,642</u>
At 31 December 2021	<u>-</u>	<u>118,711</u>	<u>12,811</u>	<u>252,444</u>	<u>33,844</u>	<u>70,217</u>	<u>488,027</u>

5 Tangible fixed assets

(Continued)

In the year the Society acquired the freehold of 1 Station Road for £425k and immediately transferred half of it to Wellington Town Council under a lease. The directors have considered the previous entries for leasehold improvements and have now categorised them as part of the freehold and have also categorised part of the freehold fixtures as such. This has been effected by a revaluation that is based upon having received a professional valuation of £850k for the property in its redeveloped state with that redevelopment being met out of an award due to be received in the next accounting period.

6 Current asset investments

	2022 £	2021 £
Other investments	<u>310</u>	<u>310</u>

Other investments relate solely to a loan made to a local circus as a contribution towards the purchase of magical equipment that will bear the Society's logo. There are no fixed terms of repayment but the loan will be repaid out of shows performed or services to be supplied. No repayments were made in the year.

7 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	6,319	6,305
Other debtors	423	1,372
Prepayments and accrued income	1,823	8,436
	<u>8,565</u>	<u>16,113</u>

Amounts falling due after more than one year:

	2022 £	2021 £
Other debtors	<u>-</u>	<u>12,000</u>
Total debtors	<u>8,565</u>	<u>28,113</u>

Other debtors comprise a Gift Aid repayment of £423.

Other debtors over one year is a rent deposit paid to HSBC and then transferred to the new landlord to cover any loss that they could potentially incur in the event of a default that was due to be returned at the end of the underlease. This was repaid when the freehold was bought.

Accounting Information

8 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	9,531	11,408
Taxation and social security	5,279	2,046
Accruals and deferred income	24,463	7,109
	<u>39,273</u>	<u>20,563</u>

9 Creditors: amounts falling due after more than one year

Notes	2022 £	2021 £
Other borrowings	217,428	206,080
Government grants	183,490	135,461
	<u>400,918</u>	<u>341,541</u>

All Social Investment Tax Relief Loans are for a term of five years with a fixed interest rate of 2.25%. The amount due is repayable on maturity. £100 is repayable in 2021, but the lender agreed to extend for a further 5 years, £60, 136 in 2023 and £25,000 in 2024. Further loans of £110,000 were made in 2020. £10,000 will be repayable in 2025 and has an interest rate of 0.01%. A loan under SITR was made by Resonance on 27th February 2026 for six years. No capital is repayable for the first three years. Repayments are made on a monthly basis after the first three years and will be £26,147, £32,857, £34,858 and £5,998 in 2023 to 2026 respectively. Interest is at 3.5% with a monitoring fee at 2.5% for the first three years and 5.5% and 1.5% thereafter.

Government Grants include an amount of £99 from the British Film Institute awarded out of National Lottery money to purchase a Blu Ray player. It is amortised over its estimated useful economic life and the amortisation is netted off against depreciation. In addition three grants totalling £166,500 have been received in 2019 from Telford & Wrekin Council being a Telford @ 50 legacy grant, An Empty Unit Incentive Grant and a Façade Improvement Grant. £923 of the latter has been written off against revenue expenditure in the year. The balance has been allocated against either cinema equipment or fixtures with priority being given against moveable tenant's trade fixtures that could be removed from the premises in the event of any relocation. The grant has been amortised over the useful economic life of the assets and the amortisation has been netted off against depreciation. The directors took advice from the suppliers of the cinema seating and projection equipment and were informed that the useful economic life would be ten years which has resulted at a 10% straight line amortisation rate. The amortisation rate for fixtures is 9.64% to take into account the average depreciation rate over fixtures as a whole that includes some assets that will inevitably become part of the building where a straight line depreciation rate of 4% has been used. A grant of £809.49 was received from Veolia in the year towards the cost of playthings for the parent and toddler group. It was spent in the year on soft toys and will be amortised on a straight line basis over 10 years. In 2022 five small grants of £3,564 were received from local authorities. All have been amortised over 10 years on a straight line basis.

THE CLIFTON COMMUNITY ARTS CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Income from donations and legacies

	2022 £	2021 £
Gifts	46,387	2,444
Sponsorship	966	-
TWC Business Interruption	907	3,700
Coronavirus Job Retention Scheme	-	7,822
Cultural Recovery Fund	3,193	31,362
Kick Start Grants	3,500	3,382
Restart Grant	-	12,000
BFI Pitch Pot	-	1,100
Omicron Grant	4,000	
Cinema of Ideas	32	
Wrekin Housing Trust	469	
Garden Grant	372	
	<u>59,826</u>	<u>61,810</u>

11 Income from charitable activities

	2022 £	2021 £
Film sales	100,870	48,561
Cafe sales	62,174	34,862
Other ticket sales	1,684	1,237
Art sales	1,374	1,031
Room hire	2,958	802
Garden sales	922	-
	<u>169,982</u>	<u>86,493</u>

Accounting Information

THE CLIFTON COMMUNITY ARTS CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

12 Income from other activities

	2022	2021
	£	£
Twincl lottery	1,451	1,504
Miscellaneous	340	364
Seat sponsorship	-	390
	<u>1,791</u>	<u>2,258</u>

13 Revaluation reserve

	2022	2021
	£	£
At the beginning of the year	-	-
Revaluation surplus arising in the year	46,678	-
	<u>46,678</u>	<u>-</u>
At the end of the year	<u>46,678</u>	<u>-</u>

15 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022	2021
	£	£
	-	354,784
	<u>-</u>	<u>354,784</u>

This reflects the purchase of the freehold and the subsequent half sale to Wellington Council which it is planned to repurchase under the Budget award. The character of the interim payments to Wellington Town Council have yet to be agreed at the time of the agreement of the accounts.

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	£	2022 £	£	2021 £
Turnover				
Donations, grants and sponsorship		59,826		61,811
Film sales		100,870		48,561
Other events		6,094		3,805
Café sales		62,174		34,862
Art sales		1,374		1,031
Sundry income		1,262		754
		<u>231,600</u>		<u>150,824</u>
Cost of sales				
Merchandise	-		383	
Café food, ice creams and refreshments	28,234		14,477	
Film screening fees and royalties	39,967		19,103	
Film delivery fees	2,265		1,928	
Film booker's fees	5,368		2,242	
Art	857		664	
Live performers	1,970		-	
			<u>(78,661)</u>	<u>(38,797)</u>
Gross profit	66.04%	152,939	74.28%	112,027
Other operating income				
Government grants receivable and released		17,371		-
Administrative expenses				
Wages and salaries		90,523		75,334
Staff pension costs defined contribution		2,756		2,612
Royalties payable		1,260		883
Commissions payable		5,087		1,941
Rent re operating leases		20,512		20,111
Cleaning		4,038		2,071
Power, light and heat		10,318		8,388
Premises insurance		4,944		4,338
Equipment repairs		8,848		6,693
Subscriptions		154		-
Consultancy fees		11,805		11,403
Accountancy		2,940		2,230
Charitable donations		769		-
Printing, postage and stationery		2,478		1,640
Advertising		835		2,208
Website costs		578		428
Telecommunications		3,333		1,990
Sundry expenses		1,142		283
Staff and volunteer training		288		1,111
Safeguarding		-		205
Amortisation		808		-
Depreciation		23,299		9,140
Profit or loss on sale of tangible assets		2,192		-
		<u>(198,907)</u>		<u>(153,009)</u>

Accounting Information

THE CLIFTON COMMUNITY ARTS CENTRE LTD

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

	£	2022 £	£	2021 £
Operating loss		(28,597)		(40,982)
Investment revenues				
Bank interest received	-		20	
				(20)
Interest payable and similar expenses				
Bank interest on loans and overdrafts		(8,423)		(6,030)
Loss before taxation		<u>(37,020)</u>		<u>(46,992)</u>