

Company registration number: 2444438
Charity registration number: 1002020

**SHEFFIELD MEDIA AND EXHIBITION
CENTRE LIMITED**

CONSOLIDATED ANNUAL REPORT

YEAR ENDED 31 MARCH 2024

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

ANNUAL REPORT

YEAR ENDED 31 MARCH 2024

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SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

The trustees (who are also directors of Sheffield Media and Exhibition Centre Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and financial statements of the charity.

Reference and Administration Details

Official name of charity: Sheffield Media and Exhibition Centre Limited

Charity registration number: 1002020

Company registration number: 2444438

Directors and Trustees: B Moffett – Resigned 8th June 2024
C M Pons
D Gormley
A Davenport - Resigned 25th September 2023
B Hamilton-Tweedale
M Kanarek – Resigned 8th June 2024
H Taylor-Smith
N Belfield
A Casserly Stewart – Resigned 10 June 2024
H Mann Adamson – Resigned 27 November 2023
R Mersereau
K R Gilbert – Appointed 12th June 2023
M J Hilton – Appointed 27 November 2023

Chief Executive: I Wild

Secretary and Registered Office: J Simpson
15 Paternoster Row
Sheffield
S1 2BX

Bankers: Unity Trust Bank plc
Nine Brindleyplace
Birmingham
B1 2HB

Auditors: Hawsons Chartered Accountants
Statutory Auditors
Pegasus House
463a Glossop Road
Sheffield
S10 2QD

Solicitors: Knights plc
1 St Paul's Place
Sheffield City Centre
Sheffield
S1 2NB

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024 (continued)

The Board of Trustees, who are also Directors for the purposes of the Companies Act 2006, present their report and the consolidated group financial statements of Sheffield Media and Exhibition Centre and its 100% owned subsidiary Paternoster Limited, for the year ended 31 March 2024.

Constitution

Sheffield Media and Exhibition Centre Limited is a charity (No. 1002020) and a company limited by guarantee (No. 2444438).

Structure, governance and management

Governing document

The charity is governed by the Memorandum and Articles of Association dated 28 March 2022.

Organisation

A board of trustees of between 7 and 15 members, who are also Directors of the Parent Company, administers the charity. During the year the board met on a quarterly basis.

The Directors have established a Finance and Operations SubCommittee which meets at least each quarter with the senior management team to review the management accounts and to receive reports on the financial position of the company and any relevant operational issues or initiatives. The chair of the subcommittee reports any notable financial matters to the charity board. The subcommittee is open to all directors to attend but three directors have undertaken specific responsibility to attend each month:

Mark Hilton
Colin Pons
Brian Hamilton-Tweedale

There is also an Employment SubCommittee which meets several times a year as required and reviews our employment policies as well as considering any matters pertaining to staff. A minimum of two directors attend the meetings as well the Chief Executive and the Head of HR and Governance:

Kathryn Gilbert
Mark Hilton
Colin Pons

The board has also established an Education and Culture SubCommittee which meets 4 times a year and oversees the programme and education activities of the company. The SubCommittee is open to all directors to attend but three directors have undertaken specific responsibility to attend:

Brian Hamilton-Tweedale
Nikki Belfield
Ruth Mersereau

The board has also established a Fundraising and capital Projects SubCommittee after the year-end which will meet during the year as required, with the inaugural meeting to take place in the near future. The purpose of this SubCommittee will be to provide leadership in the development of a clear fundraising strategy and capital programme to lead on the grant application to the Heritage and Lottery Fund. The SubCommittee will be open to Trustees with relevant experience, and external non-trustees with specialised knowledge. Total membership not to exceed 10 members, with 50% split of trustee / non-trustee.

Sheffield City Council is entitled to nominate up to one trustee to the Board, and observer status at board meetings. Our current nominated trustee is Ruth Mersereau.

A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within the terms of the delegation approved by the trustees, for operational matters.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024 (continued)

Structure, governance and management (continued)

Recruitment of trustees

Elected trustees are recruited through a combination of targeted recruitment, board banks and open advertising. Consideration is given to the skills of the current board and the needs of the organisation. New elected trustees are appointed by a vote. Generally, a trustee is expected to remain on the Board for a period of three years with the possibility of being re-elected for a second and third three-year term of office. Should a trustee fail to attend for three consecutive meetings, their position can be reconsidered.

Trustee induction and training

Prior to appointment and proposed new trustee will meet with the Chief Executive and Chair to discuss the role and expectations. They will also undertake an induction giving them an understanding of the business plan, operating strategy, aims and objectives, and their obligations as trustees. We also have in place a formal induction procedure and handbook for new trustees.

Structure

The charity carried out its activities through the charitable holding company and a 100% owned subsidiary listed below.

<u>Subsidiary</u>	<u>Activity</u>
Paternoster Limited	Development and letting of managed workspace Provision of conference facilities Operation of the Showroom Bar and Café

Purposes and activities for the public benefit

The charity trustees adopted a vision statement which has informed the current business plan:

Showroom Workstation is dedicated to establishing itself as the premier centre for film and creativity in the north of England, serving as a cultural cornerstone for the Sheffield City region. We aim to provide a dynamic platform for film exhibition, production, and new media, fostering an environment where individuals can explore, learn, and thrive within the cultural industries.

Objectives

As part of the long-term vision for the organisation the trustees agreed five objectives

1. As a registered charity we will continue to inspire new generations with our diverse and imaginative film exhibition, education and heritage programmes, encouraging debate, community building, engagement, and awareness.
2. We will be South Yorkshire's essential hub for the cultural and creative industries and a beacon of creative renewal. We will support SME's and foster proactive connectivity, networks, and community.
3. We will have given life to forgotten heritage – by repurposing our historic building and given it new use while minimising our environmental impact.
4. We will be a pathway for young people, providing accessible routes to film exhibition, film education, film and creative industries production.
5. Our governance and staff development activities will be robust and proactive, supported by cross departmental management services and communications.

The trustees adopted a new three-year business plan from April 2024 intended to cover the next three years of operation to 2027. In developing a new business plan the trustees have widely consulted and wish to incorporate strategies to reflect the heritage of the building and organisation. The plan will include the development of a new heritage focussed festival in the Summer of 2024. The key objectives of the plan are to-

- Return the company to profitable operation in year 1 and increase profitability over the three-year period.
- To restore and celebrate our building and its heritage for the benefit of our city and community.
- To continue to provide high quality cultural programme built around film and to pro-actively engage with all our communities.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024 (continued)

Strategies and activities

In shaping our strategies for the year, and planning activities, the trustees have considered the Charity Commission's guidance on public benefit and fee charging. The cinema relies on grants, income from fees and charges and the profit from commercial activity undertaken by the wholly-owned trading company to cover its operating costs. In setting the level of charges the trustees have considered the accessibility of those people on low incomes and provide discounted ticket prices to several groups including older and retired customers as well as young people. The trust has also developed strategies to promote engagement activity to the wider community including employing a post to specifically focus on this area.

In putting our objectives into action, we have concentrated on the development and exhibition of film screening programmes and the delivery of related outreach and engagement activities. This has particularly focussed on young people, although not exclusively, and our programmes appeal to a very broad range of users and participants. We have also developed and operate a range of annual festivals both directly and through working with partners.

Principle risks and uncertainties

The trustees have considered a risk assessment for the organisation within the context of our business plan. The risk assessment is reviewed and updated annually. It identifies the risks to which the Group is, and is likely to be, exposed. The trustees regularly monitor progress and implement a risk management strategy comprising:

- An annual review of the risks facing the organisation.
- The maintenance of effective systems and procedures to mitigate those risks.
- The introduction of procedures to deal with the potential impact of any of those risks materialising.

In 2023-24 the organisation continued to recover audiences and increase sales following the period of closure during the covid lockdown (March 2020 to May 2021). The closure had a significant and direct impact on all areas of our business and continued to do so in the years following reopening. Not all areas of our trading have recovered at the same pace, and we needed to implement new approaches in many areas of our business to rebuild sales income. Some of the changes we made had an immediate effect, although others are having longer term impact as sales are continuing to grow. Overall, we saw a much slower recovery of sales than had been anticipated.

During this period we also experienced significant increases in our cost base, particularly for energy and labour which had a negative impact on the business profitability and slowed down our recovery. Although our sales continued to improve in 2023-24, we have not yet reached pre-pandemic levels. The sales growth we achieved has helped to reduce trading losses, but full recovery is expected to take several years.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024 (continued)

Cinema

Cinema admissions grew in number compared to the previous year but more slowly than was anticipated. In 2023-24 ticket sales increased by 23.3% compared to the same period last year reaching a total of 100,822. This is a continuing trend following the three years since we reopened. Overall, annual cinema admissions are still around 20% less than was achieved before the pandemic. Recovery and audience growth was greater in the second half of 2023-24, particularly in Q4. This was despite the annual Sheffield Adventure Film Festival not taking place in March 2024 as had been planned.

Notable programme highlights this year included successful new film releases such as *Barbie*, *Oppenheimer* and *Poor Things*. We also had successful runs of films such as *Oppenheimer* in 35mm versions which proved to be popular with audiences. We had several successful National Theatre productions on screen with *Uncle Vanya* doing particularly well. The most successful non-fiction film at our box office was the rerelease of the Talking Heads concert film, *Stop Making Sense*. Our best-selling non-English language film was *Zone Of Interest*. The Studio Ghibli film production, *The Boy And The Heron* was our best-selling animated film this year presented in dubbed and original language versions. We also had several successful unique presentations which resonated with audiences this year.

Our year-round festival programme was the most successful element of our regular audience-facing activity with most events seeing much higher attendance than the previous year including, Sheffield Doc/Fest and Celluloid Screams (Horror Film Festival). Touring programmes including our regular partnership with the London Film Festival which also had strong box office results. The Childrens' Media Conference (CMC) successfully returned to our venue this year with high delegate numbers and strong sales results.

Although audiences did not return to the cinema as rapidly as we had hoped this year, the younger sector of our audience has continued to increase. We focussed on this sector with a re-engagement programme targeted at new students and promotion of our Cine26 low-cost ticket membership scheme. We also implemented a restructure of our front-of-house staff to reduce our operating costs which helped to offset the lower than anticipated income. This with other cost savings helped move the charity closer to a break-even trading position.

Partnerships

This year we continued to receive financial support from the British Film Institute. We applied for support over three years for a project called 'Another Country'. This is an ambitious audience development programme for which we received £160kpa. The BFI also provided support for other projects including the Youth Film Academy, Residential Film Academy and Film Hub North. The BFI also funded a major programme initiative to showcase the work of filmmakers Powell and Pressburger in 2023.

The Youth Film Academy and Residential Film Academy both took place as full in-person events for the first time after the lockdown. Both programmes met or exceeded our diversity targets with a full complement of a total of 52 learners participating. Our ongoing alumni network also continued to receive a high level of engagement from former students.

We launched a Young Programmers Group in 2023 following a successful pilot event the previous year. The programme succeeded in recruiting 20 students who met over 10 weeks to learn about and discuss film programming and audience engagement. The learning programme culminated in a successful week-long festival of curated film programmes held during the school half-term in February 2024.

Film Hub North, which is a BFI-funded partnership between ourselves and HOME in Manchester, continues to deliver support services to film exhibitors in northern England. FHN also reapplied for funding this year and received support for the three elements of the project. The main cinema support programme, BFI Network support programme for new and emerging filmmakers in the north of England and a new Film Academy Plus programme to provide continued support for young filmmakers through funding of low-budget micro-shorts.

Our BFI-funded audience engagement programme also provides support for us to deliver relaxed screenings which are focussed on autism and dementia groups. We also continue to deliver subtitled Mondays where all our films are shown with English Subtitles, which is particularly successful with hard-of-hearing customers.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024 (continued)

Environmental Policy

Showroom Workstation recognises the severity of the climate crisis and acknowledges we have a responsibility to the environment beyond legal and regulatory requirements. We have therefore committed to reducing our environmental impact and to continually improving our sustainability. We intend to meet Government targets to become a net zero carbon user by 2050.

Work on reducing our environmental impact continued this year. A Green Steering Group was established with representation from across the organisation. We also began regularly monitoring our carbon use through an online tool, to provide regular comparison of our progress.

We also commenced a project to install solar panels on our building roof which if successful, will significantly reduce our carbon use.

Equality, Diversity and Inclusion

Showroom Workstation has an organisational commitment to increasing diversity across all our areas of activity. We want our organisation to be anti-discriminatory with a culture that is open to all regardless of background or circumstances.

We have approached our commitment to diversity with three priorities.

- Diversifying our organisation including governance, management, and staff to ensure that we are fully representative of our community.
- Ensuring our film and cultural programme reflects the widest range of diversity and that we actively program and work for all our communities.
- Proactively engaging with our audiences and local communities to ensure we are open and welcoming to all.

Operational plans for all these areas of activity are in place, overseen by an organisational-wide steering group. The Employment Sub-Committee of the board receives regular reports on our progress and development plans. We regularly review our policies and practices and have set KPI's to improve EDI within our organisation.

We utilise an anonymous recruitment policy and practices and have a positive action plan in place. Staff training in 2023-24 included British Sign Language awareness, neurodiversity, Equality, Diversity and Inclusion awareness and Sight Awareness training. Six staff members at various levels of the company hierarchy undertook Mental Health First Aid training.

Our programme actively engages with communities in Sheffield, and we host a steering group to develop an annual programme for Black History Month every October and LGBTQ+ History Month in February.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024 (continued)

Paternoster Limited

Through the subsidiary company, Paternoster Limited, we continued to operate trading activities which include our café/bar and conference activity, cinema sales kiosk as well as the Workstation creative industries business centre.

Catering and Conferences

The Showroom café/bar reopened on the same date as the cinema after the lockdown. Although we have operated a full wet and dry service since reopening, sales have not fully recovered to pre-covid levels. We have also experienced significant increases in energy costs. Sales for conferences have increased in 2023-24 in line with the growth in cinema attendance.

Following a review of our operation, we undertook a staff restructure to reduce our operating costs which helped to improve the performance of our café/bar and conference activity. We also developed a programme of new sales initiatives to promote our facilities, which we anticipate will continue to help in the following trading period.

Many of the new initiatives we have implemented are having a positive impact on sales. More events in the café bar including quiz nights, and short film screenings are attracting new users to the building. The increasing success of the cinema event and festival programme also has a very positive impact on the sales we achieve in our café/bar.

Workstation

Occupancy of the office workspace was reduced during the covid lockdown as several companies chose to cease trading or relinquish their tenancies. Occupancy has gradually increased since we reopened providing improved rent and service charge income, resulting in occupancy returning to pre-Covid levels.

Whilst we try to attract start-up companies with very attractive rates, the scale of recent utility price increases means we are having to pass these on to our tenants in full in order to maintain our financial sustainability.

Facilities

Several significant problems associated with the age of the building arose during the year. We discovered part of the external brickwork cladding had become damaged and potentially dangerous. We dealt with this issue by initially installing safety scaffolding, whilst we carried out a detailed building survey. Although investigations continue, it is clear that we have to undertake extensive repairs to the building over the next few years.

To address this issue, the trustees have established a new SubCommittee in 2024-25 to oversee our major building repair work and begin the process of securing funding for the capital project. We have submitted a successful Expression of Interest application to the Heritage Lottery Fund and have been invited to apply for funding to undertake full repair and restoration of the historic building.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024 (continued)

Financial Review

Overall, the group saw an improvement in performance compared to the previous year, with a deficit for the year of £307,657 (prior year deficit of £703,438). The charity's individual position, as detailed on page 13, shows a deficit of £246,258 (prior year deficit of £877,220). At March 2024 Paternoster has a significant amount of intercompany debt and owed SMEC £798,348 in total (prior year of £916,234). This is made up of a long-term loan of £400,000 and trading debt of £398,347. In these accounts a bad debt provision for the trading debt has been included within the charity's individual accounts.

The commercial trading subsidiary company Paternoster Limited returned to generating a small profit in 2023-24 of £56,487 (prior year loss of £342,454). After reopening in May 2021, trading of the café bar and conferencing activity gradually started to increase which has continued in 2023-24. The trading company has seen a significant improvement in sales and profitability.

In October 2022 we installed safety scaffolding around the building following discovery of some loose faience brickwork which was potentially dangerous. The cost of installing the scaffold was £97,654. Although we have subsequently removed part of the scaffold and undertake regular surveys, we have retained scaffolding on the east elevation (Shoreham Street). The annual cost of hiring the scaffolding is significant.

We worked closely with our bank and agreed an increased overdraft facility to ensure we could meet the cost of scaffolding.

Capital Investment Plans

Although our capital investment in 2023-24 was minimal, we have identified several major building repairs which are essential to implement in the next few years. We have begun to approach grant awarding organisations to secure the necessary funds for this work and have been invited to apply for a development grant from the Heritage Lottery Fund to develop plans for a large-scale capital project.

Investments, Reserves policy and Going Concern

Under the memorandum and articles of association, the charity has the power to make any investments that the trustees see fit in order to further the objects of the charity.

The reserves of the Group are represented largely by capital grants and property revaluation surpluses. These elements are regarded as the representation of the Group's fixed assets and are therefore, in effect, not available for any other purpose.

The deficit generated by the group in 2023/24 has further reduced the level of reserves and without a return to profitability across all aspects of the charity's activity, increasingly the long-term viability of the charity as it is currently organised will be called into question.

The trustees approved a new 3-year business plan for the period April 2024 – March 2027 which addresses the concerns over potential negative future financial performance by refocussing the organisation and ensuring it makes a small surplus in the first year (2024-25), increasing over the next three years to ensure the organisation is sustainable.

Future Plans

In 2024/25 we have secured funding which enables us to install Solar Panels onto a section of the roof. This will significantly help to reduce our overheads and improve our sustainability whilst also reducing our carbon footprint.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024 (continued)

Trustees' responsibilities in relation to the financial statements

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

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the 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 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 2019 (FRS102)
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for maintaining proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charitable company, and enables them to ensure that the financial statements comply with the Companies Act 2006. The trustees 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.

Statement of disclosure to auditors

The trustees of the charitable company who held office at the date of approval of this Annual Report each confirm that:

- as far as they are aware, there is no relevant audit information (information needed by the charitable company's auditors in connection with preparing their report) of which the charitable company's auditors are unaware; and
- they have taken all the steps that they ought to take as trustees in order to make themselves aware of any audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

A resolution will be proposed at the Annual General Meeting that Hawsons be re-appointed as auditors to the charity for the ensuing year.

The report of the trustees has been prepared in accordance with the special provisions of Part VII of the Companies Act 2006.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors. On behalf of the board;



M Hilton
Sheffield

5 November 2024

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

Opinion

We have audited the financial statements of Sheffield Media and Exhibition Centre Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2024 which comprise the Consolidated and Parent Statement of Financial Activities, Consolidated and Parent Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2024, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

We have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the group's ability to continue as a going concern. The group generated a net deficit for the year of £307,657 which reduced the level of reserves accordingly. The matters explained in note 1 to the financial statements indicates the existence of a material uncertainty which may cast doubt over the group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the group was unable to continue as a going concern. Our opinion is not modified in this respect.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out on page 9), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED (continued)

The charitable company is subject to laws and regulations that directly and indirectly affect the financial statements. Based on our understanding of the charitable company and the environment it operates within, we determined that the laws and regulations which were most significant included FRS 102, Companies Act 2006, Health and Safety regulations and the Charities Act 2011. We considered the extent to which non-compliance with these laws and regulations might have a material effect on the financial statements, including how fraud might occur. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to improve the company's result for the period, and management bias in key accounting estimates.

Audit procedures performed by the engagement team included:

- Discussions with management and those responsible for legal compliance procedures within the charitable company to obtain an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company complies with that framework, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of Trustee meetings;
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud and non-compliance with laws and regulations;
- Challenging assumptions and judgements made by management in their significant accounting estimates.
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or posted by senior management.

There are inherent limitations in the audit procedures described above and the more removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor-s-responsibilities-for. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Hawsons

.....
Simon Bladen, Senior Statutory Auditor
For and on behalf of Hawsons Chartered Accountants, Statutory Auditors

Pegasus House
463a Glossop Road
Sheffield
S10 2QD

Date: 07/11/2024

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

CHARITABLE COMPANY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	2024 Total £	2023 Total £
Incoming Resources						
Donations and legacies	2	194,889	840,143	-	1,035,032	1,069,345
Investment income	4	28,000	-	-	28,000	28,000
Charitable activities	5	729,499	-	-	729,499	622,606
Other income		22,500	-	-	22,500	-
Total incoming resources		974,888	840,143	-	1,815,031	1,719,951
Resources expended						
Costs of generating voluntary income	8	10,000	-	-	10,000	10,000
Raising funds	9	-	-	-	-	-
Charitable activities	10	1,242,200	786,489	-	2,028,689	2,565,521
Other	11	22,600	-	-	22,600	21,650
Total resources expended		1,274,800	786,489	-	2,061,289	2,597,171
Net (Outgoing)/incoming resources before transfers		(299,912)	53,654	-	(246,258)	(877,220)
Transfers	23	79,880	-	(79,880)	-	-
Net movement in funds		(220,032)	53,654	(79,880)	(246,258)	(877,220)
Funds brought forward		936,464	4,717	1,679,772	2,620,953	3,498,173
Funds carried forward		716,432	58,371	1,599,892	2,374,695	2,620,953

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	2024 Total £	2023 Total £
Incoming resources						
Donations and legacies	2	194,889	840,143	-	1,035,032	1,069,345
Activities for generating funds	3	1,999,993	-	-	1,999,993	1,809,873
Charitable activities	5	729,499	-	-	729,499	562,606
Other income		22,500	-	-	22,500	-
Total incoming resources		2,946,881	840,143	-	3,787,024	3,441,824
Resources expended						
Costs of generating voluntary income	8	10,000	-	-	10,000	10,000
Raising funds	9	1,926,997	-	-	1,926,997	2,075,152
Charitable activities	10	1,348,595	786,489	-	2,135,084	2,038,460
Other	11	22,600	-	-	22,600	21,650
Total resources expended		3,308,192	786,489	-	4,094,681	4,145,262
Net (outgoing)/incoming resources before transfers		(361,311)	53,654	-	(307,657)	(703,438)
Transfers	23	79,880	-	(79,880)	-	-
Net movement in funds		(281,431)	53,654	(79,880)	(307,657)	(703,438)
Funds brought forward		1,741,104	4,717	1,679,772	3,425,593	4,129,031
Funds carried forward		1,459,673	58,371	1,599,892	3,117,936	3,425,593

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED
COMPANY REGISTRATION NUMBER 2444438

BALANCE SHEETS

31 MARCH 2024

	Notes	31 March 2024		31 March 2023	
		Group £	Company £	Group £	Company £
FIXED ASSETS					
Tangible fixed assets	18	4,216,549	1,780,245	4,379,519	1,883,981
Investment in subsidiaries	19	-	2	-	2
		<u>4,216,549</u>	<u>1,780,247</u>	<u>4,379,519</u>	<u>1,883,983</u>
CURRENT ASSETS					
Stock		16,831	-	17,453	-
Debtors	20	461,401	453,552	430,871	510,391
Cash at bank and in hand		8,110	464,281	60	458,279
		<u>486,342</u>	<u>917,833</u>	<u>448,384</u>	<u>968,670</u>
CREDITORS – amounts falling due within one year	21	<u>(1,210,589)</u>	<u>(323,385)</u>	<u>(999,456)</u>	<u>(231,700)</u>
Net current assets/ (liabilities)		<u>(724,247)</u>	<u>594,448</u>	<u>(551,072)</u>	<u>736,970</u>
Total assets less current liabilities		3,492,302	2,374,695	3,828,447	2,620,953
Deferred income	22	<u>(374,366)</u>	-	<u>(402,854)</u>	-
NET ASSETS		<u><u>3,117,936</u></u>	<u><u>2,374,695</u></u>	<u><u>3,425,593</u></u>	<u><u>2,620,953</u></u>
CHARITY FUNDS					
Restricted capital fund	24	1,599,892	1,599,892	1,679,772	1,679,772
Restricted income funds	24	58,371	58,371	4,717	4,717
Unrestricted funds	25	315,101	716,432	580,181	936,464
Revaluation reserve	25	1,144,572	-	1,160,923	-
TOTAL CHARITY FUNDS		<u><u>3,117,936</u></u>	<u><u>2,374,695</u></u>	<u><u>3,425,593</u></u>	<u><u>2,620,953</u></u>

The financial statements were approved by the board of trustees on 5 November 2024 and signed on its behalf by:

M Hilton - Trustee

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED
CONSOLIDATED CASH FLOW STATEMENT
YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Cash flow from operating activities	26	34,529	(343,832)
Cash flow from investing activities			
Payments to acquire tangible fixed assets		<u>(44,488)</u>	<u>(76,831)</u>
Net cash flow from investing activities		<u>(44,488)</u>	<u>(76,831)</u>
Cash flow from financing activities			
Interest paid		(23,786)	-
Net cash flow from financing activities		<u>(23,786)</u>	<u>-</u>
Net (decrease) in cash and cash equivalents		(33,745)	(420,663)
Cash and cash equivalents at 1 April		(292,362)	128,301
Cash and cash equivalents at 31 March		<u><u>(326,107)</u></u>	<u><u>(292,362)</u></u>
Cash and cash equivalents consist of:			
Cash at bank and in hand		8,110	60
Overdraft		(334,217)	(292,422)
Cash and cash equivalents at 31 March		<u><u>(326,107)</u></u>	<u><u>(292,362)</u></u>

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS

YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material to the company's affairs.

STATUTORY INFORMATION

Sheffield Media and Exhibition Centre Limited is a charity (No. 1002020) and a company limited by guarantee (No. 2444438) domiciled in England and Wales. The registered office is at 15 Paternoster Row, Sheffield, S1 2BX.

BASIS OF PREPARATION

The charity constitutes a public benefit entity as defined by FRS 102. 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 Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

GOING CONCERN

The charitable group is currently in a net overdraft position of £326,107. The group generated an overall deficit of £307,657 for the year to 31 March 2024. The trustees have therefore considered the short term and medium-term impact with budgets and cashflow forecasts prepared to cover to March 2026, which show the group operating at a small surplus in 2025/26. The company's bank continues to support the group.

After due consideration of all relevant factors, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

BASIS OF CONSOLIDATION

These financial statements consolidate the results of the charity and its wholly owned subsidiary, Paternoster Limited on a line by line basis.

GRANTS AND DONATIONS

Grants receivable are recognised in the Statement of Financial Activities when the conditions for receipt have been complied with.

Grants received for specific projects are accounted for as restricted funds.

Grants received in the trading subsidiaries are credited to a separate account from which amounts will be released to revenue over the depreciation period of the relevant assets.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS (continued)

YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES (continued)

OPERATION OF CINEMA AND CENTRE HIRE – CHARITABLE TRADING ACTIVITIES

Operation of the cinema and centre comprises those costs that are directly attributable to the generation of income in the operation of the cinema.

ACTIVITIES FOR GENERATING FUNDS

This represents income generated by the trading subsidiaries to support the directly charitable activity carried out by the group.

RESOURCES EXPENDED

Expenditure is included on an accruals basis.

Costs of operation of the cinema and centre comprise those costs that are directly attributable to the generation of income in the operation of the cinema.

ALLOCATION OF COSTS

Costs directly related to an activity are allocated to that activity. Support costs which are necessary to deliver an activity but do not themselves deliver the activity, are allocated in proportion to the benefit attributable based on an internal assessment of time spent and resources used.

Governance costs are those costs incurred in meeting statutory and constitutional requirements.

Support costs include central functions and have been allocated to activity cost categories on the basis of time spent.

FUNDS

Incoming and outgoing resources are analysed between restricted capital fund, restricted and unrestricted income funds.

Restricted capital fund

This fund arises from grants received which were required to be invested in fixed assets for the company's use. An annual transfer is made to the unrestricted income fund for the depreciation on the restricted assets which is charged to the unrestricted income fund.

Unrestricted income fund

This fund is expendable at the discretion of the trustees in the furtherance of the objectives of the company and have not been designated for other purposes.

Restricted income fund

This fund arises from grants received which are required to be used for specific projects of a revenue nature.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS (continued)

YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES (continued)

TANGIBLE FIXED ASSETS

Tangible fixed assets other than the long leasehold property held by Paternoster Limited, are included at original cost less accumulated depreciation.

The long leasehold property held by Paternoster Limited was previously held at valuation less accumulated depreciation. On transition to FRS102, the value at transition date, 1 April 2014, is taken as deemed cost and continues to be depreciated going forward.

Depreciation of fixed assets is provided at rates estimated to write off each asset over the term of its useful life.

The annual rates used are: -

Long leasehold land and buildings	1% - 2%	straight line
Fixtures and fittings	15% - 25%	straight line/reducing balance
Equipment	5% - 25%	straight line/reducing balance

STOCK

Stock is valued at the lower of cost and net realisable value.

FINANCE AND OPERATING LEASES

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred. Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written off to the SOFA over the period of the lease so as to produce a constant periodic rate of change.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS (continued)

YEAR ENDED 31 MARCH 2024

2. DONATIONS AND LEGACIES

	2024 £	2024 £	2023 £	2023 £
	Group	Company	Group	Company
Unrestricted				
BFI	180,000	180,000	150,000	150,000
Europa Cinemas	-	-	6,164	6,164
Donations	14,889	14,889	52,133	52,133
Total unrestricted	194,889	194,889	208,297	208,297
Restricted - revenue				
BFI - Film Hub North 3	763,287	763,287	-	-
BFI - Film Hub North 2	-	-	605,430	605,430
BFI - Other	65,000	65,000	230,608	230,608
Young Programmers	-	-	15,000	15,000
Picturehouse	-	-	2,208	2,208
Film Feels	-	-	5,952	5,952
Powell & Pressburger	5,000	5,000	-	-
Story Futures	3,000	3,000	-	-
SXSW Bursary	2,096	2,096	-	-
Other < £1,000	1,760	1,760	1,850	1,850
Total restricted - revenue	840,143	840,143	861,048	861,048
Total voluntary income	1,035,032	1,035,032	1,069,345	1,069,345

3. ACTIVITIES FOR GENERATING FUNDS

	2024 £	2024 £	2023 £	2023 £
	Group	Company	Group	Company
Letting of managed workspace	937,675	-	776,789	-
Commercial operations	1,062,318	-	1,033,084	-
	1,999,993	-	1,809,873	-

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS (continued)

YEAR ENDED 31 MARCH 2024

4. INVESTMENT INCOME

	2024 £ Group	2024 £ Company	2023 £ Group	2023 £ Company
Loan interest	-	28,000	-	28,000
	-	28,000	-	28,000

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2024 £ Group	2024 £ Company	2023 £ Group	2023 £ Company
Unrestricted				
Box office receipts	589,936	589,936	449,718	449,718
Centre hire	75,264	75,264	65,236	65,236
Membership fees	25,081	25,081	25,278	25,278
Advertisement income	28,647	28,647	18,631	18,631
Management fee	-	-	-	60,000
Other income	33,071	33,071	3,743	3,743
	751,999	751,999	562,606	622,606

6. NET OUTGOING RESOURCES

	2024 Group £	2024 Company £	2023 Group £	2023 Company £
This is stated after charging:				
Operating lease rentals – land and buildings	-	6,000	-	6,000
Depreciation	207,458	115,207	216,200	117,331

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS (continued)

YEAR ENDED 31 MARCH 2023

7. AUDITOR'S REMUNERATION

The auditor's remuneration amounts to a fee of £15,750 (2023: £15,000) and £1,575 for other services (2023: £1,500).

8. COSTS OF GENERATING VOLUNTARY INCOME

	2024 £ Group	2024 £ Company	2023 £ Group	2023 £ Company
Support costs (note 12)	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

9. RAISING FUNDS

	2024 £ Group	2024 £ Company	2023 £ Group	2023 £ Company
Managed workspace cost	818,070	-	902,601	-
Commercial operations	<u>1,108,927</u>	<u>-</u>	<u>1,172,551</u>	<u>-</u>
	<u>1,926,997</u>	<u>-</u>	<u>2,075,152</u>	<u>-</u>

10. CHARITABLE ACTIVITIES

Cost of operation of cinema and centre hire

	2024 £ Group	2024 £ Company	2023 £ Group	2023 £ Company
Film performances and related costs				
Film hire	257,741	257,741	190,466	190,466
Project costs	70,575	73,591	294,698	297,048
Film Hub North grants disbursed	339,368	339,368	470,080	470,080
Centre costs				
Marketing costs	16,728	16,728	23,039	23,039
Wages and related costs	542,209	542,209	386,696	386,696
Printing and advertising	7,530	7,530	13,833	15,168
Depreciation – equipment	21,735	21,735	24,105	24,105
Credit card charges	10,513	10,513	9,957	9,957
Other expenses	26,727	(91,159)	20,424	536,658
	<u>1,293,126</u>	<u>1,178,256</u>	<u>1,433,298</u>	<u>1,953,217</u>
Support costs (note 12)	841,958	850,433	605,162	612,304
Total cost of charitable activities	<u>2,135,084</u>	<u>2,028,689</u>	<u>2,038,460</u>	<u>2,565,521</u>

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS (continued)

YEAR ENDED 31 MARCH 2024

11. OTHER COSTS

	2024 £ Group	2024 £ Company	2023 £ Group	2023 £ Company
Audit fee	12,600	12,600	11,650	11,650
Support costs (note 12)	10,000	10,000	10,000	10,000
	<u>22,600</u>	<u>22,600</u>	<u>21,650</u>	<u>21,650</u>

12. INDIRECT SUPPORT COSTS

	2024 £ Group	2024 £ Company	2023 £ Group	2023 £ Company
Salaries and related costs	394,877	394,877	275,062	275,062
Travel and hospitality	24,695	24,695	29,778	29,778
Rent, rates and service charges	37,890	43,794	8,345	14,249
Heat and power	167,000	167,000	112,424	112,424
Printing, postage and stationery	188	2,159	701	1,807
Repairs and maintenance	27,007	27,007	26,079	26,079
Insurance	18,207	18,207	15,064	15,064
Telephone charges	175	775	287	419
Licences and subscriptions	9,565	9,565	5,669	5,669
Professional fees	12,501	12,501	2,236	2,236
Bank charges	3,814	3,814	3,323	3,323
Bank interest	7,929	7,929	-	-
Equipment hire and leasing	3,061	3,061	2,621	2,621
Computer software and consumables	7,770	7,770	18,852	18,852
Website development	420	420	380	380
Cleaning and sundry expenses	53,387	53,387	31,115	31,115
Depreciation				
- long leasehold property	70,573	70,573	70,572	70,572
Depreciation - fixtures, fittings and equipment	22,899	22,899	22,654	22,654
Loss on disposal			-	-
	<u>861,958</u>	<u>870,433</u>	<u>625,162</u>	<u>632,304</u>
<i>Allocation</i>				
Charitable activities	841,958	850,433	605,162	612,304
Generating voluntary income	10,000	10,000	10,000	10,000
Other costs	10,000	10,000	10,000	10,000
	<u>861,958</u>	<u>870,433</u>	<u>625,162</u>	<u>632,304</u>

Charitable costs are primarily for the running of cinema screenings and the managing of rented workspace, support costs are allocated as such above.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS (continued)

YEAR ENDED 31 MARCH 2024

13. FUNDRAISING TRADING FROM TRADING ACTIVITIES OF SUBSIDIARY

The wholly owned subsidiary is used for trading activities to generate income to support the direct charitable activities of the group. The net profits of the subsidiary are gifted to the charity.

The subsidiary of the company at 31 March 2024 is detailed in note 19 of these financial statements. A summary of its trading results including intra-group sales is shown below:

	Paternoster Limited	
	Managed workspace £	Commercial operations £
Turnover	946,150	1,065,334
Cost of sales	(490,649)	(770,646)
Gross profit	455,501	294,688
Administrative expenses	(347,981)	(330,352)
Interest payable	(35,928)	(7,929)
Other operating income	28,488	-
Operating deficit for year	100,080	(43,593)
Loss from commercial operations	(43,593)	43,593
Profit on ordinary activities before taxation	56,487	-
Net Profit for the year retained	56,487	-

14. STAFF COSTS AND TRUSTEES'S REMUNERATION

	2024		2023	
	Group £	Company £	Group £	Company £
Wages and salaries	1,250,086	558,255	1,349,890	489,053
Social security costs	90,607	40,462	96,331	34,900
Pension costs	26,061	11,638	26,274	9,519
	1,366,754	610,355	1,472,495	533,472

The average number of employees calculated on a full-time equivalent basis during the year was as follows:

	2024		2023	
	Number	FTE	Number	FTE
Raising funds	53	28	60	24
Charitable activities	30	18	31	24
	83	46	91	48

The number of employees who earned between £60,000 and £69,999 during the year was 1 (2023: 1).

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS (continued)

YEAR ENDED 31 MARCH 2024

14. STAFF COSTS AND TRUSTEE REMUNERATION (continued)

The trustees neither received nor waived any remuneration during the year (2023: £nil). No trustees had expenses reimbursed during the year (2023: £nil).

The total amount of employee benefits received by key management personnel is £251,330 (2023: £243,318). The key management personnel of the charity comprise the trustees and the Senior Management Team, which at the year-end comprises the staff members listed below.

Chief Executive
 Head of Finance
 Head of HR and Governance
 Head of Managed Workspace and Facilities
 Head of Communications and Engagement

15. INTEREST PAYABLE AND SIMILAR CHARGES

	2024		2023	
	Group £	Company £	Group £	Company £
Bank loans and overdrafts	23,786	7,929	-	-
	<u>23,786</u>	<u>7,929</u>	<u>-</u>	<u>-</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2024 - Group

	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	Total £
Tangible fixed assets	2,616,657	-	1,599,892	4,216,549
Current assets	427,971	58,371	-	486,342
Current liabilities	(1,210,589)	-	-	(1,210,589)
Long term liabilities	(374,366)	-	-	(374,366)
	<u>1,459,673</u>	<u>58,371</u>	<u>1,599,892</u>	<u>3,117,936</u>

2024 - Company

Tangible fixed assets	180,355	-	1,599,892	1,780,247
Current assets	859,462	58,371	-	917,833
Current liabilities	(323,385)	-	-	(323,385)
Long term liabilities	-	-	-	-
	<u>716,432</u>	<u>58,371</u>	<u>1,599,892</u>	<u>2,374,695</u>

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS (continued)

YEAR ENDED 31 MARCH 2024

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

2023 - Group

	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	Total £
Tangible fixed assets	2,699,747	-	1,679,772	4,379,519
Current assets	443,667	4,717	-	448,384
Current liabilities	(999,456)	-	-	(999,456)
Long term liabilities	(402,854)	-	-	(402,854)
	<u>1,741,104</u>	<u>4,717</u>	<u>1,679,772</u>	<u>3,425,593</u>

2023 - Company

	Unrestricted Funds £	Restricted Income Fund £	Restricted Capital Fund £	Total £
Tangible fixed assets	204,211	-	1,679,772	1,883,983
Current assets	963,953	4,717	-	968,670
Current liabilities	(231,700)	-	-	(231,700)
Long term liabilities	-	-	-	-
	<u>936,464</u>	<u>4,717</u>	<u>1,679,772</u>	<u>2,620,953</u>

17. FINANCIAL COMMITMENTS

	2024		2023	
	Group £	Company £	Group £	Company £
As at 31 March the annual commitments under non-cancellable operating leases were as follows:-				
Due within 1 year	6,653	-	6,588	-
Due within 1 to 2 years	6,676	-	6,588	-
Due within 2 to 5 years	<u>10,730</u>	<u>-</u>	<u>18,498</u>	<u>-</u>
	<u>24,059</u>	<u>-</u>	<u>31,674</u>	<u>-</u>

As at 31 March 2024 the company and the Group had capital commitments of £nil (2023: £nil).

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS (continued)

YEAR ENDED 31 MARCH 2024

18. TANGIBLE FIXED ASSETS – GROUP

	Long leasehold property £	Fixtures fittings & equipment £	Total £
Cost or valuation			
At 1 April 2023	6,761,247	2,729,931	9,491,178
Additions	-	44,488	44,488
At 31 March 2024	<u>6,761,247</u>	<u>2,774,419</u>	<u>9,535,666</u>
Depreciation			
At 1 April 2023	2,809,021	2,302,638	5,111,659
Charge for the year	102,913	104,545	207,458
At 31 March 2024	<u>2,911,934</u>	<u>2,407,183</u>	<u>5,319,117</u>
Net book value			
At 31 March 2024	<u>3,849,313</u>	<u>367,236</u>	<u>4,216,549</u>
At 31 March 2023	<u>3,952,226</u>	<u>427,293</u>	<u>4,379,519</u>

TANGIBLE FIXED ASSETS – COMPANY

	Long leasehold property £	Fixtures fittings & equipment £	Total £
Cost			
At 1 April 2023	3,528,630	1,478,527	5,007,157
Additions	-	11,471	11,471
Disposals	-	-	-
At 31 March 2024	<u>3,528,630</u>	<u>1,489,998</u>	<u>5,018,628</u>
Depreciation			
At 1 April 2023	1,821,420	1,301,756	3,123,176
Charge for the year	70,573	44,634	115,207
Disposals	-	-	-
At 31 March 2024	<u>1,891,993</u>	<u>1,346,390</u>	<u>3,238,383</u>
Net book value			
At 31 March 2024	<u>1,636,637</u>	<u>143,608</u>	<u>1,780,245</u>
At 31 March 2023	<u>1,707,210</u>	<u>176,771</u>	<u>1,883,981</u>

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS (continued)

YEAR ENDED 31 MARCH 2024

19. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Cost of shares in subsidiary undertaking

	£
At 1 April 2023 and 31 March 2024	2

The subsidiary of the company at 31 March 2024 (incorporated in England) was:

	Class of shares held	% held	Direct/indirect holding	Aggregate capital and reserves £	Profit/(loss) for the year £
Paternoster Limited 025 40298					
Letting of managed workspace and operation of bar and café	Ordinary	100	Direct	344,895	56,487

20. DEBTORS

	2024		2023	
	Group £	Company £	Group £	Company £
Trade debtors	123,727	3,907	123,867	3,932
Other debtors	314,640	26,611	264,710	64,165
Prepayments and accrued income	23,034	23,034	42,294	42,294
Amount owed by group undertakings	-	400,000	-	400,000
	461,401	453,552	430,871	510,391

Of the amount owed by group undertakings, £400,000 (2023: £400,000) is due after more than one year, which represents a loan made to Paternoster Limited, a subsidiary company. The loan was made on normal commercial terms at an interest rate of 7%.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS (continued)

YEAR ENDED 31 MARCH 2024

21. CREDITORS

Amounts falling due within one year	2024		2023	
	Group £	Company £	Group £	Company £
Bank overdraft	334,217	-	292,422	-
Trade creditors	306,022	95,419	227,730	69,877
Other creditors	332,465	57,134	307,301	60,553
Taxation and social security	96,410	29,357	91,550	20,817
Accruals and deferred income	141,475	141,475	80,453	80,453
	<u>1,210,589</u>	<u>323,385</u>	<u>999,456</u>	<u>231,700</u>

22. DEFERRED INCOME – GROUP

	2024 £	2023 £
Government grants and other income at 1 April	402,854	431,341
Grants received during the year		
Amount released in year	<u>(28,488)</u>	<u>(28,487)</u>
Balance at 31 March	<u>374,366</u>	<u>402,854</u>

23. TRANSFER BETWEEN FUNDS

	2024		2023	
	Group £	Company £	Group £	Company £
Release of restricted capital funds re depreciation of capital assets	79,880	79,880	78,378	78,378
	<u>79,880</u>	<u>79,880</u>	<u>78,378</u>	<u>78,378</u>

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS (continued)

YEAR ENDED 31 MARCH 2024

24. RESTRICTED FUNDS – Group and Company

2024	Balance at 31 March 2023 £	Incoming resources £	Resources expensed £	Transfer £	Balance at 31 March 2024 £
Restricted capital funds	1,679,772	-	-	(79,880)	1,599,892
2023	Balance at 31 March 2022 £	Incoming resources £	Resources expensed £	Transfer £	Balance at 31 March 2023 £
Restricted capital funds	1,758,150	-	-	(78,378)	1,679,772

The restricted capital fund arises from grants we applied for, for the purpose of supporting our engagement and outreach work, through BSL welcome films to ticketless scanners to support social distancing for returning customers.

2024	Balance at 31 March 2023 £	Incoming resources £	Resources expensed £	Transfer £	Balance at 31 March 2024 £
Restricted income funds					
Film Hub North 3 (BFI)	-	763,287	(704,916)	-	58,371
Youth Film Academy (BFI)	-	20,000	(20,000)	-	-
Residential Academy (BFI)	-	45,000	(45,000)	-	-
Powell & Pressburger	-	5,000	(5,000)	-	-
Story Futures	-	3,000	(3,000)	-	-
SXSW Bursary	-	2,096	(2,096)	-	-
Young Programmers	3,667	-	(3,667)	-	-
Other < £1,000	1,050	1,760	(2,810)	-	-
	4,717	840,143	(786,489)	-	58,371

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS (continued)

YEAR ENDED 31 MARCH 2024

24. RESTRICTED FUNDS – Group and Company (continued)

2023	Balance at 31 March 2022 £	Incoming resources £	Resources expensed £	Transfer £	Balance at 31 March 2023 £
Restricted income funds					
Film Hub North 2 (BFI)	102,129	605,430	(707,559)	-	-
Talent Development (BFI)	38,770	164,308	(203,078)	-	-
Youth Film Academy (BFI)	292	17,300	(17,592)	-	-
Residential Academy (BFI)	-	45,000	(45,000)	-	-
Venue Education Fund (BFI)	-	4,000	(4,000)	-	-
National Lottery	3,574	-	(3,574)	-	-
Film Feels	-	5,952	(5,952)	-	-
Young Programmers	-	15,000	(11,333)	-	3,667
Picturehouse	-	2,208	(2,208)	-	-
Other < £1,000	-	1,850	(800)	-	1,050
	<u>144,765</u>	<u>861,048</u>	<u>(1,001,096)</u>	<u>-</u>	<u>4,717</u>

Film Hub North 3 – initiative to develop a network of film exhibitors in the north of England, funded by the BFI. This includes us being part of a countryside network of talent executives, who search out and develop from a grass roots level, new and emerging film directors, producers and writers. This includes short film production and early feature script development.

Youth Film Academy – BFI funded training and development for young people 16-19 in filmmaking and appreciation.

BFI Residential: Programming, is part of the BFI's Film Academy Network. There are 9 residencies each specialising in an area of the film industry. We recruit 30 young people (aged 16-19), from across the UK to come to Sheffield for a week to learn about all aspects of programming, exhibition and distribution, through industry led masterclasses and practical based projects.

Powell & Pressburger: Funding to cover a programme of 11 films as part of the BFI 'Cinema Unbound: The Creative Worlds of Powell and Pressburger' season.

Story Futures: Funding to deliver a dedicated VR programme using VR headsets supplied by Story Futures. This included running two VR open day experiences.

SXSW Bursary: Funding for a place on the BFI International Connections VR Event in Austin, Texas.

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS (continued)

YEAR ENDED 31 MARCH 2024

25. UNRESTRICTED FUNDS	Company Unrestricted income fund £	Group Revaluation Reserve £
Balance at 1 April 2023	936,464	1,160,923
Net movement in funds for the year	(299,912)	-
Transfer during the year	79,880	(16,351)
Balance at 31 March 2024	<u>716,432</u>	<u>1,144,572</u>

26. RECONCILIATION OF CONSOLIDATED NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2024 Group £	2023 Group £
Net (outgoing) resources	(307,657)	(703,438)
Interest payable	23,786	-
Net outgoing resources from operations	<u>(283,871)</u>	<u>(703,438)</u>
Depreciation and amortisation	207,458	216,200
Decrease/(increase) in stock	622	(837)
(Increase)/decrease in debtors	(30,530)	178,950
Increase/(decrease) in creditors	140,850	(34,707)
Net cash inflow from operating activities	<u>34,529</u>	<u>(343,832)</u>

SHEFFIELD MEDIA AND EXHIBITION CENTRE LIMITED

NOTES ON ACCOUNTS (continued)

YEAR ENDED 31 MARCH 2024

27. ANALYSIS OF NET DEBT

	1 April 2023	Cash flow	Other non- cash charges	31 March 2024
	£	£	£	£
Cash at the bank and in hand	60	8,050	-	8,110
Bank overdrafts	(292,422)	(41,795)	-	(334,217)
Cash and cash equivalents	(292,362)	(33,745)	-	(326,107)
Debits falling due within one year	-	-	-	-
Debits falling due after one year	-	-	-	-
	-	-	-	-
	(292,362)	(33,745)	-	(326,107)

28. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the board of directors.

29. TRANSACTIONS WITH RELATED PARTIES

In accordance with FRS102 paragraph 33.1A the company has taken advantage of the exemption from disclosing transactions with its fellow subsidiary companies.