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 2026

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

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10 to 11
Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14 to 23

LUDLOW & DISTRICT COMMUNITY ASSOCIATION LTD

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 MARCH 2026

TRUSTEES	Mrs L Johnston P W Rew (resigned 7.5.25) J I Deakin I Andronov Ms F Morrell (resigned 3.11.25) J I Walker Ms R M Napier T G Hughes Ms A C Cundall M R T Evans (appointed 2.7.25) Dr S C Rooney (appointed 2.7.25) Mrs J M Evans (appointed 18.3.26) Ms I C Perrett (appointed 26.3.26)
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	Co-Chair - L. Johnston (2021) Co-Chair - J. Walker Treasurer - T. Hughes (2024)
CHIEF EXECUTIVE	Ms F. Morrell A. Tutt (Resigned November '25)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2026

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 2026. 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 LTD (REGISTERED NUMBER: 02699283)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2026

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 order to fulfil these objectives LAR (Ludlow Assembly Rooms, the Charity's working name) must be in a robust financial position. In the year to 31 March 2026 LAR made a surplus before depreciation of £27,000.

As mentioned in last year's Report a strategic review was carried out resulting in the appointment of a full time CEO. Fiona Morrell took the role in November 2025 and began by developing an organisational strategy which would drive the changes in the charity so that the strategic objectives could be delivered. This necessitated changes in roles and personnel and unfortunately it meant that some individuals left us. We thank them for their contribution to LAR over the years and also thanks those employees and volunteers who have embraced their new roles and responsibilities.

All changes have now been implemented, and the benefits will accrue progressively.

The strategic objectives remain in essence the same as previously outlined:

A sustainable, robust financial position. To be cash positive on an annual basis achieved through developing diverse income streams, attracting donations and appropriate grant funding.

Delivering engaging, inclusive experiences, learning opportunities, and excellent audience outcome.
Ensuring the spaces, systems, and technical support are in place to make creativity happen.
To have the right people in the right jobs. To ensure all staff and volunteers have the right training to carry out the roles effectives and have the support they need. To ensure all processes and procedures are clearly understood and properly documents.
The above to be achieved by the end of year 2027/28.
Without a strong financial position the organisation has no future. The main approaches to securing the improvements in profitability are:

- An improved understanding of the real profitability of the performances that are put on, recognising that some events will not be hugely profitable but are justified from an artistic point of view or are achieving some form of community benefit. There needs to be an appropriate balance however between these competing objectives.
- A better understanding of the cost structure of a complicated building with a view to more efficient cost control.
- Focus on appropriate grant funding opportunities including taking advantage of Government tax incentives.
- Broadening the audience by introduction of new events and income streams.
- Maximising use of space by greater focus on hire of the available facilities

ACTIVITIES OVER THE YEAR

As has been reported previously Cinema used to be the mainstay of LAR's income, but this changed post Covid. When Cinema failed to recover an approach was taken to put on more Auditorium events. While there were more events they proved to be less popular than expected. The financial aspects of this are discussed further below.

During the year software was developed to help fully understand the true profitability of events being programmed and also data was being collected which will help understand the effectiveness of the programming.

As against the decline in Live Event profitability other income streams performed better than prior year. There was focus on room hire as greater occupancy drops right through to the bottom line. There have been discussions with Bill's Kitchen to investigate ways in which turnover can be improved and income from the bar was the single largest contributor to profitability. Cinema remains an important contributor to profitability and better use is being made of matinee opportunities.

During the latter part of the year there has been emphasis on developing relationships with other charitable organisations in the area. As well as sharing ideas there is the opportunity for joint projects which will help fulfil LAR's Community Support responsibilities. Particular emphasis has been made of improving liaisons with schools which will be evidenced in 2026/27 when several local schools use LAR's facilities to put on their plays.

FUND RAISING

As ever the cornerstone of fund raising were the activities of LARFE. They increased their contribution again with income of over £31,000. Income from Member and Patrons schemes increased in the year and improved schemes will be introduced during 2026/27.

There were no substantial grants received in the year but the activity is bearing fruit in 2026/27. As the economic outlook remains poor it is likely that this will become a more important source of cash going forward. To enable the larger grants to be accessed information on outcomes of LAR's various initiatives must be gathered and analysed. This process began in the latter part of 2025/26 and is ongoing.

BUILDING

As has been reported in the past, the building in which LAR operates is a complex one and there are many drawbacks to what is essentially an old building notwithstanding its recent redevelopment. As part of the reorganisation plan it was decided to develop an in-house maintenance facility to counter the problems in getting access to, and the cost of tradesmen. This has been implemented in 2026/27 and the benefits are already being seen.

LAR would have been prepared to buy 1 Mill Street (The "Farmers" building) but offers were rejected. Oscars and The Studio occupy the upper floors of this building and are rented from the owner. A new lease on these premises is being sought and while negotiations are protracted it is expected the matter will be completed in 2026/27.

MANAGEMENT

A strategic review of the organisation identified the need for full time CEO based in Ludlow. While having responsibility for the artistic direction of LAR the main focus was on ensuring the operation was robust financially and run on commercial lines while continuing to develop its community responsibilities. Fiona Morrell was appointed to this role in November 2025. The strategic direction of the operation has been established and the organisational structure put in place to deliver this. This took the second half of 2025/26 and the early part of 2026/27 to fulfil and now the benefits are beginning to be seen.

New roles have been established and the responsibilities of existing positions clarified. The workforce is highly motivated and working together to deliver the strategic objectives.

Equal attention has been devoted to volunteers. Improving the volunteer experience was seen as vital, as the operation is reliant on the input of volunteers to function. The appointment of a Volunteer Co-ordinator, improved induction processes and training and regular communication sessions have all helped in this regard. LAR is fortunate in having around 160 volunteers at a time when it is increasingly difficult to get people to give up their time to such organisations.

FINANCIAL REVIEW

Principal funding sources

Income from all sources was ahead of prior year at £886,000 (2024/25 £781,000).

As against this revenue from Live Events saw a fall from £321,000 to £307,000, this was in spite of putting on more events. The contribution after direct costs fell from £63,000 to £50,000. This implies that shows were less popular and less profitable. Since February 2026 there has been much more focus on understanding the full costs associated with performances and better marketing of them. This is bearing fruit in the new financial year since there is a lag between booking acts and the actual performance. In the first 5 months of the new year the contribution from Live Events has increased from 22% to 33%.

Notwithstanding the underperformance of Live Events, other sources of income have moved ahead well. Cinema, Bar and Room Hire revenues were all above prior year.

Donations also showed an increase up from £62,000 to £84,000. This was partly explained by the recognition in the year of 2 annual grants from the Town Council due timing delays in receipt of the monies. LARFE again increased its contribution largely due to a successful Secret Gardens Event.

The Other Income category saw an improvement of £69,000. While there was an uplift in revenue from Bill's Kitchen the main benefit came from Theatre Tax Relief. The new management identified that there was Government support for original productions and LAR was able to claim this benefit for prior years. The backdated claim currently made totals £66,000 which will be received in 2026/27. This will become a very important contribution to cash resources in future years.

An amount is added to all tickets sold through the box office to fund this service. These amounts were increased during the year leading to the Box Office contribution increasing by £23,000.

There was an emphasis on Grant applications and while income from this area was ahead of prior year there is an inevitable time gap between the effort of claiming and the receipt of the cash. These efforts are starting to be seen progressively in 2026/27.

Overheads increased by £37,000, the major increase being in the Salaries category. This was primarily due to running with a duplicated management structure until the reorganisation could be completed. This was effected in early 2026/27.

The overall impact of the above was to reduce the yearly deficit from £80,000 to £29,000. Given that depreciation was £56,000 this implies a cash profit of £27,000 compared to a cash loss in 2024/25 of £24,000.

Cash resources at the end of the year were £157,000 compared to £193,000 at the end of 2024/25. The outflow is explained by the increase in working capital as a result of the debtor in respect of Theatre Tax Relief, the cash for which is being received in 2026/27.

The agreed overdraft available to the Association has not been drawn upon for 10 years.

The Trustees believe that the Charity is a going concern with sufficient reserves to meet its obligations as they fall due. In addition to the adequate funds for day to day operation the longer term intention is to build a fund to cover unforeseen large capital or revenue expenditure in the future.

FINANCIAL REVIEW

Reserves policy

It is important that the company maintains reserves at an appropriate level so that it would be able to meet its short term obligations in the face of a sudden loss in revenue. The directors believe it is prudent to maintain net liquid resources equivalent to 3 months expenditure on overheads, ignoring the costs of putting on events. This policy is kept under regular review by a Finance sub-committee of the Board and approved by the Board annually.

At the end of the financial year 2025/26 the net liquid resources figure was £61,000 and the 3 month overhead figure was £116,000.

The liquid resources figure will vary through the year but should the reserves figure fall below the target on a prolonged basis appropriate steps (such as targeted fund raising) will be taken to remedy the situation.

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 governing document is the Memorandum and Articles of Association, as incorporated on 20 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. New trustees are recruited in line with requirements identified by periodic skills audit. 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 Association, 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 risks to which the charity is exposed and this review is updated on a regular basis. In addition to financial controls to guard against fraud and error regular reviews of physical assets are carried out to ensure all legislation is complied with and physical safeguards are in place to reduce risks to personnel and the fabric of the building. The strategy for the Charity is being updated to address any developing existential threats to its operation.

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.

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 2 November 2026 and signed on its behalf by:

J I Walker - 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 2026.

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

2 November 2026

LUDLOW & DISTRICT COMMUNITY ASSOCIATION LTD

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Unrestricted funds £	Restricted fund £	**31.3.26 Total funds £**	31.3.25 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	**83,739**	**-**	**83,739**	62,467
Charitable activities	5				
Operation of assembly rooms		**649,921**	**-**	**649,921**	634,897
Investment income	4	**1,887**	**-**	**1,887**	2,357
Other income		**149,968**	**-**	**149,968**	80,828
Total		**885,515**	**-**	**885,515**	780,549
EXPENDITURE ON					
Raising funds	6	**(362)**	**-**	**(362)**	2,436
Charitable activities	7				
Operation of assembly rooms		**689,596**	**28,043**	**717,639**	686,559
Administration costs		**172,398**	**7,011**	**179,409**	171,640
Other		**17,800**	**-**	**17,800**	-
Total		**879,432**	**35,054**	**914,486**	860,635
NET INCOME/(EXPENDITURE)		**6,083**	**(35,054)**	**(28,971)**	(80,086)
RECONCILIATION OF FUNDS					
Total funds brought forward		**335,854**	**526,646**	**862,500**	942,586
TOTAL FUNDS CARRIED FORWARD		**341,937**	**491,592**	**833,529**	862,500

The notes form part of these financial statements

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

BALANCE SHEET
31 MARCH 2026

	Notes	Unrestricted funds £	Restricted fund £	**31.3.26 Total funds £**	31.3.25 Total funds £
FIXED ASSETS					
Tangible assets	13	**217,837**	**554,667**	**772,504**	824,610
CURRENT ASSETS					
Stocks	14	**6,686**	**-**	**6,686**	4,123
Debtors	15	**104,869**	**-**	**104,869**	35,077
Cash at bank and in hand		**102,197**	**54,539**	**156,736**	193,253
		213,752	**54,539**	**268,291**	232,453
CREDITORS					
Amounts falling due within one year	16	**(89,652)**	**(117,614)**	**(207,266)**	(194,563)
NET CURRENT ASSETS		**124,100**	**(63,075)**	**61,025**	37,890
TOTAL ASSETS LESS CURRENT LIABILITIES		**341,937**	**491,592**	**833,529**	862,500
NET ASSETS		**341,937**	**491,592**	**833,529**	862,500
FUNDS	18				
Unrestricted funds				**341,937**	335,854
Restricted funds				**491,592**	526,646
TOTAL FUNDS				**833,529**	862,500

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2026.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2026 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.

The notes form part of these financial statements

continued...

BALANCE SHEET - continued 31 MARCH 2026

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 2 November 2026 and were signed on its behalf by:

J I Walker - Trustee

LUDLOW & DISTRICT COMMUNITY ASSOCIATION LTD

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2026

	Notes	**31.3.26** **£**	31.3.25 £
Cash flows from operating activities			
Cash generated from operations	1	**(34,414)**	(25,942)
Net cash used in operating activities		**(34,414)**	(25,942)
Cash flows from investing activities			
Purchase of tangible fixed assets		**(3,990)**	(7,637)
Interest received		**1,887**	2,357
Net cash used in investing activities		**(2,103)**	(5,280)
Change in cash and cash equivalents in the reporting period		**(36,517)**	(31,222)
Cash and cash equivalents at the beginning of the reporting period		**193,253**	224,475
Cash and cash equivalents at the end of the reporting period		**156,736**	193,253

The notes form part of these financial statements

LUDLOW & DISTRICT COMMUNITY ASSOCIATION LTD

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2026

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

	31.3.26	31.3.25
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	**(28,971)**	(80,086)
Adjustments for:		
Depreciation charges	**56,096**	55,618
Interest received	**(1,887)**	(2,357)
(Increase)/decrease in stocks	**(2,563)**	2,573
Increase in debtors	**(69,792)**	(15,512)
Increase in creditors	**12,703**	13,822
Net cash used in operations	**(34,414)**	(25,942)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.25	Cash flow	**At 31.3.26**
	£	£	**£**
Net cash			
Cash at bank and in hand	**193,253**	**(36,517)**	**156,736**
	193,253	**(36,517)**	**156,736**
Total	**193,253**	**(36,517)**	**156,736**

The notes form part of these financial statements

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

continued...

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.

Financial instruments
Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at transaction price, 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.

Basic financial liabilities, including trade and other creditors, 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 receipts discounted at a market rate of interest.

3. DONATIONS AND LEGACIES

	31.3.26	31.3.25
	£	£
Fundraising Committee and other fundraising activities	**31,626**	29,810
Revenue grants and other income	**10,051**	-
Capital grants, donations and related gift aid	**42,062**	32,657
	83,739	62,467

Included within the above is a donation of £17,500 from League of Friends of Ludlow Community Hospital.

continued...

4. INVESTMENT INCOME

	31.3.26	31.3.25
	£	£
Deposit account interest	**1,887**	2,357

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	**31.3.26**	31.3.25
		£	£
Cinema	Operation of assembly rooms	**56,864**	54,685
Live events	Operation of assembly rooms	**307,408**	321,075
Education and outreach	Operation of assembly rooms	**-**	(130)
Bar	Operation of assembly rooms	**107,100**	99,757
Room hire	Operation of assembly rooms	**49,776**	44,580
Membership subscriptions and gift-aided tax reclaimable	Operation of assembly rooms	**26,877**	15,153
Booking fees	Operation of assembly rooms	**81,695**	75,014
Live streaming	Operation of assembly rooms	**20,201**	24,763
		649,921	634,897

6. RAISING FUNDS

Raising donations and legacies

	31.3.26	31.3.25
	£	£
Fundraising Events Committee and other fundraising activities expenditure	**921**	568

Other trading activities

	31.3.26	31.3.25
	£	£
Bad debts	**(1,283)**	1,868
Aggregate amounts	**(362)**	2,436

continued...

7. CHARITABLE ACTIVITIES COSTS

	Support costs (see note 8)
	£
Operation of assembly rooms	**717,639**
Administration costs	**179,409**
	897,048

8. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Operation of assembly rooms	**698,319**	**13,556**	**5,764**	**717,639**
Administration costs	**174,579**	**3,389**	**1,441**	**179,409**
	872,898	**16,945**	**7,205**	**897,048**

9. NET INCOME/(EXPENDITURE)

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

	31.3.26	31.3.25
	£	£
Depreciation - owned assets	**56,096**	55,618

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2026 nor for the year ended 31 March 2025.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2026 nor for the year ended 31 March 2025.

continued...

11. STAFF COSTS

	31.3.26	31.3.25
	£	£
Wages and salaries	**269,503**	222,529
Social security costs	**12,076**	13,831
Other pension costs	**4,981**	3,010
	286,560	239,370

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

	31.3.26	31.3.25
Direct charitable work	**7**	10
Administrative	**2**	2
	9	12

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

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

The total remuneration paid in the year for key management personnel was £24,599.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted fund	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	62,467	-	62,467
Charitable activities			
Operation of assembly rooms	634,897	-	634,897
Investment income	2,357	-	2,357
Other income	80,828	-	80,828
Total	780,549	-	780,549
EXPENDITURE ON			
Raising funds	2,436	-	2,436
Charitable activities			
Operation of assembly rooms	658,516	28,043	686,559
Administration costs	164,629	7,011	171,640
Total	825,581	35,054	860,635
NET INCOME/(EXPENDITURE)	(45,032)	(35,054)	(80,086)

continued...

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	380,886	561,700	942,586
TOTAL FUNDS CARRIED FORWARD	335,854	526,646	862,500

13. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Plant and machinery £	Computer equipment £	Totals £
COST					
At 1 April 2025	**186,893**	**761,823**	**135,198**	**32,082**	**1,115,996**
Additions	**-**	**-**	**2,652**	**1,338**	**3,990**
At 31 March 2026	**186,893**	**761,823**	**137,850**	**33,420**	**1,119,986**
DEPRECIATION					
At 1 April 2025	**61,076**	**126,840**	**75,520**	**27,950**	**291,386**
Charge for year	**3,537**	**30,473**	**19,352**	**2,734**	**56,096**
At 31 March 2026	**64,613**	**157,313**	**94,872**	**30,684**	**347,482**
NET BOOK VALUE					
At 31 March 2026	**122,280**	**604,510**	**42,978**	**2,736**	**772,504**
At 31 March 2025	125,817	634,983	59,678	4,132	824,610

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.

continued...

14. STOCKS

	31.3.26	31.3.25
	£	£
Stocks	**6,686**	4,123

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.26	31.3.25
	£	£
Trade debtors	**6,732**	15,342
Other debtors	**76,412**	6,370
Prepayments and accrued income	**21,725**	13,365
	104,869	35,077

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.26	31.3.25
	£	£
Trade creditors	**9,858**	26,560
Social security and other taxes	**19,337**	15,939
Other creditors	**116,928**	61,898
Accruals and deferred income	**61,143**	90,166
	207,266	194,563

Included within other creditors is an amount for £98,523 (2025: 45,976) 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.

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.

18. MOVEMENT IN FUNDS

	At 1.4.25	Net movement in funds	At 31.3.26
	£	£	£
Unrestricted funds			
General fund	**335,854**	**6,083**	**341,937**
Restricted funds			
Restricted Fund	**526,646**	**(35,054)**	**491,592**
TOTAL FUNDS	**862,500**	**(28,971)**	**833,529**

continued...

18. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	**885,515**	**(879,432)**	**6,083**
Restricted funds			
Restricted Fund	**-**	**(35,054)**	**(35,054)**
TOTAL FUNDS	**885,515**	**(914,486)**	**(28,971)**

Comparatives for movement in funds

	At 1.4.24 £	Net movement in funds £	At 31.3.25 £
Unrestricted funds	380,886	(45,032)	335,854
Restricted fund			
Restricted Fund	561,700	(35,054)	526,646
TOTAL FUNDS	942,586	(80,086)	862,500

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds	780,549	(825,581)	(45,032)
Restricted fund			
Restricted Fund	-	(35,054)	(35,054)
TOTAL FUNDS	780,549	(860,635)	(80,086)

continued...

18. MOVEMENT IN FUNDS - continued

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

	At 1.4.24 £	Net movement in funds £	At 31.3.26 £
Unrestricted funds	380,886	(38,949)	341,937
Restricted fund			
Restricted Fund	561,700	(70,108)	491,592
TOTAL FUNDS	942,586	(109,057)	833,529

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds	1,666,064	(1,705,013)	(38,949)
Restricted fund			
Restricted Fund	-	(70,108)	(70,108)
TOTAL FUNDS	1,666,064	(1,775,121)	(109,057)

19. CONTINGENT LIABILITIES

There is an ongoing negotiation relating to the renewal of a lease for an ancillary part of the operating premises. The renewal process has been protracted and the organisation may be exposed to further legal fees to remedy the position. All fees incurred to date have been included in the financial statement but no provision has been included for any additional costs or expenses that may arise in settlement of this matter, as the directors are not able to reasonably estimate at this point whether further costs may be incurred or indeed recovered as part of the process. The director do not believe that any settlement would materially impact on the financial position of the operation.

continued...

20. RELATED PARTY DISCLOSURES

During the year the charity received a donation of £17,500 from League of Friends of Ludlow Community Hospital, in which Mr J Walker is also a trustee and £5,000 from Alison Cundall who is the mother of Anna Cundall trustee.

21. COMPANY LIMITED BY GUARANTEE

The liability of each member, in the event of winding up, is limited to £1.