

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

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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 Arnander 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 Arnander 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.

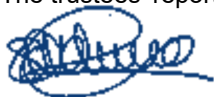
Fundraising and Future Development

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		341,066	298,760	639,826	411,995	356,384	768,379
Expenditure on:							
Charitable activities	6	539,665	335,629	875,294	504,519	400,889	905,408
Total expenditure		539,665	335,629	875,294	504,519	400,889	905,408
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		(302,499)	2,020,741	1,718,242	(103,900)	2,057,610	1,953,710

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	
			75,841		160,626
Creditors: amounts falling due within one year	14	(262,753)		(223,554)	
Net current liabilities			(186,912)		(62,928)
Total assets less current liabilities			1,718,242		1,953,710
The funds of the charity					
Restricted income funds	17	2,020,741		2,057,610	
Unrestricted funds	18	(302,499)		(103,900)	
			1,718,242		1,953,710

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
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

4 Interest income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	4,195	6,686
	<u> </u>	<u> </u>

5 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other revenue	33,600	-
	<u> </u>	<u> </u>

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 Number	2024 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
	<u>329,120</u>	<u>303,175</u>

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
	<u>2,597,144</u>	<u>59,619</u>	<u>14,817</u>	<u>2,671,580</u>
At 31 March 2025				
	<u>2,597,144</u>	<u>59,619</u>	<u>14,817</u>	<u>2,671,580</u>
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
	<u>704,905</u>	<u>49,094</u>	<u>12,427</u>	<u>766,426</u>
At 31 March 2025				
	<u>704,905</u>	<u>49,094</u>	<u>12,427</u>	<u>766,426</u>
Carrying amount				
At 31 March 2025	1,892,239	10,525	2,390	1,905,154
	<u>1,892,239</u>	<u>10,525</u>	<u>2,390</u>	<u>1,905,154</u>
At 31 March 2024	1,994,739	19,852	2,047	2,016,638
	<u>1,994,739</u>	<u>19,852</u>	<u>2,047</u>	<u>2,016,638</u>

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
	<u>14,881</u>	<u>56,556</u>

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	-

16 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	5,392	5,593

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

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

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)

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

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)
	(302,499)	2,020,741	1,718,242

	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)
	(103,900)	2,057,610	1,953,710

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	(41,924)	(70,275)

22 Analysis of changes in net funds

The charity had no material debt during the year.