



The Clifton Community Arts Centre Ltd

Annual Report for the year ending 31st December 2024

Society registration number: 32224R



Society Registration Number

32224R

Directors

John McGregor (Chair)
Nick Brooke
Anne Beresford
Dr Caroline Freeman
Bill Graham
Ray Hughes
Liam McClelland
Phil Morris-Jones
Heather Reid
Andy Smith

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Damian Breeze

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DIRECTORS



John McGregor
Chair

John McGregor is an experienced NED, IT Programme Director and Consultant with a global career spanning the USA, Africa, Scandinavia, and Europe. He has successfully led major projects for organisations including Rolls-Royce, the BBC, and UK Government Departments.

His consultancy firm played a key role in helping pharmaceutical companies transition complex medical imaging work to cloud platforms.



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

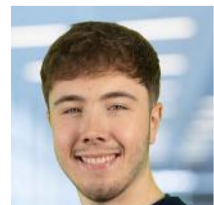
Anne is an independent film and television producer. She grew up in Wellington where she has fond memories of watching Fantasia at The Clifton Cinema and Doctor Doolittle at the Grand Cinema.

Recent credits include CHUCK CHUCK BABY which won Best Film and Breakthrough Awards at BAFTA Cymru, screened at festivals including Toronto and Edinburgh and was released theatrically in UK and USA.



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.



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.



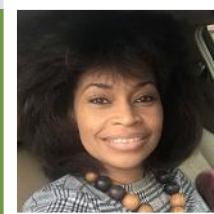
Ray Hughes

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.



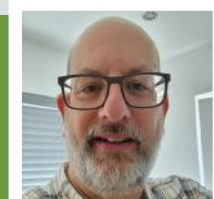
Phillip
Morris-Jones MBE

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 50 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...

Mar
2023

Capital Regeneration Programme Award...

Dec
2024

Contractors Appointed...

CHAIRMAN'S REPORT

During the year I had the honour of taking over as chairman from Phil Morris-Jones and there is no place better to start my first report than to place on record a view shared by all our Board members in acknowledging the massive contribution made by Phil in his five year tenure to the development of the Society.

Exciting plans

Phil took over just after we had opened the cinema where in reality the future success of Wellington Orbit was far from certain. By the time he stepped down we now have full ownership of the building. We have exciting plans for the redevelopment of the whole building and our capital and reserves have increased out of all proportion. We have never been closer to realising our vision. There has been no more ardent advocate for Wellington

over many years and I am delighted that Phil has agreed to stay on the Board where his knowledge and experience will be invaluable. I will do my utmost to be a worthy successor

Outwardly, it may appear that nothing much has changed at the Orbit. We may have been giving the impression of a swan serenely navigating a path across the water but our legs have been moving at a rate. The whole of the year has been involved in progressing through the RIBA stages. We have been working with the biT team at Telford and Wrekin Council and I need to mention that the award made under the Capital Regeneration Programme from the Department

of Housing Communities and Local Government is an award to Telford and Wrekin Council. That means that they are the client for the redevelopment work.

“...For this year we have in fact realised a small profit...”

The work will be done under a design and build contract. That means that separate contracts are being awarded for the design and then the build phase. Under a competitive contract Pave Aways have been awarded the design phase. They were pulled in in May 2024 by which time RIBA Stage 0 the Strategic Definition had been completed with us setting out our requirements at a high level and biT had produced a Stage 1 report which is concerned with preparation and briefing.

Army of consultants

With their army of consultants, Pave Aways have been able to provide a Stage 2 report on Concept Design and a Stage 3 report on Spatial Co-ordination which formed the basis for a planning permission application which was registered on 13th December 2014. At the year end they have been working on Stage 4 which is related to Technical Design at the end of which we should have firmer costings which will enable us to proceed towards the construction phase.

Our hope is that by the time of my next report with the 2025 accounts we will have a redeveloped building and the

Society can move on to the next phase.

An intermediate year

2024 has therefore been an intermediate year. With the upper floors being unutilised except for office space, the building has not yet realised its full potential. If we continued as such the Society's business would not be viable in the long term in the absence of other income which would be grants, donations and legacies.

For this year we have in fact realised a small profit which derives from gift aid donations from directors and directors plan to make donations at roughly the same level in 2026 until such time as construction work has been completed and the Society's business will be more able to stand on its own feet from the extra income derived from the utilisation of the rooms and facilities on offer.

In the meantime our reserves in total and our cash reserves have held up. In addition we have been able to reduce loans and director's loans by £12,000 with no adverse effect on the level of cash held. 2026 will be

another challenging year for cash reserves with further loans maturing in whole or in part coupled with a possibility that we may have to face a period of closure during construction but we are at the current time in a good position to meet those challenges.



Volunteer Steph ready to greet customers at the servery

“...we are approaching double our footfall compared to 2019...”

Business performance

As regards the business performance for last year, the chairman’s report highlighted two areas where our target of 2.2% organic growth coupled with a 1.5% increase in population could be frustrated being the need to close for redevelopment and the impact of the Hollywood actors and writers’ strike.

The first factor did not occur. The second did have an impact with a truly dreadful impact upon footfall in May and to a lesser extent in June. Indeed, at that time nationally there was a decline in turnover that was at 11% compared to the previous year. However there was a significant recovery from November with a string of good titles so that by the end of the year the decline was down to 1%.

This was reflected in our figures so that against a target of 19,200 footfall we achieved a figure of 19,241 which is an increase of 4.42% against the small national decline which means we are

approaching double our footfall compared to 2019 where nationally footfall is still only at 78% of the 2019 level.

More marked was the increase in cinema turnover which represented a 16.4% increase over the previous year. This can be accounted for

by the increase in footfall, the price increase we were obliged to impose during the year to cover the increase in the national minimum wage and a higher proportion of satellite screenings where we have to charge extra and we perform very well locally on these. The table shows our performance since opening.

However, our café sales showed a decline which we put down to the cost of living crisis, an increase in local competition and the operation for a full year of the WOW membership card scheme that provided a 10% discount for members and is partly reflected in the membership sales.



PEOPLE

Our staff and volunteers.

We have enjoyed a period of relative stability throughout the year in terms of staffing with just one replacement duty manager taking place towards the end of the year.

Volunteer Co-ordinator

We were able to engage a volunteer co-ordinator throughout the year by virtue of a grant from the National Lottery Community Fund and we are extremely grateful and gratified that in December we were informed that the National Lottery Community Fund were able to extend their funding for a further two years.

The role is vital to recruit and retain and develop volunteers and will become increasingly so in the next couple of years with the redevelopment taking place and will ensure that volunteers are kept informed

and will address any concerns they have. It will also enable us to continue with catering staff support.

We are blessed

Beyond this, I need to put on record my heartfelt appreciation to all the staff for their dedication, enthusiasm, commitment and hard work during another challenging year. We are blessed with the quality of all our staff.

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.

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. Disregarding the many duties the directors do on an unpaid basis we would conservatively calculate the economic value of the volunteers using national minimum wage rates to be in the region of £110k which will significantly contribute towards our level of reserves.



Volunteer Co-ordinator Lynn with Beth and Damian getting into the Halloween Spirit



Young Orbit fan with Ghostbusters car ECTO 1



Volunteers and staff at the annual get together

SOCIAL IMPACT

Put simply, if it's not benefitting 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..

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, Shrewsbury Music Society and Wellington Walkers are welcome other highlights include:

- » Providing the facilities for Love Wellington as the focal/collection point for their Pumpkin and Easter Egg trail as well as hosting a workshop organised by them on high street regeneration
- » We held a festival of classic and vintage cars in the grounds of All Saints Church and in the Market Square.
- » The setting up of the same facilities for Community Resource to enable them to carry out their local garden trail with our kitchen garden featuring as one of the

gardens on display.

- » We received a grant from the BFI Film Hub to support the specialised screening of films that would not otherwise be seen in the borough .
- » A Q&A session with our director, Anne Beresford, after a sell out screening of her film Chuck Chuck Baby
- » An Orbit Rocks music festival in the Square celebrating local talent
- » Running a family fun day in the Market Square
- » Taking over the presentations for the Christmas Lights opening
- » Working with TWC's equality officer and Telford African and Afro-Caribbean Resource Centre to screen films

Most notably however we were able courtesy of a donation from an anonymous benefactor to offer screenings to disadvantaged children at no charge to them.

We liaised with six schools to deliver these screenings. This was a genuinely uplifting experience for the pupils, teachers and our staff alike and to see the joy on the children's faces at the end of the performances was a delight that will stick with us. We are very grateful that the benefactor has extended his support for a

further year and we can't wait to provide the same fulfilling experience next year for children who for a variety of reasons would not be able to experience all the pleasures that cinema can provide and may be taken for granted by other children in more favourable circumstances.

Fifth Birthday

Finally, to coincide with our fifth birthday since opening and our AGM for last year we opened up the building to the public to inform them of our plans for the redevelopment and to provide guided tours. Over 240 people attended on the two days over the weekend and further tours were done thereafter.

We also had representatives from Telford and Wrekin Council there who had attended numerous presentations and they declared themselves nonplussed at the total absence of negativity during the tours which they were not used to while for us this is extremely gratifying although no grounds to rest on our laurels but indicating that we are catering for what the community want.



Visitors take a look behind the scenes at the Orbit



Liam, Phil and Damian mark the fifth birthday



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 without debt, stand alone funding to redevelop the upper floors with the potential to obtain further grants to cover any shortfall
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	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)

As I have already said the reality is 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 substantially sustained in the interim by further injections of share capital and donations.

WOW Membership Scheme

The WOW membership scheme that affords discounts on films and food to members upon an initial fee of £20 enjoyed its first full year and we realised £3,956 in membership fees while 3222 film transactions and 3979 food transactions took place for a value of £44,146,

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 2024 we consider that we are still in a transitional period while finalisation of the award is awaited and this will persist through 2025.

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.

Orbit building valued at £850,000

With the termination of the lease we had revalued the building at £850k. Once the redevelopment work is completed we will obtain a revised valuation.

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 comfortably achieved during

the year following the earlier purchase of the freehold so that for the foreseeable future there is no reasonable prospect of this being breached.

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 was all but achieved during this year.

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.

While the overall reserves figure is robust the cash reserves figure is less so but we have maintained cash balances at the previous year's levels.

Finally, I need to refer to the Society's debt position.

We had two types of Social Investment Tax Relief debt with the first of these being home originated debt. All but one of these debts had matured by the year end and with the exception of three loans the rest of the lenders have agreed to a temporary extension while our cash flow position becomes clearer when we will discover what demands will be put on our reserves during the redevelopment stage. During the year we repaid £6,000 in loans while a further lender generously agreed to put his loan proceeds back as a donation.

As mentioned in the previous year, the Resonance 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% and £5,000 was repaid in the year.

In addition, if the director died during the term of the loan any balance would be gifted to the

"..we had revalued the building at £850k. Once the redevelopment work is completed we will obtain a revised valuation."

Society. This measure has a flavour of quasi equity about it and significantly improves the Society's cash flow position.

Structure, governance and management



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 ten 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.

During the year there was a position of stability with no appointments or resignations and the position of secretary remained in the very capable hands of Pam Booth-Jones.

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. 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. In addition

there is a subcommittee which the manager also sits on devoted to Phase 2 topics,

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 (catering manager) has remained stable throughout the year and this is an opportune moment to pay full tribute to the capabilities, talents, devotion and enthusiasm.

Plans for future periods & Post Balance Sheet Events

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 continue to own the freehold without debt or being offered up as security
- 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 contribute towards the regeneration of Wellington Town Centre
- 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 is now behind us. The shift in focus is now towards redevelopment and progress has taken place as a result of the award which will continue into the next accounting period.

John McGregor

John McGregor (Chair)



Funded by
UK Government

Telford & Wrekin
Cooperative Council

Wellington
Orbit



**Future of Wellington's cultural
landscape secured with full
purchase of our building**

Thanks to Capital Regeneration Programme

Directors' responsibilities

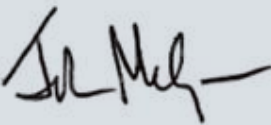
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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



John McGregor, Chair

25th April 2025

Accounting Information

THE CLIFTON COMMUNITY ARTS CENTRE LTD

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	2023 £
Turnover		308,097	253,707
Cost of sales		(101,124)	(95,163)
Gross profit		206,973	158,544
Administrative expenses		(212,337)	(194,707)
Other operating income		15,057	15,458
Exceptional item	2	-	318,324
Operating profit		9,693	297,619
Interest receivable and similar income		323	-
Interest payable and similar expenses		(5,661)	(4,252)
Profit before taxation		4,355	293,367
Tax on profit		-	-
Profit for the financial year		4,355	293,367

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

Directors’ responsibilities

We have reviewed the financial statements of The Clifton Community Arts Centre Ltd for the year ended 31 December 2024, 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 profit 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 2024, 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

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1 Knights Court
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Shrewsbury
SY1 3GA

Accounting Information

	Share capital	Revaluation reserve	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 January 2023	237,124	46,678	51,591	335,393
Year ended 31 December 2023:				
Profit and total comprehensive income	-	-	293,367	293,367
Issue of share capital	16,766	-	-	16,766
Balance at 31 December 2023	253,890	46,678	344,958	645,526
Year ended 31 December 2024:				
Profit and total comprehensive income	-	-	4,355	4,355
Issue of share capital	3,425	-	-	3,425
Balance at 31 December 2024	257,315	46,678	349,313	653,306

Accounting Information

BALANCE SHEET AS AT 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Intangible assets	5		8,014		8,887
Tangible assets	6		917,523		938,173
			925,537		947,060
Current assets					
Stocks			5,703		4,255
Debtors	9		6,742		12,184
Investments	7		560		560
Cash at bank and in hand			46,196		44,555
			59,201		61,554
Creditors: amounts falling due within one year	8		(45,489)		(53,132)
Net current assets			13,712		8,422
Total assets less current liabilities			939,249		955,482
Creditors: amounts falling due after more than one year	10		(285,943)		(309,956)
Net assets			653,306		645,526
Capital and reserves					
Called up share capital			257,315		253,890
Revaluation reserve	13		46,678		46,678
Profit and loss reserves			349,313		344,958
Total equity			653,306		645,526

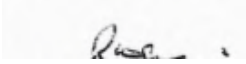
For the financial year ended 31 December 2024 the company was entitled to exemption from audit under section 84 of the Co-operative and Community Benefit Societies Act 2014.

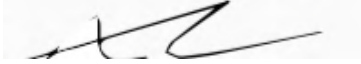
The directors acknowledge their responsibilities for complying with the requirements of the Co-operative and Community Benefit Society Act 2014 with respect to accounting records and the preparation of financial statements, and the accounts in the opinion of the directors give a true and fair view under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


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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on
are signed on its behalf by:


R Hughes
Director


A Smith
Director


P Booth-Jones
Company Registration No. 32224R

25th April 2025

THE CLIFTON COMMUNITY ARTS CENTRE LTD

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2024

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 Exceptional item

	2024	2023
	£	£
Expenditure		
Grant funding receivable in respect of freehold purchase	-	(318,324)

Exceptional income relates to amounts awarded under the Capital Regeneration Programme which had three elements to it being recompense for amounts paid on the freehold acquisition and development expenditure in excess of the 10% matched funding requirement, amounts to repay the bridging loans on the freehold acquisition and amounts to buy back from Wellington Town Council their half share of the freehold.

3 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.

3.1 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. 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.

3 Accounting policies (Continued)

3.2 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.

3.3 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.

3.4 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	
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.

3.5 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.

3.6 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.

3.7 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.

THE CLIFTON COMMUNITY ARTS CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

3 Accounting policies (Continued)

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.

3.8 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.

3.9 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.

3.10 Retirement benefits

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

3.11 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.

3.12 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.

4 Employees

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

	2024 Number	2023 Number
Total	11	10

THE CLIFTON COMMUNITY ARTS CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

5 Intangible fixed assets

	Development costs £
Cost	
At 1 January 2024 and 31 December 2024	13,113
Amortisation and impairment	
At 1 January 2024	4,226
Amortisation charged for the year	873
	5,099
At 31 December 2024	
Carrying amount	
At 31 December 2024	8,014
At 31 December 2023	8,887

More information on impairment movements in the year is given in note .

6 Tangible fixed assets

	Freehold land and buildings £	Other plant and equipment £	Fixtures and fittings £	Cafe equipment £	Cinema equipment £	Total £
Cost						
At 1 January 2024	787,995	16,358	102,052	42,904	94,803	1,044,112
Additions	-	1,556	270	1,426	6	3,258
Disposals	-	(779)	-	(1,149)	-	(1,928)
At 31 December 2024	787,995	17,135	102,322	43,181	94,809	1,045,442
Depreciation and impairment						
At 1 January 2024	-	7,051	45,761	16,129	36,998	105,939
Depreciation charged in the year	-	1,240	8,596	2,660	9,484	21,980
At 31 December 2024	-	8,291	54,357	18,789	46,482	127,919
Carrying amount						
At 31 December 2024	787,995	8,844	47,965	24,392	48,327	917,523
At 31 December 2023	787,995	9,307	56,291	26,775	57,805	938,173

THE CLIFTON COMMUNITY ARTS CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

6 Tangible fixed assets (Continued)

In 2022 the Society acquired the freehold of 1 Station Road for £425k and immediately transferred half of it to Wellington Town Council under a lease. In consequence the directors considered the previous entries for leasehold improvements and and categorised them as part of the freehold and also categorised part of the freehold fixtures as such. This was effected by a revaluation based upon having received a professional valuation of £850k for the property in its redeveloped state with that redevelopment being met out of the award received in this accounting period. The society repurchased in 2023 the share owned by Wellington Town Council. The directors are preferring to await the outcome of the redevelopment and will then obtaining another professional valuation and are until then leaving the revaluation reserve undisturbed.

7 Current asset investments	2024 £	2023 £
Other investments	560	560

Other investments relate to a loan made to a local circus as a contribution towards the purchase of magical equipment that will bear the Society's logo and to shares in Shropshire & Telford Community Energy Ltd. 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.

8 Creditors: amounts falling due within one year	2024 £	2023 £
Bank loans and overdrafts	1,601	-
Trade creditors	16,093	21,723
Taxation and social security	5,498	7,014
Accruals and deferred income	22,297	24,395
	45,489	53,132

9 Debtors	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	4,611	8,973
Other debtors	134	1,104
Prepayments and accrued income	1,997	2,107
	6,742	12,184

THE CLIFTON COMMUNITY ARTS CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

10 Creditors: amounts falling due after more than one year	2024 £	2023 £
Notes		
Other borrowings	205,354	216,425
Government grants	80,589	93,531
	285,943	309,956

All Social Investment Tax Relief Loans were 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 2020 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. Most loans have now matured and most lenders have agreed to extend their loans while the Society is undergoing redevelopment work. The Resonance loan was repaid in 2023 to be replaced by a director's loan of £100,000 over 20 years with annual repayments of £5,000 and interest at base rate. If the director dies during the currency of the loan the outstanding balance will be gifted to the Society

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 of 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 of receipt. 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 but this was adjusted when the freehold was acquired. 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 later years small grants have been received All have been amortised over 10 years on a straight line basis.

11 Income from donations and legacies	2024 £	2023 £
Gifts	44,701	26,323
Grants	14,903	3,775
Sponsorship	6,747	983
	66,351	31,081

THE CLIFTON COMMUNITY ARTS CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

12 Income from charitable activities

	2024 £	
Film sales	151,839	
Cafe sales	75,741	
Other ticket sales	1,885	
Art sales	1,453	
Room hire	1,789	
Garden sales	1,045	
	<u>233,752</u>	:

13 Revaluation reserve

	2024 £	
At the beginning and end of the year	<u>46,678</u>	:

14 Income from other activities

	2024 £	
Twinkl lottery	1,482	
Miscellaneous	6,512	
	<u>7,994</u>	:

THE CLIFTON COMMUNITY ARTS CENTRE LTD

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2024

	£	2024 £	£	2023 £
Turnover				
Donations, grants and sponsorship		66,351		31,081
Film sales		151,839		126,379
Other events		5,156		7,681
Café sales		75,741		83,183
Art sales		1,453		1,669
Sundry income		<u>7,557</u>		<u>3,714</u>
		308,097		253,707
Cost of sales				
Merchandise	65		65	
Café food, ice creams and refreshments	30,924		32,925	
Film screening fees and royalties	63,181		55,035	
Film booker's fees	5,848		5,610	
Art	<u>1,106</u>		<u>1,528</u>	
		(101,124)		(95,163)
Gross profit	67.18%	206,973	62.49%	158,544
Other operating income				
Government grants receivable and released	15,057		14,958	
Insurance claims receivable	<u>-</u>		<u>500</u>	
		15,057		15,458
Subtotal carried forward		222,030		174,002

THE CLIFTON COMMUNITY ARTS CENTRE LTD

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

	£	2024 £	£	2023 £
Subtotal brought forward		222,030		174,002
Administrative expenses				
Wages and salaries	128,381		109,100	
Staff training	1,073		-	
Staff pension costs defined contribution	1,942		3,950	
Royalties payable	1,982		1,682	
Commissions payable	6,334		6,332	
Rent re operating leases	-		850	
Cleaning	3,660		3,527	
Power, light and heat	11,502		12,134	
Premises insurance	7,993		7,481	
Equipment repairs	7,475		10,157	
Computer running costs	75		-	
Travelling expenses	195		-	
Subscriptions	155		155	
Legal and professional fees	104		-	
Consultancy fees	-		432	
Accountancy	3,250		3,780	
Charitable donations	287		-	
Bank charges	-		25	
Printing, postage and stationery	1,932		1,673	
Advertising	5,388		3,606	
Website costs	366		432	
Telecommunications	4,639		4,584	
Sundry expenses	823		1,338	
Staff and volunteer training	-		99	
Amortisation	873		873	
Depreciation	21,980		22,497	
Profit or loss on sale of tangible assets	1,928		-	
		(212,337)		(194,707)
Exceptional items				
Grant funding receivable in respect of freehold purchase	-		318,324	
		-		318,324
Operating profit		9,693		297,619
Investment revenues				
Bank interest received	323		-	
		(323)		-
Interest payable and similar expenses				
Bank interest on loans and overdrafts		(5,661)		(4,252)
Profit before taxation		4,355		293,367



The Clifton Community Arts Centre Ltd
Annual Report for the year ended 31st December 2024