

CHARITY REGISTRATION NUMBER 1151884

COMPANY REGISTRATION NUMBER 08117742

**CADS SOUTH YORKSHIRE LIMITED**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2020**

# CADS SOUTH YORKSHIRE LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	S Rimmer N Mosey S Brown
<b>Charity number</b>	1151884
<b>Company number</b>	08117742
<b>Registered office</b>	387 Abbeydale Road Sheffield South Yorkshire S7 1FS
<b>Independent examiner</b>	A Hulse BA FCA UHY Hacker Young 6 Broadfield Court Sheffield S8 0XF
<b>Bankers</b>	HSBC Carmel House 49-63 Fargate Sheffield S1 2HD

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# CADS SOUTH YORKSHIRE LIMITED

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# **CADS SOUTH YORKSHIRE LIMITED**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2020**

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The trustees present their report and financial statements for the year ended 31 July 2020.

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 charitable company'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) (effective 1 January 2019)".

### **Objectives and activities**

The charitable company's objects are:

- To promote the arts for the benefit of the public through the provision of free or subsidised artistic events such as exhibitions, workshops or film screenings;
- to relieve the financial hardship by providing technical assistance, business advice or consultancy and affordable studio or project space to those who could not otherwise afford such through lack of means, in particular but not exclusively for people working in the arts industry;
- to preserve, restore and advance the historical, cultural and constructional heritage that may exist in the building occupied by the charity; and
- to generally improve the urban landscape where the trustees see fit for the benefit of the general public residing in or visiting Sheffield or any other location where the charity may be active.

The strategies employed to achieve the charity's objectives are to:

Offer opportunities for a broad range of people to get involved in arts activity exploring their own creative powers

Provide facilities for everyone which allow individuals to pursue their creative interests on any level, including the provision of free or subsidised space to those without financial means

Provide help and advice to studio holders to help them advance their business idea or creative pursuit

Using surplus from business activities to fund restoration, repairs and maintenance in our heritage building

Bringing a diverse programme of events to our event spaces

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

The charities activities provide buildings, facilities and open space in the Sheffield region.

# CADS SOUTH YORKSHIRE LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

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### Achievements and performance

#### Studios

The charity's portfolio comprised of two large studio hubs, AVEC & Eagle Works, ex-retail units on Exchange Street, and a small number of studios at Clarence Works and The Abbeydale Picture House. CADS continues its ethos to provide affordable studios across Sheffield and support creatives no matter their background or financial status.

Our self-funded SpaceCADet programme, which gives 6 weeks of free space for projects or start-ups has continued this year at a reduced capacity due to us being limited to what spaces we have free, we did have one 8 week project on the scheme which was concerned with Augmented Reality and concluded with an AR art piece being exhibited.

Towards the end of the period the Covid 19 Pandemic took hold and between March-May 2020 we had a number of studio holders leave due to childcare commitments etc. as well as having to give rent holidays to others who were struggling to meet their rent commitments.

From around May onwards we found demand for our spaces had returned to normal levels and we moved back closer to 100% occupancy across all of our sites. The pandemic hit a number of our studio holders quite hard, especially those in the events business and supply chain businesses such as wedding photographers and florists. CADS guided all of our eligible studio holders through the process of applying for the various grants available at the time and we're proud to say that this allowed all of these businesses to stay in operation.

The AVEC building, one of our main studio hubs is due for demolition so we are due to move out of there in September 2020, we are working tirelessly to secure a replacement building which we hope to have achieved by spring of 2021.

#### Events

Our 5 year plan for The Abbeydale Picture House (APH), alongside the restoration, is to re-energise the space into a multifunctional community arts venue. By supporting independent artists and makers through subsidised hire fees, APH already provides an established platform for cultural activity and public participation that otherwise might not be possible.

Between Aug '19 and early March '20, APH was able to play host to a variety of events and hires before the government restrictions due to the pandemic forced closure. 90% of the event hire fees were subsidized in order to support artistic and cultural activity within the building. A selection of these were;

- an independent film production company, shooting an indie horror film
- a screening of Star Wars - one of the first times the film has been available to screen for a community cinema
- the 2020 Indie Beer Feast which hosted 1800 people across two days and supported numerous independent and local businesses
- Flying Donkey Events - specialising in live music and international artists
- an exhibition by Darren O'Brien, launching a book of local photography
- The Spirit of Independence Micro Budget Film Festival

Like all event spaces the Picture House has been hit very hard by the Covid Pandemic. Our busiest period for events is between March-October so we've had to cancel all of our events at a very inopportune moment. However, we have applied for and received various grants to cover us for the short term and are confident we can keep the building ticking over until we are able to host events again. We have not been idle during this time and have used the event free period to do much needed improvements to the buildings as well as freeing up time for grant applications etc pertaining to the renovation of the building.

## CADS SOUTH YORKSHIRE LIMITED

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

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#### Restoration

A key focus in our restoration objective remains on the Abbeydale Picture House and opening as a fully licensed venue.

Costly improvements, such as the fire alarm, were achieved through grants from the Pilgrims Trust and the Arts Council, for which we are most grateful for - this was completed in March. Works to the rear access ramp continued. Most importantly, a decision from the fire service in February meant that the ramp does not need to be fully replaced before opening as a licensed venue. Temporarily closing the attached fire escapes whilst ongoing works to the ramp continued would not detrimentally impact the capacity of the venue. This means that only some smaller works need to be completed before the license could be finally signed off. However these works were postponed by the onset of the COVID-19 pandemic.

Once able to resume, works towards the license will include the creation of a new disabled access ramp to the front of the building, completion of an up to date structural report, and some smaller remedial works around the building.

Work towards the second phase of our strategy in the building can also begin whilst the smaller license related works are completed. The second phase will focus more on improving the capacity of the building when licensed; enhancing equipment and features in the main auditorium, works to improve the fly tower as a separate venue space, and works to reopen the auditorium balcony to the public.

#### Covid-19

The final four months of this financial year coincided with the beginning of the Covid-19 pandemic and resulting restrictions in the UK. CADS has successfully acquired funding to be able to maintain financial stability in the form of the Sheffield City Council Business Rates grant and the Arts Council Emergency Covid Grant. CADS is in the process of applying for the Arts Council Cultural Recovery Fund, in order to obtain financial support to be able to continue events and cultural engagement through events, within the social distancing guidelines and reduced capacity.

Fortunately, the pandemic hasn't had as large an effect on studio uptake and income as first feared and this has gone a lot of the way to mitigating the risk of continuing to lease Abbeydale Picture House throughout an extended period without events. This was helped by CADS very quickly ensuring that all of their studio spaces were Covid safe with the required signage as well as availability of sanitizer etc at all CADS sites in the very early stages of the lockdown.

Aside from the pandemic this has been an important year in the evolution of CADS and especially The Abbeydale Picture House, works are ongoing and have been budgeted for in a way unlikely to be affected by the pandemic, studio income remains steady and demand for CADS' spaces has never been higher. Covid is a challenge for CADS but it also presents opportunities both now and in the future, lockdown has proved that decentralised working could play a much bigger role in the future leading to more demand for studios and small offices. In addition to this people have become more appreciative of the social aspect of work now it has been taken away from them which again helps push the idea of CADS studio complexes and shared work spaces. Even the Abbeydale Picture House could come out of the pandemic well after various new grants have/will be announced for the arts and heritage sectors and the enforced closure of the building means that essential works could be done much quicker allowing the Picture House to be in the best possible position to open as a fully equipped and licensed venue in the post-covid landscape.

# **CADS SOUTH YORKSHIRE LIMITED**

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

### **FOR THE YEAR ENDED 31 JULY 2020**

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#### **Financial review**

The charity received £248,269 (2019: £272,716) of income during the year ended 31 July 2020 and expended £213,588 (2019: £215,088) showing a surplus of £34,681 (2019: £57,628). At 31 July 2020, the charity had restricted reserves of £nil (2019: £3,523) and unrestricted reserves of £106,564 (2019: £68,360). The total reserves at 31 July 2020 were £106,564 (2019: £71,883), of which £51,170 were freely available.

It is the policy of CADS South Yorkshire Limited to aim to hold in reserves the equivalent of three months general running costs to include salary costs. This policy will be reviewed every twelve months.

CADS charitable activities are primarily self-funded with most of the businesses revenue earned through studio rental and space hire. This gives CADS a great freedom to operate outside the bounds of grant funding and leaves it self-sufficient.

Our SpaceCADet program is entirely self-funded, as well as, our space hire subsidies for our event space.

For our restoration efforts at the Abbeydale Picturehouse, we have received grants specifically for capital works, such as the 1st floor toilet renovation and the fire alarm system, in order to complete necessary licence requirements.

All grants and grant spending are monitored and reviewed monthly by the Finance Manager. Restricted grant spending is closely monitored and the required reports submitted to the funders.

The trustees has assessed the major risks to which the charitable company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### **Risk Management**

The trustees have a risk management strategy which comprises:

- An annual review of the risks that the charity may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan; and
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

## **CADS SOUTH YORKSHIRE LIMITED**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)** **FOR THE YEAR ENDED 31 JULY 2020**

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#### CADS Future Plans

CADS's plans for the near future are mainly concerned with keeping the charity solvent and trading throughout the Covid 19 pandemic as well as putting itself in as best a position possible for the return to normality when the pandemic has been contained. CADS believes the studio side of the business is unlikely to suffer too much from the effects of the pandemic as most spaces are private and occupied by a single person so are unlikely to be cause for concern with regards viral transmission. The main area of the business to suffer from the affects of the pandemic is events, specifically at The Abbeydale Picture House. CADS is not confident it will be able to host any events for the rest of 2020 and even into 2021 due to the effects of the pandemic and government guidelines with regards social distancing and large events. CADS is hoping that the use of the furlough scheme, government grants and grants from other bodies will be able to see the Picture House through the 20/21 financial year with the aim to restart events around the start of the 21/22 financial year if not before. CADS has also been in discussions with the landlord at The Abbeydale Picture House about a rent holiday or rent free period to help CADS through the pandemic but these are still ongoing.

Looking further into the future and past the pandemic CADS aims to continue to grow its studio offering by taking on a new building as soon as this is viable. CADS has been in discussions about taking on a large building which would nearly double its studio provision but talks have stalled due to the pandemic. CADS aims to resume these talks as soon as feasible with the hope of taking on a building towards the beginning of the 21/22 financial year, CADS will also be seeking more favourable terms including a lower headline rent and a longer rent free period to offset some of the effects of the pandemic and to draw themselves more in line with the post-pandemic property landscape.

In addition, CADS is hoping that during the time without events works at the Abbeydale Picture House will be able to progress more quickly than planned with the aim that all works required for the premises licence be completed by the time events are able to take place at full capacity. The licence will allow CADS to move forward with its aim to make The Abbeydale Picture House a nationally recognised venue for music, performance and cinema as well as providing much needed income from non primary purpose trading such as weddings which can be used to further CADS charitable objectives.

#### **Structure, governance and management**

The charitable company is a company limited by guarantee under the provision of the Companies Act 2006. The charitable company is governed by its Memorandum and Articles of Association incorporated on 25 June 2012, as amended by a special resolution registered at Companies House on 27 March 2013, as amended by special resolutions dated 22 January 2018.

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:

S Rimmer

N Mosey

S Brown



## **CADS SOUTH YORKSHIRE LIMITED**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020**

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#### Recruiting and appointing new Trustees

We have been looking to expand our board of trustees beyond its current capacity which is limited. We have been seeking new trustees who can bring expertise and experience with heritage, finance, business development, and funding. Expanding the board will become a higher priority in the medium term as we seek to draw down larger pots of funding for the restoration of The Abbeydale Picture House and consolidate our studio trading.

Our constitution states: A person qualified and wishing to become a trustee must be aged 18 years or over and must either be recommended by the Trustees or be nominated for election by a Trustee. A nomination for election from a member must be signed by that Trustee and by the person being nominated, and it must be lodged with the Secretary not less than 7 or more than 28 clear days before the date of the AGM. The nomination form must contain the same details as that required of a director by Companies House.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The charity is run by a board of 3 trustees working closely with the management team both on strategic and operational procedures. The trustees meet in person on a quarterly basis but are in regular phone and email contact at other times. Trustee Stephen Rimmer works very closely with the CADS management team.

#### Trustee Induction and Training

New board members undergo an orientation to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles, the board and decision making processes, the business plan and recent financial performance of the charity. During the induction process they meet other trustees.

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

**S Rimmer**

Trustee

Dated: 29 April 2021

6 Broadfield Court  
Broadfield Way  
Sheffield  
S8 0XF

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CADS SOUTH YORKSHIRE LIMITED**

I report to the trustees on my examination of the financial statements of CADS South Yorkshire Limited (the charitable company) for the year ended 31 July 2020.

### **Responsibilities and basis of report**

As the trustees of the charitable company (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 charitable company 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 charitable company'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**

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 charitable company 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.

**A Hulse BA FCA**  
**UHY Hacker Young**

**Chartered Accountants**

Dated: 29 April 2021

# CADS SOUTH YORKSHIRE LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2020

		Unrestricted funds	Restricted funds	Total 2020	Unrestricted funds as restated £	Restricted funds as restated £	Total 2019 as restated £
	Notes	£	£	£	£	£	£
<b><u>Income from:</u></b>							
Donations and legacies	3	49,849	17,614	67,463	324	41,020	41,344
Charitable activities	4	180,750	-	180,750	231,372	-	231,372
Investments	5	56	-	56	-	-	-
<b>Total income</b>		<u>230,655</u>	<u>17,614</u>	<u>248,269</u>	<u>231,696</u>	<u>41,020</u>	<u>272,716</u>
<b><u>Expenditure on:</u></b>							
Raising funds	6	-	-	-	-	3,103	3,103
Charitable activities	7	213,588	-	213,588	211,985	-	211,985
<b>Total resources expended</b>		<u>213,588</u>	<u>-</u>	<u>213,588</u>	<u>211,985</u>	<u>3,103</u>	<u>215,088</u>
<b>Net incoming resources before transfers</b>		17,067	17,614	34,681	19,711	37,917	57,628
Gross transfers between funds		<u>21,137</u>	<u>(21,137)</u>	<u>-</u>	<u>34,394</u>	<u>(34,394)</u>	<u>-</u>
<b>Net income/(expenditure) for the year/</b>							
<b>Net movement in funds</b>		38,204	(3,523)	34,681	54,105	3,523	57,628
Fund balances at 1 August 2019		<u>68,360</u>	<u>3,523</u>	<u>71,883</u>	<u>14,255</u>	<u>-</u>	<u>14,255</u>
<b>Fund balances at 31 July 2020</b>		<u><u>106,564</u></u>	<u><u>-</u></u>	<u><u>106,564</u></u>	<u><u>68,360</u></u>	<u><u>3,523</u></u>	<u><u>71,883</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.

# CADS SOUTH YORKSHIRE LIMITED

## BALANCE SHEET

AS AT 31 JULY 2020

		2020		2019 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		55,394		35,286
<b>Current assets</b>					
Debtors	13	15,667		25,060	
Cash at bank and in hand		70,462		27,062	
			86,129		52,122
<b>Creditors: amounts falling due within one year</b>	14	(34,959)		(15,525)	
Net current assets			51,170		36,597
<b>Total assets less current liabilities</b>			106,564		71,883
<b>Income funds</b>					
Restricted funds	16		-		3,523
Unrestricted funds			106,564		68,360
			106,564		71,883

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 July 2020.

The trustees 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 29 April 2021

S Rimmer  
Trustee

Company Registration No. 08117742

# CADS SOUTH YORKSHIRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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### 1 Accounting policies

#### Charity information

CADS South Yorkshire Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 387 Abbeydale Road, Sheffield, South Yorkshire, S7 1FS.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company'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) (effective 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

The charitable company 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 charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### Restatement of comparative financial information

The 2019 financial statements were not prepared under the Charities SORP. Accordingly this is the first year in which the SORP has been adopted and, where necessary, balances have been restated. In addition (i) the Company was incorrectly charged to Corporation tax in the prior year of £1,269 and (ii) capital expenditure for leasehold improvements totalling £34,394 was incorrectly expensed. As a result of the changes, net assets originally reported of £32,346 have been restated to £71,883.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. In making that assessment, the trustees have specifically considered the impact of the coronavirus on the operations of the charity, alongside actions taken to mitigate that impact. 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.

#### 1.4 Income

Income is recognised when the charitable company 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.

# CADS SOUTH YORKSHIRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

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### 1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charitable company 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.

#### 1.5 Expenditure

Resources expenses are recognised in the year in which they are incurred, inclusive of irrecoverable VAT.

Charitable expenditure comprises costs incurred by the charity in the delivery of its activities and includes costs that can be allocated directly to such activities and costs of an indirect nature to support them.

Governance costs are those costs incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

#### 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 remaining period of the lease
Fixtures and fittings	Straight line over 4 years

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.

Fixed assets costing less than £500 are not capitalised.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charitable company 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.

# CADS SOUTH YORKSHIRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

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### 1 Accounting policies

(Continued)

#### 1.9 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company 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.

##### **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.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

# CADS SOUTH YORKSHIRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

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### 1 Accounting policies

(Continued)

#### **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 charitable company'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 charitable company 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 charitable company'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. There are no judgements or estimates which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.



# CADS SOUTH YORKSHIRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £
Donations and gifts	49,849	17,614	67,463	324	41,020	41,344

### 4 Charitable activities

	2020 £	2019 £
Sales within charitable activities	180,750	231,372

### 5 Investments

	Total	Total
	2020 £	2019 £
Interest receivable	56	-

### 6 Raising funds

	Total 2020	Total 2019
	£	£
<u>Fundraising and publicity</u>		
Seeking donations, grants and legacies	-	3,103
	-	3,103

# CADS SOUTH YORKSHIRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

### 7 Charitable activities

	2020 £	2019 £
Staff costs	59,862	52,518
Depreciation and impairment	2,584	608
Community activities	5,913	13,136
Rent	59,493	46,786
Utilities	40,312	48,234
Office expenses	7,926	9,973
IT costs	2,172	2,342
Membership fees	2,483	1,106
Subscriptions	449	1,108
Insurance	17,159	17,608
Bank charges and interest	300	565
Advertising and public relations	424	1,519
Repairs and maintenance	2,506	2,519
Legal and professional fees	619	2,000
General expenses	767	4,317
Bad debts	7,928	6,001
	<u>210,897</u>	<u>210,340</u>
Share of governance costs (see note 8)	2,691	1,645
	<u>213,588</u>	<u>211,985</u>

### 8 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Independent examination fees	-	2,691	2,691	-	1,645	1,645
	<u>-</u>	<u>2,691</u>	<u>2,691</u>	<u>-</u>	<u>1,645</u>	<u>1,645</u>
Analysed between Charitable activities	-	2,691	2,691	-	1,645	1,645
	<u>-</u>	<u>2,691</u>	<u>2,691</u>	<u>-</u>	<u>1,645</u>	<u>1,645</u>

Governance costs includes payments to the independent examiner of £900 (2019: £nil) for independent examination fees and £1,791 (2019: £nil) for other services.

# CADS SOUTH YORKSHIRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

### 9 Trustees

C. Rimmer (trustees' sister) received remuneration of £8,560 (2019: £8,016) and had pension contributions made of £214 (2019: £nil) under her contract of employment with the charitable company.

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

### 10 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Trustees	3	3
Employees	4	4
	<u>7</u>	<u>7</u>

#### Employment costs

	2020 £	2019 £
Wages and salaries	55,732	47,910
Social security costs	2,402	2,214
Other pension costs	1,728	2,394
	<u>59,862</u>	<u>52,518</u>

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

### 11 Taxation

In view of the charitable objects of the company and of its registered charitable status, no taxation should be payable.

# CADS SOUTH YORKSHIRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2020

#### 12 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 August 2019	34,394	2,456	36,850
Additions	22,692	-	22,692
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 July 2020	57,086	2,456	59,542
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation and impairment</b>			
At 1 August 2019	-	1,564	1,564
Depreciation charged in the year	1,970	614	2,584
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 July 2020	1,970	2,178	4,148
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount</b>			
At 31 July 2020	55,116	278	55,394
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 July 2019	34,394	892	35,286
	<u>          </u>	<u>          </u>	<u>          </u>

#### 13 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	12,592	25,060
Other debtors	3,075	-
	<u>          </u>	<u>          </u>
	15,667	25,060
	<u>          </u>	<u>          </u>

#### 14 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	219	-
Trade creditors	9,682	4,528
Other creditors	22,405	10,997
Accruals and deferred income	2,653	-
	<u>          </u>	<u>          </u>
	34,959	15,525
	<u>          </u>	<u>          </u>

# **CADS SOUTH YORKSHIRE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 JULY 2020**

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#### **15 Retirement benefit schemes**

##### **Defined contribution schemes**

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

The charge to profit or loss in respect of defined contribution schemes was £1,728 (2019 - £2,394).

## CADS SOUTH YORKSHIRE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 JULY 2020

#### 16 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		
	Incoming resources	Resources expended	Transfers	Balance at 1 August 2019	Incoming resources	Transfers	Balance at 31 July 2020
	£	£	£	£	£	£	£
Abbeydale Picture House Capital Works	41,020	(3,103)	(34,394)	3,523	17,614	(21,137)	-

Our restricted funds are made up of funds to complete capital works in order to progress our Phase 2 strategy for the restoration of the Abbeydale Picturehouse. We are very grateful to have received grants from The Pilgrims Trust & Arts Council England to enable the purchase and installation of a new fire alarm system.

# CADS SOUTH YORKSHIRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

### 17 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Fund balances at 31 July 2020 are represented by:						
Tangible assets	55,394	-	55,394	35,286	-	35,286
Current assets/ (liabilities)	51,170	-	51,170	33,074	3,523	36,597
	<u>106,564</u>	<u>-</u>	<u>106,564</u>	<u>68,360</u>	<u>3,523</u>	<u>71,883</u>

### 18 Operating lease commitments

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

	2020	2019
	£	£
Within one year	24,000	18,750
Between two and five years	96,000	96,000
In over five years	430,000	454,000
	<u>550,000</u>	<u>568,750</u>

### 19 Events after the reporting date

As referred to in the going concern section of the accounting policies, the trustees are monitoring the situation regarding the coronavirus and any impact it may have on the charity. Given the current uncertainties, any longer term financial effect cannot be estimated.

### 20 Related party transactions

There are no other disclosable related party transactions.