

Pavilions Teignmouth
Trustees' Annual Report and Accounts
Year Ended 30 June 2023

Registered Charity Number: 1162175

Pavilions Teignmouth

Financial Statements

Year Ended 30 June 2023

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Pavilions Teignmouth

Administrative Details

Year Ended 30 June 2023

Trustees: Margaret Davidson, Chair
Richard Brett, Trustee
Roger Smith, Trustee
John Stratton OBE, Trustee (resigned 3 July 2023)
Tony Smith, Trustee
Chris Parfitt, Trustee
Patricia Anne Schooling (appointed 6 November 2023)
Martin Keith Phillips (appointed 6 November 2023)
Martin Lacey Gandar (appointed 6 November 2023)

Principal Office: Pavilions Teignmouth
The Den
Teignmouth
Devon
TQ14 8BG

Charity Number: 1162175

General Manager: Nikki Small

Accountants: Francis Clark LLP
Sigma House
Oak View Close
Edginswell Park
Torquay
Devon
TQ2 7FF

Pavilions Teignmouth

Trustees' Annual Report

Year Ended 30 June 2023

The Trustees present their annual report together with the financial statements for the year to 30 June 2023.

Objectives and Activities

The principal object of Pavilions Teignmouth is to promote the arts for the public benefit by the provision of a community arts centre.

Our Mission:

Pavilions Teignmouth is an arts centre for residents of and visitors to Teignmouth. It provides opportunities for all, regardless of age or ability through volunteering, working, learning, participating, watching, exploring, and building and growing.

Our Vision:

Pavilions Teignmouth will be a captivating and welcoming place, bringing people together to share, inspire, nurture, educate and enjoy arts and culture.

Our Aims and Objectives:

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

The Pavilions Business Plan outlines a set of aims and objectives under five main headings:

- Develop Resources
- Deliver Mission and Maximize Sustainability
- Leverage facility and profile to maximize impact
- Develop Enterprise & Commercial support
- Build community engagement, involvement, participation

Activities for achieving our Objectives:

Our Artistic Statement underpins all of our activities:

- Pavilions Teignmouth is a cultural hub for Teignmouth and the surrounding area, promoting creative, social and economic growth. The venue will encourage engagement, participation, creativity and development through a diverse programme of artistic and community events and activities

Our Programming Strategy sets out our intent:

- To create a balanced and varied programme of live and cinematic events throughout the year.
- To respond to and support existing audiences for arts and community events.
- To build partnerships and work in collaboration with established arts and performance groups.
- To balance artistic and economic aims and aspirations, with the objective of developing diversity and future audiences.

Pavilions Teignmouth relies on donations, grants and the income from fees and charges to cover its operating costs. Affordability and access to our programme is important to us and is reflected in our hiring and pricing policy which favours community organisations and activities.

We actively seek to involve the local community, arts organisations and businesses in our activities through outreach and facilitation of and participation in local cultural and artistic initiatives and groups.

Pavilions Teignmouth

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Year Ended 30 June 2023

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

Following the impact of Covid and in light of the current economic circumstances, there has been an encouraging though slow recovery in audience participation and engagement.

- Cinema and satellite broadcasts – a varied programme of 223 screenings attracted and engaged a broad audience of all ages and interests
- Live Performances -164 live performances enabled local audiences to enjoy a wide variety of genres. This was an increase of 26 over the previous year which was affected by Covid restrictions and saw only a slow recovery from these restrictions.
- Workshops - A wide range of workshops included Art, Languages, Fitness, Meditation and Photography
- Community Hire and Engagement – we supported local groups and organisations through hiring of premises. Examples are: Teignmouth Players, Shaldon Players, 6 dance schools, Teignmouth Poetry Festival, Teignmouth Jazz and Blues and craft fairs.

Overall, there was a steady return of audience numbers with an increase in attendance figures over the previous year. Film attracted just over 1000 more attendances and live performances attracted 2000 more attendances. This is an encouraging trend, especially in light of the current economic situation.

Volunteers

During this year 35 volunteers have supported pavilions Teignmouth in a variety of roles. The trustees recognise and value their efforts without which the centre could not operate.

Financial Review

Going Concern

There has been a steady and encouraging return of income levels although they have not yet fully recovered to pre- Covid levels. In 2021/22 unrestricted reserves were £101,524 and have decreased to £95,449. This is sufficient to cover repairs and other expenditure required such as replacement and updating of equipment and unexpected disruption. Although the trustees believe that the ideal level of reserves would be £120,000 they are confident that recent recovery suggests this will be achieved in the near future. Also, current funds are sufficient to meet current needs.

The board is also reassured by a loan facility of £50,000 made available by Teignbridge District Council to be drawn down if necessary.

For this reason The Board continues to adopt the going concern basis in preparing financial statements.

Financial Review

The venue derived income from its activities including rental and hire income, ticket sales, advertising and sundry sales. It also received a grant of £316 from Teignbridge District Council and a £200 Co-op grant. Donation income was £508. Total income of £453,923 was recorded in the year together with total expenditure of £460,198, resulting in a deficit of £6,275 reducing total reserves at the year end.

Reserves Policy

Reserves are needed to bridge the gap between spending and receiving of income. It must also cover unplanned repairs and other expenditure due to unexpected disruption. Wear and tear and technical obsolescence will also lead to a need to replace equipment and infrastructure. Although the trustees believe that the ideal level of reserves would be £120,000 they are confident that recent recovery

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Year Ended 30 June 2023

suggests this will be achieved in the near future. Also, current funds are sufficient to meet current needs.

The board is also reassured by a loan facility of £50,000 made available by Teignbridge District Council to be drawn down if necessary.

Future plans

The trustees are mindful of the challenges due to increasing energy costs and tightening household incomes that impact both the venue and our audiences. However, this year has shown a recovery and we will continue to build on this. Through programming and marketing the aim is to continue to rebuild the confidence of our audiences and users by providing an exciting range of activities and events in an attractive and safe environment.

Structure, Governance and Management

The charity (CIO) was incorporated on 12 June 2015 and commenced trading on that date. It is not part of any wider group structure.

The organisation is governed by its Constitution last amended 10th June 2015 which establish its objects and powers.

The body responsible for the management of Pavilions Teignmouth is the Board of Trustees. In doing so the trustees take account of the Charity Governance Code in all of its dealings and decision making.

The full complement of Trustees is twelve and the Constitution requires that there shall never be less than three. Trustees must be appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees. A charity trustee who has served for three consecutive terms may not be reappointed for a fourth consecutive term but may be reappointed after an interval of at least one year.

Selection and Appointment of Trustees

Upon their first appointment each new trustee is provided with the following information:

- A copy of the Constitution along with any amendments made to it;
- The latest trustee' annual report and statement of accounts.

In addition, potential trustees are invited to attend trustee meetings prior to their appointment as trustee. Trustees receive no payment.

Organisational Structure and Decision Making

The Board normally meets bi-monthly. The Chair and Officers are appointed by the Trustees from among their number. A General Manager and Artistic Director is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the General Manager and Artistic Director has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and artistic performance related activity.

The General Manager and Artistic Director attends Trustee Board meetings.

Risk Management

Pavilions Teignmouth engages in and hosts a wide and diverse range of activities and events. The organisation is aware of risk to the public, the facility and the organisation and is developing a risk management plan that comprises:

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Trustees' Annual Report

Year Ended 30 June 2023

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

It is expected that clients and third parties who hire the facility will ensure that for each event a risk assessment and risk management plan is prepared having regard to:

- Protecting the public from risk
- Protecting the property from damage
- Safeguarding of Children and Vulnerable Adults

Trustees' responsibilities statement

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

The law applicable to charities in England & Wales 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 of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

This report was approved by the Trustees on 15 January 2024 and signed on their behalf by:

Margaret Davidson

Chair

Pavilions Teignmouth

Independent Examiner's Report

Year Ended 30 June 2023

I report to the trustees on my examination of the accounts of Pavilions Teignmouth for the year ended 30 June 2023.

Responsibilities and basis of report

As the Charity trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 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 the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 accounts to be reached.

Sharon Austen FCCA

Francis Clark LLP
Chartered Accountants
Sigma House
Oak View Close
Edginswell Park
Torquay
TQ2 7FF

Date: 24 January 2024

Pavilions Teignmouth

Statement of Financial Activities (Incorporating Income and Expenditure Account)

Year Ended 30 June 2023

	Notes	Unrestricted Funds 2023	Restricted Funds 2023	Total Funds 2023 £	Total Funds 2022 £
Income from:					
Donations and legacies	2	31,228	-	31,228	46,065
Charitable activities	3	422,666	-	422,666	347,571
Other income		29	-	29	1
Total income		<u>453,923</u>	<u>-</u>	<u>453,923</u>	<u>393,637</u>
Expenditure on:					
Charitable activities	4	459,998	200	460,198	422,945
Total		<u>459,998</u>	<u>200</u>	<u>460,198</u>	<u>422,945</u>
Net income and net movement in funds		(6,075)	(200)	(6,275)	(29,308)
Total funds brought forward		101,524	1,432	102,956	132,264
Total funds carried forward		<u>95,449</u>	<u>1,232</u>	<u>96,681</u>	<u>102,956</u>

The notes on pages 10 to 17 form part of these financial statements.

Pavilions Teignmouth

Statement of Financial Activities (Incorporating Income and Expenditure Account)

Year Ended 30 June 2022

	Notes	Unrestricted Funds 2022	Restricted Funds 2022	Total Funds 2022 £	Total Funds 2021 £
Income from:					
Donations and legacies	2	46,065	-	46,065	118,877
Charitable activities	3	347,571	-	347,571	141,565
Other income		1	-	1	1
Total income		<u>393,637</u>	<u>-</u>	<u>393,637</u>	<u>260,443</u>
Expenditure on:					
Charitable activities	4	422,945	-	422,945	239,854
Total		<u>422,945</u>	<u>-</u>	<u>422,945</u>	<u>239,854</u>
Net income and net movement in funds		(29,308)	-	(29,308)	20,589
Total funds brought forward		130,832	1,432	132,264	111,675
Total funds carried forward		<u>101,524</u>	<u>1,432</u>	<u>102,956</u>	<u>132,264</u>

The notes on pages 10 to 17 form part of these financial statements.

Pavilions Teignmouth

Balance Sheet

30 June 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	8	2,020	5,710
Investments	9	1	1
		<u>2,021</u>	<u>5,711</u>
Current assets			
Debtors	10	69,170	54,277
Cash at bank and in hand		124,991	122,501
		<u>194,161</u>	<u>176,778</u>
Liabilities:			
Creditors: Amounts falling due within one year	11	(99,501)	(79,533)
Net current assets		<u>94,660</u>	<u>97,245</u>
Net assets		<u>96,681</u>	<u>102,956</u>
Funds			
Unrestricted funds	12		-
Designated			
General		95,449	101,524
Restricted funds	12	1,232	1,432
		<u>96,681</u>	<u>102,956</u>

These financial statements were approved by the trustees on 15 January 2024 and are signed on their behalf by:

Margaret Davidson
Chair

Charity Registration Number: 1162175

The notes on pages 10 to 17 form part of these financial statements.

Pavilions Teignmouth

Notes to the Financial Statements

Year Ended 30 June 2023

1. Accounting policies

(a) General information

Pavilions Teignmouth is a Charitable Incorporated Organisation with its Constitution being the governing document.

The charity is registered in England and Wales and the registered office is Pavilions Teignmouth, The Den, Teignmouth, Devon, TQ14 8BD.

The charity constitutes a public benefit entity as defined by FRS 102.

These financial statements cover the individual charity and not the group.

The functional currency of Pavilions Teignmouth is considered to be pounds sterling because it is the currency of the primary economic environment in which the charity operates. The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities Regulations 2008.

(b) Basis of preparation

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice' applicable to charities preparing their accounts in accordance with the Charities SORP (FRS102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

(c) Fund Accounting

General funds are unrestricted funds which are available for use as the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

(d) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

(e) Government grants

Grant income is accounted for when received.

(f) Expenditure recognition

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

Support costs represent operational and administrative costs of the charity which do not relate directly to individual operations.

Governance costs are incurred in connection with compliance with constitutional and statutory requirements.

(g) Volunteers

The contribution received from volunteers is not valued within the accounts.

Pavilions Teignmouth

Notes to the Financial Statements

Year Ended 30 June 2023

(h) Going concern

There has been a steady and encouraging return of income levels although they have not yet fully recovered to pre- Covid levels. In 2021/22 unrestricted reserves were £101,524 and have decreased to £95,449. This is sufficient to cover repairs and other expenditure required such as replacement and updating of equipment and unexpected disruption. Although the trustees believe that the ideal level of reserves would be £120,000 they are confident that recent recovery suggests this will be achieved in the near future. Also, current funds are sufficient to meet current needs.

The board is also reassured by a loan facility of £50,000 made available by Teignbridge District Council to be drawn down if necessary.

For this reason The Board continues to adopt the going concern basis in preparing financial statements.

(i) Tangible Fixed Assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets over their expected useful lives on the following bases:

Fixtures and fittings	-	5 years
Office equipment	-	4 years

(j) Investments

Investment in the charity's subsidiary undertaking is stated at cost, less any provision for impairment in value.

(k) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(l) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less.

(m) Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Pavilions Teignmouth

Notes to the Financial Statements

Year Ended 30 June 2023

Accounting policies (*continued*)

(n) Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. Income from donations and grants

	2023 £	2022 £
Donations	30,912	37,056
Grants	316	9,009
	<u>31,228</u>	<u>46,065</u>

In 2023 the donations and legacies income included £nil (2022 - £nil) of restricted funds income and grant income included £nil (2022 - £nil) of restricted funds.
Government grants received during the year totalled £316 (2022 - £8,305).

3. Income from charitable activities

	2023 £	2022 £
Provision of Arts Centre	<u>422,666</u>	<u>347,571</u>

4. Expenditure on charitable activities

	Governance costs £	Provision of Arts Centre £	Total 2023 £	Total 2022 £
Utilities	-	85,632	85,632	78,662
Promotion	-	167,612	167,612	137,610
Arts Centre expenses	-	37,364	37,364	37,061
Rent	-	33,600	33,600	33,600
Wages and salaries	-	76,409	76,409	74,020
Pension expense	-	1,947	1,947	1,862
Support costs	5,976	51,658	57,634	60,130
	<u>5,976</u>	<u>454,222</u>	<u>460,198</u>	<u>422,945</u>

In 2023 the charitable activities expenditure included £200 (2022 - £nil) of restricted funds expenditure.

Pavilions Teignmouth

Notes to the Financial Statements

Year Ended 30 June 2023

5. Support Costs

	Governance costs £	Provision of Arts Centre £	Total 2023 £	Total 2022 £
Repairs and maintenance	-	40,075	40,075	39,517
Travel and hospitality	-	198	198	303
Wages and other employment costs	-	1,033	1,033	796
Other	-	6,183	6,183	10,315
Independent examination	3,510	-	3,510	4,979
Legal and professional fees	2,466	-	2,466	13
Depreciation	-	4,169	4,169	4,207
	<u>5,976</u>	<u>51,658</u>	<u>57,634</u>	<u>60,130</u>

6. Net income

This is stated after charging:

	2023 £	2022 £
Depreciation of tangible fixed assets	<u>4,169</u>	<u>4,207</u>

7. Staff costs, trustee remuneration and expenses, and the remuneration of key management personnel

Staff costs were as follows:

	2023 £	2022 £
Wages, salaries	76,409	74,019
Social security costs	-	-
Pension costs	1,947	1,863
	<u>78,356</u>	<u>75,882</u>

The average number of persons employed by the charity during the year was as follows:

	2023 No.	2022 No.
Wages and salaries	<u>8</u>	<u>8</u>

No employee received remuneration in excess of £60,000 (2022: None).

The charity's trustees were not paid and did not receive any other benefits or expenses from the charity in the current or the previous year.

Pavilions Teignmouth

Notes to the Financial Statements

Year Ended 30 June 2023

8. Tangible Fixed Assets

	Fixtures and fittings £	Office Equipment £	Total £
Cost			
At 1 July 2022	16,099	5,642	21,741
Additions	-	479	479
At 30 June 2023	16,099	6,121	22,220
Depreciation			
At 1 July 2022	12,281	3,750	16,031
Charge for the year	3,082	1,087	4,169
At 30 June 2023	15,363	4,837	20,200
Net book value At 30 June 2023	736	1,284	2,020
At 30 June 2022	3,818	1,892	5,710

9. Fixed Asset Investments

The charity's wholly owned subsidiary, Pavilions Enterprises Limited, had share capital and reserves of £1 (2022: £1) at 30 June 2023, and profit for the year to 30 June 2023 of £Nil (2022: £Nil).

10. Debtors

	2023 £	2022 £
Trade debtors	58,335	42,210
Prepayments and accrued income	10,835	9,228
Other taxation	-	2,839
	69,170	54,277

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Notes to the Financial Statements

Year Ended 30 June 2023

11. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	10,562	4,053
Other taxation and social security	985	-
Other creditors	7,657	10,319
Accruals and deferred income	80,297	65,161
	<u>99,501</u>	<u>79,533</u>

Deferred income	2023	2022
	£	£
Deferred income at 1 July 2022	23,616	28,530
Resources deferred during the year	40,375	23,616
Amounts released from previous years	(23,616)	(28,530)
Deferred income at 30 June 2023	<u>40,375</u>	<u>23,616</u>

At the balance sheet date, the charity was holding funds received in advance for charitable activities for the following year.

Pavilions Teignmouth

Notes to the Financial Statements

Year Ended 30 June 2023

12. Movement in funds

Current year:	Balance at 1 July 2022 £	Income £	Expenditure /Transfers £	Balance at 30 June 2023 £
Unrestricted Funds				
General	101,524	453,923	(459,998)	95,449
Total Restricted Funds	<u>101,524</u>	<u>453,923</u>	<u>(459,998)</u>	<u>95,449</u>
Restricted Funds				
Co-op in the community	1,432	-	(200)	1,232
Total Restricted Funds	<u>1,432</u>	<u>-</u>	<u>(200)</u>	<u>1,232</u>
Total Funds	<u>102,956</u>	<u>453,923</u>	<u>(460,198)</u>	<u>96,681</u>
Previous year:	Balance at 1 July 2021 £	Income £	Expenditure /Transfers £	Balance at 30 June 2022 £
Unrestricted Funds				
Designated	12,000	-	(12,000)	-
General	118,832	393,637	(410,945)	101,524
Total Restricted Funds	<u>130,832</u>	<u>393,637</u>	<u>(422,945)</u>	<u>101,524</u>
Restricted Funds				
Co-op in the community	1,432	-	-	1,432
Total Restricted Funds	<u>1,432</u>	<u>-</u>	<u>-</u>	<u>1,432</u>
Total Funds	<u>132,264</u>	<u>393,637</u>	<u>(422,945)</u>	<u>102,956</u>

13. Analysis of net assets between funds

The charity's balance sheet shows net assets of £96,681 (2022: £102,956). Fixed assets in respect of restricted funds total £nil (2022: £nil). Current assets in respect of restricted funds total £1,232 (2022 - £1,432). The remaining net assets relate to unrestricted funds.

Pavilions Teignmouth

Notes to the Financial Statements

Year Ended 30 June 2023

14. Operating lease commitments

At 30 June 2023, the total of the Charity's future minimal lease payments under non-cancellable operating leases was:

	2023 £	2022 £
Amount payable:		
Within 1 year	3,000	3,000
Between 1 and 5 years	5,000	8,000
Total	<u>8,000</u>	<u>11,000</u>

15. Related Party Transactions

During the period, the charity received rent of £nil (2022: £nil) and a gift aid donation of £nil (2022: £476) from its subsidiary, Pavilions Enterprises Limited. The amount owed to the charity at the year end was £nil (2022: £nil).