

THE CHELSEA CENTRE LTD

England & Wales · Charity number 1060460

Details

| | |
|----------------|---|
| Other names | CHELSEA THEATRE |
| Status | Registered |
| Legal form | Charitable company |
| Company number | 03288617 |
| Registered | 1997-01-31 |
| Register | View on the Charity Commission register |

Contact

| | |
|---------|--|
| Address | 7 Worlds End Place Kings Road London SW10 0DR |
| Phone | 02073521967 |
| Email | admin@chelseatheatre.org.uk |
| Website | www.chelseatheatre.org.uk |

Activities

Objects: TO PROVIDE FACILITIES FOR RECREATION AND OTHER LEISURE TIME OCCUPATION PARTICULARLY ARTS COMMUNITY AND EDUCATION ACTIVITIES IN THE INTERESTS OF SOCIAL WELFARE AND IN ORDER TO IMPROVE THE CONDITIONS OF LIFE FOR THE RESIDENTS OF THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA AND BEYOND.

Activities: Chelsea Theatre runs live art performances, programme of community events that included dance classes, art classes, fitness classes for the over 50s, a Silver Screen film club, youth activities and fellowship meetings.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Arts/culture/heritage/science, Economic/community Development/employment, Recreation
- **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

- **Area of benefit:** ROYAL BOROUGH OF KENSINGTON AND CHELSEA AND BEYOND.
- Kensington And Chelsea

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|----------|-------------|------------|-----------|
| 2025-03-31 | £639,827 | £875,294 | £1,718,242 | 20 |
| 2024-03-31 | £768,379 | £905,408 | £1,953,710 | 14 |
| 2023-03-31 | £683,941 | £934,748 | £2,090,739 | 14 |
| 2022-03-31 | £612,921 | £781,460 | £2,341,547 | 5 |
| 2021-03-31 | £410,577 | £577,568 | - | - |

Trustees

| Name | Role | Appointed |
|---------------------|------|------------|
| Steven Parker | | 2024-09-23 |
| Victoria Jacobsen | | 2024-09-23 |
| steven david medway | | 2024-09-23 |

THE CHELSEA CENTRE LTD

England & Wales - Charity number 1060460

Accounts

Company registration number 3288617 (England and Wales)

Charity registration number 1060460 (England and Wales)

THE CHELSEA CENTRE LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

THE CHELSEA CENTRE LTD

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|---------------------------------|--|---------|
| Trustees | Steven Medway Steven Parker Victoria Jacobsen | |
| Country of incorporation | United Kingdom (England and Wales) | 3288617 |
| Charity registration | England and Wales | 1060460 |
| Registered office | The Chelsea Theatre 7 World's End Place London UK SW10 0DR | |
| Independent examiner | William Meakin BFP ACA Bright Grahame Murray 114a Cromwell Road Kensington London SW7 4AG | |

THE CHELSEA CENTRE LTD

CONTENTS

| | Page |
|---|-------------|
| Trustees' report | 1 - 6 |
| Statement of trustees' responsibilities | 7 |
| Independent examiner's report | 8 |
| Statement of financial activities | 9 |
| Balance sheet | 10 |
| Statement of cash flows | 11 |
| Notes to the financial statements | 12 - 21 |

THE CHELSEA CENTRE LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

The Trustees present their annual report together with the financial statements of Charity for the year ended 31 March 2025. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

Vision and purpose

The charity's vision is to be:

- A powerhouse for developing local creative talent.
- A vibrant community hub dedicated to improving the wellbeing of residents, bringing affordable live performance to the community.

Strategies for achieving vision

Creativity as a catalyst for personal and social change

The Chelsea Theatre has the capacity to be transformative for many lives. The scope and quality of the facilities on offer and its unique geographical position, give the charity the potential to be a gateway to new creative opportunities for local communities. This will contribute to a thriving creative sector in the UK as well as improving living standards in the area, with all the associated wellbeing, health and economic benefits to the community.

The Chelsea Theatre seeks out creative voices and helps them flourish by:

- Combining the charity's dual roles as community centre and arts venue in a way that maximises the benefit for the community, as our stakeholders.
- Creating new and innovative entry points for creative discovery, leading to creative development and direction.
- Offering opportunities for young people to learn creative skills and supporting them to develop their talents.
- Ensuring that as a venue the charity is known for a unique and essential role in the creative landscape.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Main activities undertaken to achieve objectives

The Chelsea Theatre provides a broad range of necessary services in partnership with key third sector, NHS and the Council. This drives footfall as well as building trust in local area. The Community Cafe and the free community events programme, run by our Community Champions, establish the charity's role at the heart of the community, whilst also acting as an entry point for the creative offer.

As a community venue, the charity offers room hire, theatre hire, performance and exhibition spaces and a year-round creative and cultural programme.

We run creative workshops in acting, music and dance for young people with opportunities to perform on stage in front of an audience and a free hot meal provided at every workshop and rehearsal.

THE CHELSEA CENTRE LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Other activities undertaken to further the Charity's purposes for the public benefit

In addition to the Community Champions Programme, the venue hosts services provided by: Community Health & Wellbeing Team (World's End pilot), RBKC Pop-up Library Service, RBKC Community Development Team, Change Grow Live Alcohol Service, Citizens Advice.

Throughout the year subsidised hire was offered with free or at reduced cost spaces offered to Third Sector organisations to further embed The Chelsea Theatre as the primary Hub for the south of the borough.

Achievements and performance

Significant activities and achievements against objectives

Under new leadership, Chelsea Theatre strives to be a powerhouse for developing local creative talent and a vibrant community hub, dedicated to improving the wellbeing of residents.

In 2025 we launched a youth performing arts programme for ages 11-25 with free weekly 2-hour workshops including a hot meal. The Beatbox, Vocals and Songwriting group meet on Tuesdays and the Acting group meet on Thursdays when Chelsea Youth Club is closed. We run additional holiday workshops, rehearsals and performances for friends family and the public. The programme develops the young people's skills, confidence and improves wellbeing.

In September we relaunched our Community Café, partnering with Community Cook Off. We keep prices low, offer World's End and Cremorne residents a 20% discount, and provide free soup for the elderly on Wednesdays. Community Cook Off will run community takeovers and cooking workshops.

Review of activities

We hosted a number of free events for the community including the Chelsea Muslims Celebration, a fashion show for Chelsea Arts Festival and the Sudanese Nile Fest 2025.

Our weekly programme of free activities for the community had grown to include Yoga, Community Choir, Knitting for Charity and Traditional African Dance for all adults, Chair & Balance for ages 50+, a Baby & Parent Group, Musical Theatre for ages 4-7 and Community Football for ages 7-12.

We launched a community hub on the website detailing our free weekly activities for all ages and delivered a letter and flyers to every household in World's End and Cremorne estates, clubbing together with Chelsea Youth Club, to ensure that residents are aware of the free activities and services offered for residents.

Key performance indicators

Engagement in the activities presented by the charity and its hirers grew throughout the year. Feedback highlighted the positive impact of the activities offered.

Chelsea Theatre's relationship with the community is transforming and trust has been built rapidly.

Free community events increase cohesion and spread joy. From Chelsea Muslims: "It was a pleasure to see the diverse community that attended and enjoyed the event... We will try to do it again and again to get the community together."

And our youth performing arts programme can be transformative for the young people who take part. One parent of a severely autistic 17-year-old told the CEO in September: "F has transformed since taking part in acting workshops with Steve at Chelsea Theatre. We struggled to get him out of bed before. Now he gets up, washes his hair and looks forward to coming each week. When he's here, he's a happy, sociable young man. It's just amazing.

THE CHELSEA CENTRE LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Fundraising activities and income generation

The charity is grateful to Kensington and Chelsea Council and Westminster City Council for their continued support, through annual funding.

The CEO, and board of trustees are working with a freelance fundraiser to triple our annual unrestricted funding from 2026 onwards to cover the significant costs of running a community centre open 6 days per week. We have recruited a new team to drive hire income. Profits made from the hires business will be used to build up reserves for the charity, with the aim of having three months of running costs in reserves by 2028.

Financial review

Our key financial performance indicators primarily focus on cash generated/absorbed from operations as we look to bring the Theatre to a cash-neutral position, having historically made deficits. Through a number of cost-cutting and revenue generation activities, the cash absorbed from operations decreased from a £70k deficit in the prior year to a £42k deficit in the current year.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

It is the policy of the charity that funds which have not been designated for a specific use should be maintained at a level equivalent to three months' operating expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. The negative unrestricted reserves at March 2025 are of course a concern, but current forecasts show that this situation will begin to improve in 2026/27. Our goal is to build up three months of running costs in unrestricted reserves by 2028.

Principal risks and uncertainties

The trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks. The Board are Kensington and Chelsea Council and Westminster City Council for the help, advice and support they have provided.

Risk assessments were and are undertaken for each production when the Theatre is used. The Company receives professional support and advice, and retains professional HR and Health and Safety advice.

Financial risk management objectives and policies

The Board uses its annual business planning process to ensure that it is aware of the risks to which the charity is exposed. Where possible there are systems and procedures in place to mitigate the risks facing the charity. Every agenda for each Board meeting includes an "Opportunities & Risks " section during which these areas are discussed.

Detailed financial controls and policies document is reviewed and approved annually by the Board. Regular Finance committee meetings are held in addition to the Board meetings to ensure constant monitoring of the financial position.

THE CHELSEA CENTRE LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Principal funding

During the year to 31 March 2025, The Chelsea Centre Ltd t/a The Chelsea Theatre held assets for the purposes of achieving its charitable objectives. Fixed assets were added as indicated in the notes to the financial statements. No assets were held by anyone other than The Chelsea Centre Ltd. No Trustees acted as custodian Trustees.

The Chelsea Centre Ltd has no subsidiary or associated undertakings. All restricted fund assets are held either on current account or instant access deposit accounts. There are sufficient resources to meet all commitments undertaken as a result of a grants from Kensington and Chelsea Council and Westminster City Council, together with that of key donations and additional grant-in-aid.

The Chelsea Theatre showed a deficit for the year of £235,468 (2024: £137,029) giving an unrestricted funds deficit of £302,499 (2024: £103,900) and a restricted funds balance of £2,020,741 (2024: £2,057,610) as at 31 March 2025.

The Chelsea Centre holds a tax-free deposit account operated by CCLA known as the COIF Charities Deposit Account, the balance of which at 31 March 2025 was £609 (2024: £83,717).

Structure, governance and management

Constitution

The Chelsea Community Association was an unincorporated association founded on 19 February 1953, and registered with the Charity Commission, No 303109, on January 1961, with the object of promoting the wellbeing of the residents of what is now The Royal Borough of Kensington and Chelsea, and to further that object, to manage a community centre.

On April 1, 1997 its affairs were transferred to a company without share capital limited by guarantee. In October 2001, prior to the relaunch of its refurbished auditorium, the Board of Trustees of the new Chelsea Centre Ltd approved a motion acquiring the title "The Chelsea Theatre" as the name under which the company operates.

The charity is a charitable company limited by guarantee. It is established under a Memorandum of Association which sets out its objects and powers and is governed under its Articles of Association. In event of the company being wound up members are required to contribute an amount not exceeding £10.

From April 2023, Katy Arander and Alison Jackson stepped in as Co-Chairs of the Board. Alison Jackson subsequently resigned as a Trustee and Co-Chair on 1 February 2024, and we extend our thanks for her contribution during her tenure. During the year, Dennis Da Silva and Tawfik Werfalli also stepped down in April 2024, followed by Robert Taylor in June 2024 due to work commitments. The Board would like to record its appreciation to Tawfik for his valuable practical advice, and to Robert for his dedicated support and professional approach.

In mid-2024, further changes took place. Owing to work pressures, Katy Arander stepped down as Chair but continued to serve as a Trustee. Pamela Morris-Sykes agreed to act as interim Chair while the Board underwent a period of transition, and in June 2024 we were pleased to welcome Verena Cornwall and Gabin Sinclair-Constance from RBK&C to support the rebuilding of the Board. Recruitment of additional Trustees commenced during this period.

Pamela Morris-Sykes resigned in September 2024, and we are grateful for her considerable hard work and commitment over recent years. A new Chair, Steven Medway, was appointed in September 2024 and formally became a Trustee in December 2024. At the same time, Victoria Jacobsen and Steven Parker joined the Board to support the development of a refreshed strategic direction for the theatre.

With the appointment of new Trustees, it was agreed that both Gabin and Verena would step down in September 2025. We thank them warmly for their dedication and the determination they brought to the theatre during their service. Trustee recruitment continues, with further appointments expected in Q1 2026.

Recruitment and appointment of trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

THE CHELSEA CENTRE LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Organisational structure

The Trustees, who are also the directors for the purpose of company law, and who served and resigned during the year and up to the date of signature of the financial statements were:

| | |
|--------------------------|----------------------------|
| Dennis Da Silva | Resigned 18 April 2024 |
| Tawfik Werfalli | Resigned 18 April 2024 |
| Robert Taylor | Resigned 14 June 2024 |
| Pamela Morris-Sykes | Resigned 23 September 2024 |
| Katherine Arnander | Resigned 23 September 2024 |
| Fabrice Essomba | Resigned 1 December 2024 |
| Gabin Sinclair-Constance | Resigned 16 June 2025 |
| Verena Cornwall | Resigned 4 September 2025 |

| | |
|--------------------------|---------------------------|
| Verena Cornwall | Appointed 13 June 2024 |
| Gabin Sinclair-Constance | Appointed 13 June 2024 |
| Steven Medway | Appointed 1 December 2024 |
| Steven Parker | Appointed 1 December 2024 |
| Victoria Jacobsen | Appointed 1 December 2024 |

Induction and training of trustees

New Trustees are appointed by selection by the current Trustees of the charity by a simple majority vote. New Trustees are selected to add their expertise or knowledge to the board of Trustees. A skills audit is conducted to ensure critical skills are covered. Training is provided to ensure Trustees are kept up to date with their responsibilities.

Other matters

Appointment of New CEO

A significant milestone in this period was the appointment of Katie Elston as the new Chief Executive Officer. Katie brings an exceptional track record in managing complex venues and cultural organisations. Her leadership is already proving invaluable as the theatre enters a new phase of stability, strategic development, and community impact.

Community and Programme Development

Renewed effort has been placed on supporting young people in the local community. A programme of new youth workshops has been established, offering creative, skills-based and confidence-building opportunities for children and young people. Early engagement has been extremely positive, and the programme will continue to expand in the coming year.

The café has also been revitalised, gaining a new lease of life through a partnership with an external third-party organisation, Community Cook Off. This initiative has transformed the café into a vibrant and accessible community hub, providing a vital lifeline for many residents and offering inclusive, low-cost food and social space.

Fundraising and Future Development

Fundraising has been a major focus throughout the year. The theatre secured over £100,000 in additional funding, enabling vital investment in operations, community programmes, and organisational resilience. Conversations are ongoing with several major funders regarding support for future years, and the Board is optimistic about securing long-term partnerships that will underpin the theatre's continued growth and impact.

THE CHELSEA CENTRE LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

The trustees' report was approved by the Board of Trustees.



.....
Steven Medway
Trustee

Date: 12/12/2025

THE CHELSEA CENTRE LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also the directors of The Chelsea Centre Ltd for the purpose of company law, are responsible for preparing the Trustees' 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

THE CHELSEA CENTRE LTD

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE CHELSEA CENTRE LTD

I report to the trustees on my examination of the financial statements of The Chelsea Centre Ltd (the charity) for the year ended 31 March 2025.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the Companies Act 2006 and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the Companies Act 2006.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Date: 

THE CHELSEA CENTRE LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

| | | Unrestricted funds 2025 £ | Restricted funds 2025 £ | Total 2025 £ | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total 2024 £ |
|--|-------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| | Notes | | | | | | |
| Income and endowments from: | | | | | | | |
| Donations and legacies | 2 | 81,048 | 298,760 | 379,808 | 133,766 | 356,245 | 490,011 |
| Charitable activities | 3 | 222,223 | - | 222,223 | 271,543 | 139 | 271,682 |
| Interest income | 4 | 4,195 | - | 4,195 | 6,686 | - | 6,686 |
| Other income | 5 | 33,600 | - | 33,600 | - | - | - |
| Total income | | <u>341,066</u> | <u>298,760</u> | <u>639,826</u> | <u>411,995</u> | <u>356,384</u> | <u>768,379</u> |
| Expenditure on: | | | | | | | |
| Charitable activities | 6 | 539,665 | 335,629 | 875,294 | 504,519 | 400,889 | 905,408 |
| Total expenditure | | <u>539,665</u> | <u>335,629</u> | <u>875,294</u> | <u>504,519</u> | <u>400,889</u> | <u>905,408</u> |
| Net expenditure and movement in funds | | (198,599) | (36,869) | (235,468) | (92,524) | (44,505) | (137,029) |
| Reconciliation of funds: | | | | | | | |
| Fund balances at 1 April 2024 | | (103,900) | 2,057,610 | 1,953,710 | (11,376) | 2,102,115 | 2,090,739 |
| Fund balances at 31 March 2025 | | <u>(302,499)</u> | <u>2,020,741</u> | <u>1,718,242</u> | <u>(103,900)</u> | <u>2,057,610</u> | <u>1,953,710</u> |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

THE CHELSEA CENTRE LTD

BALANCE SHEET

AS AT 31 MARCH 2025

| | Notes | 2025 | | 2024 | |
|---|-------|------------------|------------------|------------------|------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 12 | | 1,905,154 | | 2,016,638 |
| Current assets | | | | | |
| Debtors | 13 | 14,881 | | 56,556 | |
| Cash at bank and in hand | | 60,960 | | 104,070 | |
| | | <u>75,841</u> | | <u>160,626</u> | |
| Creditors: amounts falling due within one year | 14 | <u>(262,753)</u> | | <u>(223,554)</u> | |
| Net current liabilities | | | <u>(186,912)</u> | | <u>(62,928)</u> |
| Total assets less current liabilities | | | <u>1,718,242</u> | | <u>1,953,710</u> |
| The funds of the charity | | | | | |
| Restricted income funds | 17 | 2,020,741 | | 2,057,610 | |
| Unrestricted funds | 18 | <u>(302,499)</u> | | <u>(103,900)</u> | |
| | | | <u>1,718,242</u> | | <u>1,953,710</u> |

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

The financial statements were approved by the trustees on 12/12/2025.....



.....
Steven Medway
Trustee

THE CHELSEA CENTRE LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

| | Notes | 2025 £ | £ | 2024 £ | £ |
|--|-------|-----------|----------|-----------|----------|
| Cash flows from operating activities | | | | | |
| Cash absorbed by operations | 21 | | (41,924) | | (70,275) |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (5,382) | | (9,528) | |
| Investment income received | | 4,196 | | 6,686 | |
| Net cash used in investing activities | | | (1,186) | | (2,842) |
| Net decrease in cash and cash equivalents | | | (43,110) | | (73,117) |
| Cash and cash equivalents at beginning of year | | | 104,070 | | 177,187 |
| Cash and cash equivalents at end of year | | | 60,960 | | 104,070 |

THE CHELSEA CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

The Chelsea Centre Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is The Chelsea Theatre, 7 World's End Place, London, SW10 0DR, UK.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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 (FRS 102)". The charity is a Public Benefit Entity as defined by FRS 102.

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

1.2 Going concern

The financial statements have been prepared on the going concern basis. The trustees have considered the charity's cash flow, budgets and funding plans for a period of at least twelve months from the date of approval of these financial statements, together with the level of reserves and the timing of expected income. The trustees acknowledge that, at the reporting date, the charity held negative unrestricted reserves. Subsequent to the year end, the charity has received local government funding and grants. Having considered these post year end funding, the trustees are satisfied that the charity has adequate resources to meet its liabilities as they fall due and to continue its activities for the foreseeable future (being not less than twelve months from the date of approval). Accordingly, the trustees consider the adoption of the going concern basis to be appropriate in preparing these financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE CHELSEA CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

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

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

| | |
|------------------------------|---|
| Leasehold land and buildings | Over the length of the lease on a straight line basis |
| Fixtures and fittings | 20% straight line |
| Computers | 33% straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

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

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

THE CHELSEA CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

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

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

1.11 Retirement benefits

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

2 Income from donations and legacies

| | Unrestricted funds 2025 £ | Restricted funds 2025 £ | Total 2025 £ | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total 2024 £ |
|-------------------------------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Donations and gifts | 52 | - | 52 | 2,770 | 24,045 | 26,815 |
| Grants | 80,996 | 122,360 | 203,356 | 130,996 | 155,800 | 286,796 |
| Donated goods and services | - | 176,400 | 176,400 | - | 176,400 | 176,400 |
| | <u>81,048</u> | <u>298,760</u> | <u>379,808</u> | <u>133,766</u> | <u>356,245</u> | <u>490,011</u> |

THE CHELSEA CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

3 Income from charitable activities

| | Unrestricted funds 2025 £ | Restricted funds 2025 £ | Total 2025 £ | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total 2024 £ |
|-----------------------------------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Supporting Chelsea Theatre | | | | | | |
| Sale of goods | 222,223 | - | 222,223 | 271,543 | 139 | 271,682 |

4 Interest income

| | Unrestricted funds 2025 £ | Unrestricted funds 2024 £ |
|---------------------|------------------------------------|------------------------------------|
| Interest receivable | 4,195 | 6,686 |

5 Other income

| | Unrestricted funds 2025 £ | Unrestricted funds 2024 £ |
|---------------|------------------------------------|------------------------------------|
| Other revenue | 33,600 | - |

THE CHELSEA CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

6 Expenditure on charitable activities

| | Supporting Chelsea Theatre 2025 £ | Supporting Chelsea Theatre 2024 £ |
|---|--|--|
| Direct costs | | |
| Staff costs | 329,120 | 303,175 |
| Utilities | 29,773 | 23,800 |
| Production costs | 4,957 | 26,369 |
| Subscriptions and licenses | 2,418 | 1,152 |
| Theatre costs | 22,391 | 51,131 |
| Bad debt expense | 4,333 | 5,233 |
| Cafe costs | 20,760 | 1,337 |
| Rent | 176,400 | 178,750 |
| Website and IT costs | - | 1,200 |
| | <u>590,152</u> | <u>592,147</u> |
| Share of support and governance costs (see note 7) | | |
| Support | 269,046 | 304,500 |
| Governance | 16,096 | 8,761 |
| | <u>875,294</u> | <u>905,408</u> |
| Analysis by fund | | |
| Unrestricted funds | 539,665 | 504,519 |
| Restricted funds | 335,629 | 400,889 |
| | <u>875,294</u> | <u>905,408</u> |

THE CHELSEA CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

7 Support costs allocated to activities

| | 2025 | 2024 |
|-------------------------------------|----------------|----------------|
| | £ | £ |
| Depreciation | 116,866 | 115,591 |
| IT and marketing | 13,667 | 29,735 |
| Office costs | 42,597 | 68,957 |
| Minor equipment | 8,450 | 4,474 |
| Repairs and maintenance | 15,860 | 5,530 |
| Consultants | 8,929 | 6,733 |
| Freelancers | 47,238 | 57,769 |
| Staff incidental costs | 11,962 | 14,241 |
| Bank charges and payment processing | 3,477 | 1,470 |
| Governance costs | 16,096 | 8,761 |
| | <u>285,142</u> | <u>313,261</u> |
| Analysed between: | | |
| Supporting Chelsea Theatre | <u>285,142</u> | <u>313,261</u> |

8 Net movement in funds

| | 2025 | 2024 |
|--|----------------|----------------|
| | £ | £ |
| The net movement in funds is stated after charging/(crediting): | | |
| Fees payable for the independent examination of the charity's financial statements | 6,500 | 7,000 |
| Depreciation of owned tangible fixed assets | <u>116,866</u> | <u>115,591</u> |

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10 Employees

The average monthly number of employees during the year was:

| | 2025 | 2024 |
|--|---------------|---------------|
| | Number | Number |
| | <u>20</u> | <u>16</u> |

THE CHELSEA CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

| 10 Employees | (Continued) | |
|-----------------------|-------------|-----------|
| Employment costs | 2025 £ | 2024 £ |
| Wages and salaries | 299,611 | 279,756 |
| Social security costs | 24,117 | 17,826 |
| Other pension costs | 5,392 | 5,593 |
| | 329,120 | 303,175 |
| | 329,120 | 303,175 |

There were no employees whose annual remuneration was more than £60,000.

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Tangible fixed assets

| | Leasehold land and buildings £ | Fixtures and fittings £ | Computers £ | Total £ |
|------------------------------------|---|-------------------------------|----------------|------------|
| Cost | | | | |
| At 1 April 2024 | 2,597,144 | 57,189 | 11,865 | 2,666,198 |
| Additions | - | 2,430 | 2,952 | 5,382 |
| | 2,597,144 | 59,619 | 14,817 | 2,671,580 |
| Depreciation and impairment | | | | |
| At 1 April 2024 | 602,405 | 37,337 | 9,818 | 649,560 |
| Depreciation charged in the year | 102,500 | 11,757 | 2,609 | 116,866 |
| | 704,905 | 49,094 | 12,427 | 766,426 |
| Carrying amount | | | | |
| At 31 March 2025 | 1,892,239 | 10,525 | 2,390 | 1,905,154 |
| At 31 March 2024 | 1,994,739 | 19,852 | 2,047 | 2,016,638 |

13 Debtors

| Amounts falling due within one year: | 2025 £ | 2024 £ |
|--------------------------------------|-----------|-----------|
| Trade debtors | 14,735 | 48,520 |
| Other debtors | 146 | 4,513 |
| Prepayments and accrued income | - | 3,523 |
| | 14,881 | 56,556 |
| | 14,881 | 56,556 |

THE CHELSEA CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

14 Creditors: amounts falling due within one year

| | Notes | 2025 £ | 2024 £ |
|------------------------------------|-------|----------------|----------------|
| Other taxation and social security | | 144,265 | 185,483 |
| Government grants | 15 | 102,488 | - |
| Trade creditors | | 7,735 | 19,736 |
| Other creditors | | - | 1,052 |
| Accruals and deferred income | | 8,265 | 17,283 |
| | | <u>262,753</u> | <u>223,554</u> |

15 Government grants

Deferred income is included in the financial statements as follows:

| | 2025 £ | 2024 £ |
|-------------------------------------|----------------|-----------|
| Deferred income is included within: | | |
| Current liabilities | 102,488 | - |
| | <u>102,488</u> | <u>-</u> |
| Movements in the year: | | |
| Deferred income at 1 April 2024 | - | - |
| Resources deferred in the year | 102,488 | - |
| | <u>102,488</u> | <u>-</u> |
| Deferred income at 31 March 2025 | 102,488 | - |
| | <u>102,488</u> | <u>-</u> |

16 Retirement benefit schemes

| | 2025 £ | 2024 £ |
|---|--------------|--------------|
| Defined contribution schemes | | |
| Charge to profit or loss in respect of defined contribution schemes | 5,392 | 5,593 |
| | <u>5,392</u> | <u>5,593</u> |

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

17 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

| At 1 April 2024 £ | Incoming resources £ | Resources expended £ | At 31 March 2025 £ |
|-------------------------|----------------------------|----------------------------|--------------------------|
| 2,057,610 | 298,760 | (335,629) | 2,020,741 |
| <u>2,057,610</u> | <u>298,760</u> | <u>(335,629)</u> | <u>2,020,741</u> |

THE CHELSEA CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

17 Restricted funds (Continued)

| | | | | |
|----------------|-----------------------------|-------------------------------|-------------------------------|-----------------------------|
| Previous year: | At 1 April 2023 | Incoming resources | Resources expended | At 31 March 2024 |
| | £ | £ | £ | £ |
| | 2,102,115 | 356,384 | (400,889) | 2,057,610 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

18 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

| | | | | |
|---------------|-----------------------------|-------------------------------|-------------------------------|-----------------------------|
| | At 1 April 2024 | Incoming resources | Resources expended | At 31 March 2025 |
| | £ | £ | £ | £ |
| General funds | (103,900) | 341,066 | (539,665) | (302,499) |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

| | | | | |
|----------------|-----------------------------|-------------------------------|-------------------------------|-----------------------------|
| Previous year: | At 1 April 2023 | Incoming resources | Resources expended | At 31 March 2024 |
| | £ | £ | £ | £ |
| General funds | (11,376) | 411,995 | (504,519) | (103,900) |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

19 Analysis of net assets between funds

| | | | |
|------------------------------|--|--------------------------------------|-----------------------------|
| | Unrestricted funds 2025 | Restricted funds 2025 | Total 2025 |
| | £ | £ | £ |
| At 31 March 2025: | | | |
| Tangible assets | 15,496 | 1,889,658 | 1,905,154 |
| Current assets/(liabilities) | (317,995) | 131,083 | (186,912) |
| | <u> </u> | <u> </u> | <u> </u> |
| | (302,499) | 2,020,741 | 1,718,242 |
| | <u> </u> | <u> </u> | <u> </u> |

| | | | |
|------------------------------|--|--------------------------------------|-----------------------------|
| | Unrestricted funds 2024 | Restricted funds 2024 | Total 2024 |
| | £ | £ | £ |
| At 31 March 2024: | | | |
| Tangible assets | - | 2,016,638 | 2,016,638 |
| Current assets/(liabilities) | (103,900) | 40,972 | (62,928) |
| | <u> </u> | <u> </u> | <u> </u> |
| | (103,900) | 2,057,610 | 1,953,710 |
| | <u> </u> | <u> </u> | <u> </u> |

THE CHELSEA CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

20 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

| 21 Cash absorbed by operations | 2025 £ | 2024 £ |
|---|-----------------|-----------------|
| Deficit for the year | (235,468) | (137,029) |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (4,195) | (6,686) |
| Depreciation and impairment of tangible fixed assets | 116,866 | 115,591 |
| Movements in working capital: | | |
| Decrease/(increase) in debtors | 41,675 | (30,844) |
| (Decrease) in creditors | (63,289) | (11,307) |
| Increase in deferred income | 102,487 | - |
| Cash absorbed by operations | <u>(41,924)</u> | <u>(70,275)</u> |

22 Analysis of changes in net funds

The charity had no material debt during the year.

THE CHELSEA CENTRE LTD

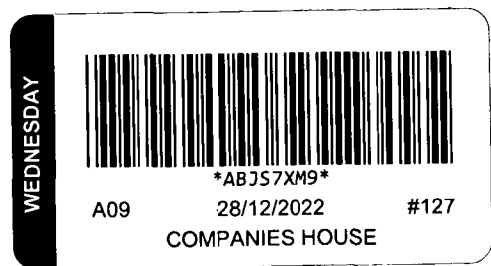
England & Wales - Charity number 1060460

Accounts

Charity registration number 1060460

Company registration number 3288617 (England and Wales)

THE CHELSEA CENTRE LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022



THE CHELSEA CENTRE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|-----------------------------|--|--|
| Trustees | M Brehony A Jackson Pamela Morris-Sykes K Arnander D Da Silva F Essomba R Taylor Tawfik El Werfalli | (Appointed 7 May 2021) (Appointed 7 May 2021) (Appointed 7 May 2021) |
| Secretary | Pamela Morris - Sykes | |
| Charity number | 1060460 | |
| Company number | 3288617 | |
| Registered office | 7 Worlds End Place Kings Road London United Kingdom SW10 0DR | |
| Independent examiner | Berg Kaprow Lewis LLP 35 Ballards Lane London N3 1XW | |
| Bankers | Metro Bank One Southampton Row London WC1B 5HA | |

THE CHELSEA CENTRE LIMITED

CONTENTS

| | Page |
|-----------------------------------|-------------|
| Trustees' report | 1 - 5 |
| Independent examiner's report | 6 |
| Statement of financial activities | 7 |
| Balance sheet | 8 |
| Notes to the financial statements | 9 - 19 |

THE CHELSEA CENTRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum & Articles of association, the Companies Act 2006 and "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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The charity's objects are to provide a popular and exciting community, education and arts programme in the interests of social welfare that benefits the residents of The Royal Borough of Kensington & Chelsea ("RBKC"). The Chelsea Theatre current business plan has four main objectives:-

- 1) To maximise the use of our new wonderful building by the local community and ensure a sustainable future.
- 2) to increase the range and quality of community activities and increase the number and diversity of the local population using the facilities.
- 3) To ensure Chelsea Theatre's sustainability through fundraising from Trusts and Foundations and maximising income generated from the commercial use of resources such as theatre, studio spaces and cafe.
- 4) To expand our programme of performance to provide a year round popular programme of performances for local people and children.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Very sadly for the second year running we started the year in lockdown. With our new wonderful building still untested and nothing but uncertainty ahead it was a difficult start for all. However the on line activities continued, but at last in July we could open our doors and welcome our community back in.

With great enthusiasm activities slowly returned and we were thrilled to be the Southern hub for the first Kensington & Chelsea Festival in July which provided the opportunity for local talent to put on a performance in the Theatre with a pay what you like policy. This encouraged many who would never usually go to the theatre to attend.

We are extremely grateful to Kensington & Chelsea for their continued support both for Covid and our activities.

We were also lucky enough to win emergency Covid support funding from the Arts Council England without which the survival of the building could have been at serious risk. A closed building meant no income, but sadly not no expenses. The continuing understandable fears surrounding Covid meant getting people out of their homes and back into public spaces has been a long slow process, once the lockdown restrictions were cleared in July 2021.

However by Christmas things were picking up. CT was thrilled to host for the first time the Christmas Tree funded through RBKC's City Living project and the Mayor was kind enough to visit and switch on the lights with his magic wand, much to all's delight! For the first time in several years the Pantomime returned. Free tickets were given to the local school enabling every child to see it. Again this was only possible due to funding from RBK&C for which we are very grateful. Sadly Covid had not finished with us. Whereas it sent Father Christmas back to Lapland early last year, it hit too many key performers and technicians this year and the final Pantomime performances had to be cancelled at the last minute. Miraculously it was only one group that hadn't got the message, but fortunately Granny was nearby so disaster was averted. We must also thank Sloane Stanley for the great support they have given us over several years now. Curiously a last minute problem provided us with one of the most delightful and popular Christmas exhibitions we have ever had, namely pictures of Christmas trees created by local school children.

THE CHELSEA CENTRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

As Covid receded the Trustees decided to try and get the Café and Bar up and running. The philosophy has always been that the café should provide a community space serving reasonably priced food and drink. Given the uncertain nature of this activity we needed an experienced pair of hands to set it up, get the kitchen into a workable space, decide on menus and staffing. As with all new projects the Trustees decided to try out a few options to see what suited the community best. Having advertised the post Eshan Gooneskara had the best experience so he resigned from the Board to carry out this task. It was with delight we heard we had won the top rated "Five stars" from the Food Standards Agency for our hygiene following a surprise visit from them. We must also thank The Co-op in this connection for their continued support, not just in their regular donations of food but also financial, it is greatly appreciated.

January brought the desperately sad news of the death of our much loved trustee John Rendall. A very long term resident of the estate and associated with the World's End from the 60s when he famously brought up a Lion cub "Christian" and subsequently very successfully released him into the wild. The start of a lifelong obsession with wildlife conservation. John had been a wonderful supporter of Chelsea Theatre so generous with his time, contacts, words of wisdom and humour. He has been greatly missed by us all. I would just like to formally note the incredible part he played in Chelsea Theatre getting to where we are today. We are extremely grateful.

We have continued to work with local community groups, RBKC Council, Bi Borough Public Health (Community Champions) and the wider community and cultural organisations in the RBKC

The strategic aims are to take down social barriers and encourage local people to engage with their community and to develop their health and wellbeing to improve the lives and the environment in which they live. The impact of the lockdown had a major effect on the area targeted and nature of delivery.

We are delighted to say that our Chief Executive Officer Paul Adlam who joined us in January 2021 has been a real success throughout the year and is greatly respected. Again the Board is very grateful to Paul for the extraordinary dedication he has shown to Chelsea Theatre.

Financial review

During the year to 31 March 2022, the Chelsea Theatre held assets for the purposes of achieving its charitable objectives. Fixed assets were added as indicated in the notes to the financial statements and relate to the Capital project for the refurbishment of the building. No assets were held by anyone other than the Chelsea Theatre. No trustees acted as custodian trustees. The Chelsea Theatre has no subsidiary or associated undertakings. All restricted fund assets are held either on current account or instant access deposit accounts. There are sufficient resources to meet all commitments undertaken as a result of a grant from the Royal Borough of Kensington and Chelsea together with that of key donations.

The Chelsea Theatre showed a deficit for the year of £168,539 (2021: £166,991), giving an unrestricted funds balance of £33,207 (2021 : £31,925) and a restricted funds balance of £2,308,340 (2021: £2,478,161) as at 31 March 2022.

The Chelsea Theatre holds a tax-free deposit account operated by CCLA known as the COIF Charities Deposit Account, the balance of which at 31 March 2022 was £355,575.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

THE CHELSEA CENTRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Risk Management

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. Given the extraordinary situation caused by Covid the trustees have been extra vigilant in ensuring that the assets of the charity and the charity itself are safeguarded.

Trustees are very grateful to both the Arts Council England for their Covid funding and RBKC for the exceptional help, advice and support they have provided.

The Board uses its annual business planning process to ensure that it is aware of the risks to which the charity is exposed. Where possible there are systems and procedures in place to mitigate the risks facing the charity. Every agenda for each Board meeting includes an "Opportunities & Risks " section during which these areas are discussed.

The building was closed to the public mid-March 2020 and only re-opened in Summer 2021. Full Covid protection was in operation throughout the period

Risk assessments were and are undertaken for each production when the Theatre is used. The Company receives professional support and advice, and retains professional HR and Health and Safety advice from Peninsula Business Services Ltd.

Plans for the future

We are now finally able to run a vibrant and welcoming building that can be enjoyed by all. We had our second very successful cooperation with RBK&C over the summer for their festival. As with all events there have been some wonderful opportunities and we are very proud of the significant increase in our online offering. We regard this as a great flexible service and something that should be continued in the future, even now the building is fully open.

With the huge increase in energy costs, inflation rates and the anticipated possible recession the trustees are very aware of funding risks and have instructed respected fundraisers to investigate ways we can maximise our fundraising activities. The Community will need us more than ever in difficult financial times so it is imperative that we do all we can to help.

The recruitment of local trustees with relevant skill sets remains a priority. The trustees are satisfied that the Charity will continue to have financial stability for the foreseeable future.

Structure, governance and management

The Chelsea Community Association was an unincorporated association founded on February 19, 1953, and registered with the Charity Commission, No 303109, on January 1, 1961, with the object of promoting the wellbeing of the residents of what is now the Royal Borough of Kensington and Chelsea, and to further that object, to manage a community centre. On April 1, 1997 its affairs were transferred to a company without share capital limited by guarantee. In October 2001, prior to the relaunch of its refurbished auditorium, the Board of Directors of the new Chelsea Centre Ltd approved a motion acquiring the title " The Chelsea Theatre" as the name under which the company operates.

The charity is a charitable company limited by guarantee. It is established under a Memorandum of Association which sets out its objects and powers and is governed under its Articles of Association. In event of the company being wound up members are required to contribute an amount not exceeding £10.

THE CHELSEA CENTRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

| | |
|---------------------|---|
| M Brehony | |
| J Rendall | (Deceased 22 January 2022) |
| A Jackson | |
| Pamela Morris-Sykes | |
| K Amander | |
| D Da Silva | (Appointed 7 May 2021) |
| F Essomba | (Appointed 7 May 2021) |
| E Goonesekera | (Appointed 7 May 2021 and resigned 1 December 2021) |
| R Taylor | |
| Tawfik El Werfalli | (Appointed 7 May 2021) |

The charity is governed by Articles of association, under which three or more (no maximum) trustees are responsible for the management. They are elected for three years, the longest serving third being up for re-election at each Annual General Meeting.

The board reviews regularly the existing skills of its members and seeks to gain outside support from advisors and volunteers on specific issues (eg HR, legal, financial, community development theatre and fundraising) and attends relevant training courses. With the closure of the building and then Covid the organisation has gone through several changes and the Board are recruiting new trustees to help lead us into the new and exciting future. With the support of the Royal Borough of Kensington & Chelsea (RBKC), the Theatre intends to resurrect the Partnership Panel (made up of Directors, locally based organisations and local people) as a means of fostering communication and enhancing the good relationships the centre has with its funder and its local community.

The board seeks to reflect the diverse needs of our user groups and enhance the pool of potential board members who are representative of all areas of the community.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

THE CHELSEA CENTRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Elected Board members are the Trustees of the Charity and Directors of the company and are responsible for our strategic direction and the setting of objectives.

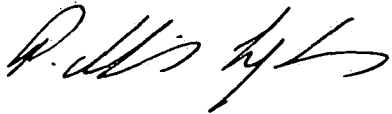
Regular meetings are held between all staff and trustees. With the lack of a CEO it was briefly necessary for the Trustees to step in to protect the charity, its staff and assets. Prior to this point and subsequently with the appointment of the interim CEO, Trustees also received verbal and appropriate written reports at quarterly (or more frequent) meetings. All board meetings are minuted.

Pay and Remuneration Policy

Pay and remuneration levels of key management are set by reference to current levels as advertised in the market and in comparison with known levels in similar organisations.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' report was approved by the Board of Trustees.



Pamela Morris - Sykes

Trustee

Dated: 15 December 2022

THE CHELSEA CENTRE LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE CHELSEA CENTRE LIMITED

I report to the trustees on my examination of the financial statements of The Chelsea Centre Limited (the charity) for the year ended 31 March 2022.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



David Tropp FCA
Berg Kaprow Lewis LLP
35 Ballards Lane
London
N3 1XW

Dated: 15 December 2022

THE CHELSEA CENTRE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

| | Notes | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total Unrestricted funds 2022 £ | Restricted funds 2021 £ | Total 2021 £ |
|---|-------|------------------------------------|----------------------------------|--|----------------------------------|--------------------|
| Income from: | | | | | | |
| Donations and legacies | 3 | 219,771 | 176,400 | 396,171 | 106,281 | 314,441 |
| Charitable activities | 4 | 139,483 | 77,149 | 216,632 | 19,250 | 96,000 |
| Investments | 5 | 118 | - | 118 | 136 | 136 |
| Total income | | 359,372 | 253,549 | 612,921 | 125,667 | 410,577 |
| Expenditure on: | | | | | | |
| Charitable activities | 6 | 358,090 | 423,370 | 781,460 | 439,375 | 577,568 |
| Net income/(expenditure) for the year/ Net movement in funds | | | | | | |
| | | 1,282 | (169,821) | (168,539) | (12,526) | (166,991) |
| Fund balances at 1 April 2021 | | 31,925 | 2,478,161 | 2,510,086 | 44,451 | 2,632,626 |
| Fund balances at 31 March 2022 | | 33,207 | 2,308,340 | 2,341,547 | 31,925 | 2,510,086 |

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE CHELSEA CENTRE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

| | Notes | 2022 | | 2021 | |
|---|-------|------------------|------------------|-----------------|------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 10 | | 2,212,429 | | 2,415,186 |
| Current assets | | | | | |
| Debtors | 11 | 95,686 | | 8,354 | |
| Cash at bank and in hand | | 397,212 | | 148,025 | |
| | | <u>492,898</u> | | <u>156,379</u> | |
| Creditors: amounts falling due within one year | 12 | <u>(363,780)</u> | | <u>(61,479)</u> | |
| Net current assets | | | 129,118 | | 94,900 |
| Total assets less current liabilities | | | <u>2,341,547</u> | | <u>2,510,086</u> |
| Income funds | | | | | |
| Restricted funds | 13 | | 2,308,340 | | 2,478,161 |
| Unrestricted funds | | | 33,207 | | 31,925 |
| | | | <u>2,341,547</u> | | <u>2,510,086</u> |

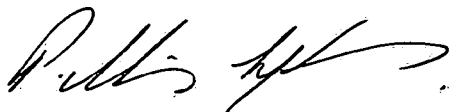
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

The financial statements were approved by the Trustees on 15 December 2022



Pamela Morris-Sykes
Trustee

Company registration number 3288617

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

The Chelsea Centre Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 7 Worlds End Place, Kings Road, London, SW10 0DR, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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

1.2 Going concern

The Trustees have considered a period of one year from the date of approval of the accounts. At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party. All expenditure is accounted for on an accruals basis and is allocated between :-

- Costs of raising funds
- Expenditure on charitable activities
- Gifts in Kind
- Other expenditure

Expenses exclude VAT where the company can reclaim it.

Fundraising costs consist of the direct costs of fundraising activities.

Direct charitable expenditure comprises direct expenses incurred on the defined charitable purposes of the charity and includes direct staff costs attributable to charity's activities.

1.6 Tangible fixed assets

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

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

| | |
|----------------------------------|----------------------------|
| Leasehold improvements | Over the life of the lease |
| Fixtures, fittings and equipment | 20% Straight Line |
| Computers | 33% Straight Line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

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

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

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

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

1.11 Retirement benefits

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

2 Critical accounting estimates and judgements

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

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

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Donations and legacies

| | Unrestricted funds | Restricted funds | Total | Unrestricted funds | Restricted funds | Total |
|--|--------------------|------------------|----------------|--------------------|------------------|----------------|
| | 2022 | 2022 | 2022 | 2021 | 2021 | 2021 |
| | £ | £ | £ | £ | £ | £ |
| Donations and gifts | 3,170 | - | 3,170 | - | - | - |
| Grants | 216,601 | 176,400 | 393,001 | 106,281 | 208,160 | 314,441 |
| | <u>219,771</u> | <u>176,400</u> | <u>396,171</u> | <u>106,281</u> | <u>208,160</u> | <u>314,441</u> |
| Grants receivable for core activities | | | | | | |
| RBKC - Rent | - | 176,400 | 176,400 | - | 176,400 | 176,400 |
| RBKC - Running costs | 106,355 | - | 106,355 | 106,281 | - | 106,281 |
| RBKC - Sing to Live & Music | - | - | - | - | 1,760 | 1,760 |
| K&C Foundation Grant - Virtual Activities | - | - | - | - | 30,000 | 30,000 |
| Arts Council | 110,246 | - | 110,246 | - | - | - |
| | <u>216,601</u> | <u>176,400</u> | <u>393,001</u> | <u>106,281</u> | <u>208,160</u> | <u>314,441</u> |

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

| | Charitable Income | Charitable Income |
|---|------------------------------|--------------------------|
| | 2022 | 2021 |
| | £ | £ |
| Theatre and room hire | 86,414 | 19,250 |
| Theatre ticket sales | 21,547 | - |
| Bar sales | 26,522 | - |
| Grants (see below) | 82,149 | 76,750 |
| | <u>216,632</u> | <u>96,000</u> |
| | | |
| Analysis by fund | | |
| Unrestricted funds | 139,483 | 19,250 |
| Restricted funds | 77,149 | 76,750 |
| | <u>216,632</u> | <u>96,000</u> |
| | | |
| For the year ended 31 March 2021 | | |
| Unrestricted funds | 19,250 | |
| Restricted funds | 76,750 | |
| | <u>96,000</u> | |
| | | |
| Performance grants | | |
| RBKC - Community champions | 44,527 | 44,000 |
| RBKC - Naturally Active | - | 1,750 |
| NHS - Health Promotion | 5,000 | - |
| Arts Council | - | 30,000 |
| Change 4 Life | 1,000 | 1,000 |
| Breakfast Club | 13,920 | - |
| Xmas Panto & Tree | 8,702 | - |
| DLVUHC - Community Vaccine campaign | 9,000 | - |
| | <u>82,149</u> | <u>76,750</u> |

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

5 Investments

| | Unrestricted funds | Unrestricted funds |
|---------------------|-----------------------|-----------------------|
| | 2022 | 2021 |
| | £ | £ |
| Interest receivable | 118 | 136 |

6 Charitable activities

| | Theatre and community 2022 £ | Capital project 2022 £ | Total 2022 £ | Total 2021 £ |
|---|---------------------------------------|---------------------------------|--------------------|--------------------|
| Staff costs | 138,281 | - | 138,281 | 102,479 |
| Production costs | 9,267 | - | 9,267 | - |
| Theatre costs | 42,389 | - | 42,389 | - |
| Communities activities | 58,535 | - | 58,535 | 59,061 |
| Website / I T hub | 4,128 | - | 4,128 | 1,799 |
| Utilities | 35,771 | - | 35,771 | - |
| Rent | 39,690 | 132,300 | 171,990 | 171,990 |
| Bad debts | 3,019 | - | 3,019 | - |
| Subscriptions and licences | 1,799 | - | 1,799 | 870 |
| | <u>332,879</u> | <u>132,300</u> | <u>465,179</u> | <u>336,199</u> |
| Share of support costs (see note 7) | 121,589 | 162,666 | 284,255 | 201,690 |
| Share of governance costs (see note 7) | 29,611 | 2,415 | 32,026 | 39,679 |
| | <u>484,079</u> | <u>297,381</u> | <u>781,460</u> | <u>577,568</u> |
| Analysis by fund | | | | |
| Unrestricted funds | 358,090 | - | 358,090 | 138,193 |
| Restricted funds | 125,989 | 297,381 | 423,370 | 439,375 |
| | <u>484,079</u> | <u>297,381</u> | <u>781,460</u> | <u>577,568</u> |
| For the year ended 31 March 2021 | | | | |
| Unrestricted funds | 138,193 | - | 138,193 | 138,193 |
| Restricted funds | 152,170 | 287,205 | 439,375 | 439,375 |
| | <u>290,363</u> | <u>287,205</u> | <u>577,568</u> | <u>577,568</u> |

THE CHELSEA CENTRE LIMITED

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

7 Support costs

| | Support costs £ | Governance costs £ | 2022 £ | 2021 £ |
|-----------------------|--------------------|-----------------------|-----------|-----------|
| Analysed between | | | | |
| Fundraising | - | - | - | - |
| Charitable activities | 284,255 | 32,026 | 316,281 | 241,369 |

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. Also no expenses were reimbursed.

9 Employees

Number of employees

The average monthly number of employees during the year was:

| | 2022 Number | 2021 Number |
|--|----------------|----------------|
| | 5 | 3 |

| Employment costs | 2022 £ | 2021 £ |
|-----------------------|-----------|-----------|
| Wages and salaries | 124,852 | 90,530 |
| Social security costs | 8,798 | 6,128 |
| Other pension costs | 4,631 | 1,975 |
| | 138,281 | 98,633 |

No employees received remuneration in excess of £60,000 in the year. (2020 : None)

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Tangible fixed assets

| | Leasehold Improvements | Fixtures, fittings and equipment | Computers | Total |
|------------------------------------|---------------------------|--|-----------|-----------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 April 2021 | 2,646,105 | 34,924 | 7,627 | 2,688,656 |
| Additions | (73,551) | 6,140 | 1,505 | (65,906) |
| At 31 March 2022 | 2,572,554 | 41,064 | 9,132 | 2,622,750 |
| Depreciation and impairment | | | | |
| At 1 April 2021 | 262,345 | 8,605 | 2,520 | 273,470 |
| Depreciation charged in the year | 125,720 | 8,087 | 3,044 | 136,851 |
| At 31 March 2022 | 388,065 | 16,692 | 5,564 | 410,321 |
| Carrying amount | | | | |
| At 31 March 2022 | 2,184,489 | 24,372 | 3,568 | 2,212,429 |
| At 31 March 2021 | 2,383,760 | 26,319 | 5,107 | 2,415,186 |

11 Debtors

| | 2022 | 2021 |
|---|--------|-------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | 94,055 | 1,540 |
| Other debtors | - | 4,927 |
| Prepayments and accrued income | 1,631 | 1,887 |
| | 95,686 | 8,354 |

12 Creditors: amounts falling due within one year

| | Notes | 2022 | 2021 |
|------------------------------------|-------|---------|--------|
| | | £ | £ |
| Other taxation and social security | | 240,791 | - |
| Deferred income | | 85,949 | 43,240 |
| Trade creditors | | 25,547 | 3,160 |
| Other creditors | | 685 | - |
| Accruals and deferred income | | 10,808 | 15,079 |
| | | 363,780 | 61,479 |

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Movement in funds | | | Movement in funds | | | |
|----------------------------------|---------------------------------|----------------------------|----------------------------|---------------------------------|----------------------------|----------------------------|----------------------------------|
| | Balance at 1 April 2020 £ | Incoming resources £ | Resources expended £ | Balance at 1 April 2021 £ | Incoming resources £ | Resources expended £ | Balance at 31 March 2022 £ |
| Capital Project | 2,628,326 | - | (154,905) | 2,473,421 | - | (165,081) | 2,308,340 |
| Community Champions | - | 44,000 | (39,260) | 4,740 | 44,527 | (49,267) | - |
| Sing to live Project | - | 1,760 | (1,760) | - | - | - | - |
| RBKC : Rent | - | 176,400 | (176,400) | - | 176,400 | (176,400) | - |
| Sport England | 4,300 | - | (4,300) | - | - | - | - |
| Arts Council | - | 30,000 | (30,000) | - | - | - | - |
| Naturally Active | - | 1,750 | (1,750) | - | - | - | - |
| Change 4 Life | - | 1,000 | (1,000) | - | 1,000 | (1,000) | - |
| K&C Foundation | - | 30,000 | (30,000) | - | - | - | - |
| Breakfast Club | - | - | - | - | 13,920 | (13,920) | - |
| RBKC : Xmas Panto & Tree | - | - | - | - | 8,702 | (8,702) | - |
| DLUHC:Community Vaccine Campaign | - | - | - | - | 9,000 | (9,000) | - |
| | <u>2,632,626</u> | <u>284,910</u> | <u>(439,375)</u> | <u>2,478,161</u> | <u>253,549</u> | <u>(423,370)</u> | <u>2,308,340</u> |

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Restricted funds

(Continued)

Capital Project :This consists of donations received for the expansion and refurbishment of the building.

Community Champions : This consists of a grant from RBKC for the Community champions programme which encourages people to take a proactive role in their local community.

Sing to Live Project : This consists of funding from RBKC for a community choir.

RBKC : This consists of annual rent on the main premises which has been waived.

Sport England : This consists of funding to provide exercise classes.

Arts Council: This consists of funding for a Community Stories project with local residents recording their memories of the World's End Estate.

Naturally Active: This consists of funding to provide exercise classes.

Change 4 Life; This consists of funding for Afrobeats workshops.

K&C Foundation: This consists of funding for an outreach programme to local residents during lockdown providing on line activities.

Breakfast Club: This consists of funding of the provision of breakfast

RBKC:Xmas Panto & Tree ; This consists of funding for the Xmas Panto & Xmas Tree

DLUHC: This consists of funding for a Community Vaccine Campaign.

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

14 Analysis of net assets between funds

| | Unrestricted 2022 £ | Restricted 2022 £ | Total 2022 £ | Unrestricted 2021 £ | Restricted 2021 £ | Total 2021 £ |
|--|---------------------------|-------------------------|--------------------|---------------------------|-------------------------|--------------------|
| Fund balances at 31 March 2022 are represented by: | | | | | | |
| Tangible assets | 2,504 | 2,209,925 | 2,212,429 | 2,385 | 2,412,801 | 2,415,186 |
| Current assets/ (liabilities) | 30,703 | 98,415 | 129,118 | 29,540 | 65,360 | 94,900 |
| | <u>33,207</u> | <u>2,308,340</u> | <u>2,341,547</u> | <u>31,925</u> | <u>2,478,161</u> | <u>2,510,086</u> |

15 Related party transactions

There were no disclosable related party transactions during the year .

THE CHELSEA CENTRE LTD

England & Wales - Charity number 1060460

Accounts

Charity Registration No. 1060460

Company Registration No. 3288617 (England and Wales)

THE CHELSEA CENTRE LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

THE CHELSEA CENTRE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|-----------------------------|--|---|
| Trustees | M Brehony J Rendall A Jackson Pamela Morris-Sykes K Arnander D Da Silva F Essomba E Goonesekera R Taylor Tawfik El Werfalli | (Appointed 9 February 2021) (Appointed 7 May 2021) (Appointed 7 May 2021) (Appointed 7 May 2021) (Appointed 10 December 2020) (Appointed 7 May 2021) |
| Secretary | Pamela Morris - Sykes | |
| Charity number | 1060460 | |
| Company number | 3288617 | |
| Registered office | 7 Worlds End Place Kings Road London United Kingdom SW10 0DR | |
| Independent examiner | FSPG 21 Bedford Square London WC1B 3HH | |
| Bankers | Metro Bank One Southampton Row London WC1B 5HA | |

THE CHELSEA CENTRE LIMITED

CONTENTS

| | Page |
|-----------------------------------|-------------|
| Trustees' report | 1 - 4 |
| Independent examiner's report | 5 |
| Statement of financial activities | 6 |
| Balance sheet | 7 |
| Notes to the financial statements | 8 - 17 |

THE CHELSEA CENTRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum & Articles of association, the Companies Act 2006 and "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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The charity's objects are to provide a popular and exciting community, education and arts programme in the interests of social welfare that benefits the residents of The Royal Borough of Kensington & Chelsea ("RBKC"). The Chelsea Theatre current business plan has four main objectives:-

- 1) To maximise the use of our new wonderful building by the local community and ensure a sustainable future.
- 2) to increase the range and quality of community activities and increase the number and diversity of the local population using the facilities.
- 3) To ensure Chelsea Theatre's sustainability through fundraising from Trusts and Foundations and maximising income generated from the commercial use of resources such as theatre, studio spaces and cafe.
- 4) To expand our programme of performance to provide a year round popular programme of performances for local people and children.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Very sadly we started the year in lockdown. We had to close to the public in mid-March 2020 due to the Covid-19 Pandemic having only been in our new wonderful building and open for 2 months.

Great time and effort was spent quickly moving as many activities online as possible.

Throughout this period, we were lucky enough to receive exceptional support from RBK&C in the forms of grants, advice and assistance for which we are all extremely grateful.

We were fortunate to receive major funding provided by the Kensington & Chelsea Foundation to enable an outreach programme to local residents through numerous online programmes involving such diverse activities as online singing, learning the Ukulele, midwife advice, IT, dance & circus programmes and various online summer workshops

We also received significant funding from the Arts Council England for a Community Stories project in association with West10 Arts in which local residents recorded their memories of the World's End Estate. This produced a series of short films which appeared on our website.

By being able to provide space to support the English National Ballet School who operated under the Covid restrictions for schools we earned vital income in what would otherwise have been a dire time. We have continued to work with local community groups, RBKC Council, Bi Borough Public Health (Community Champions) and the wider community and cultural organisations in the RBKC.

THE CHELSEA CENTRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The strategic aims are to take down social barriers and encourage local people to engage with their community and to develop their health and wellbeing to improve the lives and the environment in which they live. The impact of the lockdown had a major effect on the area targeted and nature of delivery.

One of the saddest effects of the lockdown was that our very popular Father Christmas supported by Sloane Stanley could only appear on two days before being sent back early to Lapland.

We are delighted to say that our Chief Executive Officer Paul Adlam joined us in December 2020.

As mentioned last year our previous Chief Executive stepped down following lock down in June 2020 and we had an interim CEO for 3 months to November. Paul joined us from The Poetry Society and has spearheaded the awakening of Chelsea Theatre which now seems to be going from strength to strength.

Financial review

During the year to 31 March 2021, the Chelsea Theatre held assets for the purposes of achieving its charitable objectives. Fixed assets were added as indicated in the notes to the financial statements and relate to the Capital project for the refurbishment of the building. No assets were held by anyone other than the Chelsea Theatre. No trustees acted as custodian trustees. The Chelsea Theatre has no subsidiary or associated undertakings. All restricted fund assets are held either on current account or instant access deposit accounts. There are sufficient resources to meet all commitments undertaken as a result of a grant from the Royal Borough of Kensington and Chelsea together with that of key donations.

The Chelsea Theatre showed a deficit for the year of £166,991 (2020: £39,980), giving an unrestricted funds balance of £31,925 (2020 : £44,451) and a restricted funds balance of £2,478,161 (2020: £2,632,626) as at 31 March 2021.

The Chelsea Theatre holds a tax-free deposit account operated by CCLA known as the COIF Charities Deposit Account, the balance of which at 31 March 2021 was £106,458.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Risk Management

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. Given the extraordinary situation caused by Covid the Trustees are very grateful to RBKC for the exceptional help, advice and support they have provided.

The Board uses its annual business planning process to ensure that it is aware of the risks to which the charity is exposed. Where possible there are systems and procedures in place to mitigate the risks facing the charity. Every agenda for each Board meeting includes an "Opportunities & Risks " section during which these areas are discussed.

The building was closed to the public mid-March 2020 and only re-opened in Summer 2021. Full Covid protection was in operation throughout the period

Risk assessments were and are undertaken for each production when the Theatre is used. The Company receives professional support and advice, and retains professional HR and Health and Safety advice from Peninsula Business Services Ltd.

THE CHELSEA CENTRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Plans for the future

We are now finally looking forward to being able to run a vibrant and welcoming building that can be enjoyed by all. We had a very successful cooperation with RBK&C over the summer for their festival, which acted as a launch pad for the building. As with all events there have been some wonderful opportunities and we are very proud of the significant increase in our online offering. We regard this as a great flexible service and something that should be continued in the future, even now the building is fully open.

The trustees are satisfied that the Charity will continue to have financial stability for the foreseeable future

Structure, governance and management

The Chelsea Community Association was an unincorporated association founded on February 19, 1953, and registered with the Charity Commission, No 303109, on January 1, 1961, with the object of promoting the wellbeing of the residents of what is now the Royal Borough of Kensington and Chelsea, and to further that object, to manage a community centre. On April 1, 1997 its affairs were transferred to a company without share capital limited by guarantee. In October 2001, prior to the relaunch of its refurbished auditorium, the Board of Directors of the new Chelsea Centre Ltd approved a motion acquiring the title "The Chelsea Theatre" as the name under which the company operates.

The charity is a charitable company limited by guarantee. It is established under a Memorandum of Association which sets out its objects and powers and is governed under its Articles of Association. In event of the company being wound up members are required to contribute an amount not exceeding £10.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

| | |
|---------------------|------------------------------|
| M Brehony | |
| J Rendall | |
| A Mustapha | (Resigned 9 April 2020) |
| A Jackson | |
| Pamela Morris-Sykes | |
| K Arander | (Appointed 9 February 2021) |
| D Da Silva | (Appointed 7 May 2021) |
| F Essomba | (Appointed 7 May 2021) |
| E Goonesekera | (Appointed 7 May 2021) |
| R Taylor | (Appointed 10 December 2020) |
| Tawfik El Werfalli | (Appointed 7 May 2021) |

THE CHELSEA CENTRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The charity is governed by Articles of association, under which three or more (no maximum) trustees are responsible for the management. They are elected for three years, the longest serving third being up for re-election at each Annual General Meeting.

The board reviews regularly the existing skills of its members and seeks to gain outside support from advisors and volunteers on specific issues (eg HR, legal, financial, community development theatre and fundraising) and attends relevant training courses. With the closure of the building and then Covid the organisation has gone through several changes and the Board are recruiting new trustees to help lead us into the new and exciting future. With the support of the Royal Borough of Kensington & Chelsea (RBKC), the Theatre intends to resurrect the Partnership Panel (made up of Directors, locally based organisations and local people) as a means of fostering communication and enhancing the good relationships the centre has with its funder and its local community.

The board seeks to reflect the diverse needs of our user groups and enhance the pool of potential board members who are representative of all areas of the community.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

Elected Board members are the Trustees of the Charity and Directors of the company and are responsible for our strategic direction and the setting of objectives.

Regular meetings are held between all staff and trustees. With the lack of a CEO it was briefly necessary for the Trustees to step in to protect the charity, its staff and assets. Prior to this point and subsequently with the appointment of the interim CEO, Trustees also received verbal and appropriate written reports at quarterly (or more frequent) meetings. All board meetings are minuted.

Pay and Remuneration Policy

Pay and remuneration levels of key management are set by reference to current levels as advertised in the market and in comparison with known levels in similar organisations.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' report was approved by the Board of Trustees.

Pamela Morris - Sykes

Trustee

Dated: 10 December 2021

THE CHELSEA CENTRE LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE CHELSEA CENTRE LIMITED

I report to the trustees on my examination of the financial statements of The Chelsea Centre Limited (the charity) for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act;
or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

David Tropp FCA
FSPG Chartered Accountants
21 Bedford Square
London
WC1B 3HH

Dated: 10 December 2021

THE CHELSEA CENTRE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

| | | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total 2021 £ | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total 2020 £ |
|--|--------------|------------------------------------|----------------------------------|-------------------------|------------------------------------|----------------------------------|-------------------------|
| | Notes | | | | | | |
| Income from: | | | | | | | |
| Donations and legacies | 3 | 106,281 | 208,160 | 314,441 | 80,357 | 316,960 | 397,317 |
| Charitable activities | 4 | 19,250 | 76,750 | 96,000 | 16,553 | 44,250 | 60,803 |
| Investments | 5 | 136 | - | 136 | - | 7,306 | 7,306 |
| Total income | | <u>125,667</u> | <u>284,910</u> | <u>410,577</u> | <u>96,910</u> | <u>368,516</u> | <u>465,426</u> |
| Expenditure on: | | | | | | | |
| Charitable activities | 6 | 138,193 | 439,375 | 577,568 | 92,839 | 412,567 | 505,406 |
| Gross transfers between funds | | - | - | - | 17,514 | (17,514) | - |
| Net expenditure for the year/ Net movement in funds | | <u>(12,526)</u> | <u>(154,465)</u> | <u>(166,991)</u> | <u>21,585</u> | <u>(61,565)</u> | <u>(39,980)</u> |
| Fund balances at 1 April 2020 | | <u>44,451</u> | <u>2,632,626</u> | <u>2,677,077</u> | <u>22,866</u> | <u>2,694,191</u> | <u>2,717,057</u> |
| Fund balances at 31 March 2021 | | <u><u>31,925</u></u> | <u><u>2,478,161</u></u> | <u><u>2,510,086</u></u> | <u><u>44,451</u></u> | <u><u>2,632,626</u></u> | <u><u>2,677,077</u></u> |

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE CHELSEA CENTRE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

| | | 2021 | | 2020 | |
|---|-------|-----------------|------------------|-----------------|------------------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 10 | | 2,415,186 | | 2,505,918 |
| Current assets | | | | | |
| Debtors | 11 | 8,354 | | 82,591 | |
| Cash at bank and in hand | | 148,025 | | 127,294 | |
| | | <u>156,379</u> | | <u>209,885</u> | |
| Creditors: amounts falling due within one year | 12 | <u>(61,479)</u> | | <u>(38,726)</u> | |
| Net current assets | | | 94,900 | | 171,159 |
| Total assets less current liabilities | | | <u>2,510,086</u> | | <u>2,677,077</u> |
| Income funds | | | | | |
| Restricted funds | 14 | | 2,478,161 | | 2,632,626 |
| Unrestricted funds | | | 31,925 | | 44,451 |
| | | | <u>2,510,086</u> | | <u>2,677,077</u> |

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

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

The financial statements were approved by the Trustees on 10 December 2021

Pamela Morris-Sykes
Trustee

Company Registration No. 3288617

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

The Chelsea Centre Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 7 Worlds End Place, Kings Road, London, SW10 0DR, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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

1.2 Going concern

The Trustees have considered a period of one year from the date of approval of the accounts. At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party. All expenditure is accounted for on an accruals basis and is allocated between :-

- Costs of raising funds
- Expenditure on charitable activities
- Gifts in Kind
- Other expenditure

Expenses exclude VAT where the company can reclaim it.

Fundraising costs consist of the direct costs of fundraising activities.

Direct charitable expenditure comprises direct expenses incurred on the defined charitable purposes of the charity and includes direct staff costs attributable to charity's activities.

1.6 Tangible fixed assets

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

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

| | |
|----------------------------------|----------------------------|
| Leasehold improvements | Over the life of the lease |
| Fixtures, fittings and equipment | 20% Straight Line |
| Computers | 33% Straight Line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

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

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

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

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

1.11 Retirement benefits

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

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

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

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

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

3 Donations and legacies

| | Unrestricted funds | Restricted funds | Total | Unrestricted funds | Restricted funds | Total |
|--|-----------------------|-----------------------|-----------------------|----------------------|-----------------------|-----------------------|
| | 2021 | 2021 | 2021 | 2020 | 2020 | 2020 |
| | £ | £ | £ | £ | £ | £ |
| Donations and gifts | - | - | - | 127 | - | 127 |
| Grants | 106,281 | 208,160 | 314,441 | 80,230 | 316,960 | 397,190 |
| | <u>106,281</u> | <u>208,160</u> | <u>314,441</u> | <u>80,357</u> | <u>316,960</u> | <u>397,317</u> |
| | <u><u>106,281</u></u> | <u><u>208,160</u></u> | <u><u>314,441</u></u> | <u><u>80,230</u></u> | <u><u>316,960</u></u> | <u><u>397,190</u></u> |
| Grants receivable for core activities | | | | | | |
| RBKC - Rent | - | 176,400 | 176,400 | - | 176,400 | 176,400 |
| RBKC - Running costs | 106,281 | - | 106,281 | 80,230 | - | 80,230 |
| RBKC - Sing to Live & Music | - | 1,760 | 1,760 | - | 560 | 560 |
| RBKC - Contribution to capital project | - | - | - | - | 140,000 | 140,000 |
| K&C Foundation Grant - Virtual Activities | - | 30,000 | 30,000 | - | - | - |
| | <u>106,281</u> | <u>208,160</u> | <u>314,441</u> | <u>80,230</u> | <u>316,960</u> | <u>397,190</u> |
| | <u><u>106,281</u></u> | <u><u>208,160</u></u> | <u><u>314,441</u></u> | <u><u>80,230</u></u> | <u><u>316,960</u></u> | <u><u>397,190</u></u> |

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities

| | Charitable Income | Charitable Income |
|---|------------------------------|----------------------|
| | 2021 | 2020 |
| | £ | £ |
| Theatre and room hire | 19,250 | 11,177 |
| Grants (see below) | 76,750 | 49,250 |
| Other Income | - | 376 |
| | <u>96,000</u> | <u>60,803</u> |
| | <u><u>96,000</u></u> | <u><u>60,803</u></u> |
| Analysis by fund | | |
| Unrestricted funds | 19,250 | 16,553 |
| Restricted funds | 76,750 | 44,250 |
| | <u>96,000</u> | <u>60,803</u> |
| | <u><u>96,000</u></u> | <u><u>60,803</u></u> |
| For the year ended 31 March 2020 | | |
| Unrestricted funds | 16,553 | |
| Restricted funds | 44,250 | |
| | <u>60,803</u> | |
| | <u><u>60,803</u></u> | |
| Performance grants | | |
| RBKC - Community champions | 44,000 | 39,500 |
| RBKC - Naturally Active | 1,750 | - |
| NHS - Health Promotion | - | 5,000 |
| Sport England | - | 4,750 |
| Arts Council | 30,000 | - |
| Change 4 Life | 1,000 | - |
| | <u>76,750</u> | <u>49,250</u> |
| | <u><u>76,750</u></u> | <u><u>49,250</u></u> |

5 Investments

| | Unrestricted funds | Restricted funds |
|---------------------|-------------------------------|---------------------|
| | 2021 | 2020 |
| | £ | £ |
| Interest receivable | 136 | 7,306 |
| | <u>136</u> | <u>7,306</u> |
| | <u><u>136</u></u> | <u><u>7,306</u></u> |

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Charitable activities

| | Theatre and community 2021 £ | Capital project 2021 £ | Total 2021 £ | Total 2020 £ |
|---|---------------------------------------|---------------------------------|--------------------|--------------------|
| Staff costs | 102,479 | - | 102,479 | 98,633 |
| Communities activities | 59,061 | - | 59,061 | 8,326 |
| Silver screen club | - | - | - | 242 |
| Website / I T hub | 1,799 | - | 1,799 | 15,793 |
| Open house costs | - | - | - | 1,014 |
| Rent | 39,690 | 132,300 | 171,990 | 171,990 |
| Subscriptions and licences | 870 | - | 870 | 505 |
| | <u>203,899</u> | <u>132,300</u> | <u>336,199</u> | <u>296,503</u> |
| Share of support costs (see note 7) | 49,685 | 152,005 | 201,690 | 183,472 |
| Share of governance costs (see note 7) | 36,779 | 2,900 | 39,679 | 25,431 |
| | <u>290,363</u> | <u>287,205</u> | <u>577,568</u> | <u>505,406</u> |
| Analysis by fund | | | | |
| Unrestricted funds | 138,193 | - | 138,193 | 92,839 |
| Restricted funds | 152,170 | 287,205 | 439,375 | 412,567 |
| | <u>290,363</u> | <u>287,205</u> | <u>577,568</u> | <u>505,406</u> |
| For the year ended 31 March 2020 | | | | |
| Unrestricted funds | 92,839 | - | | 92,839 |
| Restricted funds | 84,583 | 327,984 | | 412,567 |
| | <u>177,422</u> | <u>327,984</u> | | <u>505,406</u> |

7 Support costs

| | Support costs £ | Governance costs £ | 2021 £ | 2020 £ |
|-----------------------|-----------------------|--------------------------|----------------|----------------|
| Analysed between | | | | |
| Fundraising | - | - | - | - |
| Charitable activities | 201,690 | 39,679 | 241,369 | 208,903 |
| | <u>201,690</u> | <u>39,679</u> | <u>241,369</u> | <u>208,903</u> |

Governance costs includes payments to the auditors of £Nil (2020 £6,525) for audit fees.

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year, other than disclosed in note 16. Also no expenses were reimbursed.

9 Employees

Number of employees

The average monthly number of employees during the year was:

| | 2021 Number | 2020 Number |
|--|----------------|----------------|
| | 3 | 4 |
| | <u>3</u> | <u>4</u> |

Employment costs

| | 2021 £ | 2020 £ |
|-----------------------|----------------|---------------|
| Wages and salaries | 96,030 | 90,530 |
| Social security costs | 4,609 | 6,128 |
| Other pension costs | 1,840 | 1,975 |
| | <u>102,479</u> | <u>98,633</u> |

No employees received remuneration in excess of £60,000 in the year. (2020 : None)

10 Tangible fixed assets

| | Leasehold improvements £ | Fixtures, fittings and equipment £ | Computers £ | Total £ |
|------------------------------------|--------------------------------|---|----------------|------------------|
| Cost | | | | |
| At 1 April 2020 | 2,598,273 | 34,924 | 4,977 | 2,638,174 |
| Additions | 47,832 | - | 2,650 | 50,482 |
| | <u>2,646,105</u> | <u>34,924</u> | <u>7,627</u> | <u>2,688,656</u> |
| At 31 March 2021 | 2,646,105 | 34,924 | 7,627 | 2,688,656 |
| Depreciation and impairment | | | | |
| At 1 April 2020 | 129,914 | 1,746 | 596 | 132,256 |
| Depreciation charged in the year | 132,431 | 6,859 | 1,924 | 141,214 |
| | <u>262,345</u> | <u>8,605</u> | <u>2,520</u> | <u>273,470</u> |
| At 31 March 2021 | 262,345 | 8,605 | 2,520 | 273,470 |
| Carrying amount | | | | |
| At 31 March 2021 | <u>2,383,760</u> | <u>26,319</u> | <u>5,107</u> | <u>2,415,186</u> |
| At 31 March 2020 | <u>2,468,359</u> | <u>33,178</u> | <u>4,381</u> | <u>2,505,918</u> |

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Debtors

| | 2021 | 2020 |
|--------------------------------------|--------------|---------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | 1,540 | 3,030 |
| Other debtors | 4,927 | 76,161 |
| Prepayments and accrued income | 1,887 | 3,400 |
| | <u>8,354</u> | <u>82,591</u> |

12 Creditors: amounts falling due within one year

| | Notes | 2021 | 2020 |
|------------------------------------|-------|---------------|---------------|
| | | £ | £ |
| Other taxation and social security | | - | 2,958 |
| Deferred income | 13 | 43,240 | 14,240 |
| Trade creditors | | 3,160 | 14,950 |
| Other creditors | | - | 51 |
| Accruals and deferred income | | 15,079 | 6,527 |
| | | <u>61,479</u> | <u>38,726</u> |

13 Deferred income

| | 2021 | 2020 |
|-----------------------|---------------|---------------|
| | £ | £ |
| Other deferred income | 43,240 | 14,240 |
| | <u>43,240</u> | <u>14,240</u> |

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Movement in funds | | | | Movement in funds | | | |
|----------------------|---------------------------------|----------------------------|----------------------------|-----------------|---------------------------------|----------------------------|----------------------------|----------------------------------|
| | Balance at 1 April 2019 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 1 April 2020 £ | Incoming resources £ | Resources expended £ | Balance at 31 March 2021 £ |
| Capital Project | 2,676,677 | 147,306 | (195,657) | - | 2,628,326 | - | (154,905) | 2,473,421 |
| Community Champions | 17,514 | 39,500 | (39,500) | (17,514) | - | 44,000 | (39,260) | 4,740 |
| Sing to Live Project | - | 560 | (560) | - | - | 1,760 | (1,760) | - |
| RBKC : Rent | - | 176,400 | (176,400) | - | - | 176,400 | (176,400) | - |
| Sport England | - | 4,750 | (450) | - | 4,300 | - | (4,300) | - |
| Arts Council | - | - | - | - | - | 30,000 | (30,000) | - |
| Naturally Active | - | - | - | - | - | 1,750 | (1,750) | - |
| Change 4 Life | - | - | - | - | - | 1,000 | (1,000) | - |
| K&C Foundation | - | - | - | - | - | 30,000 | (30,000) | - |
| | <u>2,694,191</u> | <u>368,516</u> | <u>(412,567)</u> | <u>(17,514)</u> | <u>2,632,626</u> | <u>284,910</u> | <u>(439,375)</u> | <u>2,478,161</u> |

Capital Project :This consists of donations received for the expansion and refurbishment of the building.

Community Champions : This consists of a grant from RBKC for the Community champions programme which encourages people to take a proactive role in their local community.

Sing to Live Project : This consists of funding from RBKC for a community choir.

RBKC : This consists of annual rent on the main premises which has been waived.

Sport England : This consists of funding to provide exercise classes.

Arts Council: This consists of funding for a Community Stories project with local residents recording their memories of the World's End Estate.

Naturally Active: This consists of funding to provide exercise classes.

Change 4 Life; This consists of funding for community conversations and advice sessions.

K&C Foundation: This consists of funding for an outreach programme to local residents during lockdown providing on line activities.

THE CHELSEA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

15 Analysis of net assets between funds

| | Unrestricted 2021 £ | Restricted 2021 £ | Total 2021 £ | Unrestricted 2020 £ | Restricted 2020 £ | Total 2020 £ |
|--|---------------------------|-------------------------|--------------------|---------------------------|-------------------------|--------------------|
| Fund balances at 31 March 2021 are represented by: | | | | | | |
| Tangible assets | 2,385 | 2,412,801 | 2,415,186 | - | 2,505,918 | 2,505,918 |
| Current assets/ (liabilities) | 29,540 | 65,360 | 94,900 | 44,451 | 126,708 | 171,159 |
| | <u>31,925</u> | <u>2,478,161</u> | <u>2,510,086</u> | <u>44,451</u> | <u>2,632,626</u> | <u>2,677,077</u> |

16 Related party transactions

There were no disclosable related party transactions during the year .