

REGISTERED COMPANY NUMBER: 02699283 (England and Wales)
REGISTERED CHARITY NUMBER: 1010883

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

FOR

LUDLOW & DISTRICT COMMUNITY ASSOCIATION
LTD

D.R.E. & Co. (Audit) Limited
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

LUDLOW & DISTRICT COMMUNITY ASSOCIATION
LTD

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FOR THE YEAR ENDED 31 MARCH 2023

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**LUDLOW & DISTRICT COMMUNITY ASSOCIATION
LTD**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2023**

TRUSTEES	M J Penn Company Director G S Williams Company Director Mrs S M Ripley (resigned 15.7.22) Mrs L Johnston C M Henry (resigned 19.4.23) P W Rew Company Director L M Mundy J I Deakin I Andronov Ms F Morrell (appointed 19.7.23) J I Walker (appointed 19.7.23) Ms R M Napier (appointed 19.7.23) A C McGowan (appointed 19.7.23)
COMPANY SECRETARY	M J Penn
REGISTERED OFFICE	1 Mill Street Ludlow Shropshire SY8 1AZ
REGISTERED COMPANY NUMBER	02699283 (England and Wales)
REGISTERED CHARITY NUMBER	1010883
INDEPENDENT EXAMINER	D.R.E. & Co. (Audit) Limited 7 Lower Brook Street Oswestry Shropshire SY11 2HG
OFFICERS	Chairman - L. Johnston (2021) Vice Chair - L. Mundy (2021) Treasurer - T. Hughes (2023)
CHIEF EXECUTIVE	Joel Baldwin

LUDLOW & DISTRICT COMMUNITY ASSOCIATION
LTD (REGISTERED NUMBER: 02699283)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of 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).

LUDLOW & DISTRICT COMMUNITY ASSOCIATION
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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Memorandum of Association of the Ludlow & District Community Association Limited (LDCA) states that the guiding objectives of the organisation are:

1. To foster and promote the maintenance, improvement and development of artistic taste and a knowledge, understanding and appreciation of the arts among the inhabitants of Ludlow and the district thereof.
2. To promote a community centre for the use of the said inhabitants without distinction of political, religious, or other opinion, with the object of improving the conditions of life for the said inhabitants.

In July 2014, the trustees of Ludlow Assembly Rooms (LDCA's working name, herein simply: 'LAR') formulated a strategic plan for a sustainable and successful Assembly Rooms. This plan was conceived and executed to address a future where public revenue funding, which in the past was as much as 40 percent of the charity's gross revenue, was going to become increasingly difficult to obtain. Events since this time have confirmed this view. LAR needed to become increasingly self-reliant on its own programme, assets and membership to generate the necessary revenue to remain in existence.

Building on this plan, a new strategic plan 2021-2026 was developed and agreed prior to the opening of LAR following refurbishment. The plan continues to address three primary areas - the building, the organisation and the financial business model. The building, now extensively modernised to reduce running costs and with additional space to add new revenue producing activities, requires a higher level of maintenance than we previously had to fund. The organisation's productivity and costs were examined and efficiencies identified. However, our established business model is not working as effectively post Covid as it had previously. Cinema, in particular, is not bringing in the regular income that it did in the past. We are currently exploring and will be implementing changes to the current business model.

Income from Bill's Kitchen is a critical income stream for LAR. Net revenue in excess of £42,000 per annum was generated in 2022-23, the first full year of operation. This revenue, while not replacing that lost when the Shropshire Council grant ended, does make a major contribution to operating the LAR in the absence of such funding. In addition to the purely financial benefit, the café encourages incremental footfall and hopefully new customers for LAR activities. We are currently exploring with Bill how to raise revenue levels.

ACTIVITIES OVER THE YEAR

LAR's principal activities are the provision of live entertainment, film screenings and the live or pre-recorded broadcasts of opera, theatre, ballet and other events. These activities have formed the main source of revenue to support the Association and have, in the past, provided as much as 45% of the gross annual revenue of LAR. They provided 43% of the income in this financial year.

The 2022-2023 financial period represents the first full year of business for LAR since 2018-2019. Although the lockdown effectively ended in June 2021, LAR remained largely closed until October 11th 2021 in order to complete the last remaining work in the building. In common with most UK businesses and charities our return to operations has seen, in some areas, lower levels of activity in terms of audience numbers and associated revenue.

Cinema Review

LAR was able to show some 129 separate films with 252 total screenings through the financial year. Some 7765 cinema tickets were sold and the gross revenue totalled £51,408. Highlights in the Cinema programme included the epic movie "Elvis", the year's blockbuster, "Top Gun: Maverick" and the former TV favourite "Downton Abbey: New Era". LAR continued to meet its commitment for cinema for children in the year with several screenings including "Sonic the Hedgehog 2", "Fantastic Beasts: The Secrets of Dumbledore" and "The Railway Children Return". It should be noted that cinema revenue though has declined post-Covid and rebuilding audience numbers will take time.

Live Events Review

LUDLOW & DISTRICT COMMUNITY ASSOCIATION
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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

LAR held 80 separate live events, totalling 129 performances, including those externally sponsored, in the financial year selling some 12,024 tickets and achieving gross sales of £166,635. Firm favourites such as "Showaddywaddy", the "Spooky Men's Chorale" and "The Manfreds" continued to attract near sold out audiences. Tribute acts including "Dire Streets" and "The Adele Tribute" also remained popular. The Mid Wales Opera returned with a very successful performance of "Puss in Boots" and folk artist Eliza Carthy did well. However, the Christmas pantomime "Jack and the Beanstalk" was by far the most successful providing almost 27% of the live revenue on the year.

Streamed Events Review

LAR featured 23 streamed events during the year with a total audience of 1,793 and revenue of £28,236. Streamed events from the National Theatre and Royal Opera dominated the offering. In particular the National Theatre's "Prima Facie" and the Royal Opera House production of "The Nutcracker" were clearly most popular.

Fundraising Review

The highlight of year was the much-loved Secret Gardens event on June 18th 2022. The Trustees are most grateful to LARFE who put so much effort into this event and to the owners of this year's gardens who made theirs available to view. The event is almost always the most significant fund raiser in the year. LARFE contributed some £28,569 to the Association in the year and remains a significant and vital part of our fundraising efforts.

LAR relies heavily on its volunteers, who work in the Box Office, the Visitor Information Centre, the Administrative Office, the bar, the technical department and as event stewards. Many of these volunteers and others also helped with the Fundraising Events. The trustees are most grateful for this support, which is so essential to the day-to-day operations of the Assembly Rooms and all its associated activities.

Early in the financial year, on 3rd May 2022, Helen Hughes stood down as CEO. Helen performed this job for well over 8 years on an entirely voluntary basis, saving LAR a substantial sum in the process. Helen provided critical leadership through the period 2014-2022 as the LAR laid out and executed a strategic plan to redevelop the organisation, business model and the building to ensure that it remain a viable and sustainable operation for the future. She will be greatly missed and the Trustees and Members alike thank her and wish her well in the future.

Following Helen's departure, the Association appointed Joel Baldwin as CEO.

LUDLOW & DISTRICT COMMUNITY ASSOCIATION
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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

FINANCIAL REVIEW

Principal funding sources

This was the first full year of LAR operating without any Covid restrictions since the refurbishment project. At the year end the gross income, which includes Donations and Legacies, Charitable Activities, and Other Income, came to £635,273. This is the total revenue for the financial year before costs for operations and overheads. The number is, in itself, comparable to gross income achieved prior to Covid and the refurbishment but is significantly flattered by a significant legacy realised in the year. This number does include both unrestricted and restricted funds.

The Trustees are most grateful to those individuals who supported us in the financial year. Without these donations and bequests, LAR could not exist. Special mention needs to be made of the significant bequest from the estate of the late Renee McKibbin of £150,000. Some of this bequest has enabled us to transform part of the building that did not benefit from the capital project and is now a high quality second studio available for hire. Fundraising in the year through the LARFE group continued to provide vital income support as well.

The total income from LAR charitable activities, including events, tickets, catering, membership etc, in the financial year raised £361,451. This is less than we realised prior to COVID but an increase, on a pro rata basis, over what we achieved last financial year. Cinema, Live Events and Streaming income is reviewed in the Activities over the Year report. Other notable charitable income included the theatre bar, largely staffed by volunteers, which realised a gross income of £51,997 and a net of £31,424, an 80% increase on the last full year's trading in 2017-18 (£17,353). A special thanks is due to those dedicated volunteers who staff our bars, as they enable us to fully maximise our income from bar sales.

Other income in the year includes the café, which in its first full year of operation, provided a net income of £42,506. On a monthly basis, this remains the same as last year, and the lack of growth reflects the more difficult trading times being encountered by the catering industry.

The operation and management costs of the LAR, including salaries, cost of cinema and live events, utilities, etc) in the financial year came to £590,979. Our staff costs in particular have increased due to the CEO post now being paid instead of voluntary and pay rises for our staff in line with minimum wage increases. We have also had to upgrade and renew technical equipment. Thus, despite making every effort to manage expenses, our operating costs significantly exceeded operating income in the financial year. LAR has always required some incremental funding raised through grants, donations and legacies to make up the difference between charitable activities income and expenses. The current year was no different though the scale of the difference was significantly greater. As noted below, we are hugely grateful to those generous donations and bequests that have enabled us to weather difficult trading times. We would like to note the huge contribution from our volunteer stewards and volunteer box office staff, who keep our costs down.

Ludlow Town Council has had a long commitment to the LAR, albeit with current year grants reduced from the previous year but still totalling some £12,500. This includes funds to support the Visitor Information Centre located prominently on the market square. The Trustees have always been very grateful to the Town Council for their support for the LAR. We have recently received notification that the Town Council has chosen not to award any grant funding in the 2024-25 year; we have written to the council to explain the significant impact this will have both on our revenue and our ability to source other grant funding. As the Town Council recognises and appreciates what LAR provides for Ludlow, we are hoping that they will reconsider this decision.

Financial results for the year

LAR recorded overall net unrestricted income of £44,294 and a net reduction in terms of restricted funding of £41,761. The final net income for the year is £2,533. The Trustees believe that the Association is trading as a going concern due to the impact of the prolonged building project, the current difficult trading environment and the corresponding drain on reserves in order to maintain staffing and activities. We have not made use of a bank overdraft facility for over eight years. The Association retains in reserve funds in excess of one month's operating expense.

This financial year represented the first full year of trading post Covid. Undoubtedly, our audiences have changed. The trustees anticipated that the first full year would be different from past years and budgeted for a contingency fund to cover an increasing gap between income and expenditure. We are currently adapting to this changed fiscal environment. Some ongoing funding, both through grants and donations, will be necessary but the amounts needed will be substantially less and feasible for an organisation such as LAR.

LUDLOW & DISTRICT COMMUNITY ASSOCIATION
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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

Despite the financial pressures, LAR is facing its future with optimism. The renewed and refurbished building will stand the organisation in good stead for the next twenty-five years and beyond. The Trustees and the Membership can take pride in what has been achieved.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The governing document is the Memorandum and Articles of Association, as incorporated on 20th March 1992, and in accordance with these the company is governed by a Council of Members. The maximum number of members of the Council is determined by the Association in General Meeting, but there shall be at all times at least five and not more than twelve.

Recruitment and appointment of new trustees

The Council of Members, all of whom are unpaid, currently consists of eleven trustees. Although the Articles of Association provide for the election of new trustees at the Annual General Meetings, in practice new members are found by advertisement and interviewed against a person specification, co-opted during the year, and proposed for election at the following Annual General Meeting. All new trustees sign a Declaration of Eligibility and undergo formal induction. The Articles of Association provide that those trustees with the longest Council of Members service, forming one-third of the Council, shall retire each year.

Scheme of delegation

The Council of Members decides the priorities for the organisation, sets the annual budget, and delegates all day-to-day management to the Chief Executive. The Council has adopted rules, in accordance with its Articles of Association, which set out the limits of their authority.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Council of Members has reviewed the major risks to which the organisation is exposed, and in light of the current trading environment, has put in place financial controls and is currently changing its business model. Other established systems and procedures to manage risks remain in place.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Ludlow & District Community Association Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

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

**LUDLOW & DISTRICT COMMUNITY ASSOCIATION
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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

Approved by order of the board of trustees on 7th November 2023 and signed on its behalf by:

Mrs L Johnston - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
LUDLOW & DISTRICT COMMUNITY ASSOCIATION
LTD (REGISTERED NUMBER: 02699283)**

Independent examiner's report to the trustees of Ludlow & District Community Association Ltd ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

Responsibilities and basis of report

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

Having satisfied myself that the accounts of the 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 your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can 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 matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

Francis Nock F.C.C.A.

D.R.E. & Co. (Audit) Limited
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

Date: 7th November 2023

**LUDLOW & DISTRICT COMMUNITY ASSOCIATION
LTD**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	Unrestricted funds £	Restricted fund £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	199,665	-	199,665	356,039
Charitable activities					
Operation of assembly rooms	5	361,451	-	361,451	151,054
Investment income	4	296	-	296	37
Other income		73,861	-	73,861	78,419
Total		635,273	-	635,273	585,549
EXPENDITURE ON					
Raising funds	6	3,775	-	3,775	4,862
Charitable activities					
Operation of assembly rooms	7	469,764	33,409	503,173	319,758
Administration costs		117,440	8,352	125,792	78,954
Total		590,979	41,761	632,740	403,574
NET INCOME/(EXPENDITURE)		44,294	(41,761)	2,533	181,975
RECONCILIATION OF FUNDS					
Total funds brought forward		426,303	642,465	1,068,768	886,793
TOTAL FUNDS CARRIED FORWARD		470,597	600,704	1,071,301	1,068,768

The notes form part of these financial statements

LUDLOW & DISTRICT COMMUNITY ASSOCIATION
LTD (REGISTERED NUMBER: 02699283)

BALANCE SHEET
31 MARCH 2023

	Notes	Unrestricted funds £	Restricted fund £	31.3.23 Total funds £	31.3.22 Total funds £
FIXED ASSETS					
Tangible assets	13	214,475	732,711	947,186	994,167
CURRENT ASSETS					
Stocks	14	5,979	-	5,979	6,202
Debtors	15	11,437	-	11,437	30,102
Cash at bank and in hand		289,901	23,226	313,127	188,781
		307,317	23,226	330,543	225,085
CREDITORS					
Amounts falling due within one year	16	(51,195)	(155,233)	(206,428)	(150,484)
NET CURRENT ASSETS		256,122	(132,007)	124,115	74,601
TOTAL ASSETS LESS CURRENT LIABILITIES		470,597	600,704	1,071,301	1,068,768
NET ASSETS		470,597	600,704	1,071,301	1,068,768
FUNDS	18				
Unrestricted funds				470,597	426,303
Restricted funds				600,704	642,465
TOTAL FUNDS				1,071,301	1,068,768

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 charitable company.

LUDLOW & DISTRICT COMMUNITY ASSOCIATION
LTD (REGISTERED NUMBER: 02699283)

BALANCE SHEET - continued
31 MARCH 2023

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

The financial statements were approved by the Board of Trustees and authorised for issue on 7th November 2023 and were signed on its behalf by:

L Johnston - Trustee

LUDLOW & DISTRICT COMMUNITY ASSOCIATION
LTD

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	31.3.23 £	31.3.22 £
Cash flows from operating activities			
Cash generated from operations	1	<u>135,754</u>	<u>264,306</u>
Net cash provided by operating activities		<u>135,754</u>	<u>264,306</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(11,704)	(389,919)
Interest received		<u>296</u>	<u>37</u>
Net cash used in investing activities		<u>(11,408)</u>	<u>(389,882)</u>
		—————	—————
Change in cash and cash equivalents in the reporting period		124,346	(125,576)
Cash and cash equivalents at the beginning of the reporting period		<u>188,781</u>	<u>314,357</u>
Cash and cash equivalents at the end of the reporting period		<u>313,127</u>	<u>188,781</u>

The notes form part of these financial statements

**LUDLOW & DISTRICT COMMUNITY ASSOCIATION
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**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.23	31.3.22
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	2,533	181,975
Adjustments for:		
Depreciation charges	58,685	59,250
Interest received	(296)	(37)
Decrease/(increase) in stocks	223	(5,748)
Decrease in debtors	18,665	77,258
Increase/(decrease) in creditors	<u>55,944</u>	<u>(48,392)</u>
Net cash provided by operations	<u>135,754</u>	<u>264,306</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank and in hand	<u>188,781</u>	<u>124,346</u>	<u>313,127</u>
	<u>188,781</u>	<u>124,346</u>	<u>313,127</u>
Total	<u>188,781</u>	<u>124,346</u>	<u>313,127</u>

LUDLOW & DISTRICT COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. CHARITY INFORMATION

Ludlow and District Community Association Ltd is a charitable company, limited by guarantee, registered in England and Wales. The charity number, company number and registered office details can be found on page 1 of the accounts.

STATEMENT OF COMPLIANCE

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" and the Companies Act 2006.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

The accounts are for the individual entity only.

These financial statements are presented in £ sterling, rounded to the nearest £1.

Going Concern

While there are uncertainties in terms of the organisation's external environment, including key funding sources, the Trustees have, in the past few years, sought to expand revenue opportunities for the LDCA while seeking to reduce operating costs wherever practicable. With this strategy, they have achieved some specific successes as can be seen by the small but significant surpluses achieved in recent years and the establishment of a reserve fund. Further potential revenue opportunities do remain as do threats to funding sources but the Trustees continue to work hard on developing a sustainable business model going forward.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Improvements to property	- 4% on cost
Plant and machinery	- 20% - 50% per annum and 2% on cost

LUDLOW & DISTRICT COMMUNITY ASSOCIATION
LTD

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

The trustees have considered the need for a valuation on 1 Mill Street, however, they are of the opinion that it would not be a cost effective use of resources to do so as the carrying value in the financial statements reflects the market value of the property.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

3. DONATIONS AND LEGACIES

	31.3.23	31.3.22
	£	£
Ludlow Town Council	12,499	14,997
Fundraising Committee and other fundraising activities	28,745	15,239
Revenue grants and other income	147	61,000
Capital grants, donations and related gift aid	5,828	264,803
Legacies	<u>152,446</u>	-
	<u>199,665</u>	<u>356,039</u>

4. INVESTMENT INCOME

	31.3.23	31.3.22
	£	£
Deposit account interest	<u>296</u>	<u>37</u>

**LUDLOW & DISTRICT COMMUNITY ASSOCIATION
LTD**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

5. INCOME FROM CHARITABLE ACTIVITIES		31.3.23	31.3.22
		£	£
	Activity		
Cinema	Operation of assembly rooms	54,242	47,213
Live events	Operation of assembly rooms	160,771	41,261
Education and outreach	Operation of assembly rooms	272	18
Catering and bar	Operation of assembly rooms	51,997	18,907
Room hire	Operation of assembly rooms	21,521	7,159
Membership subscriptions and gift-aided tax reclaimable	Operation of assembly rooms	13,201	11,953
Booking fees	Operation of assembly rooms	35,878	17,393
Live streaming	Operation of assembly rooms	23,569	7,150
		<u>361,451</u>	<u>151,054</u>
6. RAISING FUNDS			
Raising donations and legacies		31.3.23	31.3.22
		£	£
Fundraising Events Committee and other fundraising activities expenditure		<u>2,343</u>	<u>3,349</u>
Other trading activities		31.3.23	31.3.22
		£	£
Bad debts		<u>1,432</u>	<u>1,513</u>
Aggregate amounts		<u>3,775</u>	<u>4,862</u>
7. CHARITABLE ACTIVITIES COSTS			
			Support costs (see note 8)
			£
Operation of assembly rooms			503,173
Administration costs			<u>125,792</u>
			<u>628,965</u>

LUDLOW & DISTRICT COMMUNITY ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

8. SUPPORT COSTS

	Management	Finance	Governance	Totals
	£	£	costs	£
	£	£	£	£
Operation of assembly rooms	489,923	8,730	4,520	503,173
Administration costs	122,480	2,182	1,130	125,792
	<u>612,403</u>	<u>10,912</u>	<u>5,650</u>	<u>628,965</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.23	31.3.22
	£	£
Depreciation - owned assets	<u>58,685</u>	<u>59,250</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

11. STAFF COSTS

	31.3.23	31.3.22
	£	£
Wages and salaries	198,329	130,239
Social security costs	5,956	2,675
Other pension costs	2,743	1,903
	<u>207,028</u>	<u>134,817</u>

The average monthly number of employees during the year was as follows:

	31.3.23	31.3.22
Direct charitable work	10	10
Administrative	<u>2</u>	<u>2</u>
	<u>12</u>	<u>12</u>

No employees received emoluments in excess of £60,000.

Certain staff wages and salaries have been allocated to the activity to which they relate.

LUDLOW & DISTRICT COMMUNITY ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	147,093	208,946	356,039
Charitable activities			
Operation of assembly rooms	151,054	-	151,054
Investment income	37	-	37
Other income	<u>78,419</u>	<u>-</u>	<u>78,419</u>
Total	<u>376,603</u>	<u>208,946</u>	<u>585,549</u>
EXPENDITURE ON			
Raising funds	4,862	-	4,862
Charitable activities			
Operation of assembly rooms	284,248	35,510	319,758
Administration costs	<u>71,092</u>	<u>7,862</u>	<u>78,954</u>
Total	<u>360,202</u>	<u>43,372</u>	<u>403,574</u>
NET INCOME	16,401	165,574	181,975
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>409,901</u>	<u>476,892</u>	<u>886,793</u>
TOTAL FUNDS CARRIED FORWARD	<u>426,302</u>	<u>642,466</u>	<u>1,068,768</u>

13. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Plant and machinery £	Computer equipment £	Totals £
COST					
At 1 April 2022	145,000	823,622	115,692	28,338	1,112,652
Additions	<u>-</u>	<u>3,650</u>	<u>6,596</u>	<u>1,458</u>	<u>11,704</u>
At 31 March 2023	<u>145,000</u>	<u>827,272</u>	<u>122,288</u>	<u>29,796</u>	<u>1,124,356</u>
DEPRECIATION					
At 1 April 2022	51,300	32,944	20,674	13,567	118,485
Charge for year	<u>2,700</u>	<u>33,091</u>	<u>16,935</u>	<u>5,959</u>	<u>58,685</u>
At 31 March 2023	<u>54,000</u>	<u>66,035</u>	<u>37,609</u>	<u>19,526</u>	<u>177,170</u>
NET BOOK VALUE					
At 31 March 2023	<u>91,000</u>	<u>761,237</u>	<u>84,679</u>	<u>10,270</u>	<u>947,186</u>
At 31 March 2022	<u>93,700</u>	<u>790,678</u>	<u>95,018</u>	<u>14,771</u>	<u>994,167</u>

LUDLOW & DISTRICT COMMUNITY ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

13. TANGIBLE FIXED ASSETS - continued

During the financial years to 31 March 1997 and 1998, the company acquired a small plot of land at the rear of 1 Mill Street for £10,000. This is included within freehold property.

Since October 1992 the company has had a leasehold over 1 Mill Street and 11 Castle Square. The current lease is for 30 years to April 2048.

14. STOCKS

	31.3.23	31.3.22
	£	£
Stocks	<u>5,979</u>	<u>6,202</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Trade debtors	4,600	9,689
Other debtors	3,600	1,305
Prepayments and accrued income	<u>3,237</u>	<u>19,108</u>
	<u>11,437</u>	<u>30,102</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Trade creditors	90,734	85,162
Social security and other taxes	6,566	9,300
Other creditors	72,638	9,712
Accruals and deferred income	<u>36,490</u>	<u>46,310</u>
	<u>206,428</u>	<u>150,484</u>

Included within other creditors is an amount for £65,217 which has been received on behalf of clients for exhibitions and shows. Before settlement to the client, the association raises charges for services and administration, after the event takes place. At 31 March 2023, the bank balance in the client account was £63,227.

17. SECURED DEBTS

The bank holds a debenture dated 25 April 1997 over all the assets of the company as security in respect of the overdraft.

LUDLOW & DISTRICT COMMUNITY ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

18. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	426,303	44,294	470,597
Restricted funds			
Restricted Fund	642,465	(41,761)	600,704
TOTAL FUNDS	<u>1,068,768</u>	<u>2,533</u>	<u>1,071,301</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	635,273	(590,979)	44,294
Restricted funds			
Restricted Fund	-	(41,761)	(41,761)
TOTAL FUNDS	<u>635,273</u>	<u>(632,740)</u>	<u>2,533</u>

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	259,901	16,402	150,000	426,303
Designated fund	<u>150,000</u>	-	<u>(150,000)</u>	-
	409,901	16,402	-	426,303
Restricted funds				
Restricted Fund	476,892	165,573	-	642,465
TOTAL FUNDS	<u>886,793</u>	<u>181,975</u>	<u>-</u>	<u>1,068,768</u>

LUDLOW & DISTRICT COMMUNITY ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	376,603	(360,201)	16,402
Restricted funds			
Restricted Fund	208,946	(43,373)	165,573
	<u>585,549</u>	<u>(403,574)</u>	<u>181,975</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	259,901	60,696	150,000	470,597
Designated fund	<u>150,000</u>	-	<u>(150,000)</u>	-
	409,901	60,696	-	470,597
Restricted funds				
Restricted Fund	476,892	123,812	-	600,704
	<u>886,793</u>	<u>184,508</u>	<u>-</u>	<u>1,071,301</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,011,876	(951,180)	60,696
Restricted funds			
Restricted Fund	208,946	(85,134)	123,812
	<u>1,220,822</u>	<u>(1,036,314)</u>	<u>184,508</u>