THE SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

England & Wales · Charity number 1002020

Details

Other names	SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED, THE SHOWROOM
Status	Registered
Legal form	Charitable company
Company number	02444438
Registered	1991-02-27
Register	View on the Charity Commission register

Contact

Address	Showroom And Workstation 15 Paternoster Row Sheffield S1 2BX
Phone	01142796511
Email	info@showroomworkstation.org.uk
Website	www.showroomworkstation.org.uk

Activities

Objects: TO PROMOTE, MAINTAIN, IMPROVE, AND ADVANCE EDUCATION , IN THE ARTS OF CINEMA,BALLET,DANCE,DESIGN, DRAWING, FILM, HOLOGRAMS MUSIC,OPERA, PAINTING, PHOTOGRAPHY, POTTERY, RADIO, SCULPTURE, SINGING,NEW AND EMERGING TECHNOLOGIES IN THE FIELD OF ARTS AND ALL OTHER FORMS OF ARTISTIC OR CREATIVE WORKS

Activities: Education through cinema exhibition and outreach activities. Extending cultural cinema and developing broader understanding of film through programmes and festivals.

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Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Sheffield City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£4,242,836	£4,277,240	£3,083,532	85
2024-03-31	£3,787,024	£4,094,681	£3,117,936	81
2023-03-31	£3,441,824	£4,145,262	£3,425,593	91
2022-03-31	£3,710,126	£3,636,696	£4,129,031	79
2021-03-31	£2,973,689	£2,777,849	£4,055,601	78

Trustees

Name	Role	Appointed
Andy Paul Heap		2025-01-28
Brian Hamilton-Tweedale		2015-10-26
COLIN MICHAEL PONS		
Cllr Peter Gilbert		2025-09-30
Kathleen Anne Sheridan		2025-01-28
Kathryn Rose Gilbert		2023-06-12
Mark John Hilton		2023-11-27
Nikki Sarah Bellfield		2019-11-25

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THE SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

England & Wales - Charity number 1002020

Accounts

Company registration number: 2444438
Charity registration number: 1002020

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CONSOLIDATED ANNUAL REPORT

YEAR ENDED 31 MARCH 2025

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

ANNUAL REPORT

YEAR ENDED 31 MARCH 2025

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SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

The trustees (who are also directors of Sheffield Media and Exhibition Centre Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and financial statements of the charity.

Reference and Administration Details

Official name of charity:	Sheffield Media and Exhibition Centre Limited
Charity registration number:	1002020
Company registration number:	2444438
Directors and Trustees:	B Moffett – Resigned 8th June 2024 C M Pons D Gormley B Hamilton-Tweedale M Kanarek – Resigned 8th June 2024 H Taylor-Smith N Belfield A Casserly Stewart – Resigned 10th June 2024 R Mersereau – Resigned 30th September 2025 K R Gilbert M J Hilton A T Lumb – Appointed 5th November 2024; Resigned 2nd July 2025 B Woods – Appointed 28th January 2025 K A Sheridan – Appointed 28th January 2025 A P Heap – Appointed 28th January 2025 P Gilbert – Appointed 30th September 2025
Chief Executive:	I Wild – Resigned 31st December 2024 V Firth – Appointed 3rd February 2025
Secretary and Registered Office:	J Simpson – Resigned 1st July 2025 R Dewsbury – Appointed 1st July 2025 15 Paternoster Row Sheffield S1 2BX
Bankers:	Unity Trust Bank plc Nine Brindleyplace Birmingham B1 2HB
Auditors:	Hawsons Chartered Accountants Statutory Auditors Pegasus House 463a Glossop Road Sheffield S10 2QD
Solicitors:	Knights plc 1 St Paul's Place Sheffield City Centre Sheffield S1 2NB

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025 (continued)

The Board of Trustees, who are also Directors for the purposes of the Companies Act 2006, present their report and the consolidated group financial statements of Sheffield Media and Exhibition Centre and its 100% owned subsidiary Paternoster Limited, for the year ended 31 March 2025.

Governance

Sheffield Media and Exhibition Centre Limited is a charity (No. 1002020) and a company limited by guarantee (No. 2444438).

The charity is governed by the Memorandum and Articles of Association dated 28 March 2022.

The charity carries out its activities through the charitable holding company and a 100% owned subsidiary, Paternoster Limited, which makes provision for the development and letting of managed workspace, conference facilities and the operation of the Showroom Bar and Café.

A board of trustees of between 7 and 15 members, who are also Directors of the Parent Company, administers the charity. During the year the board met on a quarterly basis.

The board has a Finance and Operations Subcommittee which meets at least each quarter with the senior management team to review the management accounts and to receive reports on the financial position of the company and any relevant operational issues or initiatives. The Chair of the subcommittee reports any notable financial matters to the charity board. A minimum of two trustees attend the meetings as well the Chief Executive and the Head of Finance.

There is also an Employment Subcommittee, to review employment policies and consider any matters pertaining to staff, and an Education and Culture Subcommittee to review the programming and educational activities of the company. Both of these meet as required with the Chair of the relevant subcommittee reporting any notable financial matters to the charity board. A minimum of two trustees attend the meetings as well as the Chief Executive.

The board has also made provision for a Fundraising and Capital Projects Subcommittee to begin meeting, as required, to provide leadership in the development of a clear fundraising strategy and capital programme. The Subcommittee will be open to trustees with relevant experience, and external non-trustees with specialised knowledge. Total membership not to exceed 10 members, with 50% split of trustee / non-trustee.

Sheffield City Council is entitled to nominate up to one trustee to the Board, with observer status at board meetings. Our nominated trustee during 2024/25 was R Mersereau and then P Gilbert.

A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within the terms of the delegation approved by the trustees, for operational matters.

Recruitment of trustees

Elected trustees are recruited through a combination of targeted recruitment, board banks and open advertising. Consideration is given to the skills of the current board and the needs of the organisation. New elected trustees are appointed by a vote. Generally, a trustee is expected to remain on the Board for a period of three years with the possibility of being re-elected for a second and third three-year term of office. Should a trustee fail to attend for three consecutive meetings, their position can be reconsidered.

Prior to appointment and proposed new trustee will meet with the Chief Executive and Chair to discuss the role and expectations. They will also undertake an induction giving them an understanding of the business plan, operating strategy, aims and objectives, and their obligations as trustees.

Recruitment of Chief Executive

This year saw the departure of Ian Wild the founding CEO of the organisation. The trustees commenced an extensive search for a new organisational lead with the support and involvement of partners and funders. V Firth was appointed in late 2024 and began in role on 1st February 2025. Her background includes the management of several cross artform cultural buildings, sector leadership, change management and consultancy, and experience working for the Arts Council of England.

Purposes and activities for the public benefit

Showroom Workstation is dedicated to establishing itself as the premier centre for film and creativity in the north of England, serving as a cultural cornerstone for the Sheffield City region. We aim to provide a dynamic platform for film exhibition, production, and new media, fostering an environment where individuals can explore, learn, and thrive within the cultural industries.

As part of the long-term vision for the organisation the trustees agreed five objectives:

1. As a registered charity we will continue to inspire new generations with our diverse and imaginative film exhibition, education and heritage programmes, encouraging debate, community building, engagement, and awareness.
2. We will be South Yorkshire's essential hub for the cultural and creative industries and a beacon of creative renewal. We will support SME's and foster proactive connectivity, networks, and community.
3. We will have given life to forgotten heritage – by repurposing our historic building and given it new use while minimising our environmental impact.
4. We will be a pathway for young people, providing accessible routes to film exhibition, film education, film and creative industries production.
5. Our governance and staff development activities will be robust and proactive, supported by cross departmental management services and communications.

The trustees adopted a new three-year business plan in April 2024 which prioritised returning the company to profitability, restoring and celebrating the building, and the continuation of a high-quality cultural programme built around film.

In shaping our strategies, and planning activities, the Trustees consider the Charity Commission's guidance on public benefit and fee charging. The cinema relies on grants, income from fees and charges and the profit from commercial activity undertaken by the wholly owned trading company to cover its operating costs. In setting the level of charges the Trustees actively consider affordability and accessibility with pricing strategies and engagement activity reflecting our commitment to inclusivity.

We have a dedicated Communities Co-ordinator to build local partnerships and to enable collaboration with audiences previously under-represented or under-served. Other posts and activities are dedicated to developing engagement with families and young people, as audiences and participants in education and skills delivery. We have also developed and operate a range of annual festivals both directly, and in partnership, which enable specific communities of interest to explore their passions for film.

Cinema

Total attendance in 2024/25 was 99,564 admissions. This is a slight reduction from 100,822 in 2023/24.

The five highest selling screenings in 2024/25 were *A Complete Unknown, NTL: Prima Facie, Conclave, NTL Macbeth: David Tennant and Cush Jumbo, NTL: NYE.*

Although audiences did not increase in this year there was significant growth in our year-round festival programme which built infrastructure for future audience development. Celluloid Screams (our horror festival) continued to be a successful part of the programme. In August 2025 we launched the new, month long, Sheffield Film Festival and we

welcomed back the Sheffield Adventure Film Festival in March 2025. We also continued to present touring programmes including the London international Film Festival and were a festival hub for the international sector events Docfest and the Children's Media Conference. This year we made operational improvements to ensure the efficiency of hosting large conferences and events which received positive feedback from partners and enabled us to maximise secondary sales.

This year we made our first claim for Museums and Galleries Tax Relief for the period September 2024 to March 2025. In the next year we will claim for the full 12-month period.

Partnerships

We continue to receive financial support from the British Film Institute (BFI).

This year we entered the second of three years for 'Another Country', an ambitious audience development programme for which we received £160,000 per annum from the BFI's Audience Project Fund. This programme makes provision for capacity around community engagement and work to develop family, young people and school audiences. It also provides support for us to increase accessible and inclusive programme strands such as relaxed screenings, where we welcome neuro-divergent and dementia groups, and dedicated programme days where all screenings are subtitled.

The BFI also provided investment for our Film Academy projects which help young people to break into film. We again ran a Programming Residential course for young people and, new this year, we received an award for young people's short courses in film making we which delivered directly in Sheffield and, through a cluster of partners, in other locations across the Yorkshire and the Humber. The Sheffield activity award was £91,500. Additionally, we developed a new format for an Archive and Curatorial residential programme for young people for which we were awarded £80,000. Our ongoing alumni network continued to receive a high level of engagement from former students as we supported them to continue their development.

Film Hub North, which is a BFI-funded partnership between ourselves and HOME in Manchester, continued in the second year of its three-year grant to deliver support services to film exhibitors and makers in northern England. In this year Film Hub North was additionally awarded £100,000 from the BFI Places Fund to address local skills gaps and shortages in screen production. This pilot project began in August 2024 and continues until September 2025.

Environmental Policy

Showroom Workstation recognises the severity of the climate crisis and acknowledges we have a responsibility to the environment beyond legal and regulatory requirements. We have therefore committed to reducing our environmental impact and to continually improving our sustainability. We intend to meet Government targets to become a net zero carbon user by 2050.

Work on reducing our environmental impact continued this year. A combination of grants from Sheffield City Council and the Foyle Foundation enabled the installation of 245 solar panels onto our roof which will reduce our overheads whilst reducing our carbon footprint. This is the largest array of solar panels in Sheffield City Centre The solar panels are estimated to generate 82,500 kWh per annum which is approximately 11% of our electricity consumption.

We also replaced one of our first generation DCP xenon cinema projectors with a new generation laser projector. The sustainability plan identifies the new projector will provide a saving of 4,650 energy kWh per annum saving 1.1 tonnes of CO2 annually.

Paternoster Limited

The profit in Paternoster in 23/24 was £56,487 and in 24/25 this increased to £146,790. This was due to substantial growth in trading and improved cost control.

At the start of 24/25 the occupancy of our managed work space the Workstation was at 83% and grew to 90% by August 2024. Growth continued and by the end of March this had increased to 94%

Conferencing activity also grew with income 15% greater in 24/25 than the prior year. With new staffing within this department delivering better service and sales standards we expect this trajectory to continue.

The Café bar performed less well in comparison but still saw sales increase of 3.6% in 24/25 on the prior year.

Facilities

The significant problems associated with the age of the building that arose last year continued to have considerable business impact. In October 2022 we installed safety scaffolding around the building following discovery of some loose faience brickwork (concrete tile cladding) which was potentially dangerous. The cost of installing the scaffold was £97,654. Although we have subsequently removed part of the scaffold and undertake regular surveys, we have retained scaffolding on the east elevation (Shoreham Street). The annual cost of hiring the scaffolding is significant. In autumn of this year we needed to change our insurer and the cost of obtaining new cover with the current building condition proved challenging and added over £83,000 to our annual cost burden.

Although investigations continue, it is clear that we have to undertake extensive repairs to the building over the next few years which will form the basis of a major capital project.
We have submitted a successful Expression of Interest application to the National Lottery Heritage Lottery Fund and have been invited to apply for funding to undertake full repair and restoration of the historic building.

Financial Review

Overall, the group saw an improvement in performance compared to the previous year, with a much reduced deficit for the year of £34,404 (prior year deficit of £307,657). The charity's individual position, as detailed on page 11, shows a surplus of £88,206 (prior year deficit of £246,258). At March 2025 Paternoster has a significant amount of intercompany debt and owed SMEC £528,948 in total (prior year of £798,348). This is made up of a long-term loan of £400,000 and trading debt of £128,948. In these accounts a bad debt provision for the trading debt has been included within the charity's individual accounts.

The commercial trading subsidiary company Paternoster Limited continued to show improving profitability with a profit in 2025 of £146,790 (prior year profit of £56,487). The trading of the café bar and conferencing activity continues its gradual improvement resulting in the trading company seeing an increase in sales and profitability.

We worked closely with our bank in relation to our overdraft facility to ensure we has sufficient cashflow to support us through the annual cycle of seasonal trading, and to support the additional costs linked to the condition of the facility.

Consideration of risk

Investments, Reserves policy and Going Concern

Under the Memorandum and Articles of Association, the charity has the power to make any investments that the Trustees see fit in order to further the objects of the charity.

The reserves of the Group are represented largely by capital grants and property revaluation surpluses. These elements are regarded as the representation of the Group's fixed assets and are therefore, in effect, not available for any other purpose.

The deficit generated by the group in 2024/25, while significantly reduced, has further impacted the level of reserves and without a return to profitability across all aspects of the charity's activity, the long-term viability of the charity as it is currently organised will be called into question.

The Trustees appointed a new Chief Executive to conduct a full review of the organisation and operating climate to continue the development and restructuring of the operation. By addressing the cost burden of the failing capital asset, building new partnerships and income strategies, and more effectively controlling costs the intention is to move through a break-even trading position and into surplus within the next 18 months, increasing thereon to ensure the organisation is sustainable.

Risk management

A live risk register will be produced quarterly, for the full group, by the CEO and Senior Management Team which will be reviewed quarterly by the Finance and Operations Sub-committee. It identifies the risks to which the Group is, and is likely to be, exposed and the maintenance of effective systems and procedures to mitigate those risks and / or procedures to deal with the potential impact of any of those risks materialising.

In 2024/25 the organisation continued to recover following the period of closure during the Covid lockdown (March 2020 to May 2021). The closure had a significant and direct impact on all areas of our business and continued to do so in the years following reopening. Not all areas of our trading have recovered at the same pace, and we needed to implement new approaches in many areas of our business to rebuild sales income. Some of the changes we made had an immediate effect, although others are having longer term impact. Overall, we saw a much slower recovery of sales than had been anticipated.

During this period, we also experienced significant increases in our cost base, particularly for insurance and risk mitigations relating to the state of the building which had a negative impact on the business profitability and slowed down our recovery. Developments made to date, have significantly helped to reduce trading losses, but full recovery is still expected to take several years.

Future Plans

In 2025 / 2026 we will progress a digital transformation project across the group which will see the launch of a new website, CRM system for box office and EPOS system for the bar café. This will enable more efficient work practices, and data collection and intelligence to inform business planning and decisions. Alongside this we will refresh our visual identity, review pricing and restructure our membership scheme to support audience growth and build a base for individual giving.

Care for our capital asset will also be a priority. We will investigate strategies for mitigating any risk presented by the instability of the building with a view to removing the costly scaffolding installed as a first response. We will also form a team and plan to undertake feasibility work and the investment case for repair and restoration of our premises aligned with our discussions with the National Lottery Heritage Lottery Fund.

2025 marks our 30th birthday which provides the opportunity for celebratory events and campaigns to raise our visibility and bring together audiences as we look towards the next chapter in the organisation's history.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025 (continued)

Trustees' responsibilities in relation to the financial statements

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102)
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for maintaining proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charitable company, and enables them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

The trustees of the charitable company who held office at the date of approval of this Annual Report each confirm that:

- as far as they are aware, there is no relevant audit information (information needed by the charitable company's auditors in connection with preparing their report) of which the charitable company's auditors are unaware; and

- they have taken all the steps that they ought to take as trustees in order to make themselves aware of any audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

A resolution will be proposed at the Annual General Meeting that Hawsons be re-appointed as auditors to the charity for the ensuing year.

The report of the trustees has been prepared in accordance with the special provisions of Part VII of the Companies Act 2006.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors. On behalf of the board;



M Hilton
Sheffield

25 November 2025

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

Opinion

We have audited the financial statements of Sheffield Media and Exhibition Centre Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2025 which comprise the Consolidated and Parent Statement of Financial Activities, Consolidated and Parent Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2025, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

We have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the group's ability to continue as a going concern. The group generated a net deficit for the year of £34,404 which reduced the level of reserves accordingly. The matters explained in note 1 to the financial statements indicates the existence of a material uncertainty which may cast doubt over the group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the group was unable to continue as a going concern. Our opinion is not modified in this respect.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED (continued)

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement (set out on page 7), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED (continued)

The charitable company is subject to laws and regulations that directly and indirectly affect the financial statements. Based on our understanding of the charitable company and the environment it operates within, we determined that the laws and regulations which were most significant included FRS 102, Companies Act 2006, Health and Safety regulations and the Charities Act 2011. We considered the extent to which non-compliance with these laws and regulations might have a material effect on the financial statements, including how fraud might occur. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to improve the company's result for the period, and management bias in key accounting estimates.

Audit procedures performed by the engagement team included:

- Discussions with management and those responsible for legal compliance procedures within the charitable company to obtain an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company complies with that framework, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of Trustee meetings;
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud and non-compliance with laws and regulations;
- Challenging assumptions and judgements made by management in their significant accounting estimates.
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or posted by senior management.

There are inherent limitations in the audit procedures described above and the more removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor's-responsibilities-for. This description forms part of our auditor's report.

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

Hawsons

……..
Simon Bladen, Senior Statutory Auditor
For and on behalf of Hawsons Chartered Accountants, Statutory Auditors

Pegasus House
463a Glossop Road
Sheffield
S10 2QD

09/12/2025
Date: ……

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CHARITABLE COMPANY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	2025 Total £	2024 Total £
Incoming Resources						
Donations and legacies	2	158,348	1,092,409	127,552	1,378,309	1,035,032
Investment income	4	28,000	-	-	28,000	28,000
Charitable activities	5	779,330	-	-	779,330	729,499
Other income		63,000	-	-	63,000	22,500
Total incoming resources		1,028,678	1,092,409	127,552	2,248,639	1,815,031
Resources expended						
Costs of generating voluntary income	8	10,000	-	-	10,000	10,000
Raising funds	9	-	-	-	-	-
Charitable activities	10	1,165,987	961,417	-	2,127,404	2,028,689
Other	11	23,029	-	-	23,029	22,600
Total resources expended		1,199,016	961,417	-	2,160,433	2,061,289
Net (Outgoing)/incoming resources before transfers		(170,338)	130,992	127,552	88,206	(246,258)
Transfers	23	88,473	-	(88,473)	-	-
Net movement in funds		(81,665)	130,992	39,079	88,206	(246,258)
Funds brought forward		716,432	58,371	1,599,892	2,374,695	2,620,953
Funds carried forward		634,567	189,363	1,638,971	2,462,901	2,374,695

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	2025 Total £	2024 Total £
Incoming resources						
Donations and legacies	2	158,348	1,092,409	127,552	1,378,309	1,035,032
Activities for generating funds	3	2,022,197	-	-	2,022,197	1,999,993
Charitable activities	5	779,330	-	-	779,330	729,499
Other income		63,000	-	-	63,000	22,500
Total incoming resources		3,022,875	1,092,409	127,552	4,242,836	3,787,024
Resources expended						
Costs of generating voluntary income	8	10,000	-	-	10,000	10,000
Raising funds	9	1,890,723	-	-	1,890,723	1,926,997
Charitable activities	10	1,392,071	961,417	-	2,353,488	2,135,084
Other	11	23,029	-	-	23,029	22,600
Total resources expended		3,315,823	961,417	-	4,277,240	4,094,681
Net (outgoing)/incoming resources before transfers		(292,948)	130,992	127,552	(34,404)	(307,657)
Transfers	23	88,473	-	(88,473)	-	-
Net movement in funds		(204,475)	130,992	39,079	(34,404)	(307,657)
Funds brought forward		1,459,673	58,371	1,599,892	3,117,936	3,425,593
Funds carried forward		1,255,198	189,363	1,638,971	3,083,532	3,117,936

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED
COMPANY REGISTRATION NUMBER 2444438

BALANCE SHEETS

31 MARCH 2025

	Notes	31 March 2025		31 March 2024	
		Group £	Company £	Group £	Company £
FIXED ASSETS					
Tangible fixed assets	18	4,198,920	1,835,859	4,216,549	1,780,245
Investment in subsidiaries	19	-	2	-	2
		4,198,920	1,835,861	4,216,549	1,780,247
CURRENT ASSETS					
Stock		14,369	-	16,831	-
Debtors	20	669,390	580,887	461,401	453,552
Cash at bank and in hand		10,317	432,661	8,110	464,281
		694,076	1,013,548	486,342	917,833
CREDITORS – amounts falling due within one year	21	(1,463,586)	(386,508)	(1,210,589)	(323,385)
Net current assets/ (liabilities)		(769,510)	627,040	(724,247)	594,448
Total assets less current liabilities		3,429,410	2,462,901	3,492,302	2,374,695
Deferred income	22	(345,878)	-	(374,366)	-
NET ASSETS		3,083,532	2,462,901	3,117,936	2,374,695
CHARITY FUNDS					
Restricted capital fund	24	1,638,971	1,638,971	1,599,892	1,599,892
Restricted income funds	24	189,363	189,363	58,371	58,371
Unrestricted funds	25	126,977	634,567	315,101	716,432
Revaluation reserve	25	1,128,221	-	1,144,572	-
TOTAL CHARITY FUNDS		3,083,532	2,462,901	3,117,936	2,374,695

The financial statements were approved by the board of trustees on 25 November 2025 and signed on its behalf by:



M Hilton - Trustee

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Cash flow from operating activities	26	137,836	34,529
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(172,639)	(44,488)
Net cash flow from investing activities		(172,639)	(44,488)
Cash flow from financing activities			
Interest paid		(30,107)	(23,786)
Net cash flow from financing activities		(30,107)	(23,786)
Net (decrease) in cash and cash equivalents		(64,910)	(33,745)
Cash and cash equivalents at 1 April		(326,107)	(292,362)
Cash and cash equivalents at 31 March		(391,017)	(326,107)
Cash and cash equivalents consist of:			
Cash at bank and in hand		10,317	8,110
Overdraft		(401,334)	(334,217)
Cash and cash equivalents at 31 March		(391,017)	(326,107)

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS

YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material to the company's affairs.

STATUTORY INFORMATION

Sheffield Media and Exhibition Centre Limited is a charity (No. 1002020) and a company limited by guarantee (No. 2444438) domiciled in England and Wales. The registered office is at 15 Paternoster Row, Sheffield, S1 2BX.

BASIS OF PREPARATION

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, 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 Accounting Practice.

GOING CONCERN

The charitable group is currently in a net overdraft position of £391,017. The group generated an overall deficit of £34,404 for the year to 31 March 2025. The trustees have therefore considered the short term and medium-term impact with budgets and cashflow forecasts prepared to cover to March 2027, which show the group operating at a small surplus in 2026/27. The company's bank continues to support the group.

After due consideration of all relevant factors, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

BASIS OF CONSOLIDATION

These financial statements consolidate the results of the charity and its wholly owned subsidiary, Paternoster Limited on a line by line basis.

GRANTS AND DONATIONS

Grants receivable are recognised in the Statement of Financial Activities when the conditions for receipt have been complied with.

Grants received for specific projects are accounted for as restricted funds.

Grants received in the trading subsidiaries are credited to a separate account from which amounts will be released to revenue over the depreciation period of the relevant assets.

1. ACCOUNTING POLICIES (continued)

OPERATION OF CINEMA AND CENTRE HIRE – CHARITABLE TRADING ACTIVITIES

Operation of the cinema and centre comprises those costs that are directly attributable to the generation of income in the operation of the cinema.

ACTIVITIES FOR GENERATING FUNDS

This represents income generated by the trading subsidiaries to support the directly charitable activity carried out by the group.

RESOURCES EXPENDED

Expenditure is included on an accruals basis.

Costs of operation of the cinema and centre comprise those costs that are directly attributable to the generation of income in the operation of the cinema.

ALLOCATION OF COSTS

Costs directly related to an activity are allocated to that activity. Support costs which are necessary to deliver an activity but do not themselves deliver the activity, are allocated in proportion to the benefit attributable based on an internal assessment of time spent and resources used.

Governance costs are those costs incurred in meeting statutory and constitutional requirements.

Support costs include central functions and have been allocated to activity cost categories on the basis of time spent.

FUNDS

Incoming and outgoing resources are analysed between restricted capital fund, restricted and unrestricted income funds.

Restricted capital fund

This fund arises from grants received which were required to be invested in fixed assets for the company's use. An annual transfer is made to the unrestricted income fund for the depreciation on the restricted assets which is charged to the unrestricted income fund.

Unrestricted income fund

This fund is expendable at the discretion of the trustees in the furtherance of the objectives of the company and have not been designated for other purposes.

Restricted income fund

This fund arises from grants received which are required to be used for specific projects of a revenue nature.

1. ACCOUNTING POLICIES (continued)

TANGIBLE FIXED ASSETS

Tangible fixed assets other than the long leasehold property held by Paternoster Limited, are included at original cost less accumulated depreciation.

The long leasehold property held by Paternoster Limited was previously held at valuation less accumulated depreciation. On transition to FRS102, the value at transition date, 1 April 2014, is taken as deemed cost and continues to be depreciated going forward.

Depreciation of fixed assets is provided at rates estimated to write off each asset over the term of its useful life.

The annual rates used are: -

Long leasehold land and buildings	1% - 2%	straight line
Fixtures and fittings	15% - 25%	straight line/reducing balance
Equipment	5% - 25%	straight line/reducing balance

STOCK

Stock is valued at the lower of cost and net realisable value.

FINANCE AND OPERATING LEASES

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred. Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written off to the SOFA over the period of the lease so as to produce a constant periodic rate of change.

2. DONATIONS AND LEGACIES

	2025 £ Group	2025 £ Company	2024 £ Group	2024 £ Company
Unrestricted				
BFI	150,000	150,000	180,000	180,000
Donations	8,348	8,348	14,889	14,889
Total unrestricted	158,348	158,348	194,889	194,889
Restricted - revenue				
BFI - Film Hub North 3	803,054	803,054	763,287	763,287
BFI - Other	225,500	225,500	65,000	65,000
Watershed - Film Hub North 3	32,000	32,000	-	-
Sheffield City Council	30,000	30,000	-	-
Powell & Pressburger	-	-	5,000	5,000
Story Futures	-	-	3,000	3,000
SXSW Bursary	-	-	2,096	2,096
Other < £1,000	1,855	1,855	1,760	1,760
Total restricted - revenue	1,092,409	1,092,409	840,143	840,143
Restricted - capital				
Sheffield City Council - Projector	18,677	18,677	-	-
Sheffield City Council – Solar Panels	88,875	88,875	-	-
Foyle Foundation	20,000	20,000	-	-
Total restricted - revenue	127,552	127,552	-	-
Total voluntary income	1,378,309	1,378,309	1,035,032	1,035,032

3. ACTIVITIES FOR GENERATING FUNDS

	2025 £ Group	2025 £ Company	2024 £ Group	2024 £ Company
Letting of managed workspace	925,079	-	937,675	-
Commercial operations	1,097,118	-	1,062,318	-
	2,022,197	-	1,999,993	-

4. INVESTMENT INCOME

	2025 £ Group	2025 £ Company	2024 £ Group	2024 £ Company
Loan interest	-	28,000	-	28,000
	-	28,000	-	28,000

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2025 £ Group	2025 £ Company	2024 £ Group	2024 £ Company
Unrestricted				
Box office receipts	619,220	619,220	589,936	589,936
Sheffield Film Festival income	10,373	10,373	-	-
Centre hire	79,876	79,876	75,264	75,264
Membership fees	25,596	25,596	25,081	25,081
Advertisement income	23,854	23,854	28,647	28,647
Other income	20,411	20,411	33,071	33,071
	779,330	779,330	751,999	751,999

6. NET OUTGOING RESOURCES

	2025		2024	
	Group £	Company £	Group £	Company £
This is stated after charging:				
Operating lease rentals – land and buildings	-	6,000	-	6,000
Depreciation	189,821	112,351	207,458	115,207
Loss on disposal of fixed assets	447	447	-	-

7. AUDITOR'S REMUNERATION

The auditor's remuneration amounts to a fee of £15,800 (2024: £15,750) and £2,050 for other services (2024: £1,575).

8. COSTS OF GENERATING VOLUNTARY INCOME

	2025 £ Group	2025 £ Company	2024 £ Group	2024 £ Company
Support costs (note 12)	10,000	10,000	10,000	10,000

9. RAISING FUNDS

	2025 £ Group	2025 £ Company	2024 £ Group	2024 £ Company
Managed workspace cost	784,204	-	818,070	-
Commercial operations	1,106,519	-	1,108,927	-
	1,890,723	-	1,926,997	-

10. CHARITABLE ACTIVITIES

Cost of operation of cinema and centre hire

	2025 £ Group	2025 £ Company	2024 £ Group	2024 £ Company
Film performances and related costs				
Film hire	252,156	252,156	257,741	257,741
Sheffield Film Festival costs	8,250	8,250	-	-
Project costs	230,779	236,770	70,575	73,591
Film Hub North grants disbursed	361,906	361,906	339,368	339,368
Centre costs				
Marketing costs	4,519	4,519	16,728	16,728
Wages and related costs	556,394	556,394	542,209	542,209
Printing and advertising	36,252	36,252	7,530	7,530
Depreciation – equipment	28,722	28,722	21,735	21,735
Credit card charges	10,680	10,680	10,513	10,513
Other expenses	24,613	(244,787)	26,727	(91,159)
	1,514,271	1,250,862	1,293,126	1,178,256
Support costs (note 12)	839,217	876,542	841,958	850,433
Total cost of charitable activities	2,353,488	2,127,404	2,135,084	2,028,689

11. OTHER COSTS

	2025 £ Group	2025 £ Company	2024 £ Group	2024 £ Company
Audit fee	13,029	13,029	12,600	12,600
Support costs (note 12)	10,000	10,000	10,000	10,000
	23,029	23,029	22,600	22,600

12. INDIRECT SUPPORT COSTS

	2025 £ Group	2025 £ Company	2024 £ Group	2024 £ Company
Salaries and related costs	444,979	444,979	394,877	394,877
Travel and hospitality	24,842	24,842	24,695	24,695
Rent, rates and service charges	12,047	47,000	37,890	43,794
Heat and power	173,646	173,646	167,000	167,000
Printing, postage and stationery	315	2,087	188	2,159
Repairs and maintenance	23,355	23,355	27,007	27,007
Insurance	22,067	22,067	18,207	18,207
Telephone charges	31	631	175	775
Licences and subscriptions	9,479	9,479	9,565	9,565
Professional fees	7,673	7,673	12,501	12,501
Bank charges	3,019	3,019	3,814	3,814
Bank interest	9,751	9,751	7,929	7,929
Equipment hire and leasing	2,876	2,876	3,061	3,061
Computer software and consumables	6,381	6,381	7,770	7,770
Website development	(19,400)	(19,400)	420	420
Cleaning and sundry expenses	54,527	54,527	53,387	53,387
Depreciation - long leasehold property	70,573	70,573	70,573	70,573
Depreciation - fixtures, fittings and equipment	13,056	13,056	22,899	22,899
Loss on disposal				
	859,217	896,542	861,958	870,433
Allocation				
Charitable activities	839,217	876,542	841,958	850,433
Generating voluntary income	10,000	10,000	10,000	10,000
Other costs	10,000	10,000	10,000	10,000
	859,217	896,542	861,958	870,433

Charitable costs are primarily for the running of cinema screenings and the managing of rented workspace, support costs are allocated as such above.

13. FUNDRAISING TRADING FROM TRADING ACTIVITIES OF SUBSIDIARY

The wholly owned subsidiary is used for trading activities to generate income to support the direct charitable activities of the group. The net profits of the subsidiary are gifted to the charity.

The subsidiary of the company at 31 March 2025 is detailed in note 19 of these financial statements. A summary of its trading results including intra-group sales is shown below:

	Paternoster Limited	
	Managed workspace	Commercial operations
	£	£
Turnover	962,404	1,103,109
Cost of sales	(489,166)	(790,069)
Gross profit	473,238	313,040
Administrative expenses	(313,348)	(306,272)
Interest payable	(38,178)	(10,178)
Other operating income	28,488	-
Operating deficit for year	150,200	(3,410)
Loss from commercial operations	(3,410)	3,410
Profit on ordinary activities before taxation	146,790	-
Net profit for the year retained	146,790	-

14. STAFF COSTS AND TRUSTEES'S REMUNERATION

	2025		2024 (as restated)	
	Group	Company	Group	Company
	£	£	£	£
Wages and salaries	1,466,076	602,607	1,369,045	559,247
Social security costs	110,550	45,440	99,052	40,462
Pension costs	27,835	11,441	26,061	10,646
	1,604,461	659,488	1,494,158	610,355

In the prior year financial statements, staff costs excluded costs of £127,404 which were recharged to tenants. These costs have been included in the current year expense and the prior year figures have been restated to include this cost.

The average number of employees calculated on a full-time equivalent basis during the year was as follows:

	2025		2024	
	Number	FTE	Number	FTE
Raising funds	57	27	53	28
Charitable activities	28	21	30	18
	85	48	83	46

14. STAFF COSTS AND TRUSTEE REMUNERATION (continued)

The trustees neither received nor waived any remuneration during the year (2024: £nil). No trustees had expenses reimbursed during the year (2024: £nil).

The total amount of employee benefits received by key management personnel is £264,997 (2024: £251,330). The key management personnel of the charity comprise the trustees and the Senior Management Team, which at the year-end comprises the staff members listed below.

Chief Executive
Head of Finance
Head of HR and Governance
Head of Operations
Head of Marketing
Head of Programme

15. INTEREST PAYABLE AND SIMILAR CHARGES

	2025		2024	
	Group	Company	Group	Company
	£	£	£	£
Bank loans and overdrafts	30,107	9,751	23,786	7,929
	30,107	9,751	23,786	7,929

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2025 - Group

	Unrestricted Funds	Restricted Income Fund	Restricted Capital Fund	Total
	£	£	£	£
Tangible fixed assets	2,559,949	-	1,638,971	4,198,920
Current assets	504,713	189,363	-	694,076
Current liabilities	(1,463,586)	-	-	(1,463,586)
Long term liabilities	(345,878)	-	-	(345,878)
	1,255,198	189,363	1,638,971	3,083,532

2025 - Company

Tangible fixed assets	196,890	-	1,638,971	1,835,861
Current assets	824,185	189,363	-	1,013,548
Current liabilities	(386,508)	-	-	(386,508)
Long term liabilities	-	-	-	-
	634,567	189,363	1,638,971	2,462,901

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

2024 - Group

	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	Total £
Tangible fixed assets	2,616,657	-	1,599,892	4,216,549
Current assets	427,971	58,371	-	486,342
Current liabilities	(1,210,589)	-	-	(1,210,589)
Long term liabilities	(374,366)	-	-	(374,366)
	1,459,673	58,371	1,599,892	3,117,936

2024 - Company

	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	Total £
Tangible fixed assets	180,355	-	1,599,892	1,780,247
Current assets	859,462	58,371	-	917,833
Current liabilities	(323,385)	-	-	(323,385)
Long term liabilities	-	-	-	-
	716,432	58,371	1,599,892	2,374,695

17. FINANCIAL COMMITMENTS

	2025		2024	
	Group £	Company £	Group £	Company £
As at 31 March the annual commitments under non-cancellable operating leases were as follows:-				
Due within 1 year	6,676	-	6,653	-
Due within 1 to 2 years	6,676	-	6,676	-
Due within 2 to 5 years	7,393	-	10,730	-
	20,745	-	24,059	-

As at 31 March 2025 the company and the Group had capital commitments of £nil (2024: £nil).

18. TANGIBLE FIXED ASSETS – GROUP

	Long leasehold property £	Fixtures fittings & equipment £	Total £
Cost or valuation			
At 1 April 2024	6,761,247	2,774,419	9,535,666
Additions	-	172,639	172,639
Disposals	-	(1,480)	(1,480)
At 31 March 2025	6,761,247	2,945,578	9,706,825
Depreciation			
At 1 April 2024	2,911,934	2,407,183	5,319,117
Charge for the year	102,856	86,965	189,821
Disposals	-	(1,033)	(1,033)
At 31 March 2025	3,014,790	2,493,115	5,507,905
Net book value			
At 31 March 2025	3,746,457	452,463	4,198,920
At 31 March 2024	3,849,313	367,236	4,216,549

TANGIBLE FIXED ASSETS – COMPANY

	Long leasehold property £	Fixtures fittings & equipment £	Total £
Cost			
At 1 April 2024	3,528,630	1,489,998	5,018,628
Additions	-	168,412	168,412
Disposals	-	(1,480)	(1,480)
At 31 March 2025	3,528,630	1,656,930	5,185,560
Depreciation			
At 1 April 2024	1,891,993	1,346,390	3,238,383
Charge for the year	70,573	41,778	112,351
Disposals	-	(1,033)	(1,033)
At 31 March 2025	1,962,566	1,387,135	3,349,701
Net book value			
At 31 March 2025	1,566,064	269,795	1,835,859
At 31 March 2024	1,636,637	143,608	1,780,245

19. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Cost of shares in subsidiary undertaking

	£
At 1 April 2024 and 31 March 2025	2

The subsidiary of the company at 31 March 2025 (incorporated in England) was:

	Class of shares held	% held	Direct/ indirect holding	Aggregate capital and reserves £	Profit for the year £
Paternoster Limited 025 40298					
Letting of managed workspace and operation of bar and café	Ordinary	100	Direct	491,685	146,790

20. DEBTORS

	2025		2024	
	Group £	Company £	Group £	Company £
Trade debtors	137,179	2,391	123,727	3,907
Other debtors	471,185	117,470	314,640	26,611
Prepayments and accrued income	61,026	61,026	23,034	23,034
Amount owed by group undertakings	-	400,000	-	400,000
	669,390	580,887	461,401	453,552

Of the amount owed by group undertakings, £400,000 (2024: £400,000) is due after more than one year, which represents a loan made to Paternoster Limited, a subsidiary company. The loan was made on normal commercial terms at an interest rate of 7%.

21. CREDITORS

	2025		2024	
	Group	Company	Group	Company
Amounts falling due within one year	£	£	£	£
Bank overdraft	401,334	-	334,217	-
Trade creditors	460,609	189,092	306,022	95,419
Other creditors	376,296	54,565	332,465	57,134
Taxation and social security	109,931	27,435	96,410	29,357
Accruals and deferred income	115,416	115,416	141,475	141,475
	1,463,586	386,508	1,210,589	323,385

The bank overdraft is secured by fixed and floating charges over the undertaking and all property and assets.

22. DEFERRED INCOME – GROUP

	2025	2024
	£	£
Government grants and other income at 1 April	374,366	402,854
Grants received during the year		
Amount released in year	(28,488)	(28,488)
Balance at 31 March	345,878	374,366

23. TRANSFER BETWEEN FUNDS

	2025		2024	
	Group	Company	Group	Company
	£	£	£	£
Release of restricted capital funds re depreciation of capital assets	88,473	88,473	79,880	79,880
	88,473	88,473	79,880	79,880

24. RESTRICTED FUNDS – Group and Company

2025	Balance at 31 March 2024 £	Incoming resources £	Resources expensed £	Transfer £	Balance at 31 March 2025 £
Restricted capital funds	1,599,892	127,552	-	(88,473)	1,638,971

2024	Balance at 31 March 2023 £	Incoming resources £	Resources expensed £	Transfer £	Balance at 31 March 2024 £
Restricted capital funds	1,679,772	-	-	(79,880)	1,599,892

Additions during 24/25 relate to grants that were received to upgrade one of the old projectors to a laser projector and also to instal 245 solar panels onto the roof of the building to help reduce our carbon footprint and our overheads.

2025	Balance at 31 March 2024 £	Incoming resources £	Resources expensed £	Transfer £	Balance at 31 March 2025 £
Restricted income funds					
Film Hub North 3 (BFI)	58,371	803,054	(723,348)	-	138,077
Film Hub North 3 (Watershed)		32,000	(32,000)	-	-
Short Courses (BFI)	-	91,500	(87,905)	-	3,595
Residential Academy (BFI)	-	54,000	(54,000)	-	-
Archive & Curation Residential (BFI)	-	80,000	(62,489)	-	17,511
Sheffield City Council	-	30,000	-	-	30,000
Other < £1,000	-	1,855	(1,675)	-	180
	58,371	1,092,409	(961,417)	-	189,363

24. RESTRICTED FUNDS – Group and Company (continued)

2024	Balance at 31 March 2023	Incoming resources	Resources expensed	Transfer	Balance at 31 March 2024
	£	£	£	£	£
Restricted income funds					
Film Hub North 3 (BFI)	-	763,287	(704,916)	-	58,371
Youth Film Academy (BFI)	-	20,000	(20,000)	-	-
Residential Academy (BFI)	-	45,000	(45,000)	-	-
Powell & Pressburger	-	5,000	(5,000)	-	-
Story Futures	-	3,000	(3,000)	-	-
SXSW Bursary	-	2,096	(2,096)	-	-
Young Programmers	3,667	-	(3,667)	-	-
Other < £1,000	1,050	1,760	(2,810)	-	-
	4,717	840,143	(786,489)	-	58,371

Film Hub North 3 (BFI): initiative to develop a network of film exhibitors in the north of England, funded by the BFI. This includes us being part of a countrywide network of talent executives, who search out and develop from a grass roots level, new and emerging film directors, producers and writers. This includes short film production and early feature script development.

Film Hub North 3 (Watershed): A grant provided for regional support to deliver the *Art of Action* series presented by BFI FAN with support from the National Lottery. This supported seven venues in delivering their projects.

Short Courses (BFI): SMEC was the lead partner in a consortium with REEL solutions and Leeds Young Film who worked together to deliver four BFI Film Academy programmes across Yorkshire and the Humber. The key focus areas were Bradford, Doncaster and Scarborough with 80 young people participating in total.

Youth Film Academy – BFI funded training and development for young people 16-19 in filmmaking and appreciation.

Residential Academy (BFI): Programming, is part of the BFI's Film Academy Network. There are 9 residentials each specialising in an area of the film industry. We recruit 30 young people (aged 16-19), from across the UK to come to Sheffield for a week to learn about all aspects of programming, exhibition and distribution, through industry led masterclasses and practical based projects.

Archive & Curation Residential (BFI): Project to deliver a specialist 7 day residential course to 32 participants from across the UK to learn about film curation and archiving. The course was delivered in partnership with ITV archive and York, St Johns. Speakers from the industry were included in the delivery for the in-person elements of the programme and to schedule an extensive weekly challenge in the form of creative re-use remixing of archive material to a theme that resonates with the young cohort.

Sheffield City Council: A grant towards finding an alternative solution to the scaffolding that is in place around a section of the building.

25. UNRESTRICTED FUNDS

	Company Unrestricted income fund £	Group Revaluation Reserve £
Balance at 1 April 2024	716,432	1,144,572
Net movement in funds for the year	(170,338)	-
Transfer during the year	88,473	(16,351)
Balance at 31 March 2025	634,567	1,128,221

26. RECONCILIATION OF CONSOLIDATED NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2025 Group £	2024 Group £
Net (outgoing) resources	(34,404)	(307,657)
Interest payable	30,107	23,786
Net outgoing resources from operations	(4,297)	(283,871)
Depreciation and amortisation	189,821	207,458
Loss on disposal of fixed assets	447	-
Decrease/(increase) in stock	2,462	622
(Increase) in debtors	(207,989)	(30,530)
Increase in creditors	157,392	140,850
Net cash inflow from operating activities	137,836	34,529

27. ANALYSIS OF NET DEBT

	1 April 2024	Cash flow	Other non-cash charges	31 March 2025
	£	£	£	£
Cash at the bank and in hand	8,110	2,207	-	10,317
Bank overdrafts	(334,217)	(67,117)	-	(401,334)
Cash and cash equivalents	(326,107)	(64,910)	-	(391,017)
Debts falling due within one year	-	-	-	-
Debts falling due after one year	-	-	-	-
	-	-	-	-
	(326,107)	(64,910)	-	(391,017)

28. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the board of directors.

29. TRANSACTIONS WITH RELATED PARTIES

In accordance with FRS102 paragraph 33.1A the company has taken advantage of the exemption from disclosing transactions with its fellow subsidiary companies.

THE SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

England & Wales - Charity number 1002020

Accounts

Company registration number: 2444438
Charity registration number: 1002020

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CONSOLIDATED ANNUAL REPORT

YEAR ENDED 31 MARCH 2024

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

ANNUAL REPORT

YEAR ENDED 31 MARCH 2024

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SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

The trustees (who are also directors of Sheffield Media and Exhibition Centre Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and financial statements of the charity.

Reference and Administration Details

Official name of charity:	Sheffield Media and Exhibition Centre Limited
Charity registration number:	1002020
Company registration number:	2444438
Directors and Trustees:	B Moffett – Resigned 8th June 2024 C M Pons D Gormley A Davenport - Resigned 25th September 2023 B Hamilton-Tweedale M Kanarek – Resigned 8th June 2024 H Taylor-Smith N Belfield A Casserly Stewart – Resigned 10 June 2024 H Mann Adamson – Resigned 27 November 2023 R Mersereau K R Gilbert – Appointed 12th June 2023 M J Hilton – Appointed 27 November 2023
Chief Executive:	I Wild
Secretary and Registered Office:	J Simpson 15 Paternoster Row Sheffield S1 2BX
Bankers:	Unity Trust Bank plc Nine Brindleyplace Birmingham B1 2HB
Auditors:	Hawsons Chartered Accountants Statutory Auditors Pegasus House 463a Glossop Road Sheffield S10 2QD
Solicitors:	Knights plc 1 St Paul's Place Sheffield City Centre Sheffield S1 2NB

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024 (continued)

The Board of Trustees, who are also Directors for the purposes of the Companies Act 2006, present their report and the consolidated group financial statements of Sheffield Media and Exhibition Centre and its 100% owned subsidiary Paternoster Limited, for the year ended 31 March 2024.

Constitution

Sheffield Media and Exhibition Centre Limited is a charity (No. 1002020) and a company limited by guarantee (No. 2444438).

Structure, governance and management

Governing document
The charity is governed by the Memorandum and Articles of Association dated 28 March 2022.

Organisation
A board of trustees of between 7 and 15 members, who are also Directors of the Parent Company, administers the charity. During the year the board met on a quarterly basis.

The Directors have established a Finance and Operations SubCommittee which meets at least each quarter with the senior management team to review the management accounts and to receive reports on the financial position of the company and any relevant operational issues or initiatives. The chair of the subcommittee reports any notable financial matters to the charity board. The subcommittee is open to all directors to attend but three directors have undertaken specific responsibility to attend each month:

Mark Hilton
Colin Pons
Brian Hamilton-Tweedale

There is also an Employment SubCommittee which meets several times a year as required and reviews our employment policies as well as considering any matters pertaining to staff. A minimum of two directors attend the meetings as well the Chief Executive and the Head of HR and Governance:

Kathryn Gilbert
Mark Hilton
Colin Pons

The board has also established an Education and Culture SubCommittee which meets 4 times a year and oversees the programme and education activities of the company. The SubCommittee is open to all directors to attend but three directors have undertaken specific responsibility to attend:

Brian Hamilton-Tweedale
Nikki Belfield
Ruth Mersereau

The board has also established a Fundraising and capital Projects SubCommittee after the year-end which will meet during the year as required, with the inaugural meeting to take place in the near future. The purpose of this SubCommittee will be to provide leadership in the development of a clear fundraising strategy and capital programme to lead on the grant application to the Heritage and Lottery Fund. The SubCommittee will be open to Trustees with relevant experience, and external non-trustees with specialised knowledge. Total membership not to exceed 10 members, with 50% split of trustee / non-trustee.

Sheffield City Council is entitled to nominate up to one trustee to the Board, and observer status at board meetings. Our current nominated trustee is Ruth Mersereau.

A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within the terms of the delegation approved by the trustees, for operational matters.

Structure, governance and management (continued)

Recruitment of trustees
Elected trustees are recruited through a combination of targeted recruitment, board banks and open advertising. Consideration is given to the skills of the current board and the needs of the organisation. New elected trustees are appointed by a vote. Generally, a trustee is expected to remain on the Board for a period of three years with the possibility of being re-elected for a second and third three-year term of office. Should a trustee fail to attend for three consecutive meetings, their position can be reconsidered.

Trustee induction and training
Prior to appointment and proposed new trustee will meet with the Chief Executive and Chair to discuss the role and expectations. They will also undertake an induction giving them an understanding of the business plan, operating strategy, aims and objectives, and their obligations as trustees. We also have in place a formal induction procedure and handbook for new trustees.

Structure
The charity carried out its activities through the charitable holding company and a 100% owned subsidiary listed below.

Subsidiary	Activity
Paternoster Limited	Development and letting of managed workspace Provision of conference facilities Operation of the Showroom Bar and Café

Purposes and activities for the public benefit

The charity trustees adopted a vision statement which has informed the current business plan:

Showroom Workstation is dedicated to establishing itself as the premier centre for film and creativity in the north of England, serving as a cultural cornerstone for the Sheffield City region. We aim to provide a dynamic platform for film exhibition, production, and new media, fostering an environment where individuals can explore, learn, and thrive within the cultural industries.

Objectives

As part of the long-term vision for the organisation the trustees agreed five objectives

1. As a registered charity we will continue to inspire new generations with our diverse and imaginative film exhibition, education and heritage programmes, encouraging debate, community building, engagement, and awareness.
2. We will be South Yorkshire's essential hub for the cultural and creative industries and a beacon of creative renewal. We will support SME's and foster proactive connectivity, networks, and community.
3. We will have given life to forgotten heritage – by repurposing our historic building and given it new use while minimising our environmental impact.
4. We will be a pathway for young people, providing accessible routes to film exhibition, film education, film and creative industries production.
5. Our governance and staff development activities will be robust and proactive, supported by cross departmental management services and communications.

The trustees adopted a new three-year business plan from April 2024 intended to cover the next three years of operation to 2027. In developing a new business plan the trustees have widely consulted and wish to incorporate strategies to reflect the heritage of the building and organisation. The plan will include the development of a new heritage focussed festival in the Summer of 2024. The key objectives of the plan are to-

- Return the company to profitable operation in year 1 and increase profitability over the three-year period.
- To restore and celebrate our building and its heritage for the benefit of our city and community.
- To continue to provide high quality cultural programme built around film and to pro-actively engage with all our communities.

Strategies and activities

In shaping our strategies for the year, and planning activities, the trustees have considered the Charity Commission's guidance on public benefit and fee charging. The cinema relies on grants, income from fees and charges and the profit from commercial activity undertaken by the wholly-owned trading company to cover its operating costs. In setting the level of charges the trustees have considered the accessibility of those people on low incomes and provide discounted ticket prices to several groups including older and retired customers as well as young people. The trust has also developed strategies to promote engagement activity to the wider community including employing a post to specifically focus on this area.

In putting our objectives into action, we have concentrated on the development and exhibition of film screening programmes and the delivery of related outreach and engagement activities. This has particularly focussed on young people, although not exclusively, and our programmes appeal to a very broad range of users and participants. We have also developed and operate a range of annual festivals both directly and through working with partners.

Principle risks and uncertainties

The trustees have considered a risk assessment for the organisation within the context of our business plan. The risk assessment is reviewed and updated annually. It identifies the risks to which the Group is, and is likely to be, exposed. The trustees regularly monitor progress and implement a risk management strategy comprising:

- An annual review of the risks facing the organisation.
- The maintenance of effective systems and procedures to mitigate those risks.
- The introduction of procedures to deal with the potential impact of any of those risks materialising.

In 2023-24 the organisation continued to recover audiences and increase sales following the period of closure during the covid lockdown (March 2020 to May 2021). The closure had a significant and direct impact on all areas of our business and continued to do so in the years following reopening. Not all areas of our trading have recovered at the same pace, and we needed to implement new approaches in many areas of our business to rebuild sales income. Some of the changes we made had an immediate effect, although others are having longer term impact as sales are continuing to grow. Overall, we saw a much slower recovery of sales than had been anticipated.

During this period we also experienced significant increases in our cost base, particularly for energy and labour which had a negative impact on the business profitability and slowed down our recovery. Although our sales continued to improve in 2023-24, we have not yet reached pre-pandemic levels. The sales growth we achieved has helped to reduce trading losses, but full recovery is expected to take several years.

Cinema

Cinema admissions grew in number compared to the previous year but more slowly than was anticipated. In 2023-24 ticket sales increased by 23.3% compared to the same period last year reaching a total of 100,822. This is a continuing trend following the three years since we reopened. Overall, annual cinema admissions are still around 20% less than was achieved before the pandemic. Recovery and audience growth was greater in the second half of 2023-24, particularly in Q4. This was despite the annual Sheffield Adventure Film Festival not taking place in March 2024 as had been planned.

Notable programme highlights this year included successful new film releases such as *Barbie*, *Oppenheimer* and *Poor Things*. We also had successful runs of films such as Oppenheimer in 35mm versions which proved to be popular with audiences. We had several successful National Theatre productions on screen with Uncle Vanya doing particularly well. The most successful non-fiction film at our box office was the rerelease of the Talking Heads concert film, *Stop Making Sense*. Our best-selling non-English language film was *Zone Of Interest*. The Studio Ghibli film production, *The Boy And The Heron* was our best-selling animated film this year presented in dubbed and original language versions. We also had several successful unique presentations which resonated with audiences this year.

Our year-round festival programme was the most successful element of our regular audience-facing activity with most events seeing much higher attendance than the previous year including, Sheffield Doc/Fest and Celluloid Screams (Horror Film Festival). Touring programmes including our regular partnership with the London Film Festival which also had strong box office results. The Childrens' Media Conference (CMC) successfully returned to our venue this year with high delegate numbers and strong sales results.

Although audiences did not return to the cinema as rapidly as we had hoped this year, the younger sector of our audience has continued to increase. We focussed on this sector with a re-engagement programme targeted at new students and promotion of our Cine26 low-cost ticket membership scheme. We also implemented a restructure of our front-of-house staff to reduce our operating costs which helped to offset the lower than anticipated income. This with other cost savings helped move the charity closer to a break-even trading position.

Partnerships

This year we continued to receive financial support from the British Film Institute. We applied for support over three years for a project called 'Another Country'. This is an ambitious audience development programme for which we received £160kpa. The BFI also provided support for other projects including the Youth Film Academy, Residential Film Academy and Film Hub North. The BFI also funded a major programme initiative to showcase the work of filmmakers Powell and Pressburger in 2023.

The Youth Film Academy and Residential Film Academy both took place as full in-person events for the first time after the lockdown. Both programmes met or exceeded our diversity targets with a full complement of a total of 52 learners participating. Our ongoing alumni network also continued to receive a high level of engagement from former students.

We launched a Young Programmers Group in 2023 following a successful pilot event the previous year. The programme succeeded in recruiting 20 students who met over 10 weeks to learn about and discuss film programming and audience engagement. The learning programme culminated in a successful week-long festival of curated film programmes held during the school half-term in February 2024.

Film Hub North, which is a BFI-funded partnership between ourselves and HOME in Manchester, continues to deliver support services to film exhibitors in northern England. FHN also reapplied for funding this year and received support for the three elements of the project. The main cinema support programme, BFI Network support programme for new and emerging filmmakers in the north of England and a new Film Academy Plus programme to provide continued support for young filmmakers through funding of low-budget micro-shorts.

Our BFI-funded audience engagement programme also provides support for us to deliver relaxed screenings which are focussed on autism and dementia groups. We also continue to deliver subtitled Mondays where all our films are shown with English Subtitles, which is particularly successful with hard-of-hearing customers.

Environmental Policy

Showroom Workstation recognises the severity of the climate crisis and acknowledges we have a responsibility to the environment beyond legal and regulatory requirements. We have therefore committed to reducing our environmental impact and to continually improving our sustainability. We intend to meet Government targets to become a net zero carbon user by 2050.

Work on reducing our environmental impact continued this year. A Green Steering Group was established with representation from across the organisation. We also began regularly monitoring our carbon use through an online tool, to provide regular comparison of our progress.

We also commenced a project to install solar panels on our building roof which if successful, will significantly reduce our carbon use.

Equality, Diversity and Inclusion

Showroom Workstation has an organisational commitment to increasing diversity across all our areas of activity. We want our organisation to be anti-discriminatory with a culture that is open to all regardless of background or circumstances.

We have approached our commitment to diversity with three priorities.

- Diversifying our organisation including governance, management, and staff to ensure that we are fully representative of our community.

- Ensuring our film and cultural programme reflects the widest range of diversity and that we actively program and work for all our communities.

- Proactively engaging with our audiences and local communities to ensure we are open and welcoming to all.

Operational plans for all these areas of activity are in place, overseen by an organisational-wide steering group. The Employment Sub-Committee of the board receives regular reports on our progress and development plans. We regularly review our policies and practices and have set KPI's to improve EDI within our organisation.

We utilise an anonymous recruitment policy and practices and have a positive action plan in place. Staff training in 2023-24 included British Sign Language awareness, neurodiversity, Equality, Diversity and Inclusion awareness and Sight Awareness training. Six staff members at various levels of the company hierarchy undertook Mental Health First Aid training.

Our programme actively engages with communities in Sheffield, and we host a steering group to develop an annual programme for Black History Month every October and LGBTQ+ History Month in February.

Paternoster Limited

Through the subsidiary company, Paternoster Limited, we continued to operate trading activities which include our café/bar and conference activity, cinema sales kiosk as well as the Workstation creative industries business centre.

Catering and Conferences

The Showroom café/bar reopened on the same date as the cinema after the lockdown. Although we have operated a full wet and dry service since reopening, sales have not fully recovered to pre-covid levels. We have also experienced significant increases in energy costs. Sales for conferences have increased in 2023-24 in line with the growth in cinema attendance.

Following a review of our operation, we undertook a staff restructure to reduce our operating costs which helped to improve the performance of our café/bar and conference activity. We also developed a programme of new sales initiatives to promote our facilities, which we anticipate will continue to help in the following trading period.

Many of the new initiatives we have implemented are having a positive impact on sales. More events in the café bar including quiz nights, and short film screenings are attracting new users to the building. The increasing success of the cinema event and festival programme also has a very positive impact on the sales we achieve in our café/bar.

Workstation

Occupancy of the office workspace was reduced during the covid lockdown as several companies chose to cease trading or relinquish their tenancies. Occupancy has gradually increased since we reopened providing improved rent and service charge income, resulting in occupancy returning to pre-Covid levels.

Whilst we try to attract start-up companies with very attractive rates, the scale of recent utility price increases means we are having to pass these on to our tenants in full in order to maintain our financial sustainability.

Facilities

Several significant problems associated with the age of the building arose during the year. We discovered part of the external brickwork cladding had become damaged and potentially dangerous. We dealt with this issue by initially installing safety scaffolding, whilst we carried out a detailed building survey. Although investigations continue, it is clear that we have to undertake extensive repairs to the building over the next few years.

To address this issue, the trustees have established a new SubCommittee in 2024-25 to oversee our major building repair work and begin the process of securing funding for the capital project. We have submitted a successful Expression of Interest application to the Heritage Lottery Fund and have been invited to apply for funding to undertake full repair and restoration of the historic building.

Financial Review
Overall, the group saw an improvement in performance compared to the previous year, with a deficit for the year of £307,657 (prior year deficit of £703,438). The charity's individual position, as detailed on page 13, shows a deficit of £246,258 (prior year deficit of £877,220). At March 2024 Paternoster has a significant amount of intercompany debt and owed SMEC £798,348 in total (prior year of £916,234). This is made up of a long-term loan of £400,000 and trading debt of £398,347. In these accounts a bad debt provision for the trading debt has been included within the charity's individual accounts.

The commercial trading subsidiary company Paternoster Limited returned to generating a small profit in 2023-24 of £56,487 (prior year loss of £342,454). After reopening in May 2021, trading of the café bar and conferencing activity gradually started to increase which has continued in 2023-24. The trading company has seen a significant improvement in sales and profitability.

In October 2022 we installed safety scaffolding around the building following discovery of some loose faience brickwork which was potentially dangerous. The cost of installing the scaffold was £97,654. Although we have subsequently removed part of the scaffold and undertake regular surveys, we have retained scaffolding on the east elevation (Shoreham Street). The annual cost of hiring the scaffolding is significant.

We worked closely with our bank and agreed an increased overdraft facility to ensure we could meet the cost of scaffolding.

Capital Investment Plans
Although our capital investment in 2023-24 was minimal, we have identified several major building repairs which are essential to implement in the next few years. We have begun to approach grant awarding organisations to secure the necessary funds for this work and have been invited to apply for a development grant from the Heritage Lottery Fund to develop plans for a large-scale capital project.

Investments, Reserves policy and Going Concern
Under the memorandum and articles of association, the charity has the power to make any investments that the trustees see fit in order to further the objects of the charity.

The reserves of the Group are represented largely by capital grants and property revaluation surpluses. These elements are regarded as the representation of the Group's fixed assets and are therefore, in effect, not available for any other purpose.

The deficit generated by the group in 2023/24 has further reduced the level of reserves and without a return to profitability across all aspects of the charity's activity, increasingly the long-term viability of the charity as it is currently organised will be called into question.

The trustees approved a new 3-year business plan for the period April 2024 – March 2027 which addresses the concerns over potential negative future financial performance by refocussing the organisation and ensuring it makes a small surplus in the first year (2024-25), increasing over the next three years to ensure the organisation is sustainable.

Future Plans
In 2024/25 we have secured funding which enables us to install Solar Panels onto a section of the roof. This will significantly help to reduce our overheads and improve our sustainability whilst also reducing our carbon footprint.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024 (continued)

Trustees' responsibilities in relation to the financial statements

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102)
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for maintaining proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charitable company, and enables them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

The trustees of the charitable company who held office at the date of approval of this Annual Report each confirm that:

- as far as they are aware, there is no relevant audit information (information needed by the charitable company's auditors in connection with preparing their report) of which the charitable company's auditors are unaware; and

- they have taken all the steps that they ought to take as trustees in order to make themselves aware of any audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

A resolution will be proposed at the Annual General Meeting that Hawsons be re-appointed as auditors to the charity for the ensuing year.

The report of the trustees has been prepared in accordance with the special provisions of Part VII of the Companies Act 2006.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors. On behalf of the board;



M Hilton
Sheffield

5 November 2024

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

Opinion

We have audited the financial statements of Sheffield Media and Exhibition Centre Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2024 which comprise the Consolidated and Parent Statement of Financial Activities, Consolidated and Parent Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2024, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

We have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the group's ability to continue as a going concern. The group generated a net deficit for the year of £307,657 which reduced the level of reserves accordingly. The matters explained in note 1 to the financial statements indicates the existence of a material uncertainty which may cast doubt over the group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the group was unable to continue as a going concern. Our opinion is not modified in this respect.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED (continued)

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement (set out on page 9), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED (continued)

The charitable company is subject to laws and regulations that directly and indirectly affect the financial statements. Based on our understanding of the charitable company and the environment it operates within, we determined that the laws and regulations which were most significant included FRS 102, Companies Act 2006, Health and Safety regulations and the Charities Act 2011. We considered the extent to which non-compliance with these laws and regulations might have a material effect on the financial statements, including how fraud might occur. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to improve the company's result for the period, and management bias in key accounting estimates.

Audit procedures performed by the engagement team included:

- Discussions with management and those responsible for legal compliance procedures within the charitable company to obtain an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company complies with that framework, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of Trustee meetings;
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud and non-compliance with laws and regulations;
- Challenging assumptions and judgements made by management in their significant accounting estimates.
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or posted by senior management.

There are inherent limitations in the audit procedures described above and the more removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor's-responsibilities-for. This description forms part of our auditor's report.

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

Hawsons

……..
Simon Bladen, Senior Statutory Auditor
For and on behalf of Hawsons Chartered Accountants, Statutory Auditors

Pegasus House
463a Glossop Road
Sheffield
S10 2QD

Date: 07/11/2024 ……

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CHARITABLE COMPANY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	2024 Total £	2023 Total £
Incoming Resources						
Donations and legacies	2	194,889	840,143	-	1,035,032	1,069,345
Investment income	4	28,000	-	-	28,000	28,000
Charitable activities	5	729,499	-	-	729,499	622,606
Other income		22,500	-	-	22,500	-
Total incoming resources		974,888	840,143	-	1,815,031	1,719,951
Resources expended						
Costs of generating voluntary income	8	10,000	-	-	10,000	10,000
Raising funds	9	-	-	-	-	-
Charitable activities	10	1,242,200	786,489	-	2,028,689	2,565,521
Other	11	22,600	-	-	22,600	21,650
Total resources expended		1,274,800	786,489	-	2,061,289	2,597,171
Net (Outgoing)/incoming resources before transfers		(299,912)	53,654	-	(246,258)	(877,220)
Transfers	23	79,880	-	(79,880)	-	-
Net movement in funds		(220,032)	53,654	(79,880)	(246,258)	(877,220)
Funds brought forward		936,464	4,717	1,679,772	2,620,953	3,498,173
Funds carried forward		716,432	58,371	1,599,892	2,374,695	2,620,953

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	2024 Total £	2023 Total £
Incoming resources						
Donations and legacies	2	194,889	840,143	-	1,035,032	1,069,345
Activities for generating funds	3	1,999,993	-	-	1,999,993	1,809,873
Charitable activities	5	729,499	-	-	729,499	562,606
Other income		22,500	-	-	22,500	-
Total incoming resources		2,946,881	840,143	-	3,787,024	3,441,824
Resources expended						
Costs of generating voluntary income	8	10,000	-	-	10,000	10,000
Raising funds	9	1,926,997	-	-	1,926,997	2,075,152
Charitable activities	10	1,348,595	786,489	-	2,135,084	2,038,460
Other	11	22,600	-	-	22,600	21,650
Total resources expended		3,308,192	786,489	-	4,094,681	4,145,262
Net (outgoing)/incoming resources before transfers		(361,311)	53,654	-	(307,657)	(703,438)
Transfers	23	79,880	-	(79,880)	-	-
Net movement in funds		(281,431)	53,654	(79,880)	(307,657)	(703,438)
Funds brought forward		1,741,104	4,717	1,679,772	3,425,593	4,129,031
Funds carried forward		1,459,673	58,371	1,599,892	3,117,936	3,425,593

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED
COMPANY REGISTRATION NUMBER 2444438

BALANCE SHEETS

31 MARCH 2024

	Notes	31 March 2024		31 March 2023	
		Group £	Company £	Group £	Company £
FIXED ASSETS					
Tangible fixed assets	18	4,216,549	1,780,245	4,379,519	1,883,981
Investment in subsidiaries	19	-	2	-	2
		4,216,549	1,780,247	4,379,519	1,883,983
CURRENT ASSETS					
Stock		16,831	-	17,453	-
Debtors	20	461,401	453,552	430,871	510,391
Cash at bank and in hand		8,110	464,281	60	458,279
		486,342	917,833	448,384	968,670
CREDITORS – amounts falling due within one year	21	(1,210,589)	(323,385)	(999,456)	(231,700)
Net current assets/ (liabilities)		(724,247)	594,448	(551,072)	736,970
Total assets less current liabilities		3,492,302	2,374,695	3,828,447	2,620,953
Deferred income	22	(374,366)	-	(402,854)	-
NET ASSETS		3,117,936	2,374,695	3,425,593	2,620,953
CHARITY FUNDS					
Restricted capital fund	24	1,599,892	1,599,892	1,679,772	1,679,772
Restricted income funds	24	58,371	58,371	4,717	4,717
Unrestricted funds	25	315,101	716,432	580,181	936,464
Revaluation reserve	25	1,144,572	-	1,160,923	-
TOTAL CHARITY FUNDS		3,117,936	2,374,695	3,425,593	2,620,953

The financial statements were approved by the board of trustees on 5 November 2024 and signed on its behalf by:



M Hilton - Trustee

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Cash flow from operating activities	26	34,529	(343,832)
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(44,488)	(76,831)
Net cash flow from investing activities		(44,488)	(76,831)
Cash flow from financing activities			
Interest paid		(23,786)	-
Net cash flow from financing activities		(23,786)	-
Net (decrease) in cash and cash equivalents		(33,745)	(420,663)
Cash and cash equivalents at 1 April		(292,362)	128,301
Cash and cash equivalents at 31 March		(326,107)	(292,362)
Cash and cash equivalents consist of:			
Cash at bank and in hand		8,110	60
Overdraft		(334,217)	(292,422)
Cash and cash equivalents at 31 March		(326,107)	(292,362)

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS

YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material to the company's affairs.

STATUTORY INFORMATION

Sheffield Media and Exhibition Centre Limited is a charity (No. 1002020) and a company limited by guarantee (No. 2444438) domiciled in England and Wales. The registered office is at 15 Paternoster Row, Sheffield, S1 2BX.

BASIS OF PREPARATION

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, 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 Accounting Practice.

GOING CONCERN

The charitable group is currently in a net overdraft position of £326,107. The group generated an overall deficit of £307,657 for the year to 31 March 2024. The trustees have therefore considered the short term and medium-term impact with budgets and cashflow forecasts prepared to cover to March 2026, which show the group operating at a small surplus in 2025/26. The company's bank continues to support the group.

After due consideration of all relevant factors, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

BASIS OF CONSOLIDATION

These financial statements consolidate the results of the charity and its wholly owned subsidiary, Paternoster Limited on a line by line basis.

GRANTS AND DONATIONS

Grants receivable are recognised in the Statement of Financial Activities when the conditions for receipt have been complied with.

Grants received for specific projects are accounted for as restricted funds.

Grants received in the trading subsidiaries are credited to a separate account from which amounts will be released to revenue over the depreciation period of the relevant assets.

1. ACCOUNTING POLICIES (continued)

OPERATION OF CINEMA AND CENTRE HIRE – CHARITABLE TRADING ACTIVITIES

Operation of the cinema and centre comprises those costs that are directly attributable to the generation of income in the operation of the cinema.

ACTIVITIES FOR GENERATING FUNDS

This represents income generated by the trading subsidiaries to support the directly charitable activity carried out by the group.

RESOURCES EXPENDED

Expenditure is included on an accruals basis.

Costs of operation of the cinema and centre comprise those costs that are directly attributable to the generation of income in the operation of the cinema.

ALLOCATION OF COSTS

Costs directly related to an activity are allocated to that activity. Support costs which are necessary to deliver an activity but do not themselves deliver the activity, are allocated in proportion to the benefit attributable based on an internal assessment of time spent and resources used.

Governance costs are those costs incurred in meeting statutory and constitutional requirements.

Support costs include central functions and have been allocated to activity cost categories on the basis of time spent.

FUNDS

Incoming and outgoing resources are analysed between restricted capital fund, restricted and unrestricted income funds.

Restricted capital fund

This fund arises from grants received which were required to be invested in fixed assets for the company's use. An annual transfer is made to the unrestricted income fund for the depreciation on the restricted assets which is charged to the unrestricted income fund.

Unrestricted income fund

This fund is expendable at the discretion of the trustees in the furtherance of the objectives of the company and have not been designated for other purposes.

Restricted income fund

This fund arises from grants received which are required to be used for specific projects of a revenue nature.

1. ACCOUNTING POLICIES (continued)

TANGIBLE FIXED ASSETS

Tangible fixed assets other than the long leasehold property held by Paternoster Limited, are included at original cost less accumulated depreciation.

The long leasehold property held by Paternoster Limited was previously held at valuation less accumulated depreciation. On transition to FRS102, the value at transition date, 1 April 2014, is taken as deemed cost and continues to be depreciated going forward.

Depreciation of fixed assets is provided at rates estimated to write off each asset over the term of its useful life.

The annual rates used are: -

Long leasehold land and buildings	1% - 2%	straight line
Fixtures and fittings	15% - 25%	straight line/reducing balance
Equipment	5% - 25%	straight line/reducing balance

STOCK

Stock is valued at the lower of cost and net realisable value.

FINANCE AND OPERATING LEASES

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred. Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written off to the SOFA over the period of the lease so as to produce a constant periodic rate of change.

2. DONATIONS AND LEGACIES

	2024 £ Group	2024 £ Company	2023 £ Group	2023 £ Company
Unrestricted				
BFI	180,000	180,000	150,000	150,000
Europa Cinemas	-	-	6,164	6,164
Donations	14,889	14,889	52,133	52,133
Total unrestricted	194,889	194,889	208,297	208,297
Restricted - revenue				
BFI - Film Hub North 3	763,287	763,287	-	-
BFI - Film Hub North 2	-	-	605,430	605,430
BFI - Other	65,000	65,000	230,608	230,608
Young Programmers	-	-	15,000	15,000
Picturehouse	-	-	2,208	2,208
Film Feels	-	-	5,952	5,952
Powell & Pressburger	5,000	5,000	-	-
Story Futures	3,000	3,000	-	-
SXSW Bursary	2,096	2,096	-	-
Other < £1,000	1,760	1,760	1,850	1,850
Total restricted - revenue	840,143	840,143	861,048	861,048
Total voluntary income	1,035,032	1,035,032	1,069,345	1,069,345

3. ACTIVITIES FOR GENERATING FUNDS

	2024 £ Group	2024 £ Company	2023 £ Group	2023 £ Company
Letting of managed workspace	937,675	-	776,789	-
Commercial operations	1,062,318	-	1,033,084	-
	1,999,993	-	1,809,873	-

4. INVESTMENT INCOME

	2024 £ Group	2024 £ Company	2023 £ Group	2023 £ Company
Loan interest	-	28,000	-	28,000
	-	28,000	-	28,000

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2024 £ Group	2024 £ Company	2023 £ Group	2023 £ Company
Unrestricted				
Box office receipts	589,936	589,936	449,718	449,718
Centre hire	75,264	75,264	65,236	65,236
Membership fees	25,081	25,081	25,278	25,278
Advertisement income	28,647	28,647	18,631	18,631
Management fee	-	-	-	60,000
Other income	33,071	33,071	3,743	3,743
	751,999	751,999	562,606	622,606

6. NET OUTGOING RESOURCES

	2024 Group £	2024 Company £	2023 Group £	2023 Company £
This is stated after charging:				
Operating lease rentals – land and buildings	-	6,000	-	6,000
Depreciation	207,458	115,207	216,200	117,331

7. AUDITOR'S REMUNERATION

The auditor's remuneration amounts to a fee of £15,750 (2023: £15,000) and £1,575 for other services (2023: £1,500).

8. COSTS OF GENERATING VOLUNTARY INCOME

	2024 £ Group	2024 £ Company	2023 £ Group	2023 £ Company
Support costs (note 12)	10,000	10,000	10,000	10,000

9. RAISING FUNDS

	2024 £ Group	2024 £ Company	2023 £ Group	2023 £ Company
Managed workspace cost	818,070	-	902,601	-
Commercial operations	1,108,927	-	1,172,551	-
	1,926,997	-	2,075,152	-

10. CHARITABLE ACTIVITIES

Cost of operation of cinema and centre hire

	2024 £ Group	2024 £ Company	2023 £ Group	2023 £ Company
Film performances and related costs				
Film hire	257,741	257,741	190,466	190,466
Project costs	70,575	73,591	294,698	297,048
Film Hub North grants disbursed	339,368	339,368	470,080	470,080
Centre costs				
Marketing costs	16,728	16,728	23,039	23,039
Wages and related costs	542,209	542,209	386,696	386,696
Printing and advertising	7,530	7,530	13,833	15,168
Depreciation – equipment	21,735	21,735	24,105	24,105
Credit card charges	10,513	10,513	9,957	9,957
Other expenses	26,727	(91,159)	20,424	536,658
	1,293,126	1,178,256	1,433,298	1,953,217
Support costs (note 12)	841,958	850,433	605,162	612,304
Total cost of charitable activities	2,135,084	2,028,689	2,038,460	2,565,521

11. OTHER COSTS

	2024 £ Group	2024 £ Company	2023 £ Group	2023 £ Company
Audit fee	12,600	12,600	11,650	11,650
Support costs (note 12)	10,000	10,000	10,000	10,000
	22,600	22,600	21,650	21,650

12. INDIRECT SUPPORT COSTS

	2024 £ Group	2024 £ Company	2023 £ Group	2023 £ Company
Salaries and related costs	394,877	394,877	275,062	275,062
Travel and hospitality	24,695	24,695	29,778	29,778
Rent, rates and service charges	37,890	43,794	8,345	14,249
Heat and power	167,000	167,000	112,424	112,424
Printing, postage and stationery	188	2,159	701	1,807
Repairs and maintenance	27,007	27,007	26,079	26,079
Insurance	18,207	18,207	15,064	15,064
Telephone charges	175	775	287	419
Licences and subscriptions	9,565	9,565	5,669	5,669
Professional fees	12,501	12,501	2,236	2,236
Bank charges	3,814	3,814	3,323	3,323
Bank interest	7,929	7,929	-	-
Equipment hire and leasing	3,061	3,061	2,621	2,621
Computer software and consumables	7,770	7,770	18,852	18,852
Website development	420	420	380	380
Cleaning and sundry expenses	53,387	53,387	31,115	31,115
Depreciation - long leasehold property	70,573	70,573	70,572	70,572
Depreciation - fixtures, fittings and equipment	22,899	22,899	22,654	22,654
Loss on disposal			-	-
	861,958	870,433	625,162	632,304
Allocation				
Charitable activities	841,958	850,433	605,162	612,304
Generating voluntary income	10,000	10,000	10,000	10,000
Other costs	10,000	10,000	10,000	10,000
	861,958	870,433	625,162	632,304

Charitable costs are primarily for the running of cinema screenings and the managing of rented workspace, support costs are allocated as such above.

13. FUNDRAISING TRADING FROM TRADING ACTIVITIES OF SUBSIDIARY

The wholly owned subsidiary is used for trading activities to generate income to support the direct charitable activities of the group. The net profits of the subsidiary are gifted to the charity.

The subsidiary of the company at 31 March 2024 is detailed in note 19 of these financial statements. A summary of its trading results including intra-group sales is shown below:

	Paternoster Limited	
	Managed workspace	Commercial operations
	£	£
Turnover	946,150	1,065,334
Cost of sales	(490,649)	(770,646)
Gross profit	455,501	294,688
Administrative expenses	(347,981)	(330,352)
Interest payable	(35,928)	(7,929)
Other operating income	28,488	-
Operating deficit for year	100,080	(43,593)
Loss from commercial operations	(43,593)	43,593
Profit on ordinary activities before taxation	56,487	-
Net Profit for the year retained	56,487	-

14. STAFF COSTS AND TRUSTEES'S REMUNERATION

	2024		2023	
	Group	Company	Group	Company
	£	£	£	£
Wages and salaries	1,250,086	558,255	1,349,890	489,053
Social security costs	90,607	40,462	96,331	34,900
Pension costs	26,061	11,638	26,274	9,519
	1,366,754	610,355	1,472,495	533,472

The average number of employees calculated on a full-time equivalent basis during the year was as follows:

	2024		2023	
	Number	FTE	Number	FTE
Raising funds	53	28	60	24
Charitable activities	30	18	31	24
	83	46	91	48

The number of employees who earned between £60,000 and £69,999 during the year was 1 (2023: 1).

14. STAFF COSTS AND TRUSTEE REMUNERATION (continued)

The trustees neither received nor waived any remuneration during the year (2023: £nil). No trustees had expenses reimbursed during the year (2023: £nil).

The total amount of employee benefits received by key management personnel is £251,330 (2023: £243,318). The key management personnel of the charity comprise the trustees and the Senior Management Team, which at the year-end comprises the staff members listed below.

Chief Executive
Head of Finance
Head of HR and Governance
Head of Managed Workspace and Facilities
Head of Communications and Engagement

15. INTEREST PAYABLE AND SIMILAR CHARGES

	2024		2023	
	Group	Company	Group	Company
	£	£	£	£
Bank loans and overdrafts	23,786	7,929	-	-
	23,786	7,929	-	-

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2024 - Group

	Unrestricted Funds	Restricted Income Fund	Restricted Capital Fund	Total
	£	£	£	£
Tangible fixed assets	2,616,657	-	1,599,892	4,216,549
Current assets	427,971	58,371	-	486,342
Current liabilities	(1,210,589)	-	-	(1,210,589)
Long term liabilities	(374,366)	-	-	(374,366)
	1,459,673	58,371	1,599,892	3,117,936

2024 - Company

Tangible fixed assets	180,355	-	1,599,892	1,780,247
Current assets	859,462	58,371	-	917,833
Current liabilities	(323,385)	-	-	(323,385)
Long term liabilities	-	-	-	-
	716,432	58,371	1,599,892	2,374,695

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

2023 - Group

	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	Total £
Tangible fixed assets	2,699,747	-	1,679,772	4,379,519
Current assets	443,667	4,717	-	448,384
Current liabilities	(999,456)	-	-	(999,456)
Long term liabilities	(402,854)	-	-	(402,854)
	1,741,104	4,717	1,679,772	3,425,593

2023 - Company

	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	Total £
Tangible fixed assets	204,211	-	1,679,772	1,883,983
Current assets	963,953	4,717	-	968,670
Current liabilities	(231,700)	-	-	(231,700)
Long term liabilities	-	-	-	-
	936,464	4,717	1,679,772	2,620,953

17. FINANCIAL COMMITMENTS

	2024		2023	
	Group £	Company £	Group £	Company £
As at 31 March the annual commitments under non-cancellable operating leases were as follows:-				
Due within 1 year	6,653	-	6,588	-
Due within 1 to 2 years	6,676	-	6,588	-
Due within 2 to 5 years	10,730	-	18,498	-
	24,059	-	31,674	-

As at 31 March 2024 the company and the Group had capital commitments of £nil (2023: £nil).

18. TANGIBLE FIXED ASSETS – GROUP

	Long leasehold property £	Fixtures fittings & equipment £	Total £
Cost or valuation			
At 1 April 2023	6,761,247	2,729,931	9,491,178
Additions	-	44,488	44,488
At 31 March 2024	6,761,247	2,774,419	9,535,666
Depreciation			
At 1 April 2023	2,809,021	2,302,638	5,111,659
Charge for the year	102,913	104,545	207,458
At 31 March 2024	2,911,934	2,407,183	5,319,117
Net book value			
At 31 March 2024	3,849,313	367,236	4,216,549
At 31 March 2023	3,952,226	427,293	4,379,519

TANGIBLE FIXED ASSETS – COMPANY

	Long leasehold property £	Fixtures fittings & equipment £	Total £
Cost			
At 1 April 2023	3,528,630	1,478,527	5,007,157
Additions	-	11,471	11,471
Disposals	-	-	-
At 31 March 2024	3,528,630	1,489,998	5,018,628
Depreciation			
At 1 April 2023	1,821,420	1,301,756	3,123,176
Charge for the year	70,573	44,634	115,207
Disposals	-	-	-
At 31 March 2024	1,891,993	1,346,390	3,238,383
Net book value			
At 31 March 2024	1,636,637	143,608	1,780,245
At 31 March 2023	1,707,210	176,771	1,883,981

19. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Cost of shares in subsidiary undertaking

	£
At 1 April 2023 and 31 March 2024	2

The subsidiary of the company at 31 March 2024 (incorporated in England) was:

	Class of shares held	% held	Direct/ indirect holding	Aggregate capital and reserves £	Profit/ (loss) for the year £
Paternoster Limited 025 40298 Letting of managed workspace and operation of bar and café	Ordinary	100	Direct	344,895	56,487

20. DEBTORS

	2024		2023	
	Group £	Company £	Group £	Company £
Trade debtors	123,727	3,907	123,867	3,932
Other debtors	314,640	26,611	264,710	64,165
Prepayments and accrued income	23,034	23,034	42,294	42,294
Amount owed by group undertakings	-	400,000	-	400,000
	461,401	453,552	430,871	510,391

Of the amount owed by group undertakings, £400,000 (2023: £400,000) is due after more than one year, which represents a loan made to Paternoster Limited, a subsidiary company. The loan was made on normal commercial terms at an interest rate of 7%.

21. CREDITORS

	2024		2023	
Amounts falling due within one year	Group £	Company £	Group £	Company £
Bank overdraft	334,217	-	292,422	-
Trade creditors	306,022	95,419	227,730	69,877
Other creditors	332,465	57,134	307,301	60,553
Taxation and social security	96,410	29,357	91,550	20,817
Accruals and deferred income	141,475	141,475	80,453	80,453
	1,210,589	323,385	999,456	231,700

22. DEFERRED INCOME – GROUP

	2024 £	2023 £
Government grants and other income at 1 April	402,854	431,341
Grants received during the year		
Amount released in year	(28,488)	(28,487)
Balance at 31 March	374,366	402,854

23. TRANSFER BETWEEN FUNDS

	2024		2023	
	Group £	Company £	Group £	Company £
Release of restricted capital funds re depreciation of capital assets	79,880	79,880	78,378	78,378
	79,880	79,880	78,378	78,378

24. RESTRICTED FUNDS – Group and Company

2024	Balance at 31 March 2023 £	Incoming resources £	Resources expensed £	Transfer £	Balance at 31 March 2024 £
Restricted capital funds	1,679,772	-	-	(79,880)	1,599,892

2023	Balance at 31 March 2022 £	Incoming resources £	Resources expensed £	Transfer £	Balance at 31 March 2023 £
Restricted capital funds	1,758,150	-	-	(78,378)	1,679,772

The restricted capital fund arises from grants we applied for, for the purpose of supporting our engagement and outreach work, through BSL welcome films to ticketless scanners to support social distancing for returning customers.

2024	Balance at 31 March 2023 £	Incoming resources £	Resources expensed £	Transfer £	Balance at 31 March 2024 £
Restricted income funds					
Film Hub North 3 (BFI)	-	763,287	(704,916)	-	58,371
Youth Film Academy (BFI)	-	20,000	(20,000)	-	-
Residential Academy (BFI)	-	45,000	(45,000)	-	-
Powell & Pressburger	-	5,000	(5,000)	-	-
Story Futures	-	3,000	(3,000)	-	-
SXSW Bursary	-	2,096	(2,096)	-	-
Young Programmers	3,667	-	(3,667)	-	-
Other < £1,000	1,050	1,760	(2,810)	-	-
	4,717	840,143	(786,489)	-	58,371

24. RESTRICTED FUNDS – Group and Company (continued)

2023	Balance at 31 March 2022	Incoming resources	Resources expensed	Transfer	Balance at 31 March 2023
	£	£	£	£	£
Restricted income funds					
Film Hub North 2 (BFI)	102,129	605,430	(707,559)	-	-
Talent Development (BFI)	38,770	164,308	(203,078)	-	-
Youth Film Academy (BFI)	292	17,300	(17,592)	-	-
Residential Academy (BFI)	-	45,000	(45,000)	-	-
Venue Education Fund (BFI)	-	4,000	(4,000)	-	-
National Lottery	3,574	-	(3,574)	-	-
Film Feels	-	5,952	(5,952)	-	-
Young Programmers	-	15,000	(11,333)	-	3,667
Picturehouse	-	2,208	(2,208)	-	-
Other < £1,000	-	1,850	(800)	-	1,050
	144,765	861,048	(1,001,096)	-	4,717

Film Hub North 3 – initiative to develop a network of film exhibitors in the north of England, funded by the BFI. This includes us being part of a countrywide network of talent executives, who search out and develop from a grass roots level, new and emerging film directors, producers and writers. This includes short film production and early feature script development.

Youth Film Academy – BFI funded training and development for young people 16-19 in filmmaking and appreciation.

BFI Residential: Programming, is part of the BFI's Film Academy Network. There are 9 residentials each specialising in an area of the film industry. We recruit 30 young people (aged 16-19), from across the UK to come to Sheffield for a week to learn about all aspects of programming, exhibition and distribution, through industry led masterclasses and practical based projects.

Powell & Pressburger: Funding to cover a programme of 11 films as part of the BFI 'Cinema Unbound: The Creative Worlds of Powell and Pressburger' season.

Story Futures: Funding to deliver a dedicated VR programme using VR headsets supplied by Story Futures. This included running two VR open day experiences.

SXSW Bursary: Funding for a place on the BFI International Connections VR Event in Austin, Texas.

25. UNRESTRICTED FUNDS

	Company Unrestricted income fund £	Group Revaluation Reserve £
Balance at 1 April 2023	936,464	1,160,923
Net movement in funds for the year	(299,912)	-
Transfer during the year	79,880	(16,351)
Balance at 31 March 2024	716,432	1,144,572

26. RECONCILIATION OF CONSOLIDATED NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2024 Group £	2023 Group £
Net (outgoing) resources	(307,657)	(703,438)
Interest payable	23,786	-
Net outgoing resources from operations	(283,871)	(703,438)
Depreciation and amortisation	207,458	216,200
Decrease/(increase) in stock	622	(837)
(Increase)/decrease in debtors	(30,530)	178,950
Increase/(decrease) in creditors	140,850	(34,707)
Net cash inflow from operating activities	34,529	(343,832)

27. ANALYSIS OF NET DEBT

	1 April 2023	Cash flow	Other non-cash charges	31 March 2024
	£	£	£	£
Cash at the bank and in hand	60	8,050	-	8,110
Bank overdrafts	(292,422)	(41,795)	-	(334,217)
Cash and cash equivalents	(292,362)	(33,745)	-	(326,107)
Debts falling due within one year	-	-	-	-
Debts falling due after one year	-	-	-	-
	-	-	-	-
	(292,362)	(33,745)	-	(326,107)

28. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the board of directors.

29. TRANSACTIONS WITH RELATED PARTIES

In accordance with FRS102 paragraph 33.1A the company has taken advantage of the exemption from disclosing transactions with its fellow subsidiary companies.

THE SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

England & Wales - Charity number 1002020

Accounts

Company registration number: 2444438
Charity registration number: 1002020

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CONSOLIDATED ANNUAL REPORT

YEAR ENDED 31 MARCH 2023

Hawsons

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

ANNUAL REPORT

YEAR ENDED 31 MARCH 2023

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SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The trustees (who are also directors of Sheffield Media and Exhibition Centre Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and financial statements of the charity.

Reference and Administration Details

Official name of charity:	Sheffield Media and Exhibition Centre Limited
Charity registration number:	1002020
Company registration number:	2444438
Directors and Trustees:	B Moffett (Chair) C M Pons D Gormley M Ellis – Resigned 28th November 2022 A Davenport - Resigned 25th September 2023 B Hamilton-Tweedale M Drabble - Resigned 26th September 2022 M Kanarek T Kennick – Resigned 28th November 2022 H Taylor-Smith N Belfield J Dobson - Resigned 28th November 2022 A Casserly Stewart H Mann Adamson R Mersereau - Appointed 26th September 2022 K R Gilbert – Appointed 12th June 2023
Chief Executive:	I Wild
Secretary and Registered Office:	J Simpson 15 Paternoster Row Sheffield S1 2BX
Bankers:	Unity Trust Bank plc Nine Brindleyplace Birmingham B1 2HB
Auditors:	Hawsons Chartered Accountants Statutory Auditors Pegasus House 463a Glossop Road Sheffield S10 2QD
Solicitors:	Knights plc Commercial House 14 Commercial Street Sheffield S1 2AT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023 (continued)

The Board of Trustees, who are also Directors for the purposes of the Companies Act 2006, present their report and the consolidated group financial statements of Sheffield Media and Exhibition Centre and its 100% owned subsidiary Paternoster Limited, for the year ended 31 March 2023.

Constitution

Sheffield Media and Exhibition Centre Limited is a charity (No. 1002020) and a company limited by guarantee (No. 2444438).

Structure, governance and management

Governing document
The charity is governed by the Memorandum and Articles of Association dated 30 October 1989.

Organisation
A board of trustees of between 9 and 21 members, who are also Directors of the Parent Company, administers the charity. During the year the board met on a monthly basis.

The Directors have established a Finance and Operations Subcommittee which meets each month with the senior management team to review the management accounts and to receive reports on the financial position of the company and any relevant operational issues or initiatives. The chair of the subcommittee reports any notable financial matters to the charity board. The subcommittee is open to all directors to attend but three directors have undertaken specific responsibility to attend each month:

B Moffett
C Pons
B Hamilton-Tweedale

There is also an Employment Subcommittee which meets several times a year as required and reviews our employment policies as well as considering any matters pertaining to staff. Two directors attend the meetings as well the Chief Executive and the HR Manager:

C Pons
B Moffett

The board has also established an Education and Culture Subcommittee which meets 4 times a year and oversees the programme and education activities of the company. The subcommittee is open to all directors to attend but three directors have undertaken specific responsibility to attend:

H Taylor-Smith
B Hamilton-Tweedale
A Casserly Stewart

Sheffield City Council and The Chamber of Commerce are each entitled to nominate up to two trustees to the Board, and observer status at board meetings.

A Chief Executive is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within the terms of the delegation approved by the trustees, for operational matters.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023 (continued)

Structure, governance and management (continued)

Recruitment of trustees
Elected trustees are recruited through a combination of targeted recruitment, board banks and open advertising. Consideration is given to the skills of the current board and the needs of the organisation. New elected trustees are appointed by a vote. Generally, a trustee is expected to remain on the Board for a period of three years with the possibility of being re-elected for a second three-year term of office. Should a trustee fail to attend for three consecutive meetings, their position can be reconsidered.

Trustee induction and training
Prior to appointment and proposed new trustee will meet with the Chief Executive and Chair to discuss the role and expectations. They will also undertake an induction giving them an understanding of the business plan, operating strategy, aims and objectives, and their obligations as trustees. We also have in place a formal induction procedure and handbook for new trustees.

Structure
The charity carried out its activities through the charitable holding company and a 100% owned subsidiary listed below.

Subsidiary	Activity
Paternoster Limited	Development and letting of managed workspace Provision of conference facilities Operation of the Showroom Bar and Café

Purposes and activities for the public benefit
Showroom Workstation aspires to be the centre for film and creativity in the north of England and a cultural leader for Sheffield City region. A prestigious cinema centre and workspace complex for the creative and digital industries, providing a platform for film exhibition, film production, new media and related activity; a space that encourages people to find their potential in discovering, enjoying, learning about and working in the cultural industries.

Objectives
The organisation adopted the below five aims:-

- Actively programme our cinemas to ensure we achieve the greatest diversity in our film selection, education opportunities and audience engagement.
- Provide the highest quality hospitality and consistent customer service and become a destination place for local audiences and creative people leading to increased income.
- Be a leading centre for creative industries, actively supporting enterprise through high quality business location and pro-active support services.
- Provide cultural leadership for the film sector, locally, regionally and nationally.
- Build financial stability supported by a robust management and governance structure and training programme to support our staff in delivering our business goals.

The trustees are preparing a new three-year plan intended to cover the next period of operation from 2024 to 2027. Development of the plan was delayed, following the Covid-19 shutdown in favour of a short-term recovery plan. In developing a new business plan the trustees have widely consulted and wish to incorporate strategies to reflect the heritage of the building and organisation. The plan will include development of a new heritage focussed festival from 2024.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023 (continued)

Strategies and activities

In shaping our strategies for the year, and planning activities, the trustees have considered the Charity Commission's guidance on public benefit and fee charging. The cinema relies on grants, income from fees and charges and the profit from commercial activity undertaken by the wholly owned trading company to cover its operating costs. In setting the level of charges the trustees have considered the accessibility of those people on low incomes and provides discounted ticket prices to several groups including older and retired customers as well as young people. The trust has also developed strategies to promote engagement activity to the wider community.

In putting our objectives into action, we have concentrated on the development and exhibition of film screening programmes and the delivery of related outreach and engagement activities. This has particularly focussed on young people, although not exclusively, and our programmes appeal to a very broad range of users and participants. We have also developed and operate a range of annual festivals both directly and through working with partners.

Principle risks and uncertainties

The trustees consider a risk assessment for the organisation within the context of our business plan. The risk assessment is reviewed and updated annually. It identifies the risks to which the Group is, and is likely to be, exposed. The trustees regularly monitor progress and implement a risk management strategy comprising:

- annual review of the risks facing the Group;
- the maintenance of effective systems and procedures to mitigate those risks; and
- the introduction of procedures to deal with the potential impact of any of those risks materialising.

In 2022-23 the organisation continued to recover audiences and sales following the period of closure during the covid lockdown (March 2020 to May 2021). The closure had a significant and direct impact on all areas of our business and continued to do so throughout 2022-23. Not all areas of our trading recovered at the same pace, and we needed to implement new approaches in many areas of our business to recover sales income. Some of the changes we made had an immediate effect, although others will have longer term impact and have helped to improve trading in the following year. Overall, we saw a much slower recovery in sales than had been anticipated. We also experienced significant increases in our cost base throughout 2022-23, particularly for energy and labour which also had a negative impact on the business profitability and slowed down our recovery. In the first half of the 2023-24 financial year, we have experienced improved sales in all areas of the business which has helped to reduce trading loss from 2022-23. However, we continue to experience notable increases in our costs during 2023-24.

Cinema

Cinema admissions grew in number compared to the previous year but more slowly than was anticipated. Overall, ticket sales increased by 8.6% compared to the same period last year reaching a total of 81,762. This is significantly less than the pre-covid level of attendance. Recovery and audience growth was greater in the second half of the year. Post year end we have continued to see growth in audience numbers in the first half of 2023-24. This has helped to reduce the trading loss during this period.

Notable programmes highlight this year included successful film releases such as *The Banshees of Inisherin*, *Aftersun* and *Everything Everywhere All At Once*. We also had a significant success with the National Theatre production, *Prima Facie*. The most successful documentary at our box office this year was *Moonage Daydream* which was also the opening film at Sheffield Doc/Fest. Our best-selling non-English language film was *The Worst Person In The World*. We also had several successful unique presentations including a sell-out screening of *A Clockwork Orange* in partnership with Sheffield HorrorCon, followed by a Q&A with lead actor Malcolm McDowell.

Our year-round festival programme was the most successful element of our regular audience facing activity with most events seeing much higher attendance than last year including ShAFF (Sheffield Adventure Film Festival), Sheffield Doc/Fest and Celluloid Screams (Horror Film Festival). Touring programmes including our partnership with the London Film Festival also had strong box office results. The Childrens' Media Conference (CMC) was not held at our venue during the financial year, but returned in July 2023.

Although our audiences did not return to the cinema as rapidly as we had hoped this year, the younger sector of our audience have continued to increase. We focussed on this sector with a re-engagement programme targeted at new students and promotion of our Cine26 low-cost ticket membership scheme. We also implemented a restructure of our front-of-house operations staff to reduce our operating costs which helped to offset the lower than anticipated income. This cost-base reduction continued to have a positive impact in 2023-24.

Partnerships

This year we continued to receive financial support from the British Film Institute, in support of our film programme. The BFI also provided support for other projects including the Youth Film Academy, Residential Film Academy and Film Hub North. This was the final year of the current funding agreements with the BFI.

The Youth Film Academy and Residential Film Academy both took place as hybrid events, with some on-line and some in-person activity. Both programmes met or exceeded our diversity targets with a full complement of learners. Our ongoing alumni network also continued to receive a high level of engagement from former students.

We launched a pilot Young Programmers Group this year with financial support from Film Hub North. The programme succeeded in recruiting 24 students who met over 10 weeks to learn about and discuss film programming and audience engagement. The learning programme culminated in a successful week-long festival of the curated film programmes held during school half-term in February 2023. Based on the success of the pilot event, we have built an annual Young Programmers Group into our forward-facing plan starting in autumn 2023.

Film Hub North, which is a partnership with HOME in Manchester, continues to deliver support services to film exhibitors in northern England. FHN also delivers a national film heritage programme and is part of BFI Network which provides support and funding for new filmmakers in northern England.

The BFI who supports FHN and Showroom cinema through grant funding, launched a new ten-year strategy in April 2023. Both Film Hub North and Showroom successfully applied for partnership support from the BFI and received new three years contracts starting in April 2023. Film Hub North received financial support to continue the established work programme supporting film exhibition and young filmmakers. FHN also received support to launch a new programme; Film Academy Plus which will focus on supporting a younger talent cohort.

The BFI agreed to support a new audience development programme at Showroom cinema designed to increase engagement with communities in Sheffield. The programme also includes increased activity of the Young Programmers Group and more investment into relaxed screenings, particularly for autism and dementia groups.

Environmental Policy
Showroom Workstation recognises the severity of the climate crisis and acknowledges we have a responsibility to the environment beyond legal and regulatory requirements. We have therefore committed to reducing our environmental impact and to continually improving our sustainability. We intend to meet Government targets to become a net zero carbon user by 2050.

Work on reducing our environmental impact continued this year. A Green Steering Group was established with representation from across the organisation. We also began regular monitoring our carbon use through an online tool, to provide regular comparison of our progress.

Equality and Diversity
Showroom Workstation has an organisational commitment to increasing diversity across all our areas of activity. We want our organisation to be anti-discriminatory with a culture that is open to all regardless of background or circumstances. In developing our plans to achieve this we have been successfully accredited to the Investors in Diversity (IID) standard since 2017 (reaccredited in 2019 and again in 2021). We use the IID standard as a method of internally and externally evaluating our progress. We have also committed to achieving the BFI Diversity Standards for all our activity.

We have approached our commitment to diversity with three priorities.

- Diversifying our organisation including governance, management, and staff to ensure that we are fully representative of our community.

- Ensuring our film and cultural programme reflects the widest range of diversity and that we actively program and work for all our communities.

- Proactively engaging with our audiences and local communities to ensure we are open and welcoming to all.

Operational plans for all these areas of activity are in place, overseen by an organisational wide steering group. The Employment Sub-Committee of the board receives regular reports on our progress and development plans. We regularly review our policies and practices and have set KPI's to increase diversity within our workforce.

We utilise anonymous recruitment policy and practices and have a positive action plan in place. Staff training held in 2022-23 included British Sign Language awareness, neurodiversity, Equality, Diversity and Inclusion awareness. Six staff members at various levels of the company hierarchy, undertook Mental Health First Aid training.

Black Lives Matter
The Black Lives Matter protests were a pivotal moment in our thinking about how we can continue to become a more diverse and anti-discriminatory organisation. Our board issued a statement of support, and we established a staff working party to make recommendations to our trustees about how the organisation can become more proactive in removing barriers to black citizens and to counter white privilege. We have undertaken new training for our managerial and supervisory staff involved in recruitment which included unconscious bias awareness raising. Our recruitment practice was also updated to ensure any suitably skilled candidate from a diverse background is guaranteed interview for any post we advertise. We have also set our own recruitment targets for diversity among new employees.

Paternoster Limited
Through the subsidiary company, Paternoster Limited, we continued to operate trading activities which include our café/bar and conference activity, cinema sales kiosk as well as the Workstation creative industries business centre.

Catering and Conferences
The Showroom café/bar reopened on the same date as the cinema after the lockdown. Although we have operated a full wet and dry service since reopening, sales did not recover to pre-covid levels in 2022-23. We also had significant increase in energy costs this year. Sales for conferences did not grow as quickly as we had anticipated although we saw notable improvements in the second half of the year. We also experienced difficulties in recruiting and retaining new staff for our kitchen operation in a highly competitive sector.

Following a review of our operation, we undertook a staff restructure to reduce our operating costs which helped to improve the performance of our café/bar and conference activity. We also developed a programme of new sales initiatives to promote our facilities, which we anticipate will continue to help in the following trading period.

Many of the new initiatives we have implemented are having a positive impact during the 2023-24 financial year. More events in the café bar including quiz nights, and short film screenings are attracting new users to the building. The increasing success of the cinema event and festival programme also has a very positive impact on the sales we achieve in our café/bar.

Conferencing and event activity continued to increase throughout the year which has continued in 2023-24. Investment in new on-line software and small meeting pods to be located in the reception space planned for 2024 will assist in continuing to build up the number of conference bookings. Return of the Childrens' Media Conference in July 2023 to our building had a very positive impact with increased sales and footfall.

Workstation
Occupancy of the office workspace reduced during the covid lockdown as several companies' chose to cease trading or to relinquish their tenancies. We offered tenant companies a rent incentive during the lockdown as a way of supporting them and allowing them to remain in the building. After the end of lockdown there was a gradual return of tenants to the building which accelerated towards the end of the year when occupancy had almost returned to pre-pandemic levels. We also had an increase in our rent income due to improved occupancy. This also accelerated in the second half of the year as rent yield per square meter started to increase. Occupancy has continued to increase following the year end and reached the levels we experienced before covid by mid-2023. Several new organisations have now re-located into the building.

The operating costs of the Workstation Increased this year, with electricity and heating having notable above inflation increases. Our service charge to tenants was increased in line with inflation, although the continued rise in our costs means an additional price rise will be implemented in 2023-24.

Facilities
Several significant problems associated with the age of the building arose during the year. We discovered part of the external brickwork cladding had become damaged and potentially dangerous. We dealt with this issue by initially installing safety scaffolding, whilst we carried out a detailed building survey. Although investigations continue, it is clear that we have to undertake extensive repairs to the building over the next few years.

To address this issue, the trustees plan to establish a new Sub-Committee in 2023-24 to oversee our major building repair work and begin the process of securing funding for the capital project. We are approaching a number of grant awarding bodies to identify funding for this work.

Financial Review
Overall, the group saw a diminished performance compared to the previous year, with a loss for the year of £703,438 (prior year surplus of £73,430). The charity's individual position, as detailed on page 13, shows a loss of £877,220 (prior year surplus of £387,012). At March 2023 Paternoster has a significant amount of intercompany debt and owed SMEC £916,234 in total. This is made up of a long-term loan of £400,000 and trading debt of £516,234. In these accounts a bad debt provision for the trading debt has been included within the charity accounts.

The commercial trading subsidiary company Paternoster Limited had a loss for the year. After reopening in May 2021, trading of the café bar and conferencing activity gradually started to increase which has continued into 2023-24. The trading company has seen a significant improvement if sales and profitability at the end of Quarter 2 of 2023-24.

In October 2022 we installed safety scaffolding around the building following discovery of some loose faience brickwork which was potentially dangerous. The cost of installing the scaffold was £97,654. Although we have subsequently removed part of the scaffold and undertake regular surveys, we have retained scaffolding on the east elevation (Shoreham Street). The annual cost of hiring the scaffolding is significant.

We worked closely with our bank and agreed an increased overdraft facility to ensure we could meet the cost of scaffolding.

Capital Investment Plans
Although our capital investment in 2022-23 was minimal, we have identified several major building repair projects which are essential to implement in the next few years. We have begun to approach grant awarding organisations to secure the necessary funds for this work. These projects address essential building repairs and help to reduce our energy use and carbon footprint.

Investments, Reserves policy and Going Concern
Under the memorandum and articles of association, the charity has the power to make any investments that the trustees see fit in order to further the objects of the charity.

The reserves of the Group are represented largely by capital grants and property revaluation surpluses. These elements are regarded as the representation of the Group's fixed assets and are therefore, in effect, not available for any other purpose.

The large deficit generated by the group in 2022/23 has reduced the level of reserves and without a return to profitability across all aspects of the charity's activity, increasingly the long-term viability of the charity as it is currently organised will be called into question. The organisational budget for 2023-24 is to make a small loss as sales and profitability have not yet returned to the level achieved before the Covid lockdowns.

The trustees are in the process of developing a new three-year business plan for the period April 2024 – March 2027 which will address the concerns over potential negative future financial performance by refocussing the organisation and ensuring it makes a small surplus in the first year (2024-25), increasing over the next three years to ensure the organisation is sustainable. Regular reviews of trading performance carried out through the profitability working group will continue to address any shortfall and oversee new initiatives. As part of developing the new 3-year business plan in 2023-24 the trustees will review the organisations reserves policy in order to enable Trustees to make informed decisions on which direction to take to improve the financial performance of the Charity and provide improved services to beneficiaries.

Future Plans
The new business plan will address how the organisation can address longer term building repairs. In 2023/24 the board have established a new Sub-Committee to oversee this work and are reviewing if new trustees with appropriate skillsets can be recruited. Discussions with organisations who can provide capital grants have been made and the trustees anticipate further funding applications to be made alongside a public fundraising appeal to support this work.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023 (continued)

Trustees' responsibilities in relation to the financial statements

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102)
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for maintaining proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charitable company, and enables them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

The trustees of the charitable company who held office at the date of approval of this Annual Report each confirm that:

- as far as they are aware, there is no relevant audit information (information needed by the charitable company's auditors in connection with preparing their report) of which the charitable company's auditors are unaware; and

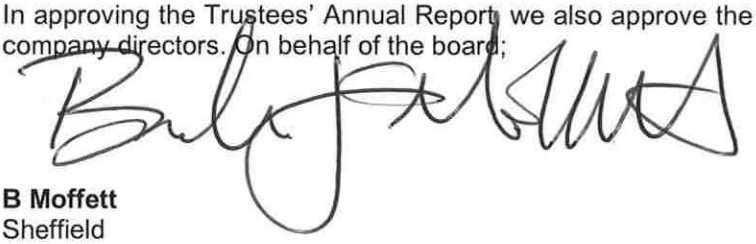
- they have taken all the steps that they ought to take as trustees in order to make themselves aware of any audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

A resolution will be proposed at the Annual General Meeting that Hawsons be re-appointed as auditors to the charity for the ensuing year.

The report of the trustees has been prepared in accordance with the special provisions of Part VII of the Companies Act 2006.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors. On behalf of the board;



B Moffett
Sheffield

27 November 2023

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

Opinion

We have audited the financial statements of Sheffield Media and Exhibition Centre Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2023 which comprise the Consolidated and Parent Statement of Financial Activities, Consolidated and Parent Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

We have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the group's ability to continue as a going concern. The group generated a net deficit for the year of £703,438 which reduced the level of reserves accordingly. The matters explained in note 1 to the financial statements indicates the existence of a material uncertainty which may cast doubt over the group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the group was unable to continue as a going concern. Our opinion is not modified in this respect.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED (continued)

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement (set out on page 9), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED (continued)

The charitable company is subject to laws and regulations that directly and indirectly affect the financial statements. Based on our understanding of the charitable company and the environment it operates within, we determined that the laws and regulations which were most significant included FRS 102, Companies Act 2006, Health and Safety regulations and the Charities Act 2011. We considered the extent to which non-compliance with these laws and regulations might have a material effect on the financial statements, including how fraud might occur. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to improve the company's result for the period, and management bias in key accounting estimates.

Audit procedures performed by the engagement team included:

- Discussions with management and those responsible for legal compliance procedures within the charitable company to obtain an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company complies with that framework, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of Trustee meetings;
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud and non-compliance with laws and regulations;
- Challenging assumptions and judgements made by management in their significant accounting estimates.
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or posted by senior management.

There are inherent limitations in the audit procedures described above and the more removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor's-responsibilities-for. This description forms part of our auditor's report.

Use of our report

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

Hawsons

Simon Bladen, Senior Statutory Auditor
For and on behalf of Hawsons Chartered Accountants, Statutory Auditors

Pegasus House
463a Glossop Road
Sheffield
S10 2QD

Date: 15 December 2023

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CHARITABLE COMPANY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	2023 Total £	2022 Total £
Incoming Resources						
Donations and legacies	2	208,297	861,048	-	1,069,345	1,699,795
Investment income	4	28,000	-	-	28,000	28,000
Charitable activities	5	622,606	-	-	622,606	564,170
Other income	6	-	-	-		-
Total incoming resources		858,903	861,048	-	1,719,951	2,291,965
Resources expended						
Costs of generating voluntary income	9	10,000	-	-	10,000	10,000
Raising funds	10	-	-	-	-	-
Charitable activities	11	1,564,425	1,001,096	-	2,565,521	1,876,653
Other	12	21,650	-	-	21,650	18,300
Total resources expended		1,596,075	1,001,096	-	2,597,171	1,904,953
Net (Outgoing)/incoming resources before transfers		(737,172)	(140,048)	-	(877,220)	387,012
Transfers	24	78,378	-	(78,378)	-	-
Net movement in funds		(658,794)	(140,048)	(78,378)	(877,220)	387,012
Funds brought forward		1,595,258	144,765	1,758,150	3,498,173	3,111,161
Funds carried forward		936,464	4,717	1,679,772	2,620,953	3,498,173

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	2023 Total £	2022 Total £
Incoming resources						
Donations and legacies	2	208,297	861,048	-	1,069,345	1,738,323
Activities for generating funds	3	1,809,873	-	-	1,809,873	1,467,633
Charitable activities	5	562,606	-	-	562,606	504,170
Total incoming resources		2,580,776	861,048	-	3,441,824	3,710,126
Resources expended						
Costs of generating voluntary income	8	10,000	-	-	10,000	10,000
Raising funds	9	2,075,152	-	-	2,075,152	1,742,388
Charitable activities	10	1,037,364	1,001,096	-	2,038,460	1,866,008
Other	11	21,650	-	-	21,650	18,300
Total resources expended		3,144,166	1,001,096	-	4,145,262	3,636,696
Net (outgoing)/incoming resources before transfers		(563,390)	(140,048)	-	(703,438)	73,430
Transfers	23	78,378	-	(78,378)	-	-
Net movement in funds		(485,012)	(140,048)	(78,378)	(703,438)	73,430
Funds brought forward		2,226,116	144,765	1,758,150	4,129,031	4,055,601
Funds carried forward		1,741,104	4,717	1,679,772	3,425,593	4,129,031

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED
COMPANY REGISTRATION NUMBER 2444438

BALANCE SHEETS

31 MARCH 2023

	Notes	31 March 2023		31 March 2022	
		Group £	Company £	Group £	Company £
FIXED ASSETS					
Tangible fixed assets	18	4,379,519	1,883,981	4,518,888	1,960,507
Investment in subsidiaries	19	-	2	-	2
		4,379,519	1,883,983	4,518,888	1,960,509
CURRENT ASSETS					
Stock		17,453	-	16,616	-
Debtors	20	430,871	510,391	609,821	1,078,168
Cash at bank and in hand		60	458,279	128,301	755,235
		448,384	968,670	754,738	1,833,403
CREDITORS – amounts falling due within one year	21	(999,456)	(231,700)	(713,254)	(295,739)
Net current assets/ (liabilities)		(551,072)	736,970	41,484	1,537,664
Total assets less current liabilities		3,828,447	2,620,953	4,560,372	3,498,173
Deferred income	22	(402,854)	-	(431,341)	-
NET ASSETS		3,425,593	2,620,953	4,129,031	3,498,173
CHARITY FUNDS					
Restricted capital fund	24	1,679,772	1,679,772	1,758,150	1,758,150
Restricted income funds	24	4,717	4,717	144,765	144,765
Unrestricted funds	25	580,181	936,464	1,048,842	1,595,258
Revaluation reserve	25	1,160,923	-	1,177,274	-
TOTAL CHARITY FUNDS		3,425,593	2,620,953	4,129,031	3,498,173

The financial statements were approved by the board of trustees on 27 November 2023 and signed on its behalf by:

B Moffett - Trustee

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Cash flow from operating activities	26	(343,832)	14,974
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(76,831)	(71,095)
Net cash flow from investing activities		(76,831)	(71,095)
Cash flow from financing activities			
Repayment of long-term loans		-	(38,081)
Interest paid		-	(432)
Net cash flow from financing activities		-	(38,513)
Net (decrease) in cash and cash equivalents		(420,663)	(94,634)
Cash and cash equivalents at 1 April		128,301	222,935
Cash and cash equivalents at 31 March		(292,362)	128,301
Cash and cash equivalents consist of:			
Cash at bank and in hand		(292,362)	128,301
Cash and cash equivalents at 31 March		(292,362)	128,301

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS

YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material to the company's affairs.

STATUTORY INFORMATION

Sheffield Media and Exhibition Centre Limited is a charity (No. 1002020) and a company limited by guarantee (No. 2444438) domiciled in England and Wales. The registered office is at 15 Paternoster Row, Sheffield, S1 2BX.

BASIS OF PREPARATION

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, 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 Accounting Practice.

GOING CONCERN

The charitable group is currently in a net overdraft position of £292,362. The group generated an overall deficit of £703,438 for the year to 31 March 2023. The trustees have therefore considered the short term and medium-term impact with budgets and cashflow forecasts prepared to cover to March 2025, which show the group operating at a small surplus in 2024/25. The company's bank continues to support the group. The trustees therefore consider that it is appropriate for the financial statements to be prepared on a going concern basis

After due consideration of all relevant factors, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

BASIS OF CONSOLIDATION

These financial statements consolidate the results of the charity and its wholly owned subsidiary, Paternoster Limited on a line by line basis.

GRANTS AND DONATIONS

Grants receivable are recognised in the Statement of Financial Activities when the conditions for receipt have been complied with.

Grants received for specific projects are accounted for as restricted funds.

Grants received in the trading subsidiaries are credited to a separate account from which amounts will be released to revenue over the depreciation period of the relevant assets.

1. ACCOUNTING POLICIES (continued)

OPERATION OF CINEMA AND CENTRE HIRE – CHARITABLE TRADING ACTIVITIES

Operation of the cinema and centre comprises those costs that are directly attributable to the generation of income in the operation of the cinema.

ACTIVITIES FOR GENERATING FUNDS

This represents income generated by the trading subsidiaries to support the directly charitable activity carried out by the group.

RESOURCES EXPENDED

Expenditure is included on an accruals basis.

Costs of operation of the cinema and centre comprise those costs that are directly attributable to the generation of income in the operation of the cinema.

ALLOCATION OF COSTS

Costs directly related to an activity are allocated to that activity. Support costs which are necessary to deliver an activity but do not themselves deliver the activity, are allocated in proportion to the benefit attributable based on an internal assessment of time spent and resources used.

Governance costs are those costs incurred in meeting statutory and constitutional requirements.

Support costs include central functions and have been allocated to activity cost categories on the basis of time spent.

FUNDS

Incoming and outgoing resources are analysed between restricted capital fund, restricted and unrestricted income funds.

Restricted capital fund

This fund arises from grants received which were required to be invested in fixed assets for the company's use. An annual transfer is made to the unrestricted income fund for the depreciation on the restricted assets which is charged to the unrestricted income fund.

Unrestricted income fund

This fund is expendable at the discretion of the trustees in the furtherance of the objectives of the company and have not been designated for other purposes.

Restricted income fund

This fund arises from grants received which are required to be used for specific projects of a revenue nature.

1. ACCOUNTING POLICIES (continued)

TANGIBLE FIXED ASSETS

Tangible fixed assets other than the long leasehold property held by Paternoster Limited, are included at original cost less accumulated depreciation.

The long leasehold property held by Paternoster Limited was previously held at valuation less accumulated depreciation. On transition to FRS102, the value at transition date, 1 April 2014, is taken as deemed cost and continues to be depreciated going forward.

Depreciation of fixed assets is provided at rates estimated to write off each asset over the term of its useful life.

The annual rates used are: -

Long leasehold land and buildings	1% - 2%	straight line
Fixtures and fittings	15% - 25%	straight line/reducing balance
Equipment	5% - 25%	straight line/reducing balance

STOCK

Stock is valued at the lower of cost and net realisable value.

FINANCE AND OPERATING LEASES

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred. Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written off to the SOFA over the period of the lease so as to produce a constant periodic rate of change.

2. DONATIONS AND LEGACIES

	2023 £ Group	2023 £ Company	2022 £ Group	2022 £ Company
Unrestricted				
BFI	150,000	150,000	150,000	150,000
Sheffield City Council	-	-	16,403	12,000
Europa Cinemas	6,164	6,164	-	-
BFI – Culture Recovery Fund	-	-	555,626	555,626
CJRS government grant	-	-	62,469	28,344
Donations	52,133	52,133	-	-
Total unrestricted	208,297	208,297	784,498	745,970
Restricted - revenue				
BFI - Film Hub North 2	605,430	605,430	638,700	638,700
BFI - Other	230,608	230,608	237,709	237,709
Young Programmers	15,000	15,000	-	-
Picturehouse	2,208	2,208	-	-
Film Feels	5,952	5,952	-	-
Dogwoof	-	-	1,000	1,000
National Lottery	-	-	10,000	10,000
Film Club Midlands	-	-	5,000	5,000
Other < £1,000	1,850	1,850	2,916	2,916
Total restricted - revenue	861,048	861,048	895,325	895,325
Restricted – capital				
BFI - Culture Recovery Fund	-	-	58,500	58,500
Total restricted - capital	-	-	58,500	58,500
Total voluntary income	1,069,345	1,069,345	1,738,323	1,699,795

3. ACTIVITIES FOR GENERATING FUNDS

	2023 £ Group	2023 £ Company	2022 £ Group	2022 £ Company
Letting of managed workspace	776,789	-	750,014	-
Commercial operations	1,033,084	-	717,619	-
	1,809,873	-	1,467,633	-

4. INVESTMENT INCOME

	2023 £ Group	2023 £ Company	2022 £ Group	2022 £ Company
Loan interest	-	28,000	-	28,000
	-	28,000	-	28,000

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2023 £ Group	2023 £ Company	2022 £ Group	2022 £ Company
Unrestricted				
Box office receipts	449,718	449,718	407,096	407,096
Centre hire	65,236	65,236	51,808	51,808
Membership fees	25,278	25,278	19,098	19,098
Advertisement income	18,631	18,631	13,748	13,748
Management fee	-	60,000	-	60,000
Other income	3,743	3,743	12,420	12,420
	562,606	622,606	504,170	564,170

6. NET OUTGOING RESOURCES

	2023		2022	
	Group £	Company £	Group £	Company £
This is stated after charging:				
Operating lease rentals – land and buildings	-	6,000	-	6,000
Depreciation	216,200	117,331	223,649	121,719
Loss on disposal of fixed assets	-	-	865	865
Government and other grants receivable	-	-	(38,528)	-

7. AUDITOR'S REMUNERATION

The auditor's remuneration amounts to a fee of £15,000 (2022: £12,300) and £1,500 for other services (2022: £1,200).

8. COSTS OF GENERATING VOLUNTARY INCOME

	2023 £ Group	2023 £ Company	2022 £ Group	2022 £ Company
Support costs (note 12)	10,000	10,000	10,000	10,000

9. RAISING FUNDS

	2023 £ Group	2023 £ Company	2022 £ Group	2022 £ Company
Managed workspace cost	902,601	-	832,001	-
Commercial operations	1,172,551	-	910,387	-
	2,075,152	-	1,742,388	-

10. CHARITABLE ACTIVITIES

Cost of operation of cinema and centre hire

	2023 £ Group	2023 £ Company	2022 £ Group	2022 £ Company
Film performances and related costs				
Film hire	190,466	190,466	158,058	158,058
Project costs	294,698	297,048	252,489	254,439
Film Hub North grants disbursed	470,080	470,080	424,929	424,929
Centre costs				
Marketing costs	23,039	23,039	17,263	17,263
Wages and related costs	386,696	386,696	352,117	352,117
Printing and advertising	13,833	15,168	20,463	21,063
Depreciation – equipment	24,105	24,105	31,121	31,121
Credit card charges	9,957	9,957	10,052	10,052
Other expenses	20,424	536,658	10,878	10,877
	1,433,298	1,953,217	1,277,370	1,279,919
Support costs (note 12)	605,162	612,304	588,638	596,734
Total cost of charitable activities	2,038,460	2,565,521	1,866,008	1,876,653

11. OTHER COSTS

	2023 £ Group	2023 £ Company	2022 £ Group	2022 £ Company
Audit fee	11,650	11,650	8,300	8,300
Support costs (note 12)	10,000	10,000	10,000	10,000
	21,650	21,650	18,300	18,300

12. INDIRECT SUPPORT COSTS

	2023 £ Group	2023 £ Company	2022 £ Group	2022 £ Company
Salaries and related costs	275,062	275,062	273,132	273,132
Travel and hospitality	29,778	29,778	12,829	12,829
Rent, rates and service charges	8,345	14,249	6,582	12,486
Heat and power	112,424	112,424	78,031	78,031
Printing, postage and stationery	701	1,807	936	2,324
Repairs and maintenance	26,079	26,079	39,671	39,671
Insurance	15,064	15,064	15,683	15,683
Telephone charges	287	419	222	354
Licences and subscriptions	5,669	5,669	5,955	5,955
Professional fees	2,236	2,236	15,584	15,584
Bank charges	3,323	3,323	2,034	2,034
Bank interest	-	-	216	216
Equipment hire and leasing	2,621	2,621	2,587	2,587
Computer software and consumables	18,852	18,852	10,289	10,289
Website development	380	380	10,521	10,521
Cleaning and sundry expenses	31,115	31,115	42,903	43,575
Depreciation - long leasehold property	70,572	70,572	70,573	70,573
Depreciation - fixtures, fittings and equipment	22,654	22,654	20,025	20,025
Loss on disposal	-	-	865	865
	625,162	632,304	608,638	616,734
Allocation				
Charitable activities	605,162	612,304	588,638	596,734
Generating voluntary income	10,000	10,000	10,000	10,000
Other costs	10,000	10,000	10,000	10,000
	625,162	632,304	608,638	616,734

Charitable costs are primarily for the running of cinema screenings and the managing of rented workspace, support costs are allocated as such above.

13. FUNDRAISING TRADING FROM TRADING ACTIVITIES OF SUBSIDIARY

The wholly owned subsidiary is used for trading activities to generate income to support the direct charitable activities of the group. The net profits of the subsidiary are gifted to the charity.

The subsidiary of the company at 31 March 2023 is detailed in note 19 of these financial statements. A summary of its trading results including intra-group sales is shown below:

	Paternoster Limited	
	Managed workspace	Commercial operations
	£	£
Turnover	785,266	1,035,434
Cost of sales	(434,026)	(841,804)
Gross profit	351,240	193,630
Administrative expenses	(557,063)	(330,749)
Interest payable	(28,000)	-
Other operating income	28,488	-
Operating deficit for year	(205,335)	(137,119)
Loss from commercial operations	(137,119)	137,119
Profit on ordinary activities before taxation	(342,454)	-
Net loss for the year retained	(342,454)	-

14. STAFF COSTS AND TRUSTEES'S REMUNERATION

	2023		2022	
	Group	Company	Group	Company
	£	£	£	£
Wages and salaries	1,349,890	489,053	1,154,612	453,809
Social security costs	96,331	34,900	78,884	31,004
Pension costs	26,274	9,519	22,760	8,946
	1,472,495	533,472	1,256,256	493,759

The average number of employees calculated on a full-time equivalent basis during the year was as follows:

	2023		2022	
	Number	FTE	Number	FTE
Raising funds	60	24	46	40
Charitable activities	31	24	33	19
	91	48	79	59

The number of employees who earned between £60,000 and £69,999 during the year was 1 (2022: 1).

14. STAFF COSTS AND TRUSTEE REMUNERATION (continued)

The trustees neither received nor waived any remuneration during the year (2022: £nil). No trustees had expenses reimbursed during the year (2022: £nil).

The total amount of employee benefits received by key management personnel is £243,318 (2022: £273,380). The key management personnel of the charity comprise the trustees and the Senior Management Team, which at the year-end comprises the staff members listed below.

Chief Executive
Finance Manager
General Manager
Operations Manager
Workstation Manager
Communications Manager

15. INTEREST PAYABLE AND SIMILAR CHARGES

	2023		2022	
	Group	Company	Group	Company
	£	£	£	£
Bank loans and overdrafts	-	-	432	216
	-	-	432	216

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2023 - Group

	Unrestricted Funds	Restricted Income Fund	Restricted Capital Fund	Total
	£	£	£	£
Tangible fixed assets	2,699,747	-	1,679,772	4,379,519
Current assets	443,667	4,717	-	448,384
Current liabilities	(999,456)	-	-	(999,456)
Long term liabilities	(402,854)	-	-	(402,854)
	1,741,104	4,717	1,679,772	3,425,593

2023 - Company

	Unrestricted Funds	Restricted Income Fund	Restricted Capital Fund	Total
	£	£	£	£
Tangible fixed assets	204,211	-	1,679,772	1,883,983
Current assets	963,953	4,717	-	968,670
Current liabilities	(231,700)	-	-	(231,700)
Long term liabilities	-	-	-	-
	936,464	4,717	1,679,772	2,620,953

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

2022 - Group

	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	Total £
Tangible fixed assets	2,760,738	-	1,758,150	4,518,888
Current assets	609,973	144,765	-	754,738
Current liabilities	(713,254)	-	-	(713,254)
Long term liabilities	(431,341)	-	-	(431,341)
	2,226,116	144,765	1,758,150	4,129,031

2022 - Company

	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	Total £
Tangible fixed assets	202,359	-	1,758,150	1,960,509
Current assets	1,688,638	144,765	-	1,833,403
Current liabilities	(295,739)	-	-	(295,739)
Long term liabilities	-	-	-	-
	1,595,258	144,765	1,758,150	3,498,173

17. FINANCIAL COMMITMENTS

	2023		2022	
	Group £	Company £	Group £	Company £
As at 31 March the annual commitments under non-cancellable operating leases were as follows:-				
Due within 1 year	6,588	-	5,797	-
Due within 1 to 2 years	6,588	-	5,362	-
Due within 2 to 5 years	18,498	-	16,220	-
	31,674	-	27,379	-

As at 31 March 2023 the company and the Group had capital commitments of £nil (2022: £nil).

18. TANGIBLE FIXED ASSETS – GROUP

	Long leasehold property £	Fixtures fittings & equipment £	Total £
Cost or valuation			
At 1 April 2022	6,761,247	2,653,100	9,414,347
Additions	-	76,831	76,831
At 31 March 2023	6,761,247	2,729,931	9,491,178
Depreciation			
At 1 April 2022	2,706,109	2,189,350	4,895,459
Charge for the year	102,912	113,288	216,200
At 31 March 2023	2,809,021	2,302,638	5,111,659
Net book value			
At 31 March 2023	3,952,226	427,293	4,379,519
At 31 March 2022	4,055,138	463,750	4,518,888

TANGIBLE FIXED ASSETS – COMPANY

	Long leasehold property £	Fixtures fittings & equipment £	Total £
Cost			
At 1 April 2022	3,528,630	1,437,722	4,966,352
Additions	-	40,805	40,805
Disposals	-	-	-
At 31 March 2023	3,528,630	1,478,527	5,007,157
Depreciation			
At 1 April 2022	1,750,848	1,254,997	3,005,845
Charge for the year	70,572	46,759	117,331
Disposals	-	-	-
At 31 March 2023	1,821,420	1,301,756	3,123,176
Net book value			
At 31 March 2023	1,707,210	176,771	1,883,981
At 31 March 2022	1,777,782	182,725	1,960,507

19. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Cost of shares in subsidiary undertaking

	£
At 1 April 2022 and 31 March 2023	2

The subsidiary of the company at 31 March 2023 (incorporated in England) was:

	Class of shares held	% held	Direct/ indirect holding	Aggregate capital and reserves £	Profit/ (loss) for the year £
Paternoster Limited 025 40298 Letting of managed workspace and operation of bar and café	Ordinary	100	Direct	288,408	(342,454)

20. DEBTORS

	2023		2022	
Due within one year:	Group £	Company £	Group £	Company £
Trade debtors	123,867	3,932	111,395	4,170
Other debtors	264,710	64,165	457,883	350,183
Prepayments and accrued income	42,294	42,294	40,543	40,543
Amount owed by group undertakings	-	400,000	-	683,272
	430,871	510,391	609,821	1,078,168

Of the amount owed by group undertakings, £400,000 (2022: £400,000) is due after more than one year, which represents a loan made to Paternoster Limited, a subsidiary company. The loan was made on normal commercial terms at an interest rate of 7%.

21. CREDITORS

	2023		2022	
Amounts falling due within one year	Group £	Company £	Group £	Company £
Bank overdraft	292,422	-	-	-
Trade creditors	227,730	69,877	227,163	87,333
Other creditors	307,301	60,553	313,762	94,614
Taxation and social security	91,550	20,817	58,537	-
Accruals and deferred income	80,453	80,453	113,792	113,792
	999,456	231,700	713,254	295,739

22. DEFERRED INCOME – GROUP

	2023 £	2022 £
Government grants and other income at 1 April	431,341	460,559
Grants received during the year		-
Amount released in year	(28,487)	(29,218)
Balance at 31 March	402,854	431,341

23. TRANSFER BETWEEN FUNDS

	2023		2022	
	Group £	Company £	Group £	Company £
Release of restricted capital funds re depreciation of capital assets	78,378	78,378	75,160	75,160
Transfer from restricted income funds	-	-	(6,331)	(6,331)
	78,378	78,378	68,829	68,829

24. RESTRICTED FUNDS – Group and Company

2023	Balance at 31 March 2022 £	Incoming resources £	Resources expensed £	Transfer £	Balance at 31 March 2023 £
Restricted capital funds	1,758,150			(78,378)	1,679,772

2022	Balance at 31 March 2021 £	Incoming resources £	Resources expensed £	Transfer £	Balance at 31 March 2022 £
Restricted capital funds					
Brought forward	1,768,479	-	-	(75,160)	1,693,319
Culture Recovery Fund 2	-	38,000	-	-	38,000
Culture Recovery Fund 3	-	20,500	-	-	20,500
National Lottery	-	-	-	6,331	6,331
	1,768,479	58,500	-	(68,829)	1,758,150

The restricted capital fund arises from grants we applied for, for the purpose of supporting our engagement and outreach work, through BSL welcome films to ticketless scanners to support social distancing for returning customers.

2023	Balance at 31 March 2022 £	Incoming resources £	Resources expensed £	Transfer £	Balance at 31 March 2023 £
Restricted income funds					
Film Hub North 2 (BFI)	102,129	605,430	(707,559)	-	-
Talent Development (BFI)	38,770	164,308	(203,078)	-	-
Youth Film Academy (BFI)	292	17,300	(17,592)	-	-
Residential Academy (BFI)	-	45,000	(45,000)	-	-
Venue Education Fund (BFI)	-	4,000	(4,000)	-	-
National Lottery	3,574	-	(3,574)	-	-
Film Feels	-	5,952	(5,952)	-	-
Young Programmers	-	15,000	(11,333)	-	3,667
Picturehouse	-	2,208	(2,208)	-	-
Other < £1,000	-	1,850	(800)	-	1,050
	144,765	861,048	(1,001,096)	-	4,717

24. RESTRICTED FUNDS – Group and Company (continued)

2022	Balance at 31 March 2021	Incoming resources	Resources expensed	Transfer	Balance at 31 March 2022
	£	£	£	£	£
Restricted income funds					
Film Hub North 2 (BFI)	86,833	638,700	(623,404)	-	102,129
Talent Development (BFI)	28,912	153,000	(143,142)	-	38,770
Youth Film Academy (BFI)	-	17,000	(16,708)	-	292
Residential Academy (BFI)	18,000	24,121	(42,121)	-	-
Venue Education Fund (BFI)	-	28,628	(28,628)	-	-
National Lottery	-	10,000	(95)	(6,331)	3,574
Doncaster Film Hubs (BFI)	12,118	14,960	(27,078)	-	-
Film Club Midlands	-	5,000	(5,000)	-	-
Dogwoof	-	1,000	(1,000)	-	-
Other < £1,000	-	2,916	(2,916)	-	-
	145,863	895,325	(890,092)	(6,331)	144,765

Film Hub North 2 – initiative to develop a network of film exhibitors in the north of England, funded by the BFI.
Youth Film Academy – BFI funded training and development for young people 16-19 in filmmaking and appreciation.
BFI Residential: Programming, is part of the BFI's Film Academy Network. There are 9 residentials each specialising in an area of the film industry. We recruit 30 young people (aged 16-19), from across the UK to come to Sheffield for a week to learn about all aspects of programming, exhibition and distribution, through industry led masterclasses and practical based projects.
Talent Development: Part of a countrywide network of talent executives, who search out and develop from a grass roots level, new and emerging film directors, producers and writers. The fund is for short film production and early feature script development.
BFI Doncaster Film Clubs: Two nine week courses ran for the first time between January and June 2021 to teach filmmaking skills to 12 – 15 year olds, specifically living in the Doncaster region
National Lottery: Funding for a hearing loop system to be installed in the box office and cinema auditoriums.
Film Hub Midlands: A program of Anime screenings celebrating the breadth of a beloved genre.

25. UNRESTRICTED FUNDS

	Company Unrestricted income fund £	Group Revaluation Reserve £
Balance at 1 April 2022	1,595,258	1,177,274
Net movement in funds for the year	(737,172)	-
Transfer during the year	78,378	(16,351)
Balance at 31 March 2023	936,464	1,160,923

26. RECONCILIATION OF CONSOLIDATED NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2023 Group £	2022 Group £
Net (outgoing)/ incoming resources	(703,438)	73,430
Interest payable	-	432
Net outgoing resources from operations	(703,438)	73,862
Depreciation and amortisation	216,200	223,649
Loss on disposal of fixed assets	-	865
(Increase) in stock	(837)	(7,527)
Decrease/(increase) in debtors	178,950	(302,505)
(Increase)/decrease in creditors	(34,707)	26,630
Net cash inflow from operating activities	(343,832)	14,974

27. ANALYSIS OF NET DEBT

	1 April 2022	Cash flow	Other non-cash charges	31 March 2023
	£ £	£	£	£
Cash at the bank and in hand	128,301	(128,241)	-	60
Bank overdrafts	-	(292,422)	-	(292,422)
Cash and cash equivalents	128,301	(420,663)	-	(292,362)
Debts falling due within one year	-	-	-	-
Debts falling due after one year	-	-	-	-
	-	-	-	-
	128,301	(420,663)	-	(292,362)

28. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the board of directors.

29. TRANSACTIONS WITH RELATED PARTIES

In accordance with FRS102 paragraph 33.1A the company has taken advantage of the exemption from disclosing transactions with its fellow subsidiary companies.

THE SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

England & Wales - Charity number 1002020

Accounts

Company registration number: 2444438
Charity registration number: 1002020

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CONSOLIDATED ANNUAL REPORT

YEAR ENDED 31 MARCH 2022

Hawsons

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

ANNUAL REPORT

YEAR ENDED 31 MARCH 2022

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SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The trustees (who are also directors of Sheffield Media and Exhibition Centre Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and financial statements of the charity.

Reference and Administration Details

Official name of charity:	Sheffield Media and Exhibition Centre Limited
Charity registration number:	1002020
Company registration number:	2444438
Directors and Trustees:	B Moffett (Chair) C M Pons D Gormley M Ellis A Davenport B Hamilton-Tweedale M Drabble - Resigned 26th September 2022 M Kanarek T Kennick H Taylor-Smith N Belfield J Dobson A Casserly Stewart - Appointed 31st January 2022 H Mann Adamson - Appointed 31st January 2022 R Mersereau - Appointed 26th September 2022
Chief Executive:	I Wild
Secretary and Registered Office:	J Simpson 15 Paternoster Row Sheffield S1 2BX
Bankers:	Unity Trust Bank plc Nine Brindleyplace Birmingham B1 2HB
Auditors:	Hawsons Chartered Accountants Statutory Auditors Pegasus House 463a Glossop Road Sheffield S10 2QD
Solicitors:	Knights plc Commercial House 14 Commercial Street Sheffield S1 2AT

Constitution

Sheffield Media and Exhibition Centre Limited is a charity (No. 1002020) and a company limited by guarantee (No. 2444438).

Structure, governance and management

Governing document

The charity is governed by the Memorandum and Articles of Association dated 30 October 1989.

Organisation

A board of trustees of between 9 and 21 members, who are also Directors of the Parent Company, administers the charity. During the year the board met on a monthly basis.

The Directors have established a Finance and Operations Subcommittee which meets each month with the senior management team to review the management accounts and to receive reports on the financial position of the company and any relevant operational issues or initiatives. The chair of the subcommittee reports any notable financial matters to the charity board. The subcommittee is open to all directors to attend but four directors have undertaken specific responsibility to attend each month:

A Davenport
B Moffett
C Pons
H Taylor-Smith

There is also an Employment Subcommittee which meets several times a year as required and reviews our employment policies as well as considering any matters pertaining to staff. Two directors attend the meetings as well the Chief Executive and The HR Manager:

C Pons
B Moffett

The board has also established an Education and Culture Subcommittee which meets 4 times a year and oversees the programme and education activities of the company. The subcommittee is open to all directors to attend but five directors have undertaken specific responsibility to attend:

H Taylor-Smith
M Ellis
B Hamilton-Tweedale
J Dodson
A Casserly Stewart

Sheffield City Council and The Chamber of Commerce are each entitled to nominate up to two trustees to the Board, and observer status at board meetings.

A Chief Executive is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within the terms of the delegation approved by the trustees, for operational matters.

Recruitment of trustees

Elected trustees are recruited through a combination of targeted recruitment, board banks and open advertising. Consideration is given to the skills of the current board and the needs of the organisation. New elected trustees are appointed by a vote. Generally, a trustee is expected to remain on the Board for a period of three years with the possibility of being re-elected for a second three-year term of office. Should a trustee fail to attend for three consecutive meetings, their position can be reconsidered.

Structure, governance and management (continued)

Trustee induction and training
Prior to appointment and proposed new trustee will meet with the Chief Executive and Chair to discuss the role and expectations. They will also undertake an induction giving them an understanding of the business plan, operating strategy, aims and objectives, and their obligations as trustees. We also have in place a formal induction procedure and handbook for new trustees.

Structure
The charity carried out its activities through the charitable holding company and a 100% owned subsidiary listed below.

Subsidiary	Activity
Paternoster Limited	Development and letting of managed workspace Provision of conference facilities Operation of the Showroom Bar and Café

Purposes and activities for the public benefit

Showroom Workstation aspires to be the centre for film and creativity in the north of England and a cultural leader for Sheffield City region. A prestigious cinema centre and workspace complex for the creative and digital industries, providing a platform for film exhibition, film production, new media and related activity; a space that encourages people to find their potential in discovering, enjoying, learning about and working in the cultural industries.

Objectives
The organisation adopted the below five aims in 2017:-

- Actively programme our cinemas to ensure we achieve the greatest diversity in our film selection, education opportunities and audience engagement.
- Provide the highest quality hospitality and consistent customer service and become a destination place for local audiences and creative people leading to increased income.
- Be a leading centre for creative industries, actively supporting enterprise through high quality business location and pro-active support services.
- Provide cultural leadership for the film sector, locally, regionally and nationally.
- Build financial stability supported by a robust management and governance structure and training programme to support our staff in delivering our business goals.

The trustees are preparing a new three-year plan intended to cover the next period of operation from 2022. Development of the plan was delayed, following the Covid-19 shutdown in favour of a short-term recovery plan.

Strategies and activities
In shaping our strategies for the year, and planning activities, the trustees have considered the Charity Commission's guidance on public benefit and fee charging. The cinema relies on grants, income from fees and charges and the profit from commercial activity undertaken by the wholly owned trading company to cover its operating costs. In setting the level of charges the trustees have considered the accessibility of those people on low incomes and provides discounted ticket prices to several groups including older and retired customers as well as young people. The trust has also developed strategies to promote engagement activity to the wider community by employing a staff member to do this work.

Strategies and Activities (continued)
In putting our objectives into action, we have concentrated on the development and exhibition of film screening programmes and the delivery of related outreach and engagement activities. This has particularly focussed on young people, although not exclusively, and our programmes appeal to a very broad range of users and participants. We have also developed and operate a range of annual festivals both directly and through working with partners.

Principle risks and uncertainties

The trustees consider a risk assessment for the organisation within the context of our business plan. The risk assessment is reviewed and updated annually. It identifies the risks to which the Group is, and is likely to be, exposed. The trustees regularly monitor progress and implement a risk management strategy comprising:

- annual review of the risks facing the Group;
- the maintenance of effective systems and procedures to mitigate those risks; and
- the introduction of procedures to deal with the potential impact of any of those risks materialising.

2021-22 was an extremely difficult trading year for the organisation. The cinema and café/bar closed from 19th March 2020 to 18th September 2020 and again from 5th November 2020 to 21st May 2021. Following this lockdown, we began to trade again in May 2021, although the business has been slow to regain lost customers. The Workstation also saw reductions in tenancies throughout the nationwide lockdown.

Throughout this period the trustees of the charity continued to meet on a regular basis using online software. Whilst many of our staff joined the national furlough scheme, key members of the senior team continued to work throughout this period.

Covid-19
Throughout the lockdown several staff members continued to work, and we took the opportunity to undertake many repairs and renewals to the building. Key elements included

- Installation of new toilet blocks in the reception and first floor area of the Workstation.
- Replacement of the drainage piping in cinema three and installation of a new ceiling.
- Purchase and installation of a new 4k projector and Dolby 7.1 sound system in cinema 4.
- Replacement of all cinema carpets and refurbishment of the seating.
- Repair and restoration of the wooden flooring in the bar area.
- A new electric door was installed in the bar to facilitate wheelchair access.
- New hearing loops were installed in all the auditoriums, the box office area, and the Workstation reception desk.

Although we started to trade again on 21st May 2021, we operated throughout the year with social distancing measures in place to protect our staff and customers. Measures included all staff wearing masks, sanitization points throughout the building, and screens in place for all sales points. We also operated social distancing in our auditoriums which reduced the capacity of the cinema considerably. We relaxed these measures in April 2022 following government advice.

The pandemic impacted on our business sales with many of our cinema and café/bar customers deciding not to return immediately. During the entire lockdown period, the Workstation business centre remained open with limited services available.

During the lockdown we applied for several Government support grants to help us cover operating costs.
These Grant awards included the Cultural Recovery Fund, Coronavirus Job Retention Scheme and Sheffield City Council Hospitality Grants. These awards, and particularly support from the Cultural Recovery Fund allowed us to continue operating and retain most of our staff teams throughout 2021-22. The final financial award was in 2021-22, so that we started the financial year 2021-22 with no expectations of additional financial support.

Cinema
Showroom Cinema reopened on 17th May 2021 which was seven weeks after the start of the financial year. We saw a gradual increase in attendance as measured against a baseline of pre-covid ticket sales. Sales grew steadily reaching a peak of 80% of pre-covid levels in October 2021. From this point sales fell as the omicron variant of the disease spread rapidly. From December to April 2022, we saw very little change in our low sales pattern with sales starting to improve from May 2022.

Young audiences returned to the cinema very quickly after we reopened, although older customers have taken much longer to come back. On reopening it was apparent that sales for our Cine 26 scheme offering cheap tickets to people aged 26 and younger had reduced by only 20%, whilst tickets for older customers showed a 50% reduction as compared to pre-covid levels. We believe that this was in part because older audiences and those in higher-risk groups felt less safe returning to cinemas. However, we also believe that a diverse programme with a high number of titles that were enticing to, and representative of, young people were also key factors. We also saw high engagement from young audiences across weekly screenings of archive and classic film.

Since reopening, the cinema operated on reduced staff in our programming team which delayed resumption of many of our activities. As we recruit new staff, we anticipate restarting many of our regular audience facing programmes.

Programme Highlights
Our first run programme attracted audiences for a range of new releases, particularly for independent titles. Our must successful films in this period included The French Dispatch, Belfast, Nomadland & Licorice Pizza.

We also had a very successful run for the Sheffield based film – Everybody's Talking about Jamie.
This year our most successful foreign language film was Pedro Almodovar's Spanish Language - Parallel Mothers. The Alpinist was the best attended documentary. Several events and seasons also had successful runs including a season of films by Wong Kar-Wei.

We initiated two new audience facing events this year.
-Sheffield Loves Anime took place in November 2021 as a partnership with the well-established annual festival - Scotland Loves Anime. We plan to continue this partnership over the next year.
-Celluloid Screams Marathon is an extension of our well-established horror film festival. The Marathon is a four-film back-to-back programme taking place on the same day. Our launch event was a 35mm celluloid only four film screening programme.

We recommenced screenings of Alternative Content with several NTL and music events. The most successful of these were

- NTL Leopoldstadt
- NTL The Book of Dust
- Oasis Knebworth 1996

Festivals
Our festival programme recommenced this year, working with external partners. Many of these events have proved to be popular with audiences.

- Sheffield DocFest arranged a hybrid event with a mix of on-line and in person screenings. These were scheduled around two weekends and focussed on a public audience.

- Sheffield Adventure Film Festival (ShAFF) went ahead in March 2022 and was successful in attracting good audiences, although not at pre-pandemic levels.

- Celluloid Screams horror film festival took place in October 2021. The festival operated as a delegate only event with weekend passes and no single tickets on sale. All the available passes did sell out.

- London Film Festival (LFF) took place for the second year in 2021. This is a new partner event with high-profile new films playing simultaneously with London premiers. The festival increased its audiences with several sell out screenings. The festival is intended to become an annual feature in our programme.

BFI Partnership
During the lockdown we worked closely with the British Film Institute who provided significant financial support. The agreed audiences award was drawn down as usual despite the cinema not operating. We also received support for Film Hub North and the Youth Film Academy, with both projects proceeding in scaled back forms.

Youth Film Academy
Following reopening, we proceeded with the event although it was not possible or safe to organise the annual Youth Film Academy as planned in autumn 2020. This course for 15–18 year-olds was re-thought and took place as an on-line event. The course met all diversity targets and led to an increase in participation for people with a disability, due to greater access on-line. The linked Residential Film Academy event did not take place, although the agreed funding for the course was rolled forward into 2021. We also successfully applied for financial support to organise a new pilot programme for 12–15 year-olds in Doncaster with a title of Film Club. The two Film Clubs took place on-line in January and May 2021 and were felt to have been successful, meeting all participation and diversity targets.

Film Hub North
Work on elements of the Film Hub North project continued where possible although part of our activity had to be suspended. The talent development work continued in an on-line format, which included training and skill development programmes. We also continued to provide support for short film production through BFI Network, although many of the film productions had to be postponed or delayed.

Environmental Policy
Showroom Workstation recognises the severity of the climate crisis and acknowledges we have a responsibility to the environment beyond legal and regulatory requirements. We have therefore committed to reducing our environmental impact and to continually improving our sustainability. We intend to meet Government targets to become a net zero carbon user by 2050.

Work on reducing our environmental impact continued this year despite the lockdown. A Green Steering Group was established with representation from across the organisation. We also began monitoring our carbon use through an online tool, to provide an annual comparison of progress.

Specific new initiatives this year include changing our building electricity supplier to a green provider. The building is heated through a district heating system with fuel from domestic refuse. We also invested in new segmentation bins for building waste which are distributed in public and tenant areas of the building.

Equality and Diversity
Showroom Workstation has an organisational commitment to increasing diversity across all our areas of activity. We want our organisation to be anti-discriminatory with a culture that is open to all regardless of background or circumstances. In developing our plans to achieve this we have been successfully accredited to the Investors in Diversity (IID) standard since 2017 (reaccredited in 2019 and again in 2021). We use the IID standard as a method of internally and externally evaluating our progress. We have also committed to achieving the BFI Diversity Standards for all our activity.

We have approached our commitment to diversity with three priorities.

- Diversifying our organisation including governance, management, and staff to ensure that we are fully representative of our community.

- Ensuring our film and cultural programme reflects the widest range of diversity and that we actively program and work for all our communities.

- Proactively engaging with our audiences and local communities to ensure we are open and welcoming to all.

Operational plans for all these areas of activity are in place, overseen by an organisational wide steering group. The Employment Sub-Committee of the board receives regular reports on our progress and development plans.

Black Lives Matter
The Black Lives Matter protests were a pivotal moment in our thinking about how we can continue to become a more diverse and anti-discriminatory organisation. Our board issued a statement of support, and we established a staff working party to make recommendations to our trustees about how the organisation can become more proactive in removing barriers to black citizens and to counter white privilege. We have undertaken new training for our managerial and supervisory staff involved in recruitment which included unconscious bias awareness raising. Our recruitment practice was also updated to ensure any suitably skilled candidate from a diverse background is guaranteed interview for any post we advertise. We have also set our own recruitment targets for diversity among new employees.

Paternoster Limited
Through our subsidiary company, Paternoster Limited, we continued to operate our trading activities which include our café/bar and conference activity as well as the Workstation creative industries business centre.

Catering and Conferences
The Showroom café/bar closed on the same dates as the cinema, with most members of staff moving onto the Government Furlough scheme. Although we operated a full service during our period of reopening, sales lagged behind our usual level at the same ratio as cinema box office sales. Sales for conferences did not recover at this time with very little activity taking place. Post year end sales for conferences and events have started to improve.

Workstation
The national lockdown had an immediate negative impact on tenants in the Workstation, many of whom quickly ran into financial difficulties. To support our tenants, we launched a rent deferral scheme in the initial lockdown period. This offer was taken up by twenty-four tenants. This support helped us retain companies in the building and to maintain occupancy levels. Following the end of the lockdown many organisations returned to the building and occupancy quickly increased. All tenants who chose to defer rent have now repaid the deficit. Occupancy is gradually recovering following the end of the national lockdown and is likely to reach pre-covid levels in 2022-23

Facilities and Refurbishment
Throughout the lockdown we took the opportunity to undertake a programme of repairs and maintenance. Much of this work would not have been easily possible whilst the cinema and café/bar was operating. Our maintenance team remained at work to oversee these upgrades.

Financial Review

As part of our business plan and following discussion with our bank we restructured our financial profile, consolidating our term loan from 31 March 2014 and agreeing a new overdraft arrangement. The bank loan of £470,000 was to be repaid over seven years. This loan was repaid in full September 2021. Our overdraft arrangement was reviewed at the same time and a new facility put in place.

The commercial trading subsidiary company Paternoster Limited had a loss for the year. After reopening in May 21, trading of the café bar and conferencing activity gradually started to recover up to October, following the emergence of omicron we saw a significant reduction in trading from November to the end of the financial year, which impacted on the results for the financial year. The Workstation increased rental income for the year, this was after a reduction in occupancy during the covid lockdown.

Overall, the group saw a diminished performance compared to the previous year, with a surplus for the year of £73,430 (prior year surplus £195,840). The charity's individual position, as detailed on page 13, shows a profit of £387,012 (prior year profit £458,230). This includes support from the BFI Cultural Recovery Fund. Funding received through the pandemic in 20-21, enabled the charity and Group as a whole to re-open successfully in May 2021.

Capital Investment Plans

Our budget for Capital expenditure was suspended at the start of lockdown. Through funding from the CRF, the principal area of capital investment in 2021-22 was the implementation of new HR & payroll software. We also installed equipment to our conferencing rooms, to facilitate online meetings. We also purchased internal automatic accessible doors for our box office, bar & foyer. Through National Lottery funding we were able to update our hearing loop system in our 4 cinema auditoriums, box office area and Workstation reception.

In future years we plan to continue our investment in our comprehensive building refurbishment plan and following completion of the internal refurbishment we plan to improve the external elevation of the building.

Principal external funding sources

In this financial year the charity worked closely with Sheffield City Council, and the British Film Institute, which provided funding to enable the organisation to carry out its charitable objectives. In addition, a number of project and education grants were obtained from several sources, including Europa Cinemas.

Investments and reserves

Under the memorandum and articles of association, the charity has the power to make any investments that the trustees see fit in order to further the objects of the charity.

The reserves of the Group are represented largely by capital grants and property revaluation surpluses. These elements are regarded as the representation of the Group's fixed assets and are therefore, in effect, not available for any other purpose. In addition to the existing sinking fund, which is funded through the tenants' service charge, each year the trustees intend to earmark further funds from the unrestricted income reserve to meet the longer-term maintenance requirements of the building. Our strategic plans are shared with our bankers, Unity Trust Bank Plc, which has indicated its willingness to continue its valuable support.

The Trustees aspire to maintain sufficient free reserves to respond to short term fluctuations in funding levels. This will be reviewed by the Board as part of the ongoing financial management of the Group.

The reserves have increased within the year, this is due to the funding support from the BFI Cultural Recovery Fund, which will support the Group through into the next financial year.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022 (continued)

Trustees' responsibilities in relation to the financial statements

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102)
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for maintaining proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charitable company, and enables them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

The trustees of the charitable company who held office at the date of approval of this Annual Report each confirm that:

- as far as they are aware, there is no relevant audit information (information needed by the charitable company's auditors in connection with preparing their report) of which the charitable company's auditors are unaware; and

- they have taken all the steps that they ought to take as trustees in order to make themselves aware of any audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

A resolution will be proposed at the Annual General Meeting that Hawsons be re-appointed as auditors to the charity for the ensuing year.

The report of the trustees has been prepared in accordance with the special provisions of Part VII of the Companies Act 2006.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors. On behalf of the board;



B Moffett
Sheffield

28 November 2022

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

Opinion

We have audited the financial statements of Sheffield Media and Exhibition Centre Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the Consolidated and Parent Statement of Financial Activities, Consolidated and Parent Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED (continued)

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement (set out on page 9), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED (continued)

The charitable company is subject to laws and regulations that directly and indirectly affect the financial statements. Based on our understanding of the charitable company and the environment it operates within, we determined that the laws and regulations which were most significant included FRS 102, Companies Act 2006, Health and Safety regulations and the Charities Act 2011. We considered the extent to which non-compliance with these laws and regulations might have a material effect on the financial statements, including how fraud might occur. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to improve the company's result for the period, and management bias in key accounting estimates.

Audit procedures performed by the engagement team included:

- Discussions with management and those responsible for legal compliance procedures within the charitable company to obtain an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company complies with that framework, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of Trustee meetings;
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud and non-compliance with laws and regulations;
- Challenging assumptions and judgements made by management in their significant accounting estimates.
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or posted by senior management.

There are inherent limitations in the audit procedures described above and the more removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor's-responsibilities-for. This description forms part of our auditor's report.

Use of our report

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

Hawsons

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Simon Bladen, Senior Statutory Auditor
For and on behalf of Hawsons Chartered Accountants, Statutory Auditors

Pegasus House
463a Glossop Road
Sheffield
S10 2QD

Date: ...8.....December.....2022

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CHARITABLE COMPANY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	2022 Total £	2021 Total £
Incoming Resources						
Donations and legacies	2	745,970	895,325	58,500	1,699,795	1,651,111
Investment income	4	28,000	-	-	28,000	28,000
Charitable activities	5	564,170	-	-	564,170	139,774
Other income	6	-	-	-	-	162,563
Total incoming resources		1,338,140	895,325	58,500	2,291,965	1,981,448
Resources expended						
Costs of generating voluntary income	9	10,000	-	-	10,000	10,000
Raising funds	10	-	-	-	-	-
Charitable activities	11	986,561	890,092	-	1,876,653	1,496,108
Other	12	18,300	-	-	18,300	17,110
Total resources expended		1,014,861	890,092	-	1,904,953	1,523,218
Net incoming resources before transfers		323,279	5,233	58,500	387,012	458,230
Transfers	24	75,160	(6,331)	(68,829)	-	-
Net movement in funds		398,439	(1,098)	(10,329)	387,012	458,230
Funds brought forward		1,196,819	145,863	1,768,479	3,111,161	2,652,931
Funds carried forward		1,595,258	144,765	1,758,150	3,498,173	3,111,161

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	2022 Total £	2021 Total £
Incoming resources						
Donations and legacies	2	784,498	895,325	58,500	1,738,323	2,012,020
Activities for generating funds	3	1,467,633	-	-	1,467,633	719,332
Charitable activities	5	504,170	-	-	504,170	79,774
Other income	6	-	-	-	-	162,563
Total incoming resources		2,756,301	895,325	58,500	3,710,126	2,973,689
Resources expended						
Costs of generating voluntary income	9	10,000	-	-	10,000	10,000
Raising funds	10	1,742,388	-	-	1,742,388	1,262,183
Charitable activities	11	975,916	890,092	-	1,866,008	1,488,556
Other	12	18,300	-	-	18,300	17,110
Total resources expended		2,746,604	890,092	-	3,636,696	2,777,849
Net incoming resources before transfers		9,697	5,233	58,500	73,430	195,840
Transfers	24	75,160	(6,331)	(68,829)	-	-
Net movement in funds		84,857	(1,098)	(10,329)	73,430	195,840
Funds brought forward		2,141,259	145,863	1,768,479	4,055,601	3,859,761
Funds carried forward		2,226,116	144,765	1,758,150	4,129,031	4,055,601

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED
COMPANY REGISTRATION NUMBER 2444438

BALANCE SHEETS

31 MARCH 2022

	Notes	31 March 2022		31 March 2021	
		Group £	Company £	Group £	Company £
FIXED ASSETS					
Tangible fixed assets	19	4,518,888	1,960,507	4,672,307	2,034,400
Investment in subsidiaries	20	-	2	-	2
		4,518,888	1,960,509	4,672,307	2,034,402
CURRENT ASSETS					
Stock		16,616	-	9,089	-
Debtors	21	609,821	1,078,168	307,316	567,580
Cash at bank and in hand		128,301	755,235	222,935	853,267
		754,738	1,833,403	539,340	1,420,847
CREDITORS – amounts falling due within one year	22	(713,254)	(295,739)	(695,487)	(344,088)
Net current assets/ (liabilities)		41,484	1,537,664	(156,147)	1,076,759
Total assets less current liabilities		4,560,372	3,498,173	4,516,160	3,111,161
Deferred income	23	(431,341)	-	(460,559)	-
NET ASSETS		4,129,031	3,498,173	4,055,601	3,111,161
CHARITY FUNDS					
Restricted capital fund	25	1,758,150	1,758,150	1,768,479	1,768,479
Restricted income funds	25	144,765	144,765	145,863	145,863
Unrestricted funds	26	1,048,842	1,595,258	947,634	1,196,819
Revaluation reserve	26	1,177,274	-	1,193,625	-
TOTAL CHARITY FUNDS		4,129,031	3,498,173	4,055,601	3,111,161

The financial statements were approved by the board of trustees on 28 November 2022 and signed on its behalf by:



B Moffett - Trustee

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Cash flow from operating activities	27	14,974	203,720
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(71,095)	(130,477)
Net cash flow from investing activities		(71,095)	(130,477)
Cash flow from financing activities			
Repayment of long-term loans		(38,081)	(43,513)
Interest paid		(432)	(2,810)
Net cash flow from financing activities		(38,513)	(46,323)
Net (decrease) / increase in cash and cash equivalents		(94,634)	26,920
Cash and cash equivalents at 1 April		222,935	196,015
Cash and cash equivalents at 31 March		128,301	222,935
Cash and cash equivalents consist of:			
Cash at bank and in hand		128,301	222,935
Cash and cash equivalents at 31 March		128,301	222,935

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS

YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material to the company's affairs.

STATUTORY INFORMATION

Sheffield Media and Exhibition Centre Limited is a charity (No. 1002020) and a company limited by guarantee (No. 2444438) domiciled in England and Wales. The registered office is at 15 Paternoster Row, Sheffield, S1 2BX.

BASIS OF PREPARATION

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, 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 Accounting Practice.

GOING CONCERN

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The Consolidated Statement of Financial Activities on page 14 shows a surplus for the year on unrestricted funds of £84,857, whilst the group Balance Sheet on page 15 indicates net current assets of £41,484. As the banking facilities are negotiated and secured on a group basis it is necessary to review the group results as a whole.

As regards 2022/23, the trustees envisage that, based upon actual results to date, forecast results to the end of the year, the group will operate to a deficit for that year. The trustees have also considered the medium-term impact with the forecast prepared to cover 2023/24, which show the group operating at a small surplus. The company's bank continues to support the group. The trustees therefore consider that it is appropriate for the financial statements to be prepared on a going concern basis.

BASIS OF CONSOLIDATION

These financial statements consolidate the results of the charity and its wholly owned subsidiary, Paternoster Limited on a line by line basis.

GRANTS AND DONATIONS

Grants receivable are recognised in the Statement of Financial Activities when the conditions for receipt have been complied with.

Grants received for specific projects are accounted for as restricted funds.

Grants received in the trading subsidiaries are credited to a separate account from which amounts will be released to revenue over the depreciation period of the relevant assets.

1. ACCOUNTING POLICIES (continued)

OPERATION OF CINEMA AND CENTRE HIRE – CHARITABLE TRADING ACTIVITIES

Operation of the cinema and centre comprises those costs that are directly attributable to the generation of income in the operation of the cinema.

ACTIVITIES FOR GENERATING FUNDS

This represents income generated by the trading subsidiaries to support the directly charitable activity carried out by the group.

RESOURCES EXPENDED

Expenditure is included on an accruals basis.

Costs of operation of the cinema and centre comprise those costs that are directly attributable to the generation of income in the operation of the cinema.

ALLOCATION OF COSTS

Costs directly related to an activity are allocated to that activity. Support costs which are necessary to deliver an activity but do not themselves deliver the activity, are allocated in proportion to the benefit attributable based on an internal assessment of time spent and resources used.

Governance costs are those costs incurred in meeting statutory and constitutional requirements.

Support costs include central functions and have been allocated to activity cost categories on the basis of time spent.

FUNDS

Incoming and outgoing resources are analysed between restricted capital fund, restricted and unrestricted income funds.

Restricted capital fund

This fund arises from grants received which were required to be invested in fixed assets for the company's use. An annual transfer is made to the unrestricted income fund for the depreciation on the restricted assets which is charged to the unrestricted income fund.

Unrestricted income fund

This fund is expendable at the discretion of the trustees in the furtherance of the objectives of the company and have not been designated for other purposes.

Restricted income fund

This fund arises from grants received which are required to be used for specific projects of a revenue nature.

1. ACCOUNTING POLICIES (continued)

TANGIBLE FIXED ASSETS

Tangible fixed assets other than the long leasehold property held by Paternoster Limited, are included at original cost less accumulated depreciation.

The long leasehold property held by Paternoster Limited was previously held at valuation less accumulated depreciation. On transition to FRS102, the value at transition date, 1 April 2014, is taken as deemed cost and continues to be depreciated going forward.

Depreciation of fixed assets is provided at rates estimated to write off each asset over the term of its useful life.

The annual rates used are: -

Long leasehold land and buildings	1% - 2%	straight line
Fixtures and fittings	15% - 25%	straight line/reducing balance
Equipment	5% - 25%	straight line/reducing balance

STOCK

Stock is valued at the lower of cost and net realisable value.

FINANCE AND OPERATING LEASES

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred. Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written off to the SOFA over the period of the lease so as to produce a constant periodic rate of change.

2. DONATIONS AND LEGACIES

	2022 £ Group	2022 £ Company	2021 £ Group	2021 £ Company
Unrestricted				
BFI	150,000	150,000	150,000	150,000
Sheffield City Council	16,403	12,000	76,672	51,672
Europa Cinemas	-	-	290	290
BFI – Culture Recovery Fund	555,626	555,626	321,869	321,869
CJRS government grant	62,469	28,344	589,225	253,316
Total unrestricted	784,498	745,970	1,138,056	777,147
Restricted - revenue				
BFI - Film Hub North 2	638,700	638,700	632,152	632,152
BFI - Other	237,709	237,709	219,702	219,702
ICO	-	-	2,200	2,200
Screen Yorkshire	-	-	15,245	15,245
Department of Work and Pension	-	-	4,065	4,065
Dogwoof	1,000	1,000	500	500
National Lottery	10,000	10,000	-	-
Film Club Midlands	5,000	5,000	-	-
Other < £1,000	2,916	2,916	100	100
Total restricted - revenue	895,325	895,325	873,964	873,964
Restricted – capital				
BFI - Culture Recovery Fund	58,500	58,500	-	-
Total restricted - capital	58,500	58,500	-	-
Total voluntary income	1,738,323	1,699,795	2,012,020	1,651,111

3. ACTIVITIES FOR GENERATING FUNDS

	2022 £ Group	2022 £ Company	2021 £ Group	2021 £ Company
Letting of managed workspace	750,014	-	671,066	-
Commercial operations	717,619	-	48,266	-
	1,467,633	-	719,332	-

4. INVESTMENT INCOME

	2022 £ Group	2022 £ Company	2021 £ Group	2021 £ Company
Loan interest	-	28,000	-	28,000
	-	28,000	-	28,000

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2022 £ Group	2022 £ Company	2021 £ Group	2021 £ Company
Unrestricted				
Box office receipts	407,096	407,096	35,937	35,937
Centre hire	51,808	51,808	18,282	18,282
Membership fees	19,098	19,098	22,314	22,314
Advertisement income	13,748	13,748	3,009	3,009
Management fee	-	60,000	-	60,000
Other income	12,420	12,420	232	232
	504,170	564,170	79,774	139,774

6. OTHER INCOME

	2022 £ Group	2022 £ Company	2021 £ Group	2021 £ Company
Unrestricted				
VAT credit – cultural exemption	-	-	162,563	162,563
	-	-	162,563	162,563

7. NET OUTGOING RESOURCES

	2022 Group £	2022 Company £	2021 Group £	2021 Company £
This is stated after charging:				
Operating lease rentals – land and buildings	-	6,000	-	6,000
Depreciation	223,649	121,719	232,687	123,439
Loss on disposal of fixed assets	865	865	-	-
Government and other grants receivable	(38,528)	-	(29,076)	-

8. AUDITOR'S REMUNERATION

The auditor's remuneration amounts to a fee of £12,300 (2021: £10,470) and £1,200 for other services (2021: £1,591).

9. COSTS OF GENERATING VOLUNTARY INCOME

	2022 £ Group	2022 £ Company	2021 £ Group	2021 £ Company
Support costs (note 13)	10,000	10,000	10,000	10,000

10. RAISING FUNDS

	2022 £ Group	2022 £ Company	2021 £ Group	2021 £ Company
Managed workspace cost	832,001	-	749,601	-
Commercial operations	910,387	-	512,582	-
	1,742,388	-	1,262,183	-

11. CHARITABLE ACTIVITIES

Cost of operation of cinema and centre hire

	2022 £ Group	2022 £ Company	2021 £ Group	2021 £ Company
Film performances and related costs				
Film hire	158,058	158,058	11,649	11,649
Project costs	252,489	254,439	180,586	180,586
Film Hub North grants disbursed	424,929	424,929	429,006	429,006
Centre costs				
Marketing costs	17,263	17,263	20,168	20,168
Wages and related costs	352,117	352,117	297,622	297,622
Printing and advertising	20,463	21,063	1,749	2,349
Depreciation – equipment	31,121	31,121	35,021	35,021
Credit card charges	10,052	10,052	2,428	2,428
Other expenses	10,878	10,877	2,432	2,432
	1,277,370	1,279,919	980,661	981,261
Support costs (note 13)	588,638	596,734	507,895	514,847
Total cost of charitable activities	1,866,008	1,876,653	1,488,556	1,496,108

12. OTHER COSTS

	2022 £ Group	2022 £ Company	2021 £ Group	2021 £ Company
Audit fee	8,300	8,300	7,110	7,110
Support costs (note 13)	10,000	10,000	10,000	10,000
	18,300	18,300	17,110	17,110

13. INDIRECT SUPPORT COSTS

	2022 £ Group	2022 £ Company	2021 £ Group	2021 £ Company
Salaries and related costs	273,132	273,132	252,096	252,096
Travel and hospitality	12,829	12,829	503	503
Rent, rates and service charges	6,582	12,486	2,832	8,736
Heat and power	78,031	78,031	41,797	41,797
Printing, postage and stationery	936	2,324	1,222	1,437
Repairs and maintenance	39,671	39,671	70,255	70,255
Insurance	15,683	15,683	13,323	13,323
Telephone charges	222	354	265	386
Licences and subscriptions	5,955	5,955	3,250	3,250
Professional fees	15,584	15,584	3,538	3,538
Bank charges	2,034	2,034	2,621	2,621
Bank interest	216	216	1,405	1,405
Equipment hire and leasing	2,587	2,587	2,111	2,111
Computer software and consumables	10,289	10,289	7,139	7,139
Website development	10,521	10,521	429	429
Cleaning and sundry expenses	42,903	43,575	36,691	37,403
Depreciation - long leasehold property	70,573	70,573	70,573	70,573
Depreciation - fixtures, fittings and equipment	20,025	20,025	17,845	17,845
Loss on disposal	865	865		
	608,638	616,734	527,895	534,847
Allocation				
Charitable activities	588,638	596,734	507,895	514,847
Generating voluntary income	10,000	10,000	10,000	10,000
Other costs	10,000	10,000	10,000	10,000
	608,638	616,734	527,895	534,847

Charitable costs are primarily for the running of cinema screenings and the managing of rented workspace, support costs are allocated as such above.

14. FUNDRAISING TRADING FROM TRADING ACTIVITIES OF SUBSIDIARY

The wholly owned subsidiary is used for trading activities to generate income to support the direct charitable activities of the group. The net profits of the subsidiary are gifted to the charity.

The subsidiary of the company at 31 March 2022 is detailed in note 20 of these financial statements. A summary of its trading results including intra-group sales is shown below:

	Paternoster Limited	
	Managed workspace	Commercial operations
	£	£
Turnover	758,709	719,569
Cost of sales	(403,452)	(618,908)
Gross profit	355,257	100,661
Administrative expenses	(517,551)	(291,479)
Interest payable	(28,216)	-
Other operating income	29,218	38,528
Operating deficit for year	(161,292)	(152,290)
Loss from commercial operations	(152,290)	152,290
Profit on ordinary activities before taxation	(313,582)	-
Net loss for the year retained	(313,582)	-

15. STAFF COSTS AND TRUSTEES'S REMUNERATION

	2022		2021	
	Group	Company	Group	Company
	£	£	£	£
Wages and salaries	1,154,612	453,809	996,084	370,825
Social security costs	78,884	31,004	60,789	22,631
Pension costs	22,760	8,946	17,062	6,352
	1,256,256	493,759	1,073,935	399,808

The average number of employees calculated on a full-time equivalent basis during the year was as follows:

	2022		2021	
	Number	FTE	Number	FTE
Raising funds	46	40	46	48
Charitable activities	33	19	32	21
	79	59	78	69

The number of employees who earned between £60,000 and £69,999 during the year was 1 (2021: 1).

15. STAFF COSTS AND TRUSTEE REMUNERATION (continued)

The trustees neither received nor waived any remuneration during the year (2021: £nil). No trustees had expenses reimbursed during the year (2021: £nil).

The total amount of employee benefits received by key management personnel is £273,380 (2021: £264,724). The key management personnel of the charity comprise the trustees and the Senior Management Team, which at the year-end comprises the staff members listed below.

Chief Executive
Finance Manager
General Manager
Operations Manager
Workstation Manager
Communications Manager

16. INTEREST PAYABLE AND SIMILAR CHARGES

	2022		2021	
	Group	Company	Group	Company
	£	£	£	£
Bank loans and overdrafts	432	216	2,810	1,405
	432	216	2,810	1,405

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2022 - Group

	Unrestricted Funds	Restricted Income Fund	Restricted Capital Fund	Total
	£	£	£	£
Tangible fixed assets	2,760,738	-	1,758,150	4,518,888
Current assets	609,973	144,765	-	754,738
Current liabilities	(713,254)	-	-	(713,254)
Long term liabilities	(431,341)	-	-	(431,341)
	2,226,116	144,765	1,758,150	4,129,031

2022 - Company

	Unrestricted Funds	Restricted Income Fund	Restricted Capital Fund	Total
	£	£	£	£
Tangible fixed assets	202,359	-	1,758,150	1,960,509
Current assets	1,688,638	144,765	-	1,833,403
Current liabilities	(295,739)	-	-	(295,739)
Long term liabilities	-	-	-	-
	1,595,258	144,765	1,758,150	3,498,173

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2021 - Group

	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	Total £
Tangible fixed assets	2,903,828	-	1,768,479	4,672,307
Current assets	393,477	145,863	-	539,340
Current liabilities	(695,487)	-	-	(695,487)
Long term liabilities	(460,559)	-	-	(460,559)
	2,141,259	145,863	1,768,479	4,055,601

2021 - Company

	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	Total £
Tangible fixed assets	265,923	-	1,768,479	2,034,402
Current assets	1,274,984	145,863	-	1,420,847
Current liabilities	(344,088)	-	-	(344,088)
Long term liabilities	-	-	-	-
	1,196,819	145,863	1,768,479	3,111,161

18. FINANCIAL COMMITMENTS

	2022 Group £	2022 Company £	Group £	Company £
As at 31 March the annual commitments under non-cancellable operating leases were as follows:-				
Due within 1 year	5,797	-	4,784	-
Due within 1 to 2 years	5,362	-	1,742	-
Due within 2 to 5 years	16,220	-	1,307	-
	27,379	-	7,833	-

As at 31 March 2022 the company and the Group had capital commitments of £nil (2021: £nil).

19. TANGIBLE FIXED ASSETS – GROUP

	Long leasehold property £	Fixtures fittings & equipment £	Total £
Cost or valuation			
At 1 April 2021	6,761,247	2,583,408	9,344,655
Additions	-	71,095	71,095
Disposals	-	(1,403)	(1,403)
At 31 March 2022	6,761,247	2,653,100	9,414,347
Depreciation			
At 1 April 2021	2,603,194	2,069,154	4,672,348
Charge for the year	102,915	120,734	223,649
Disposals	-	(538)	(538)
At 31 March 2022	2,706,109	2,189,350	4,895,459
Net book value			
At 31 March 2022	4,055,138	463,750	4,518,888
At 31 March 2021	4,158,053	514,254	4,672,307

TANGIBLE FIXED ASSETS – COMPANY

	Long leasehold property £	Fixtures fittings & equipment £	Total £
Cost			
At 1 April 2021	3,528,630	1,390,434	4,919,064
Additions	-	48,691	48,691
Disposals	-	(1,403)	(1,403)
At 31 March 2022	3,528,630	1,437,722	4,966,352
Depreciation			
At 1 April 2021	1,680,275	1,204,389	2,884,664
Charge for the year	70,573	51,146	121,719
Disposals	-	(538)	(538)
At 31 March 2022	1,750,848	1,254,997	3,005,845
Net book value			
At 31 March 2022	1,777,782	182,725	1,960,507
At 31 March 2021	1,848,355	186,045	2,034,400

20. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Cost of shares in subsidiary undertaking

	£
At 1 April 2021 and 31 March 2022	2

The subsidiary of the company at 31 March 2022 (incorporated in England) was:

	Class of shares held	% held	Direct/ indirect holding	Aggregate capital and reserves £	Profit/ (loss) for the year £
Paternoster Limited 025 40298 Letting of managed workspace and operation of bar and café	Ordinary	100	Direct	630,862	(313,582)

21. DEBTORS

	2022		2021	
Due within one year:	Group £	Company £	Group £	Company £
Trade debtors	111,395	4,170	76,023	5,475
Other debtors	457,883	350,183	197,307	37,562
Prepayments and accrued income	40,543	40,543	33,986	33,986
Amount owed by group undertakings	-	683,272	-	490,557
	609,821	1,078,168	307,316	567,580

Of the amount owed by group undertakings, £400,000 (2021: £400,000) is due after more than one year, which represents a loan made to Paternoster Limited, a subsidiary company. The loan was made on normal commercial terms at an interest rate of 7%.

22. CREDITORS

	2022		2021	
Amounts falling due within one year	Group £	Company £	Group £	Company £
Bank loan and overdraft	-	-	38,081	38,081
Trade creditors	227,163	87,333	186,585	53,470
Other creditors	313,762	94,614	264,507	68,881
Taxation and social security	58,537	-	78,556	55,898
Accruals and deferred income	113,792	113,792	127,758	127,758
	713,254	295,739	695,487	344,088

Bank borrowings are secured by legal mortgage over the group's long leasehold land and buildings (representing 7.5% of the value of the land and buildings) and a fixed and floating charge over all the other assets. The bank has priority over other secured creditors.

Bank and other loans are repayable by instalments as follows: -

	2022 £	2021 £
Due within one year	-	38,081
Due within one to two years	-	-
	-	38,081

23. DEFERRED INCOME – GROUP

	2022 £	2021 £
Government grants and other income at 1 April	460,559	442,014
Grants received during the year	-	47,621
Amount released in year	(29,218)	(29,076)
Balance at 31 March	431,341	460,559

24. TRANSFER BETWEEN FUNDS

	2022		2021	
	Group £	Company £	Group £	Company £
Release of restricted capital funds re depreciation of capital assets	75,160	75,160	72,367	72,367
Transfer from restricted income funds	(6,331)	(6,331)	-	-
	68,829	68,829	72,367	72,367

25. RESTRICTED FUNDS – Group and Company

	Balance at 31 March 2021 £	Incoming resources £	Resources expensed £	Transfer £	Balance at 31 March 2022 £
Restricted capital funds					
Brought forward	1,768,479	-	-	(75,160)	1,693,319
Culture Recovery Fund 2	-	38,000	-	-	38,000
Culture Recovery Fund 3	-	20,500	-	-	20,500
National Lottery	-	-	-	6,331	6,331
	1,768,479	58,500	-	(68,829)	1,758,150

The restricted capital fund arises from grants we applied for, for the purpose of supporting our engagement and outreach work, through BSL welcome films to ticketless scanners to support social distancing for returning customers.

2022	Balance at 31 March 2021 £	Incoming resources £	Resources expensed £	Transfer £	Balance at 31 March 2022 £
Restricted income funds					
Film Hub North 2 (BFI)	86,833	638,700	(623,404)	-	102,129
Talent Development (BFI)	28,912	153,000	(143,142)	-	38,770
Youth Film Academy (BFI)	-	17,000	(16,708)	-	292
Residential Academy (BFI)	18,000	24,121	(42,121)	-	-
Venue Education Fund (BFI)	-	28,628	(28,628)	-	-
National Lottery	-	10,000	(95)	(6,331)	3,574
Doncaster Film Hubs (BFI)	12,118	14,960	(27,078)	-	-
Film Club Midlands	-	5,000	(5,000)	-	-
Dogwoof	-	1,000	(1,000)	-	-
Other < £1,000	-	2,916	(2,916)	-	-
	145,863	895,325	(890,092)	(6,331)	144,765

25. RESTRICTED FUNDS – Group and Company (continued)

2021	Balance at 31 March 2020	Incoming resources	Resources expensed	Transfer	Balance at 31 March 2021
	£	£	£	£	£
Restricted income funds					
Film Hub North 2 (BFI)	71,469	632,152	(616,788)	-	86,833
Talent Development (BFI)	13,567	157,542	(142,197)	-	28,912
Youth Film Academy (BFI)	-	17,000	(17,000)	-	-
ResidentialAcademy (BFI)	-	18,000	-	-	18,000
Safety Fund (BFI)	-	10,000	(10,000)	-	-
Outreach (BFI)	-	160	(160)	-	-
Doncaster Film Hubs (BFI)	-	17,000	(4,882)	-	12,118
ICO	-	2,200	(2,200)	-	-
Screen Yorkshire	-	15,245	(15,245)	-	-
Dept of Work and Pensions	-	4,065	(4,065)	-	-
Dogwoof	-	500	(500)	-	-
Modern Films	-	100	(100)	-	-
	85,036	873,964	(813,137)	-	145,863

Film Hub North 2 – initiative to develop a network of film exhibitors in the north of England, funded by the BFI.
Youth Film Academy – BFI funded training and development for young people 16-19 in filmmaking and appreciation.
BFI Residential: Programming, is part of the BFI's Film Academy Network. There are 9 residentials each specialising in an area of the film industry. We recruit 30 young people (aged 16-19), from across the UK to come to Sheffield for a week to learn about all aspects of programming, exhibition and distribution, through industry led masterclasses and practical based projects.
Talent Development: Part of a countrywide network of talent executives, who search out and develop from a grass roots level, new and emerging film directors, producers and writers. The fund is for short film production and early feature script development.
BFI Doncaster Film Clubs: Two nine week courses ran for the first time between January and June 2021 to teach filmmaking skills to 12 – 15 year olds, specifically living in the Doncaster region
National Lottery: Funding for a hearing loop system to be installed in the box office and cinema auditoriums.
Film Hub Midlands: A program of Anime screenings celebrating the breadth of a beloved genre.

26. UNRESTRICTED FUNDS

	Company Unrestricted income fund £	Group Revaluation Reserve £
Balance at 1 April 2021	1,196,819	1,193,625
Net movement in funds for the year	323,279	-
Transfer during the year	75,160	(16,351)
Balance at 31 March 2022	1,595,258	1,177,274

27. RECONCILIATION OF CONSOLIDATED NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2022 Group £	2021 Group £
Net incoming resources	73,430	195,840
Interest payable	432	2,810
Net outgoing resources from operations	73,862	198,650
Depreciation and amortisation	223,649	232,687
Loss on disposal of fixed assets	865	-
(Increase) in stock	(7,527)	(652)
(Increase) in debtors	(302,505)	(96,058)
Decrease in creditors	26,630	(130,907)
Net cash inflow from operating activities	14,974	203,720

28. ANALYSIS OF NET DEBT

	1 April 2021	Cash flow	Other non-cash charges	31 March 2022
	£ £	£	£	£
Cash at the bank and in hand	222,935	(94,634)	-	128,301
Bank overdrafts	-	-	-	-
Cash and cash equivalents	222,935	(94,634)	-	128,301
Debts falling due within one year	(38,081)	38,081	-	-
Debts falling due after one year	-	-	-	-
	(38,081)	38,081	-	-
	184,854	(56,553)	-	128,301

29. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the board of directors.

30. TRANSACTIONS WITH RELATED PARTIES

In accordance with FRS102 paragraph 33.1A the company has taken advantage of the exemption from disclosing transactions with its fellow subsidiary companies.

THE SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

England & Wales - Charity number 1002020

Accounts

Company registration number: 2444438
Charity registration number: 1002020

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CONSOLIDATED ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

Hawsons

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

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SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The trustees (who are also directors of Sheffield Media and Exhibition Centre Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and financial statements of the charity.

Reference and Administration Details

Official name of charity:	Sheffield Media and Exhibition Centre Limited
Charity registration number:	1002020
Company registration number:	2444438
Directors and Trustees:	B Moffett (Chair) C M Pons S Sanderson – resigned on 30th November 2020 D Gormley M Ellis A Davenport B Hamilton-Tweedale M Drabble M Kanarek T Kennick H Taylor-Smith N Belfield J Dobson J Roy – appointed 27th July 2020; resigned 28th May 2021
Chief Executive:	I Wild
Secretary and Registered Office:	J Simpson 15 Paternoster Row Sheffield S1 2BX
Bankers:	Unity Trust Bank plc Nine Brindleyplace Birmingham B1 2HB
Auditors:	Hawsons Chartered Accountants Statutory Auditors Pegasus House 463a Glossop Road Sheffield S10 2QD
Solicitors:	Knights plc Commercial House 14 Commercial Street Sheffield S1 2AT

Constitution

Sheffield Media and Exhibition Centre Limited is a charity (No. 1002020) and a company limited by guarantee (No. 2444438).

Structure, governance and management

Governing document

The charity is governed by the Memorandum and Articles of Association dated 30 October 1989.

Organisation

A board of trustees of between 9 and 21 members, who are also Directors of the Parent Company, administers the charity. During the year the board met on a monthly basis.

The Directors have established a Finance and Operations Subcommittee which meets each month with the senior management team to review the management accounts and to receive reports on the financial position of the company and any relevant operational issues or initiatives. The chair of the subcommittee reports any notable financial matters to the charity board. The subcommittee is open to all directors to attend but four directors have undertaken specific responsibility to attend each month:

A Davenport
B Moffett
C Pons
H Taylor-Smith

There is also an Employment Subcommittee which meets several times a year as required and reviews our employment policies as well as considering any matters pertaining to staff. Two directors attend the meetings as well the Chief Executive and The HR Manager:

J Roy
C Pons
B Moffett

The board has also established an Education and Culture Subcommittee which meets 4 times a year and oversees the programme and education activities of the company. The subcommittee is open to all directors to attend but four directors have undertaken specific responsibility to attend:

H Taylor-Smith
S Sanderson
M Ellis
B Hamilton-Tweedale

Sheffield City Council and The Chamber of Commerce are each entitled to nominate up to two trustees to the Board, and observer status at board meetings is offered to our two largest funding bodies, The British Film Institute and Sheffield City Council.

A Chief Executive is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within the terms of the delegation approved by the trustees, for operational matters.

Recruitment of trustees

Elected trustees are recruited through a combination of targeted recruitment, board banks and open advertising. Consideration is given to the skills of the current board and the needs of the organisation. New elected trustees are appointed by a vote. Generally, a trustee is expected to remain on the Board for a period of three years with the possibility of being re-elected for a second three-year term of office. Should a trustee fail to attend for three consecutive meetings, their position can be reconsidered.

Structure, governance and management (continued)

Trustee induction and training
Prior to appointment and proposed new trustee will meet with the Chief Executive and Chair to discuss the role and expectations. They will also undertake an induction giving them an understanding of the business plan, operating strategy, aims and objectives, and their obligations as trustees. We also have in place a formal induction procedure and handbook for new trustees.

Structure
The charity carried out its activities through the charitable holding company and a 100% owned subsidiary listed below.

Subsidiary	Activity
Paternoster Limited	Development and letting of managed workspace Provision of conference facilities Operation of the Showroom Bar and Café

Purposes and activities for the public benefit

Showroom Workstation aspires to be the centre for film and creativity in the north of England and a cultural leader for Sheffield City region. A prestigious cinema centre and workspace complex for the creative and digital industries, providing a platform for film exhibition, film production, new media and related activity; a space that encourages people to find their potential in discovering, enjoying, learning about and working in the cultural industries.

Objectives
The organisation adopted the below five aims in 2017:-

- Actively programme our cinemas to ensure we achieve the greatest diversity in our film selection, education opportunities and audience engagement.
- Provide the highest quality hospitality and consistent customer service and become a destination place for local audiences and creative people leading to increased income.
- Be a leading centre for creative industries, actively supporting enterprise through high quality business location and pro-active support services.
- Provide cultural leadership for the film sector, locally, regionally and nationally.
- Build financial stability supported by a robust management and governance structure and training programme to support our staff in delivering our business goals.

The trustees are preparing a new three-year plan intended to cover the next period of operation from 2022. Development of the plan was delayed, following the covid-19 shutdown in favour of a short-term recovery plan.

Strategies and activities
In shaping our strategies for the year, and planning activities, the trustees have considered the Charity Commission's guidance on public benefit and fee charging. The cinema relies on grants, income from fees and charges and the profit from commercial activity undertaken by the wholly owned trading company to cover its operating costs. In setting the level of charges the trustees have considered the accessibility of those people on low incomes and provides discounted ticket prices to several groups including older and retired customers as well as young people. The trust has also developed strategies to promote engagement activity to the wider community by employing a staff member to do this work.

Strategies and Activities (continued)
In putting our objectives into action, we have concentrated on the development and exhibition of film screening programmes and the delivery of related outreach and engagement activities. This has particularly focussed on young people, although not exclusively, and our programmes appeal to a very broad range of users and participants. We have also developed and operate a range of annual festivals both directly and through working with partners.

Principle risks and uncertainties

The trustees consider a risk assessment for the organisation within the context of our business plan. The risk assessment is reviewed and updated annually. It identifies the risks to which the Group is, and is likely to be, exposed. The trustees regularly monitor progress and implement a risk management strategy comprising:

- annual review of the risks facing the Group;
- the maintenance of effective systems and procedures to mitigate those risks; and
- the introduction of procedures to deal with the potential impact of any of those risks materialising.

This was an extremely difficult year for the organisations with only six weeks trading in the cinema and café/bar. The Workstation also saw reductions in tenancies through the nationwide shutdown. The trustees of the charity continued to meet on a regular basis throughout this period using online software. Whilst many of our staff joined the national furlough scheme, key members of the senior team continued to work throughout this period.

Covid-19
The Covid 19 pandemic significantly impacted on the organisations ability to trade over the entire year 2020-21. The national lockdown which started in March 2020 continued through the full financial year with the exception of a short period from 18th September to 4th November. In this period the cinema and café bar reopened to the public prior to a new lockdown commencing. The cinema finally reopened on 17th May 2021. During this period the Workstation business centre remained open with limited services available.

During the lockdown we applied for several Government support grants to help us cover operating costs. These awards, along with support from the Cultural Recovery Fund allowed us to continue operating and retain most of our staff teams. In Q4, we began planning our reopening, and rebuilding our audiences, engaging new people, and building new habits around film exploration and discovery for the people of Sheffield.

Cinema
As part of the national lockdown, Showroom Cinema closed on 19th March 2020 and did not reopen until 18th September 2020. On that date, we were able to briefly reopen for just under 7 weeks before closing again on 4th November 2020 for the rest of the financial year, and finally reopening for a second time on 17th May 2021.

Whilst we were briefly open, engagement with young audiences remained relatively reliable. Where sales amongst other age groups fell significantly by over 50%, sales through our Cine26 membership scheme for people aged 15-26 fell by less than 20%, when compared to the same months in previous years. This was in part because older audiences and those in higher-risk groups felt less safe returning to cinemas, however we also believe that a diverse programme with a high number of titles that were enticing to, and representative of, young people were also key factors. We also saw high engagement from young audiences across weekly screenings of archive and classic film.

The cinema operated on significantly reduced staff numbers and most of our programme team found other employment or were on furlough. As a result, our education and outreach activities had to be suspended for this financial year.

Festivals
During the short period of reopening, we organised four film festivals as large events, working with external partners which proved to be popular with audiences.

- Sheffield DocFest arranged a programme of four short weekend film screenings based on the themes of the festival which had been planned for June 2020, but ultimately had to be cancelled. Eventually the final weekend of events was also cancelled due to the second lockdown period. Each of the weekends increased audiences with the final one of the three recording the highest sales.

- Sheffield Adventure Film Festival (ShAFF) had to be cancelled at the start of the original lockdown in March 2020. When we reopened, we rearranged many elements of the festival to allow customers who had already purchased tickets to redeem them and to help to engage new patrons.

- Celluloid Screams horror film festival took place during the reopening period. The festival adjusted and scaled back its plans to ensure that social distancing could be maintained over a weekend of screenings. The festival operated as a delegate only event with weekend passes and no single tickets on sale. All the available passes did sell out.

- London Film Festival (LFF) is a new partner event with some high-profile new films playing simultaneously with London premiers. The festival was a great success with audiences with several sell out screenings. The festival will become an annual feature in our programme.

BFI Partnership
During the lockdown we worked closely with the British Film Institute who provided significant financial support. The agreed audiences award was drawn down as usual despite the cinema not operating. We also received support for Film Hub North and the Youth Film Academy, with both projects proceeding in scaled back forms.

Youth Film Academy
As it was not possible or safe to organise the annual Youth Film Academy in autumn 2020, the training course for 15-18yo was re-thought and took place as an on-line event. The course met all diversity targets and led to an increase in participation for people with a disability, due to greater access on-line. The linked Residential Film Academy event did not take place, although the agreed funding for the event was rolled forward into 2021. We also successfully applied for financial support to organise a new pilot course for 12–15-year-olds in Doncaster called Film Club. These two programmes took place on-line in January and May 2021 and were felt to have been successfully delivered as on-line activity, meeting all participation and diversity targets.

Film Hub North
Work on elements of the Film Hub North project continued where possible although part of our activity had to be suspended. The talent development work continued in an on-line format, which included training and skill development programmes. We also continued to provide support for short film production through BFI Network, although many of the film productions had to be postponed or delayed.

Environmental Policy
Showroom Workstation recognises the severity of the climate crisis and acknowledges we have a responsibility to the environment beyond legal and regulatory requirements. We have therefore committed to reducing our environmental impact and to continually improving our sustainability. We intend to meet Government targets to become net zero carbon use by 2050.

Work on reducing our environmental impact continued this year despite the lockdown. A Green Steering Group was established with representation from across the organisation. We also began monitoring our carbon use through an online tool, to provide an annual comparison of progress.

Specific new initiatives this year include changing our building electricity supplier to a green provider. The building is heated through a district heating system with fuel from domestic refuse. We also invested in new segmentation bins for building waste which are distributed in public and tenant areas of the building.

Equality and Diversity
Showroom Workstation has an organisational commitment to increasing diversity across all our areas of activity. We want our organisation to be anti-discriminatory with a culture that is open to all regardless of background or circumstances. In developing our plans to achieve this we have been successfully accredited to the Investors in Diversity (IID) standard since 2017 (reaccredited in 2019 and again in 2021). We use the IID standard as a method of internally and externally evaluating our progress. We have also committed to achieving the BFI Diversity Standards for all our activity.

We have approached our commitment to diversity with three priorities.

- Diversifying our organisation including governance, management, and staff to ensure that we are fully representative of our community.

- Ensuring our film and cultural programme reflects the widest range of diversity and that we actively program and work for all our communities.

- Proactively engaging with our audiences and local communities to ensure we are open and welcoming to all.

Operational plans for all these areas of activity are in place, overseen by an organisational wide steering group. The Employment Sub-Committee of the board receives regular reports on our progress and development plans.

Black Lives Matter
The Black Lives Matter protests were a pivotal moment in our thinking about how we can continue to become a more diverse and anti-discriminatory organisation. Our board issued a statement of support, and we established a staff working party to make recommendations to our trustees about how the organisation can become more proactive in removing barriers to black citizens and to counter white privilege. We have undertaken new training for our managerial and supervisory staff involved in recruitment which included unconscious bias awareness raising. Our recruitment practice was also updated to ensure any suitably skilled candidate from a diverse background is guaranteed interview for any post we advertise. We have also set our own recruitment targets for diversity among new employees.

Paternoster Limited
Through our subsidiary company, Paternoster Limited, we continued to operate our trading activities which include our café/bar and conference activity as well as the Workstation creative industries business centre.

Catering and Conferences
The Showroom café/bar closed on the same dates as the cinema, with most members of staff moving onto the Government Furlough scheme. Although we operated a full service during our period of reopening, sales lagged behind our usual level at the same ratio as cinema box office sales. Sales for conferences did not recover at this time with very little activity taking place.

Workstation
The national lockdown had an immediate negative impact on tenants in the Workstation, many of whom quickly ran into financial difficulties. Since March 2020 thirteen companies have moved out of the building, equating to 11.7% occupancy reduction. To support our tenants, we launched a rent deferral scheme in the initial lockdown period. This offer was taken up by twenty-four tenants. This support helped us retain companies in the building and to maintain occupancy levels. Following the end of the lockdown many organisations returned to the building and occupancy quickly increased. All tenants who chose to defer rent have now repaid the deficit. Occupancy is gradually recovering following the end of the national lockdown.

Facilities and Refurbishment
Throughout the lockdown we took the opportunity to undertake a programme of repairs and maintenance. Much of this work would not have been easily possible whilst the cinema and café/bar was operating. Our maintenance team remained at work to oversee these upgrades.

- Toilets in the Workstation reception area were refurbished and expended. A new toilet block was constructed in the building increasing overall capacity.
- A new 4k digital projector was installed in cinema 4 with an upgraded sound system to Dolby 7.1. New cinema screens were installed in all auditoriums.
- All the cinema auditoriums and café/bar areas were repainted and recarpeted. Seating was re-upholstered and cleaned.
- The faulty drainage pipes in the ceiling above cinema 3 were replaced.
- A new electric door was installed in the bar to facilitate wheelchair access.

New hearing loops were installed in all the auditoriums, the box office area, and the Workstation reception desk.

Financial Review

As part of our business plan and following discussion with our bank we restructured our financial profile, consolidating our term loan from 31 March 2014 and agreeing a new overdraft arrangement. The bank loan of £470,000 was to be repaid over seven years. The loan was reduced to £38,081 at March 2021. Due to the pandemic, we arranged with our bank to defer 6 month's capital repayments and extend our loan term by the deferred months to September 2021. Our overdraft arrangement was reviewed at the same time and a new facility put in place.

The commercial trading subsidiary company Paternoster Limited had a loss for the year. Trading of the café bar and conferencing activity was reduced to just 6 weeks during 20-21. The restrictions imposed during the year also impacted the managed workspace operations, which showed a decrease in occupancy and as a result made a loss for the year due to the pandemic.

Overall, the group saw an improved performance compared to the previous year, with a surplus for the year of £195,840 (prior year deficit £64,072). The charity's individual position, as detailed on page 13, shows a profit of £458,230 (prior year deficit £109,507). This includes support from the BFI Cultural Recovery Fund, not just for 20-21 but through to re-opening in 21-22. Funding received through the pandemic in 20-21, will enable the charity and Group as a whole to re-open successfully in May 2021.

Capital Investment Plans

Our budget for Capital expenditure was suspended at the start of lockdown. We maintained committed projects but deferred starting new projects. The principal area of capital investment in 2020-21 was a new 4k digital projector and upgrade of the sound system to dolby 7.1 in cinema 4. This was part of an overall cinema refurbishment programme across the venue. We also purchased automatic accessible doors for one of the main entrances to the building.

In future years we plan to continue our investment in our comprehensive building refurbishment plan and following completion of the internal refurbishment we plan to improve the external elevation of the building.

Principal external funding sources

In this financial year the charity worked closely with Sheffield City Council, and the British Film Institute, which provided funding to enable the organisation to carry out its charitable objectives. In addition, a number of project and education grants were obtained from several sources, including Europa Cinemas.

Investments and reserves

Under the memorandum and articles of association, the charity has the power to make any investments that the trustees see fit in order to further the objects of the charity.

The reserves of the Group are represented largely by capital grants and property revaluation surpluses. These elements are regarded as the representation of the Group's fixed assets and are therefore, in effect, not available for any other purpose. In addition to the existing sinking fund, which is funded through the tenants' service charge, each year the trustees intend to earmark further funds from the unrestricted income reserve to meet the longer-term maintenance requirements of the building. Our strategic plans are shared with our bankers, Unity Trust Bank Plc, which has indicated its willingness to continue its valuable support.

The Trustees aspire to maintain sufficient free reserves to respond to short term fluctuations in funding levels. This will be reviewed by the Board as part of the ongoing financial management of the Group.

The reserves have increased within the year, this is due to the funding support from the BFI Cultural Recovery Fund, which will support the Group through into the next financial year.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021 (continued)

Trustees' responsibilities in relation to the financial statements

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102)
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for maintaining proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charitable company, and enables them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

The trustees of the charitable company who held office at the date of approval of this Annual Report each confirm that:

- as far as they are aware, there is no relevant audit information (information needed by the charitable company's auditors in connection with preparing their report) of which the charitable company's auditors are unaware; and

- they have taken all the steps that they ought to take as trustees in order to make themselves aware of any audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

A resolution will be proposed at the Annual General Meeting that Hawsons be re-appointed as auditors to the charity for the ensuing year.

The report of the trustees has been prepared in accordance with the special provisions of Part VII of the Companies Act 2006.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors. On behalf of the board;

A Davenport
Sheffield

14/12/2021

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

Opinion

We have audited the financial statements of Sheffield Media and Exhibition Centre Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the Consolidated and Parent Statement of Financial Activities, Consolidated and Parent the Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED (continued)

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement (set out on page 9), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED (continued)

The charitable company is subject to laws and regulations that directly and indirectly affect the financial statements. Based on our understanding of the charitable company and the environment it operates within, we determined that the laws and regulations which were most significant included FRS 102, Companies Act 2006, Health and Safety regulations and the Charities Act 2011. We considered the extent to which non-compliance with these laws and regulations might have a material effect on the financial statements, including how fraud might occur. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to improve the company's result for the period, and management bias in key accounting estimates.

Audit procedures performed by the engagement team included:

- Discussions with management and those responsible for legal compliance procedures within the charitable company to obtain an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company complies with that framework, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of Trustee meetings;
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud and non-compliance with laws and regulations;
- Challenging assumptions and judgements made by management in their significant accounting estimates.
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or posted by senior management.

There are inherent limitations in the audit procedures described above and the more removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor's-responsibilities-for. This description forms part of our auditor's report.

Use of our report

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

Hawsons

Simon Bladen, Senior Statutory Auditor
For and on behalf of Hawsons Chartered Accountants, Statutory Auditors

Pegasus House
463a Glossop Road
Sheffield
S10 2QD

Date: 16 December 2021

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CHARITABLE COMPANY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	2021 Total £	2020 Total £
Incoming Resources						
Donations and legacies	2	777,147	873,964	-	1,651,111	1,032,775
Investment income	4	28,000	-	-	28,000	28,000
Charitable activities	5	139,774	-	-	139,774	833,716
Other income	6	162,563	-	-	162,563	-
Total incoming resources		1,107,484	873,964	-	1,981,448	1,894,491
Resources expended						
Costs of generating voluntary income	9	10,000	-	-	10,000	10,000
Raising funds	10	-	-	-	-	-
Charitable activities	11	682,971	813,137	-	1,496,108	1,977,608
Other	12	17,110	-	-	17,110	16,390
Total resources expended		710,081	813,137	-	1,523,218	2,003,998
Net incoming / (outgoing) resources before transfers		397,403	60,827	-	458,230	(109,507)
Transfers	24	72,367	-	(72,367)	-	-
Other recognised losses						
Loss on disposal of subsidiary	7	-	-	-	-	(2)
Net movement in funds		469,770	60,827	(72,367)	458,230	(109,509)
Funds brought forward		727,049	85,036	1,840,846	2,652,931	2,762,440
Funds carried forward		1,196,819	145,863	1,768,479	3,111,161	2,652,931

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	2021 Total £	2020 Total £
Incoming resources						
Donations and legacies	2	1,138,056	873,964	-	2,012,020	1,032,775
Activities for generating funds	3	719,332	-	-	719,332	3,759,900
Charitable activities	5	79,774	-	-	79,774	741,716
Other income	6	162,563	-	-	162,563	-
Total incoming resources		2,099,725	873,964	-	2,973,689	5,534,391
Resources expended						
Costs of generating voluntary income	9	10,000	-	-	10,000	10,000
Raising funds	10	1,262,183	-	-	1,262,183	3,588,448
Charitable activities	11	675,419	813,137	-	1,488,556	1,963,713
Other	12	17,110	-	-	17,110	36,302
Total resources expended		1,964,712	813,137	-	2,777,849	5,598,463
Net incoming / (outgoing) resources before transfers		135,013	60,827	-	195,840	(64,072)
Transfers	24	72,367	-	(72,367)	-	-
Other Recognised Losses						
Loss on disposal of subsidiary	7	-	-	-	-	(71,775)
Net movement in funds		207,380	60,827	(72,367)	195,840	(135,847)
Funds brought forward		1,933,879	85,036	1,840,846	3,859,761	3,995,608
Funds carried forward		2,141,259	145,863	1,768,479	4,055,601	3,859,761

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED
COMPANY REGISTRATION NUMBER 2444438

BALANCE SHEETS

31 MARCH 2021

	Notes	31 March 2021		31 March 2020	
		Group £	Company £	Group £	Company £
FIXED ASSETS					
Tangible fixed assets	19	4,672,307	2,034,400	4,774,517	2,094,074
Investment in subsidiaries	20	-	2	-	2
		4,672,307	2,034,402	4,774,517	2,094,076
CURRENT ASSETS					
Stock		9,089	-	8,437	-
Debtors	21	307,316	567,580	211,258	536,501
Cash at bank and in hand		222,935	853,267	196,015	548,389
		539,340	1,420,847	415,710	1,084,890
CREDITORS – amounts falling due within one year	22	(695,487)	(344,088)	(850,444)	(488,027)
Net current assets/ (liabilities)		(156,147)	1,076,759	(434,734)	596,863
Total assets less current liabilities		4,516,160	3,111,161	4,339,783	2,690,939
CREDITORS – amounts falling due after one year	23	-	-	(38,008)	(38,008)
Deferred income	23	(460,559)	-	(442,014)	-
NET ASSETS		4,055,601	3,111,161	3,859,761	2,652,931
CHARITY FUNDS					
Restricted capital fund	25	1,768,479	1,768,479	1,840,846	1,840,846
Restricted income funds	25	145,863	145,863	85,036	85,036
Unrestricted funds	26	947,634	1,196,819	723,903	727,049
Revaluation reserve	26	1,193,625	-	1,209,976	-
TOTAL CHARITY FUNDS		4,055,601	3,111,161	3,859,761	2,652,931

The financial statements were approved by the board of trustees on 14/12.....2021 and signed on its behalf by:

A Davenport - Trustee

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Cash flow from operating activities	27	203,720	119,397
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(130,477)	(150,082)
Net cash flow from investing activities		(130,477)	(150,082)
Cash flow from financing activities			
Repayment of long-term loans		(43,513)	(66,370)
Interest paid		(2,810)	(4,574)
Net cash flow from financing activities		(46,323)	(70,944)
Net increase / (decrease) in cash and cash equivalents		26,920	(101,629)
Cash and cash equivalents at 1 April		196,015	297,644
Cash and cash equivalents at 31 March		222,935	196,015
Cash and cash equivalents consist of:			
Cash at bank and in hand		222,935	196,015
Short term deposits		-	-
Cash and cash equivalents at 31 March		222,935	196,015

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS

YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material to the company's affairs.

STATUTORY INFORMATION

Sheffield Media and Exhibition Centre Limited is a charity (No. 1002020) and a company limited by guarantee (No. 2444438) domiciled in England and Wales. The registered office is at 15 Paternoster Row, Sheffield, S1 2BX.

BASIS OF PREPARATION

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, 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 Accounting Practice.

GOING CONCERN

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The Consolidated Statement of Financial Activities on page 14 shows a surplus for the year on unrestricted funds of £207,380, whilst the group Balance Sheet on page 15 indicates net current liabilities of £156,147. As the banking facilities are negotiated and secured on a group basis it is necessary to review the group results as a whole.

As regards 2021/22, the trustees envisage that, based upon actual results to date, forecast results to the end of the year and support available to the group through the Culture Recovery Fund, the group will operate to a small deficit for that year. The trustees have also considered the medium-term impact with the forecast prepared to cover 2022/23, which show the group operating at a small surplus. The company's bank continues to support the group. The trustees therefore consider that it is appropriate for the financial statements to be prepared on a going concern basis.

BASIS OF CONSOLIDATION

These financial statements consolidate the results of the charity and its wholly owned subsidiary, Paternoster Limited on a line by line basis.

GRANTS AND DONATIONS

Grants receivable are recognised in the Statement of Financial Activities when the conditions for receipt have been complied with.

Grants received for specific projects are accounted for as restricted funds.

Grants received in the trading subsidiaries are credited to a separate account from which amounts will be released to revenue over the depreciation period of the relevant assets.

1. ACCOUNTING POLICIES (continued)

OPERATION OF CINEMA AND CENTRE HIRE – CHARITABLE TRADING ACTIVITIES

Operation of the cinema and centre comprises those costs that are directly attributable to the generation of income in the operation of the cinema.

ACTIVITIES FOR GENERATING FUNDS

This represents income generated by the trading subsidiaries to support the directly charitable activity carried out by the group.

RESOURCES EXPENDED

Expenditure is included on an accruals basis.

Costs of operation of the cinema and centre comprise those costs that are directly attributable to the generation of income in the operation of the cinema.

ALLOCATION OF COSTS

Costs directly related to an activity are allocated to that activity. Support costs which are necessary to deliver an activity but do not themselves deliver the activity, are allocated in proportion to the benefit attributable based on an internal assessment of time spent and resources used.

Governance costs are those costs incurred in meeting statutory and constitutional requirements.

Support costs include central functions and have been allocated to activity cost categories on the basis of time spent.

FUNDS

Incoming and outgoing resources are analysed between restricted capital fund, restricted and unrestricted income funds.

Restricted capital fund

This fund arises from grants received which were required to be invested in fixed assets for the company's use. An annual transfer is made to the unrestricted income fund for the depreciation on the restricted assets which is charged to the unrestricted income fund.

Unrestricted income fund

This fund is expendable at the discretion of the trustees in the furtherance of the objectives of the company and have not been designated for other purposes.

Restricted income fund

This fund arises from grants received which are required to be used for specific projects of a revenue nature.

1. ACCOUNTING POLICIES (continued)

TANGIBLE FIXED ASSETS

Tangible fixed assets other than the long leasehold property held by Paternoster Limited, are included at original cost less accumulated depreciation.

The long leasehold property held by Paternoster Limited was previously held at valuation less accumulated depreciation. On transition to FRS102, the value at transition date, 1 April 2014, is taken as deemed cost and continues to be depreciated going forward.

Depreciation of fixed assets is provided at rates estimated to write off each asset over the term of its useful life.

The annual rates used are: -

Long leasehold land and buildings	1% - 2%	straight line
Fixtures and fittings	15% - 25%	straight line/reducing balance
Equipment	5% - 25%	straight line/reducing balance

STOCK

Stock is valued at the lower of cost and net realisable value.

FINANCE AND OPERATING LEASES

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred. Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written off to the SOFA over the period of the lease so as to produce a constant periodic rate of change.

2. DONATIONS AND LEGACIES

	2021 £ Group	2021 £ Company	2020 £ Group	2020 £ Company
Unrestricted				
BFI	150,000	150,000	150,000	150,000
Sheffield City Council	76,672	51,672	11,500	11,500
Europa Cinemas	290	290	1,458	1,458
BFI – Cultural Recovery Fund	321,869	321,869	-	-
CJRS government grant	589,225	253,316		
Total unrestricted	1,138,056	777,147	162,958	162,958
Restricted				
BFI - Film Hub North 2	632,152	632,152	617,700	617,700
BFI - Other	219,702	219,702	248,945	248,945
ICO	2,200	2,200	-	-
Screen Yorkshire	15,245	15,245	-	-
Department of Work and Pension	4,065	4,065	-	-
Dogwoof	500	500	-	-
Modern Films	100	100	-	-
AYA Distribution	-	-	167	167
UOS – Taking Lives	-	-	287	287
Film Feels	-	-	450	450
UK Jewish Film Festival	-	-	208	208
Cine North	-	-	1,000	1,000
Live – RIP Vine	-	-	360	360
Picture House – Kelly Gang	-	-	500	500
Live Cinema	-	-	200	200
Total restricted	873,964	873,964	869,817	869,817
Total voluntary income	2,012,020	1,651,111	1,032,775	1,032,775

3. ACTIVITIES FOR GENERATING FUNDS

	2021 £ Group	2021 £ Company	2020 £ Group	2020 £ Company
Letting of managed workspace	671,066	-	814,973	-
Film festival receipts	-	-	1,892,838	-
Commercial operations	48,266	-	1,052,089	-
	719,332	-	3,759,900	-

4. INVESTMENT INCOME

	2021 £ Group	2021 £ Company	2020 £ Group	2020 £ Company
Loan interest	-	28,000	-	28,000
	-	28,000	-	28,000

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2021 £ Group	2021 £ Company	2020 £ Group	2020 £ Company
Unrestricted				
Box office receipts	35,937	35,937	656,029	656,029
Centre hire	18,282	18,282	28,550	60,550
Membership fees	22,314	22,314	25,405	25,405
Advertisement income	3,009	3,009	31,565	31,565
Management fee	-	60,000	-	60,000
Other income	232	232	167	167
	79,774	139,774	741,716	833,716

6. OTHER INCOME

	2021 £ Group	2021 £ Company	2020 £ Group	2020 £ Company
Unrestricted				
VAT credit – cultural exemption	162,563	162,563	-	-
	162,563	162,563	-	-

7. NET OUTGOING RESOURCES

	2021 Group £	2021 Company £	2020 Group £	2020 Company £
This is stated after charging:				
Operating lease rentals – land and buildings	-	6,000	-	6,000
Depreciation	232,687	123,439	225,464	118,632
Loss on disposal of fixed assets	-	-	7,673	-
Loss on disposal of subsidiary	-	-	71,775	2
Government and other grants receivable	(29,076)	-	(19,669)	-

8. AUDITOR'S REMUNERATION

The auditor's remuneration amounts to a fee of £10,470 (2020: £13,920) and £1,591 for other services (2020: £3,870).

9. COSTS OF GENERATING VOLUNTARY INCOME

	2021 £ Group	2021 £ Company	2020 £ Group	2020 £ Company
Support costs (note 13)	10,000	10,000	10,000	10,000

10. RAISING FUNDS

	2021 £ Group	2021 £ Company	2020 £ Group	2020 £ Company
Managed workspace cost	749,601	-	797,870	-
Film festival costs	-	-	1,738,383	-
Commercial operations	512,582	-	1,052,195	-
	1,262,183	-	3,588,448	-

11. CHARITABLE ACTIVITIES

Cost of operation of cinema and centre hire

	2021 £ Group	2021 £ Company	2020 £ Group	2020 £ Company
Film performances and related costs				
Film hire	11,649	11,649	283,455	283,455
Project costs	180,586	180,586	215,836	219,945
Film Hub North grants disbursed	429,006	429,006	390,063	390,063
Centre costs				
Marketing costs	20,168	20,168	20,714	20,714
Wages and related costs	297,622	297,622	343,597	343,597
Printing and advertising	1,749	2,349	27,129	27,729
Depreciation – equipment	35,021	35,021	31,025	31,025
Credit card charges	2,428	2,428	14,217	14,217
Other expenses	2,432	2,432	20,757	20,757
	980,661	981,261	1,346,793	1,351,502
Support costs (note 13)	507,895	514,847	616,920	626,106
Total cost of charitable activities	1,488,556	1,496,108	1,963,713	1,977,608

12. OTHER COSTS

	2021 £ Group	2021 £ Company	2020 £ Group	2020 £ Company
Audit fee	7,110	7,110	6,390	6,390
Support costs (note 13)	10,000	10,000	10,000	10,000
Tax charge in subsidiary	-	-	19,912	-
	17,110	17,110	36,302	16,390

13. INDIRECT SUPPORT COSTS

	2021 £ Group	2021 £ Company	2020 £ Group	2020 £ Company
Salaries and related costs	252,096	252,096	283,807	283,807
Travel and hospitality	503	503	37,025	37,025
Rent, rates and service charges	2,832	8,736	10,718	16,622
Heat and power	41,797	41,797	66,504	66,504
Printing, postage and stationery	1,222	1,437	1,723	3,907
Repairs and maintenance	70,255	70,255	33,923	33,923
Insurance	13,323	13,323	12,969	12,969
Telephone charges	265	386	252	252
Licences and subscriptions	3,250	3,250	8,650	8,650
Professional fees	3,538	3,538	3,403	3,403
Bank charges	2,621	2,621	3,372	3,372
Bank interest	1,405	1,405	2,287	2,287
Equipment hire and leasing	2,111	2,111	2,324	2,324
Computer software and consumables	7,139	7,139	4,460	4,460
Website development	429	429	841	841
Cleaning and sundry expenses	36,691	37,403	77,055	78,153
Depreciation - long leasehold property	70,573	70,573	70,572	70,572
Depreciation - fixtures, fittings and equipment	17,845	17,845	17,035	17,035
	527,895	534,847	636,920	646,106
Allocation				
Charitable activities	507,895	514,847	616,920	626,106
Generating voluntary income	10,000	10,000	10,000	10,000
Other costs	10,000	10,000	10,000	10,000
	527,895	534,847	636,920	646,106

Charitable costs are primarily for the running of cinema screenings, the managing of rented workspace and hosting of the annual International Documentary Festival in Sheffield, support costs are allocated as such above.

14. FUNDRAISING TRADING FROM TRADING ACTIVITIES OF SUBSIDIARY

The wholly owned subsidiary is used for trading activities to generate income to support the direct charitable activities of the group. The net profits of the subsidiary are gifted to the charity.

The subsidiaries of the company at 31 March 2021 are detailed in note 20 of these financial statements. A summary of their trading results including intra-group sales is shown below:

	Paternoster Limited	
	Managed workspace	Commercial operations
	£	£
Turnover	678,618	48,266
Cost of sales	(364,328)	(295,987)
Gross profit	314,290	(247,721)
Administrative expenses	(472,944)	(216,595)
Interest payable	(29,405)	-
Other operating income	75,922	314,063
Operating deficit for year	(112,137)	(150,253)
Loss from commercial operations	(150,253)	150,253
Profit on ordinary activities before taxation	(262,390)	-
Net loss for the year retained	(262,360)	-

15. STAFF COSTS AND TRUSTEES'S REMUNERATION

	2021		2020	
	Group	Company	Group	Company
	£	£	£	£
Wages and salaries	996,084	370,825	1,580,129	432,924
Social security costs	60,789	22,631	112,886	28,222
Pension costs	17,062	6,352	28,393	8,048
	1,073,935	399,808	1,721,408	469,194

The average number of employees calculated on a full-time equivalent basis during the year was as follows:

	2021		2020	
	Number	FTE	Number	FTE
Raising funds	46	48	70	56
Charitable activities	32	21	41	27
	78	69	111	83

The number of employees who earned between £60,000 and £69,999 during the year was 1 (2020: 1).

15. STAFF COSTS AND TRUSTEE REMUNERATION (continued)

The trustees neither received nor waived any remuneration during the year (2020: £nil). No trustees had expenses reimbursed during the year (2020: £nil).

The total amount of employee benefits received by key management personnel is £264,724 (2020: £277,182). The key management personnel of the charity comprise the trustees and the Senior Management Team, which at the year end comprises the staff members listed below.

Chief Executive
Finance Manager
General Manager
Operations Manager
Workstation Manager
Senior Programmer (to September 2020)
Communications Manager

16. INTEREST PAYABLE AND SIMILAR CHARGES

	2021		2020	
	Group	Company	Group	Company
	£	£	£	£
Bank loans and overdrafts	2,810	1,405	4,574	2,287
	2,810	1,405	4,574	2,287

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2020 - Group

	Unrestricted Funds	Restricted Income Fund	Restricted Capital Fund	Total
	£	£	£	£
Tangible fixed assets	2,933,671	-	1,840,846	4,774,517
Current assets	330,674	85,036	-	415,710
Current liabilities	(850,444)	-	-	(850,444)
Long term liabilities	(480,022)	-	-	(480,022)
	1,933,879	85,036	1,840,846	3,859,761

2020 - Company

	Unrestricted Funds	Restricted Income Fund	Restricted Capital Fund	Total
	£	£	£	£
Tangible fixed assets	253,230	-	1,840,846	2,094,076
Current assets	999,854	85,036	-	1,084,890
Current liabilities	(488,027)	-	-	(488,027)
Long term liabilities	(38,008)	-	-	(38,008)
	727,049	85,036	1,840,846	2,652,931

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2021 - Group

	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	Total £
Tangible fixed assets	2,903,828	-	1,768,479	4,672,307
Current assets	393,477	145,863	-	539,340
Current liabilities	(695,487)	-	-	(695,487)
Long term liabilities	(460,559)	-	-	(460,559)
	2,141,259	145,863	1,768,479	4,055,601

2021 - Company

	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	Total £
Tangible fixed assets	265,923	-	1,768,479	2,034,402
Current assets	1,274,984	145,863	-	1,420,847
Current liabilities	(344,088)	-	-	(344,088)
Long term liabilities	-	-	-	-
	1,196,819	145,863	1,768,479	3,111,161

18. FINANCIAL COMMITMENTS

	2021		2020	
	Group £	Company £	Group £	Company £
As at 31 March the annual commitments under non-cancellable operating leases were as follows:-				
Due within 1 year	4,784	-	5,797	-
Due within 1 to 2 years	1,742	-	4,784	-
Due within 2 to 5 years	1,307	-	3,049	-
	7,833	-	13,630	-

As at 31 March 2021 the company and the Group had capital commitments of £nil (2020: £35,000).

19. TANGIBLE FIXED ASSETS – GROUP

	Long leasehold property £	Fixtures fittings & equipment £	Total £
Cost or valuation			
At 1 April 2020	6,761,247	2,452,931	9,214,178
Additions	-	130,477	130,477
At 31 March 2021	6,761,247	2,583,408	9,344,655
Depreciation			
At 1 April 2020	2,500,281	1,939,380	4,439,661
Charge for the year	102,913	129,774	232,687
At 31 March 2021	2,603,194	2,069,154	4,672,348
Net book value			
At 31 March 2021	4,158,053	514,254	4,672,307
At 31 March 2020	4,260,966	513,551	4,774,517

TANGIBLE FIXED ASSETS – COMPANY

	Long leasehold property £	Fixtures fittings & equipment £	Total £
Cost			
At 1 April 2020	3,528,630	1,326,669	4,855,299
Additions	-	63,765	63,765
At 31 March 2021	3,528,630	1,390,434	4,919,064
Depreciation			
At 1 April 2020	1,609,702	1,151,523	2,761,225
Charge for the year	70,573	52,866	123,439
At 31 March 2021	1,680,275	1,204,389	2,884,664
Net book value			
At 31 March 2021	1,848,355	186,045	2,034,400
At 31 March 2020	1,918,928	175,146	2,094,074

20. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Cost of shares in subsidiary undertaking	£
At 1 April 2020 and 31 March 2021	2

The subsidiary of the company at 31 March 2021 (incorporated in England) was:

	Class of shares held	% held	Direct/ indirect holding	Aggregate capital and reserves £	Profit/ (loss) for the year £
Paternoster Limited 025 40298 Letting of managed workspace and operation of bar and café	Ordinary	100	Direct	944,444	(262,390)

21. DEBTORS

	2021		2020	
Due within one year:	Group £	Company £	Group £	Company £
Trade debtors	76,023	5,475	114,089	8,897
Other debtors	197,307	37,562	58,437	7,400
Prepayments and accrued income	33,986	33,986	38,732	38,732
Amount owed by group undertakings	-	490,557	-	481,472
	307,316	567,580	211,258	536,501

Of the amount owed by group undertakings, £400,000 (2020: £400,000) is due after more than one year, which represents a loan made to Paternoster Limited, a subsidiary company. The loan was made on normal commercial terms at an interest rate of 7%.

22. CREDITORS

Amounts falling due within one year	2021 Group £	2021 Company £	2020 Group £	2020 Company £
Bank loan and overdraft	38,081	38,081	43,586	43,586
Trade creditors	186,585	53,470	194,676	90,193
Other creditors	264,507	68,881	417,375	216,305
Taxation and social security	78,556	55,898	75,745	18,881
Accruals and deferred income	127,758	127,758	119,062	119,062
	695,487	344,088	850,444	488,027

Amounts falling due after more than one year	2021 Group £	2021 Company £	2020 Group £	2020 Company £
Bank loan and overdraft	-	-	38,008	38,008
	-	-	38,008	38,008

Bank borrowings are secured by legal mortgage over the group's long leasehold land and buildings (representing 7.5% of the value of the land and buildings) and a fixed and floating charge over all the other assets. The bank has priority over other secured creditors.

Bank and other loans are repayable by instalments as follows: -

	2021 £	2020 £
Due within one year	38,081	43,586
Due within one to two years	-	38,008
	38,081	81,594

23. DEFERRED INCOME – GROUP

	2021 £	2020 £
Government grants and other income at 1 April	442,014	428,135
Grants received during the year	47,621	33,548
Amount released in year	(29,076)	(19,669)
Balance at 31 March	460,559	442,014

24. TRANSFER BETWEEN FUNDS

	2021		2020	
	Group	Company	Group	Company
	£	£	£	£
Release of restricted capital funds re depreciation of capital assets	72,367	72,367	72,368	72,368

25. RESTRICTED FUNDS – Group and Company

	Balance at 1 April 2020	Incoming resources	Resources expensed	Transfer	Balance at 31 March 2021
	£	£	£	£	£
Restricted capital funds	1,840,846	-	-	(72,367)	1,768,479

The restricted capital fund arises from grants received which were required to be invested in the building, fitting out the cinema and also in IT hardware and software.

2020	Balance at 31 March 2019	Incoming resources	Resources expensed	Transfer	Balance at 31 March 2020
	£	£	£	£	£
Restricted income funds					
Youth Film Academy (BFI)	-	17,000	(17,000)	-	-
Residential Academy (BFI)	-	45,000	(45,000)	-	-
Film Hub North 2 (BFI)	75,487	617,700	(621,718)	-	71,469
Talent Development (BFI)	-	185,745	(172,178)	-	13,567
BFI Musicals (BFI)	-	1,200	(1,200)	-	-
AYA Distribution	-	167	(167)	-	-
UOS – Taking Lives	-	287	(287)	-	-
Film Feels	-	450	(450)	-	-
UK Jewish Film Festival	-	208	(208)	-	-
Live Cinema	-	200	(200)	-	-
Cine North	-	1,000	(1,000)	-	-
Live – RIP Vine	-	360	(360)	-	-
Picture House – Kelly Gang	-	500	(500)	-	-
	75,487	869,817	(860,268)	-	85,036

25. RESTRICTED FUNDS – Group and Company (continued)

2021	Balance at 31 March 2020	Incoming resources	Resources expensed	Transfer	Balance at 31 March 2021
	£	£	£	£	£
Restricted income funds					
Film Hub North 2 (BFI)	71,469	632,152	(616,788)	-	86,833
Talent Development (BFI)	13,567	157,542	(142,197)	-	28,912
Youth Film Academy (BFI)	-	17,000	(17,000)	-	-
ResidentialAcademy (BFI)	-	18,000	-	-	18,000
Safety Fund (BFI)	-	10,000	(10,000)	-	-
Outreach (BFI)	-	160	(160)	-	-
Doncaster Film Hubs (BFI)	-	17,000	(4,882)	-	12,118
ICO	-	2,200	(2,200)	-	-
Screen Yorkshire	-	15,245	(15,245)	-	-
Dept of Work and Pensions	-	4,065	(4,065)	-	-
Dogwoof	-	500	(500)	-	-
Modern Films	-	100	(100)	-	-
	85,036	873,964	(813,137)	-	145,863

Film Hub North 2: initiative to develop a network of film exhibitors in the north of England, funded by the BFI.
Talent Development: Part of a countrywide network of talent executives, who search out and develop from a grass roots level, new and emerging film directors, producers and writers. The fund is for short film production and early feature script development.
Youth Film Academy: BFI funded training and development for young people 16-19 in filmmaking and appreciation.
Residential Academy: Programming, is part of the BFI's Film Academy Network. There are 9 residentials each specialising in an area of the film industry. We recruit 30 young people (aged 16-19), from across the UK to come to Sheffield for a week to learn about all aspects of programming, exhibition and distribution, through industry led masterclasses and practical based projects.
BFI Safety Fund: BFI funding to enable organisations to re-open safely, following Government social distancing guidelines.
BFI Outreach: LFF provided funds to support the screening of Mangrove.
BFI Doncaster Film Clubs: Two nine week courses ran for the first time between January and June 2021 to teach filmmaking skills to 12 – 15 year olds, specifically living in the Doncaster region.
ICO: Funding to assist us to cleanse our audience data and establish efficient new practices for collecting data. Undertaking these processes helps streamline our data capture and provide reliable audience analysis.
Screen Yorkshire - Scratch Me: This was a pilot talent development programme devised and delivered by Film Hub North in partnership with Screen Yorkshire and SIGN. The programme aimed to support creative talent working outside of traditional filmmaking by developing their ideas and skills, and putting them in a position to move into filmed media across a variety of formats and platforms.
DWP - Access to Work: This is a publicly funded employment support programme that aims to help more disabled people start or stay in work. It provides practical and financial support if staff have a disability or long-term physical or mental health condition.
Dogwoof MLK: Marketing support to promote the screening Martin Luther King.
Modern Films: The Perfect Candidate: Marketing support to promote screenings.

26. UNRESTRICTED FUNDS

	Company Unrestricted income fund £	Group Revaluation Reserve £
Balance at 1 April 2020	727,049	1,209,976
Net movement in funds for the year	397,403	-
Transfer during the year	72,367	(16,351)
Balance at 31 March 2021	1,196,819	1,193,625

27. RECONCILIATION OF CONSOLIDATED NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2021 Group £	2020 Group £
Net incoming/(outgoing) resources	195,840	(135,847)
Interest payable	2,810	4,574
Net outgoing resources from operations	198,650	(131,273)
Depreciation and amortisation	232,687	225,464
Loss on disposal of fixed assets	-	14,307
(Increase)/decrease in stock	(652)	3,006
(Increase)/decrease in debtors	(96,058)	845,163
Decrease in creditors	(130,907)	(837,270)
Net cash inflow from operating activities	203,720	119,397

28. ANALYSIS OF NET DEBT

	1 April 2020	Cash flow	Other non-cash charges	31 March 2021
	£	£	£	£
Cash at the bank and in hand	196,015	26,920	-	222,935
Bank overdrafts	-	-	-	-
Cash and cash equivalents	196,015	26,920	-	222,935
Debts falling due within one year	(43,586)	5,505	-	(38,081)
Debts falling due after one year	(38,008)	38,008	-	-
	(81,594)	43,513	-	(38,081)
	114,421	70,433	-	184,854

29. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the board of directors.

30. TRANSACTIONS WITH RELATED PARTIES

In accordance with FRS102 paragraph 33.1A the company has taken advantage of the exemption from disclosing transactions with its fellow subsidiary companies.