

Company Registration No. 02328810

Charity Registration No. 801637

JUNCTION CDC LTD
(t/a Cambridge Junction)

Trustees' Report and Financial Statements

Year ended 31 March 2021

JUNCTION CDC LIMITED (t/a Cambridge Junction)

ANNUAL REPORT AND FINANCIAL STATEMENTS 2021

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JUNCTION CDC LIMITED (t/a Cambridge Junction)

ANNUAL REPORT AND FINANCIAL STATEMENTS 2021

REFERENCE AND ADMINISTRATION DETAILS

TRUSTEES

Richard Arnold
Dr Othman Cole
Nicola Buckley, Chair
Jonathon Payne, Treasurer
Dr Merav Rosenfeld
Godric Smith
Julius Stobbs
Gabrielle Sumner
Zoe Svendsen

COMPANY REGISTERED NUMBER

02328810

CHARITY REGISTERED NUMBER

801637

REGISTERED OFFICE

Clifton Way
Cambridge
CB1 7GX

BANKERS

HSBC Bank plc
Vitrium
St John's Innovation Park
Cambridge
CB4 0DS

SOLICITORS

Mills & Reeve
Botanic House
100 Hills Road
Cambridge
CB2 1PH

AUDITOR

Price Bailey
Chartered Accountants
Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

JUNCTION CDC LIMITED (t/a Cambridge Junction)

TRUSTEES' REPORT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

OUR PURPOSE AND ACTIVITIES

Cambridge Junction is the trading name of Junction CDC Ltd.

Cambridge Junction is all about great music, art and entertainment. We are welcoming to anyone and to all, providing opportunities to connect, learn and experience. We encourage audiences and artists to be confident and curious. We are the place where art and technology meet life.

Cambridge Junction will:

- Strive to be the UK's most inspiring centre for the performing arts
- Grow a risk-taking audience through an engaging programme
- Lead the way in supporting artists and their development, foregrounding artists who experience racism, ableism, transphobia and homophobia
- Be a Centre of Excellence for our work with young people with complex needs
- Communicate with passion, connect with our communities, and commit to change

Cambridge Junction's priorities are:

- an inclusive programme
- artist development; and
- projects made for, by and with young people.

We celebrate and nurture the intersection of the three strands of our programme:

- Arts development and presentation, with a focus on contemporary theatre and dance;
- Popular culture with a focus on music, comedy and clubs; and
- Creative learning and skills development in the arts, using the organisation as a site for learning.

Cambridge Junction is twenty minutes' walk from the centre of the city and is located at the Cambridge Leisure Park. Each year we hold over 350 events in our three spaces:

- J1, a large versatile performance and social space with a standing capacity of 850;
- J2, a 220 seat theatre; and
- J3, a light-filled multipurpose space excellent for learning, rehearsal, residencies and talks.

The goals of Cambridge Junction are:

- To have more people experience and value arts, popular culture and creative learning. **GOAL 1**
- To support excellence in arts, popular culture and creative learning. **GOAL 2**
- To be a forward-thinking arts centre responsive to changes in the arts and community. **GOAL 3**
- To be rooted in Cambridge, contributing to the life of the city and its residents. **GOAL 4**
- To have a stable and adaptive business structure with diverse income streams. **GOAL 5**

At Cambridge Junction we are:

- **Committed** to art, entertainment and learning, which are experience-led, including new forms of performance, contributing to the creation of art through participation, access to popular music, and learning through creativity.
- **Inclusive and welcoming:** of artistic ideas, forms and contexts, and the diversity and difference of our artists and audiences.
- **Collaborative:** with artists, arts organisations, communities, government authorities and other stakeholders in pursuit of mutual goals.
- **Strategic:** in business; balancing day-to-day management, entrepreneurial opportunities and long-term aspirations.

JUNCTION CDC LIMITED (t/a Cambridge Junction)

TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing their aims and objectives and in planning their future activities. This section of the Trustees' Report identifies and explains the various activities undertaken.

For the purpose of these financial statements, the activities of Cambridge Junction may be classified between the main programme and projects. Activities considered part of the main programme include the arts and popular culture presentation programmes, arts development initiatives, and creative learning activities. Projects include a variety of one-off and/or time-limited events and activities, which are usually grant funded.

The last year has been a year like no other in the history of Cambridge Junction.

The COVID-19 pandemic has impacted massively on all our artists, audiences and staff, as it has on everyone's lives and work. The existential threat to the cultural sector has been particularly acute, with arts organisations and businesses often being the first to close to the public and the last to reopen and necessary restrictions to be lifted on our operations, and the central concept of our business and our art – bringing people together to experience high quality artistic work in rooms full of people – has been shaken to the core.

The pandemic, alongside our response to the resurgence of Black Lives Matter and our advocacy on climate emergency has both necessitated and to some extent facilitated vital organisational learning and the adaptation of policies and methodology, particularly with regards to accessibility, equity, diversity, inclusivity and belonging.

Cambridge Junction closed its doors to the public on 18 March 2020, and at the time of writing we are still operating in the context of increasing levels of delta variant infections, and the continuation of measures necessary to protect the health and well-being of artists, audiences, participants and staff, through social distancing, face coverings, regular lateral flow tests and mandated self-isolation for people with positive covid tests or contact with those with covid.

Cambridge Junction's management moved quickly to respond to the significant financial and business impacts of suspending public programmes, and by the end of March 2020, all but five members of staff were furloughed and throughout lockdowns we have benefited from the government's Coronavirus Job Retention Scheme (CJRS). Staff remained fully furloughed until October 2020, with the majority then moving to 50% flexi-furloughing. While it has been complex to manage and to ensure we have the capacity necessary to deliver core programmes and any possible activities, this approach allowed us to retain all staff throughout the last year and it was not necessary to enter into any form of redundancy consultations. We also took the decision to pay every member of staff's full salary (not the 80% offered through CJRS) and so have ensured that we have mitigated any precarity and not lost members of the team to other sectors, which has been a concern in other parts of the industry.

Alongside this we implemented all measures possible to reduce overheads and effectively mothballed the building for the period from April to August.

We have weathered this tragic storm as well as we have due to the continued support of funders, stakeholders, audiences, members, supporters and patrons.

We continued to benefit from support as a member of Arts Council England's (ACE) National Portfolio, which also included a 1.84% inflationary increase. This funding was and continues to be vital to our resilience as an organisation and ACE funding has supported the majority of our activities this year; activities that have required a higher level of subsidy than in a good year, when we can attract a large ticket buying audience and can generate significant revenue through bar sales and our covenant with Junction Promotions Ltd.

There was an anxious wait between April and July for news of sustained and business critical financial intervention from central government. While other sectors benefited from CJRS, rate relief and other support packages, the arts and cultural sectors needs were late to be met. Thanks to significant lobbying from across the sector and from ACE, the first round of the Culture Recovery Fund was launched in mid-July 2020. We were successful in our application to this and between October 2020 and June 2021, our activities and overheads have been supported through this fund in addition to core funding from ACE and partially replacing approximately £1.7m in lost income.

In January 2020, we had been awarded £50,000 through Cambridge City Council's (CCC) Community Grants programme. At the end of March and in consultation with CCC's grant team, we volunteered a 50% reduction to this

JUNCTION CDC LIMITED (t/a Cambridge Junction)

TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

grant, based on restrictions on in person activities limiting our ability to deliver to the agreed programme of work. We believe this to be an appropriate step in additionally supporting CCC's own covid response and critical frontline services.

In autumn 2020 we made a new application to CCC Community Grants, for a new community programme for delivery in 2021/22. This application for £55,000 was successful and we are excited about the potential this funding opens up to connect with new audiences and deliver work outside of the building, co-created with local people in response to the needs of communities of geography, use and interest. In 2021/22 we will deliver the first stage of this new programme with six community projects in the Cherry Hinton, Coleridge, Petersfield, Queen Edith, Romsey and Trumpington wards of Cambridge.

Over the last two years, we have delivered a major new creative learning project – Act One – with support from Paul Hamlyn Foundation's (PHF) Explore and Test programme, and our largest trust & foundation grant to date. While delivery of this programme was interrupted by the pandemic, we were incredibly grateful to PHF for £20,000 of support for our creative learning team through their emergency fund. This allowed us to bring our Head of Creative Learning Lisa Broom out of furlough to work on future plans and new ways of working.

We are very grateful to our partner trusts, foundations and supporters, including the Evelyn Trust, Cambridge Community Foundation, Pye Foundation, Children in Need and Cambridge Community Foundation for their continuing support of creative learning projects and understanding and responsiveness to our needs to adapting and rescheduling planned and funded projects.

We are also incredibly thankful to our audiences, members, supporters and patrons, who continued in their loyalty and generosity through this difficult time. During the first lockdown and with the first wave of cancellations and postponing of hundreds of gigs and performances, many people donated the value of their refunded tickets. Though they were unable to make the most of the benefits we offer through our programmes most people continued in memberships, providing vital income to us when it was most necessary. We will continue beyond lockdowns to grow our membership and will look to develop legacy programmes in the future.

With the greater financial confidence to navigate such new and uncertain territory provided by our funders and supporters, we were able to explore and implement new ways of working and delivering to our charitable aims and objectives.

While live in-person performances were not possible, we refocussed our work on artist development and commissioning, artist residencies (when these became possible again in August 2020), creative learning and our support for vulnerable and marginalised groups, and online/remote digital projects and performances.

We moved the delivery of Total Arts, our creative workshop for young disabled people, online as one of our first digital adaptations. In this way, the Total Arts team continued to support young and vulnerable people with the group meeting weekly for the whole of the first lockdown, providing an invaluable creative outlet for these young creatives, and increasing confidence and well-being in this group who were like many people struggling with the risk and uncertainty of the pandemic.

The group participated in a series of creative workshops, made art and films, met online with comedians and actors and musicians, and created engaging and uplifting work that we have shared via our social media channels. Total Arts member, Chris, made a funny and moving lockdown tour of Cambridge, which became our most viewed and engaged with creative learning content on Facebook.

Total Arts members gained a greater sense of ownership and agency through the work led by Katie Black Total Arts project manager, which is clearly evidenced by the community fundraiser that was led by another Total Arts member Irving McCormick and that our Development team supported. This project began as a vital fundraiser for a new wheelchair for Irving, who has quadriplegic cerebral palsy and who had outgrown his old and malfunctioning chair.

Irving, supported by film maker Peter Harmer (a regular practitioner/collaborator on our creative learning programme) and our Head of Development Liz Hughes, made connections with nationally recognised comedians including Harry Hill, Jonathan Pie, Rosie Jones and Richard Herring to organise an online comedy stand-up fundraiser.

This helped not only hit the £25,000 target for Irving's chair which was purchased at the end of 2020, but also delivered a further £10,000 with which a new creative learning pilot project will be delivered in 2021/22. Through

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TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

this pilot we hope to establish a new open access project for disabled children and young people, and create Total Arts Juniors to complement the incredibly successful work that we have established and tested over the last decade.

Similarly, we moved delivery of Junction Young Company online with the first season's work being delivered by poet and associate artist Hannah Jane Walker and theatre maker Drew Taylor. And through autumn 2020 and spring 2021 JYC worked with Breach Theatre to produce a new film, *An Impossible Show*, that was created remotely and filmed in an empty Junction. We released this film at the beginning of April 2021. It was necessary to be dynamic and responsive to constantly shifting needs and requirements on this project, which we had originally intended to result in a live performance and there was a strong sense of co-creation and co-production on this between JYC members, Breach and our Creative Learning team, led by Creative Learning Producer, Beth Bailey.

In continuing to support artists, we responded quickly to provide commissioning support, practical advice and opportunities to present new work online/remotely.

We commissioned four of our associate artists – Anna Brownsted, Hannah Jane Walker, Hester Chillingworth and Zoe Svendsen – to make work to share through HOME (Manchester's leading arts centre) and their Homemakers project. This was successful in providing a new platform and developing new audiences for the work of these artists and supported the development of future work also. Anna's audio piece – Week Nine – was in part a response to postponing work on Idle Hour, an outdoor performance we had planned to premiere in May 2020. Hannah's podcast – It Knows You Know – led to a new series of podcasts – Human Resources - released in mid-2021. Hester's film – Them's The Rules – was selected for the Brighton Rocks Film Festival where it went on to win the Lockdown Prize. And Zoe's postcard version of Love Letters to a Liveable Future was both a discrete project sent out to people self-isolating and part of the research into the live performance version of this piece which premieres in July 2021.

We were very conscious early in lockdown of the oversaturation of the market with online content, particularly from arts organisations with significant back catalogues of work to call upon. However, when this initial flurry of activity subsided and with financial support in place we were able to be more responsive to independent artists and companies who themselves were exploring the adaptation of existing and making new digital, remote and online work. Brilliant examples of the work we presented in this way included Rachel Mariner's Recovering Misogynist, Victor Esse's Unfamiliar, Fevered Sleep's 8 Tender Solitudes, Rhiannon Faith's Drowntown, Ontroerend Goed's TM (that was commissioned in early 2020 for premiere in early April 2021), and the fantastic film version of The Snow Queen that we co-produced with NIE and Tobacco Factory Theatres in December 2020 and with the support of the Culture Recovery Fund.

Our fifth associate artist – Alexandrina Hemsley – was awarded a Vision Mixers commission in early 2020, and we worked with Alexandrina and their producer Nancy Roberts throughout lockdown on the development of this project and Alexandrina's new producing structure Yewende 103.

We took the decision early in the first lockdown and with the necessity of unproducing our spring arts season and DISRUPT festival, to pay 100% cancellation fees to artists or 50% fees to those who's shows we hope to reschedule at the earliest opportunity. We also engaged freelance independent producers Josie Dale Jones, Jo Mackie, Rachel Drury and Claire Summerfield to deliver a series of workshops for and to support independent artists and companies making their own applications to ACE's Emergency Response Fund.

In December 2020, we presented a pilot series of socially distanced performances. This was the first opportunity we had to explore this new approach, as restrictions partially lifted and we could also bring staff partially out of furlough to plan and deliver this work. For a performance to be socially distanced audience could only be seated with people in their domestic bubble and 2m apart of others. To achieve this our venues could operate at a maximum of 25% of their usual capacity, and therefore only our largest venue – J1 – was a viable financial proposition. This first series was successfully delivered, with sell out audiences of up to 110 people, for a programme of music, comedy, spoken word and live art. This socially distanced programme was not intended to provide a large financial return, but to give employment to artists and begin to re-engage with audiences who were desperate for the return of live performance.

Between October and December 2020, it appeared that infection rates might be dropping and public health and government advice suggested that we might continue to present socially distanced performances between January and March 2021. Our programming team worked quickly to curate a programme that would be possible in this context and still ensuring public and staff safety and wellbeing. Unfortunately on 7 January, government announced

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TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

a new lockdown and again a season of work needed to be cancelled or rescheduled. Live performance would not return to the building until 17 May 2021.

Across 2020/21 we put in place a new fortnightly online session with Troop, our artist development network, providing regular opportunities to share skills and experience, share scratches and readings of new work, professional advice on finance, budgeting and funding applications, as well as peer support and an important social aspect. This allowed us to continue to connect with and support artists across the region and working online actually increased the accessibility of our programme to artists who might usually struggled to make the journey to Cambridge Junction.

We continue to be a socially responsible organisation with a broad range of commitments from the diversity and difference of our artists, audiences and workforce; through work (and in particular pay) conditions for our employees; to consideration of our environment. Our Environmental Policy continues to identify our primary challenges and actions around environmental sustainability. We are willing participants in Arts Council England's partnership with Julie's Bicycle and we monitor and record our energy (electricity, gas and water) and waste usage and thereby calculate our carbon footprint. In April 2019, we made a clear statement of our priorities with regards this in joining Culture Declares Emergency.

Ensuring Cambridge Junction's resilience, now and in the future, remains a priority, particularly considering the impacts of COVID-19. In 2020/2021 we recorded a surplus of £242,797 (2020: net expenditure £94,913) on unrestricted funds. This surplus was largely due to postponed projects due to lockdown over the winter months. We continue to operate as a social enterprise with surplus reinvested into our charitable activity. **[KPI5]**

FINANCIAL REVIEW

Overall, the group had net income for the year of £285 (2020: net expenditure £451,881), including net surplus of £242,797 (2020: net expenditure £94,913) on unrestricted funds.

The net expenditure on restricted funds in the year was £242,512 (2020: £356,968).

Included within the group's results are those of the charity's wholly owned trading subsidiary, The Junction Promotions Limited, which due to lack of in-building events throughout the year incurred a loss of £11,333 (2020: profit £133,583).

We continue to maintain excellent relationships with our principal funding bodies, Arts Council England and Cambridge City Council. Arts Council England supports our core activity with annual funding of £649,146 (2020: £637,418) through its National Portfolio funding programme. We received project funding of £27,500 (2020: £55,000) from Cambridge City Council to support our community engagement programme during the pandemic. **[KPI5]**

The Charity understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate but does not currently fundraise from the public or use any internal fundraisers or external fundraising agencies for either telephone or face to face campaigns and received no fundraising complaints during the year. The charity is registered as a small charity with the Fundraising Regulator.

As detailed above, we have been grateful to the government for financial support through CJRS and the Culture Recovery Fund (CRF1). We were additionally successful in round two of CRF (CRF2) with funds awarded for April to June 2021 at the end of March 2021. Due to ongoing restrictions on our planned activities, we requested a reallocation of CRF1 funds awarded to reflate our reserves, and that request was approved. Additionally CRF1 reporting and timeframe was extended to end June 2021, with CRF2 extended to December 2021. Ongoing impacts on audience confidence and behaviour as well as continuing risks associated with the increase in delta variant infections (as of July 2021), suggest that it will be necessary to apply to CRF3 when that is announced.

JUNCTION CDC LIMITED (t/a Cambridge Junction)

TRUSTEES' REPORT

RESERVES POLICY

Cambridge Junction carries out a diverse range of activities, including short term, externally funded projects and long term business development. The trustees have examined the requirement for free reserves, i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the scale of the organisation and the nature of its work, the level of free reserves should be approximately £230,000 at any one time.

The trustees are of the opinion that this provides:

- Sufficient flexibility to cover temporary shortfalls in income due to timing differences in income flows;
- Adequate working capital to cover core costs; and
- An allowance to enable the organisation to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

In determining the reserves policy, the trustees have considered the fixed costs required to maintain the Company for three months stands at approximately £225,000. The trustees have also considered the impact of any funding loss and the timescale in which this might occur.

The balance sheet shows total funds of £2,598,555 at 31 March 2021.

These funds included restricted funds of £2,028,009. This comprises grants and other income and assets subject to donor imposed conditions. The restricted funds include a Tickets in Advance Reserve of £120,000, which is a reserve equivalent to a prudent value of tickets sold in advance of events. Full details of restricted funds can be found in note 17 to the financial statements together with an analysis of movements in the year. The trustees note that the Tickets in Advance Reserve provides risk mitigation around ticket sales.

Unrestricted funds of the organisation at 31 March 2021 were £570,546 (2020: £327,749). These funds include £81,975 (2020: £61,975) relating to designated funds for a repair and renewal contingency, £28,398 (2020: £16,398) relating to designated funds for remuneration contingency, £12,000 (2020: £12,000) relating to designated funds for website optimisation, £43,855 (2020: £43,855) relating to designated funds for philanthropy and development, £72,154 (2020:nil) relating to designated funds for Cultural Recovery Fund projects delayed due to COVID-19. The free reserves of the group are £162,774 (2020: £23,524) after taking out fixed assets of £169,390 (2020: £169,996).

At 31 March 2021, the free reserves fell short of the desired level as set out in the reserves policy, above.

PLANS FOR FUTURE PERIODS

All of our work across this most difficult of years, has been towards ensuring that we emerge and recover as strongly as possible, continuing to connect and engage with audiences, continuing to deliver a progressive, co-created, artist-led programme for young people with complex needs, continuing to assert of value and impact with our communities, forging ever stronger connections with artists, companies, promoters, and agents. We have worked hard to balance an obvious need for pragmatism and dynamic business planning, with ensuring staff, audiences and all our partners, shared our hope for a return of our programme at a more usual volume of activity and capacity and with it the cultural, educational, social, spiritual, health and financial values and benefits of humans sharing live cultural experiences.

Our continuation as a going concern is testament to a strong and resilient business model, strong and strategic business planning and financial management and the partnership of our key stakeholders in being committed to our ongoing resilience.

We continue to be concerned about the future of public funding of the arts and will continue to lobby central government to properly support both local government and ACE effectively. The recent cuts to arts provision in Higher Education are of great concern and it does not bode well for future government decisions on funding for the sector. It is vital that central government understands the huge range of benefits as well as the significant economic impact, both locally and nationally, that the arts and cultural sector provide. We are one of the UK's largest industrial sectors returning billions to the Treasury each year. The sector has made this argument long and hard and we will continue to do so.

JUNCTION CDC LIMITED (t/a Cambridge Junction)

TRUSTEES' REPORT

PLANS FOR FUTURE PERIODS (CONTINUED)

In September 2021 we will make an application to ACE for an extension to our NPO funding agreement for 2022/23. We have already done a significant amount of work across the organisation in preparation for this and are as confident as we can be at this moment that we will be successful in this bid. In January 2022, we will make a much larger application to ACE for a new NPO funding agreement to cover 2023-2027. This bid will represent a clear embedding and implementation of ACE's Let's Create strategy 2020-2030, and respond fully to its new investment principles.

While our business model is strong, maintenance of our buildings and equipment is our primary concern for ensuring a resilient future. Without investment it is likely that a major building or equipment failure could place us in financial difficulty. Our approach has been to propose a major new capital redevelopment of our site, to include the rebuilding of J1 to increase its flexibility of use, rebuilding J3 and the addition of two new studio spaces for creation, creative learning, community and performance use, an enhanced, expanded and unifying foyer and social space; and 5,000+ square meters of creative, innovation and technology workspace. The workspace has the potential to provide long-term income and thereby ensure the resilience of the organisation.

We have been working in partnership with Cambridge City Council on plans towards our redevelopment and since March 2020 this project has been paused. We continue to work with CCC to find ways forward on this project.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The trustees constitute directors of the charitable company for the purpose of the Companies Act 2006.

The trustees serving during the year and since the year end, are shown on page 1.

Governing document

Cambridge Junction is incorporated as a company limited by guarantee with no share capital, registered in England and Wales (Company registration no. 02328810), and is set up as a registered Charity (Charity registration no. 801637).

Cambridge Junction's Memorandum and Articles of Association were incorporated on 15 December 1988 and amended by special resolution on 23 May 1989; 31 March 1998; 6 March 2000; 10 May 2000 and 22 February 2006.

Appointment of Trustees

There can be up to 17 trustees, elected to the Board. Each trustee is elected for a term of three years and can be re-elected for consecutive periods not exceeding nine years. After serving for nine years, a board member is not eligible for re-election until one year after retirement. New trustees are identified through personal recommendation, local networks and recruitment advertising. The trustees undertake a regular skills audit to ensure a suitable balance of skills and experience is achieved.

Trustee induction and training

On appointment, new trustees meet with the chair of the board and with senior management. These meetings include in-depth discussions regarding the structure, management and aims of the organisation and the responsibilities of the board as a whole and of individual trustees. New trustees are provided with a pack of relevant policies and other background information (including copies of budgets and financial statements) and are informed about the general information available on the Charity Commission website.

Group structure

The charity's wholly owned trading subsidiary, The Junction Promotions Limited, which is incorporated in England and Wales, pays all its profits to the charity by gift aid, under a deed of covenant. The Junction Promotions Limited operates the bars, refreshments and all commercial trading operations carried out at Cambridge Junction. The charity owns the entire issued share capital of 2 ordinary shares of £1 each.

The Board of trustees has overall control of the charity and is responsible for ensuring it fulfils its charitable aims and objectives. The Board appoints the CEO who in turn appoints the staff team responsible for the day to day running of the charity and trading subsidiary.

JUNCTION CDC LIMITED (t/a Cambridge Junction)

TRUSTEES' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Related parties and co-operation with other organisations

Cambridge Junction had no formal partnership agreements in place during 2020/21.

Key management personnel

Matt Burman is the Artistic Director and Chief Executive Officer. Helen Chamberlain is the General Manager.

Pay policy for senior staff

Pay levels are agreed annually by the Board. All pay levels, including those of senior staff, are based on an understanding of fair and equitable pay within the arts sector and in particular within peer National Portfolio Organisations.

Cambridge Junction is committed to pay all permanent staff the Living Wage (as set by the Living Wage Foundation) or better. All casual staff are paid the National Minimum Wage for 23+ or better. The organisation aspires to pay all staff the Living Wage or better.

Cambridge Junction does not pay performance related bonuses.

Risk management

The trustees have assessed the major risks to which Cambridge Junction is exposed, in particular those related to the strategic, business, operations and finances of Cambridge Junction, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Key risks and the trustees' approach to mitigating these risks are outlined in Cambridge Junction's business plan. However, the primary risks remain the failure to achieve audience levels/income (particularly in J1) and the reduction/cessation of ongoing financial support from Arts Council England and/or Cambridge City Council. COVID-19 has and will have a major and negative impact on audience levels, income and our funding relationships with Arts Council England and Cambridge City Council.

The trustees' approach to mitigating these risks is to: reforecast budgets at quarterly intervals and to ensure the budget reflects actual trading and funding outcomes; revise budgets to reduce core costs; and, where necessary, to draw on the free reserves. Additionally we will work closely with funders and lobby for additional financial support from government to support our continued operation across 2021/2022.

TRUSTEES' QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The company has granted an indemnity to one or more of its trustees against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Trustees' report.

JUNCTION CDC LIMITED (t/a Cambridge Junction)

TRUSTEES' REPORT

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of Junction CDC 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).

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 (FRS 102);
- make judgements and accounting 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; and
- 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 keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

AUDITOR

Each of the persons who is a trustee at the date of approval of this annual report confirms that:

- so far as the trustee is aware, there is no relevant audit information of which Cambridge Junction's auditor is unaware; and
- the trustee has taken all the steps that he/she ought to have taken as a trustee to make himself/herself aware of any relevant audit information and to establish that Cambridge Junction's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Price Bailey has expressed its willingness to continue in office as auditor and reappointment as auditor will be considered at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Approved by the Board of Directors
and signed on behalf of the Board



Jon Payne (Sep 30, 2021, 7:45am)

Trustee

Date: 30 Sep 2021

JUNCTION CDC LIMITED (t/a Cambridge Junction)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JUNCTION CDC LIMITED

Opinion

We have audited the financial statements of Junction CDC Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the charity balance sheet, the statement of consolidated 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 2021, and of the group's 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 group and parent 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.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees 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 themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

JUNCTION CDC LIMITED (t/a Cambridge Junction)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JUNCTION CDC LIMITED

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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 proper 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the parent 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 group and parent 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 group or parent 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the group and charitable company and how it operates and considered the risk of the group and charitable company not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the group and charitable company this included data protection, health and safety, employment law, licences to run venues and bar licences and financial reporting.

JUNCTION CDC LIMITED (t/a Cambridge Junction)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JUNCTION CDC LIMITED

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Management override: We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions to identify large or unusual transactions. We reviewed key authorisation procedures and decision making processes for any unusual or one-off transactions.
- Reviewing minutes of Trustee Board meetings and correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, making enquiries of management including those responsible for the key regulations, review of the risk management processes and procedures in place including a review of the risk register maintained by the group and charitable company. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. 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.



Helena Wilkinson BSc FCA DChA (Senior Statutory Auditor)
for and on behalf of
Price Bailey LLP

Chartered Accountants
Statutory Auditors

Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

Date: 1 October 2021

JUNCTION CDC LIMITED (t/a Cambridge Junction)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including consolidated income and expenditure account) Year ended 31 March 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME:					
<i>Donations and legacies</i>	3	1,194,271	103,988	1,298,259	1,108,261
<i>Income from charitable activities:</i>					
Main projects and participation programme	4	41,418	-	41,418	1,129,085
Projects including arts development		-	7,995	7,995	4,200
<i>Other Income:</i>					
Job Retention Scheme		559,172	-	559,172	6,902
<i>Income from other trading activities:</i>					
Commercial trading operations	5	815	-	815	423,231
<i>Investments – bank interest</i>	6	584	-	584	2,441
Total income		1,796,260	111,983	1,908,243	2,674,120
EXPENDITURE:					
<i>Costs of raising funds:</i>					
Commercial trading operations	5	12,148	-	12,148	289,648
<i>Expenditure on charitable activities:</i>					
Main projects and participation programme	7	1,015,958	27,500	1,043,458	2,222,833
Projects, including arts development	7	559,172	293,180	852,352	613,520
Total expenditure		1,587,278	320,680	1,907,958	3,126,001
Net income/(expenditure)		208,982	(208,697)	285	(451,881)
Transfer between funds	17	33,815	(33,815)	-	-
Net movement in funds in the year		242,797	(242,512)	285	(451,881)
Total funds brought forward	17	327,749	2,270,521	2,598,270	3,050,151
TOTAL FUNDS CARRIED FORWARD	17	570,546	2,028,009	2,598,555	2,598,270

There were no other items of comprehensive income other than those listed above and the net income for the year. All income and expenditure derive from continuing activities.

The surplus of the parent charity for the year for Companies Act purposes is £11,618 (2020: deficit £451,881). As permitted by Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented in respect of the parent charity.

See note 17 for comparative Consolidated Statement of Financial Activities analysed by funds.

The notes on pages 18 to 36 form part of these financial statements.

JUNCTION CDC LIMITED (t/a Cambridge Junction)

CONSOLIDATED BALANCE SHEET 31 March 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	11	1,980,563	2,205,337
CURRENT ASSETS			
Stocks	13	6,170	10,838
Debtors	14	146,318	160,384
Cash at bank and in hand		907,839	648,664
		1,060,327	819,886
CREDITORS: amounts falling due within one year	15	(442,335)	(426,953)
NET CURRENT ASSETS		617,992	392,933
TOTAL ASSETS LESS CURRENT LIABILITIES		2,598,555	2,598,270
NET ASSETS		2,598,555	2,598,270
CHARITY FUNDS			
Restricted funds	17	2,028,009	2,270,521
Unrestricted funds	17	570,546	327,749
TOTAL FUNDS		2,598,555	2,598,270

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. The notes on pages 18 to 36 form part of these financial statements.

The financial statements of Junction CDC Limited, registered number 02328810, were approved by the Board of Trustees and authorised for issue on 30 Sept 2021

Signed on behalf of the Trustees

Jon Payne

Jon Payne (Sep 30, 2021, 7:45am)

Trustee

JUNCTION CDC LIMITED (t/a Cambridge Junction)

CHARITY BALANCE SHEET 31 March 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	11	1,980,563	2,205,337
Investments	12	2	2
		<u>1,980,565</u>	<u>2,205,339</u>
CURRENT ASSETS			
Debtors	14	538,271	687,560
Cash at bank and in hand		526,668	124,590
		<u>1,064,939</u>	<u>812,150</u>
CREDITORS: amounts falling due within one year	15	(437,884)	(421,487)
NET CURRENT ASSETS		<u>627,055</u>	<u>390,663</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,607,620</u>	<u>2,596,002</u>
NET ASSETS		<u>2,607,620</u>	<u>2,596,002</u>
CHARITY FUNDS			
Restricted funds	17	2,028,009	2,270,521
Unrestricted funds	17	579,611	325,481
TOTAL FUNDS		<u>2,607,620</u>	<u>2,596,002</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. The notes on pages 18 to 36 form part of these financial statements.

The financial statements of Junction CDC Limited, registered number 02328810, were approved by the Board of Trustees and authorised for issue on 30 Sep 2021

Signed on behalf of the Trustees

Jon Payne

J Payne (Sep 30, 2021, 7:45am)

Trustee

JUNCTION CDC LIMITED (t/a Cambridge Junction)

STATEMENT OF CONSOLIDATED CASH FLOWS

31 March 2021

	Note	2021 £	2020 £
Cash (used by)/ generated from operating activities	22	266,372	(302,889)
Cash flows from investing activities			
Interest income		584	2,441
Purchase of tangible fixed assets		(7,781)	(11,723)
Cash flows used in investing activities		259,175	(9,282)
Cash flows from financing activities			
Interest paid		-	-
Finance leases		-	-
Cash flows used in financing activities		-	-
Increase/(Decrease) in cash and cash equivalents in the year		648,664	(312,171)
Cash and cash equivalents at beginning of the year		259,175	960,835
Total cash and cash equivalents at the end of the year		907,839	648,664

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	Note	2021 £	2020 £
Increase/(Decrease) in cash in the year being movement in net funds in the year	23	259,175	(312,171)
Net funds at 1 April		648,664	960,835
Net funds at 31 March		907,839	648,664

The notes on pages 18 to 36 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

1. ACCOUNTING POLICIES

Company and charitable status

Junction CDC Limited meets the definition of a public benefit entity under FRS102 and is incorporated in England and Wales, United Kingdom as a company limited by guarantee not having a share capital. There are currently nine (2020: nine) Trustees who are also the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. The charity is a registered charity. The registered office is given on page 1.

General information and basis of accounting

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" 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 September 2018; and the Companies Act 2006.

The financial statements are presented in Sterling and are rounded to the nearest £.

The principal accounting policies are set out below.

Preparation of financial statements - going concern basis

Cambridge Junction's activities, together with the factors likely to affect its future development, performance and position are set out in the Trustees' Report. The Trustees' Report also describes the financial position of Cambridge Junction; its risk management objectives and policies; and its free reserves policy.

Cambridge Junction has been temporarily closed since 17 March 2020, which has had a significant adverse impact on the level of ticket income that it has been able to generate. Cambridge Junction has, however, placed a number of its permanent and temporary staff on furlough and taken advantage of the Government's Job Retention Scheme (JRS); furthermore, Cambridge Junction was awarded an amount of £398,459 in October 2020 with a further award of £248,083 in March 2021 from the Arts Council England's Culture Recovery Fund. These Government support schemes have significantly strengthened Cambridge Junction's financial position and are vital in enabling it to continue to operate during this period of physical closure.

The trustees have prepared budgets up to the period ending 31 March 2023 and detailed cashflow forecasts up to 31 September 2022 which include a number of assumptions – in particular, Cambridge Junction reopening in September 2021, with a gradual phasing in of live performances, leading to an increase in ticketing income.

However, there remain many uncertainties as a result of COVID-19, the most significant of which is the threat of further lockdowns over winter 2021, the impact of covid passports, and the level of audience numbers and associated level of ticketing income. Trustees have therefore completed what they consider to be a severe sensitivity scenario whereby Cambridge Junction operates on zero earned income until September 2022; under this scenario, the company will still remain cash positive throughout the forecast period.

The trustees therefore have a reasonable expectation that Cambridge Junction will be able to meet its liabilities as they fall due, for at least the next 12 months, and will therefore remain in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

Basis of consolidation

Group financial statements have been prepared in respect of the Charity and its wholly owned subsidiary undertaking Junction Promotions Limited. These financial statements have been consolidated on a line by line basis and the results of the subsidiary undertaking are disclosed in note 5.

Income

Income is recognised when the Group and Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Income relating to events including ticket sales, bar income and cloakroom income is recognised at the date of performance.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

1. ACCOUNTING POLICIES (CONTINUED)

Income (continued)

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Expenditure

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

Expenditure on raising funds includes the costs incurred in commercial trading operations.

Expenditure on charitable activities includes the costs of performances and other educational activities undertaken to further the purposes of the charity and their associated support costs.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trust's artistic programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. Irrecoverable VAT is charged as an expense and shown within support costs

The bases on which support costs have been allocated are set out in note 8.

Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds subject to specific restrictions imposed by the funding authorities and donors. These funds are not available for the Trustees to apply at their discretion. The purpose and use of the restricted funds is set out in the notes to the financial statements.

Taxation

The parent company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards) or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

Current tax for the subsidiary company, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. No corporation tax is payable (or receivable) for the current or previous financial year.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

1. ACCOUNTING POLICIES (CONTINUED)

Tangible fixed assets

Fixtures and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Long term leasehold property	Period of lease
Fixtures and fittings	20-33%

Residual value is calculated on prices prevailing at the date of acquisition. Useful lives and residual values are reviewed at the end of every reporting period.

Investments

In the parent charity balance sheet, investments in subsidiary undertakings are measured at cost less impairment.

Stock

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and costs to be incurred in marketing, selling and distribution. Cost is based on the cost of purchase on a first in, first out basis. Provision is made for obsolete, slow-moving or defective items where appropriate.

Leases

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

The charity and group only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Fixed assets are recorded at depreciated historical cost and all other assets and liabilities are recorded at costs which is their fair value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

1. ACCOUNTING POLICIES (CONTINUED)

Pensions

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical accounting judgements or key sources of estimation uncertainty requiring disclosure.

3. ANALYSIS OF INCOME FROM DONATIONS AND GRANTS

	2021	2020
	£	£
Donations:		
Rent and rates in kind	105,840	105,280
Individual Donations	46,906	50,186
Corporate Sponsorship	3,510	3,025
Trusts & Foundations	31,137	21,033
	<u>187,393</u>	<u>179,524</u>
Grants:		
Cambridge City Council ¹	27,500	55,000
Cambridge City Council ²	-	5,000
Arts Council England ³	649,146	637,418
Arts Council England – Cultural Recovery Fund ⁴	358,613	-
Cambridgeshire County Council ⁵	2,165	2,735
Future Arts Centres ⁶	12,000	-
Arts Admin ⁷	29,188	-
Arts Council England – Ambition For Excellence ⁸	24,091	171,409
National Heritage Lottery Grant ⁹	2,663	47,175
BBC Children in Need ¹⁰	5,500	10,000
	<u>1,110,866</u>	<u>928,737</u>
	<u>1,298,259</u>	<u>1,108,261</u>

1. Community grant which supports the community and creative learning programmes. The grant is awarded annually.
2. Section 106 money awarded by Cambridge City Council to support projects with young people.
3. National Portfolio Organisation triannual funding awarded up to 2022.
4. Cultural Recovery Fund grant to support cultural organisations during Covid-19 pandemic.
5. Grant to support youth music initiatives.

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

3. ANALYSIS OF INCOME FROM DONATIONS AND GRANTS (cont.)

6. Grant to support commissioning of *Here and Now* -by Scottee and Friends
7. Grant to support commissioning of *Love Letters to a Liveable Future* by Metis
8. Strategic fund to support Diverse Actions, a three-year initiative championing BAME artists and arts workers.
9. Grant to support Cambridge Junction 30th year celebrations.
10. Grant to support creative learning activity.

2021 figures include restricted funds of £103,988 (2020: £312,352)

There are no unfulfilled conditions or other contingencies relating to the above grants.

4. ANALYSIS OF INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<i>Earned income from performance, classes and public events:</i>			
Ticket sales	22,542		22,542
Event hire fees	7,275		7,275
Cloakroom sales			
Creative learning sales	510		510
Other sales	11,091		11,091
Total	41,418		41,418

2020 – Comparative

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<i>Earned income from performance, classes and public events:</i>			
Ticket sales	688,555	-	688,555
Event hire fees	259,331	-	259,331
Cloakroom sales	12,807	-	12,807
Creative learning sales	12,165	-	12,165
Other sales	156,227	-	156,227
Total	1,129,085	-	1,129,085

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

5. ANALYSIS OF INCOME AND EXPENDITURE ON RAISING FUNDS

The wholly owned trading subsidiary, The Junction Promotions Limited, is incorporated in the United Kingdom (company number 03437774) and pays all of its profits to the charity under a deed of covenant. The Junction Promotions Limited operates the bars at the Cambridge Junction premises. A summary of the trading results is shown below:

	2021 £	2020 £
Turnover	815	423,231
Cost of sales	(4,398)	(219,399)
Administration costs	-	(23,513)
Support costs (note 8)	(7,750)	(46,736)
	<hr/>	<hr/>
Net Profit	(11,333)	133,583
Deed of covenant/gift aid	-	(133,583)
	<hr/>	<hr/>
Retained in subsidiary	(11,333)	-
	<hr/>	<hr/>
SUMMARY BALANCE SHEET	2021	2020
	£	£
CURRENT ASSETS		
Stocks	6,170	10,838
Debtors	2,412	1,082
Cash at bank and in hand	381,171	524,074
	<hr/>	<hr/>
	389,753	535,994
CREDITORS: amounts falling due within one year	(398,816)	(533,724)
	<hr/>	<hr/>
NET CURRENT ASSETS	(9,063)	2,270
	<hr/>	<hr/>
NET ASSETS	(9,063)	2,270
	<hr/>	<hr/>
CAPITAL		
Share capital	2	2
Retained earnings	(9,065)	2,268
	<hr/>	<hr/>
SHAREHOLDERS' FUNDS	(9,063)	2,270
	<hr/>	<hr/>

2021 figures include restricted funds of £nil.

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

6. ANALYSIS OF INCOME FROM INVESTMENTS

	2021 £	2020 £
Bank interest	584	2,441

2021 figures include restricted funds of £nil.

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Cost of main performance and participation programme	1,015,958	27,500	1,043,458
Costs of projects, including arts development	559,172	293,180	852,352
Total	1,575,130	320,680	1,895,810
Cost of main performance and participation programme			
Artists' fees and commissions	245,714	16,378	262,092
Licences	9	-	9
Security costs	(190)	-	(190)
Technical costs	1,537	-	1,537
Marketing costs	14,469	-	14,469
Property costs	251,122	-	251,122
Salaries	155,579	10,644	166,223
National insurance	26,093	478	26,571
Depreciation	8,388	-	8,388
Support costs (note 8)	313,237	-	313,237
	1,015,958	27,500	1,043,458
Costs of projects, including arts development			
Pru Project/Total Arts Film Festival	-	26,413	26,413
Staff Costs/Job Retention Scheme	559,172	-	559,172
Arts Council England Diverse Actions	-	39,937	39,937
National Lottery 30 th birthday celebrations	-	2,663	2,663
Other:	-	-	-
Building redevelopment (depreciation)	-	224,167	224,167
	559,172	293,180	852,352

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

2020 – Comparative

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Cost of main performance and participation programme	2,155,931	66,902	2,222,833
Costs of projects, including arts development	-	613,520	613,520
Total	2,155,931	680,422	2,836,353
Cost of main performance and participation programme			
Artists' fees and commissions	634,573	50,824	685,397
Licences	29,333	-	29,333
Security costs	78,496	-	78,496
Technical costs	82,910	-	82,910
Box office costs	42,926	-	42,926
Marketing costs	58,891	-	58,891
Property costs	301,156	-	301,156
Salaries	408,625	15,385	424,010
National insurance	38,023	693	38,716
Depreciation	10,267	-	10,267
Support costs (note 8)	470,731	-	470,731
	2,155,931	66,902	2,222,833
Costs of projects, including arts development			
Act Up	-	9,647	9,647
Mapping Touring Networks Projects	-	10,000	10,000
BBC CiN Act One Project	-	10,000	10,000
New Ideas Fund	-	12,500	12,500
Pru Project/Total Arts Film Festival	-	46,906	46,906
Arts Council England Catalyst Evolve	-	38,578	38,578
Arts Council England Diverse Actions	-	211,673	211,673
National Lottery 30 th birthday celebrations	-	47,175	47,175
Other:			
Building redevelopment (depreciation)	-	227,041	227,041
	-	613,520	613,520

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

8. ANALYSIS OF SUPPORT COSTS

	Main performance and participation programme 2021 £	Commercial trading operations 2021 £	Total 2021 £
Support costs:			
Recruitment			
Staff training	3,937	-	3,937
Staff welfare	1,664	-	1,664
Travel and subsistence	184	-	184
General administration	48,253	3,985	52,238
Legal fees	4,208	-	4,208
Consultancy Fees	225	-	225
Bank and credit card charges	7,618	520	8,138
Irrecoverable VAT	40,613	-	40,613
Bad and doubtful debts	(1,947)	-	(1,947)
Exchange Rate Variance	(137)	-	(137)
Wages and salaries	139,868	-	139,868
National insurance	14,437	-	14,437
Pension	45,814	-	45,814
Governance costs:			
Auditor's remuneration	8,500	3,245	11,745
	313,237	7,750	320,987

Governance and support costs are allocated to the different activities on the basis of a department allocation and the functions for which the resources are used.

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

8. ANALYSIS OF SUPPORT COSTS (continued)

2020 – Comparative

	Main performance and participation programme 2020 £	Commercial trading operations 2020 £	Total 2020 £
Support costs:			
Recruitment	2,346	-	2,346
Staff training	5,483	-	5,483
Staff welfare	5,519	220	5,739
Travel and subsistence	14,380	-	14,380
General administration	82,742	8,718	91,460
Legal fees	4,391	599	4,990
Consultancy Fees	17,234	2,350	19,584
Bank and credit card charges	23,519	6,255	29,774
Irrecoverable VAT	110,256	-	110,256
Bad and doubtful debts	1,426	-	1,426
Exchange Rate Variance	2	-	2
Wages and salaries	142,643	21,971	164,614
National insurance	14,458	1,798	16,256
Pension	38,332	1,580	39,912
Governance costs:			
Auditor's remuneration	8,000	3,245	11,245
	470,731	46,736	517,467

Governance and support costs are allocated to the different activities on the basis of a department allocation and the functions for which the resources are used.

9. NET EXPENDITURE FOR THE YEAR

	2021 £	2020 £
This is stated after charging:		
Depreciation of tangible fixed assets:		
Owned	232,554	237,308
 Fees payable to the charity's auditor for audit	8,500	8,000
Fees payable to the charity's auditor for other services to the group:		
The audit of the charity's subsidiary	3,245	3,245

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

10. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

The average monthly number of employees was:

	2021 No	2020 No
Commercial trading	0	11
Main performance and participation programme	65	56
Projects including arts development	1	4
Support	2	2
	<u>68</u>	<u>73</u>
	£	£

The aggregate staff costs were as follows:

Wages and salaries	875,731	905,439
Social security costs	55,514	57,762
Pension costs	46,159	42,712
	<u>977,404</u>	<u>1,005,913</u>

No Group employees had emoluments, excluding pension contributions but including benefits in kind, that were in excess of £60,000 in either the current year or preceding year.

The key management personnel of the parent Charity and its wholly owned subsidiary, The Junction Promotions Ltd are listed on page 11. The total remuneration (including pension contributions and employer's NI) of the key management personnel for the year totalled £111,406 (2020: £114,624).

Trustees' Remuneration

No trustees received remuneration or travel and subsistence expenses during the current or prior year. The Group holds Charity Management Liability Insurance at a cost of £2,200 (2020: £1,100) plus 12% Insurance Premium Tax making £2,464 (2020: £1,232) in total.

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

11. TANGIBLE FIXED ASSETS

Group and charity

	Long term leasehold property £	Fixtures and fittings £	Total £
Cost			
At 1 April 2020	5,738,137	586,122	6,324,259
Additions	-	7,781	7,781
At 31 March 2021	5,738,137	593,903	6,332,040
Depreciation			
At 1 April 2020	3,547,888	571,034	4,118,922
Charge for the year	224,167	8,388	232,555
At 31 March 2021	3,772,055	579,422	4,351,477
Net book value			
At 31 March 2021	<u>1,966,082</u>	<u>14,481</u>	<u>1,980,563</u>
At 31 March 2020	<u>2,190,249</u>	<u>15,088</u>	<u>2,205,337</u>

12. FIXED ASSET INVESTMENTS

Charity

£

Shares in subsidiary undertakings

At 1 April 2020 and 31 March 2021	<u>2</u>
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The fixed asset investment comprises 100% of the issued ordinary share capital of The Junction Promotions Limited, a company incorporated in the United Kingdom and registered in England and Wales. The Junction Promotions Limited (Company Registration No. 03437774) is the main trading arm, in support of the Charity. See balance sheet at note 5.

13. STOCKS

Group

	2021 £	2020 £
Bar and catering stock	<u>6,170</u>	<u>10,838</u>

There is no material difference between the balance sheet value of stocks and their replacement cost.

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

14. DEBTORS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Debtors falling due within one year:				
Trade debtors	6,854	21,677	5,524	21,677
Amounts due from subsidiary undertakings	-	-	394,365	528,258
Other debtors	-	2,972	-	2,972
Prepayments and accrued income	139,464	135,735	138,382	134,653
	<u>146,318</u>	<u>160,384</u>	<u>538,271</u>	<u>687,560</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	122,092	107,708	121,060	105,937
Other taxation and social security	13,811	33,956	13,811	33,956
Deferred ticket income	248,981	184,133	248,981	184,133
Other creditors	12,892	23,591	12,892	23,592
Accruals and deferred income	44,559	77,565	41,140	73,869
	<u>442,335</u>	<u>426,953</u>	<u>437,884</u>	<u>421,487</u>

16. DEFERRED TICKET INCOME RECONCILIATION

	2021	2020
	£	£
Balance at 1 April 2020	184,133	257,832
Amount deferred in the year	121,127	1,208,930
Amount released in the year	(56,279)	(1,282,629)
	<u>248,981</u>	<u>184,133</u>
Balance as at 31 March 2021		

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

17. MOVEMENTS OF FUNDS

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
Unrestricted funds:					
General reserves	193,521	1,237,088	(1,028,106)	(70,339)	332,164
Unrestricted funds total	193,521	1,237,088	(1,028,106)	(70,339)	332,164
Designated funds:					
Repair and renewal fund	61,975	-	-	20,000	81,975
Remuneration contingency	16,398	-	-	12,000	28,398
Website Optimisation Fund	12,000	-	-	-	12,000
Philanthropy Fund	43,855	-	-	-	43,855
Job Retention Scheme	-	559,172	(559,172)	-	-
Cultural Recovery Fund 1	-	-	-	72,154	72,154
Designated funds total	134,228	559,172	(559,172)	104,154	238,382
Restricted funds:					
Building redevelopment	2,035,340	-	(224,167)	-	1,811,174
Tickets in advance reserve	120,000	-	-	-	120,000
Cambridge City Council	-	27,500	(27,500)	-	-
Heritage Lottery 30 th birthday project	-	2,663	(2,663)	-	-
BBC Children in Need	-	5,500	-	-	5,500
ACE Catalyst Evolve	33,816	-	-	(33,815)	-
Access The Arts Fund	-	10,932	-	-	10,932
Total Arts	73,514	33,302	(26,413)	-	80,403
ACE Diverse Actions	7,851	32,086	(39,937)	-	-
Restricted funds total	2,270,521	111,983	(320,680)	(33,815)	2,028,009
TOTAL FUNDS	2,598,270	1,908,243	(1,907,958)	-	2,598,555

Transfers between funds represent reallocation of income or expenditure to funds, while remaining consistent with any restriction in relation to these funds.

General funds represent the funds generated from voluntary, charitable and trading operations of the charity to support the charity on a day-to-day basis and to fulfil the objectives of the charity. Included within general funds carried forward is a deficit of £9,065 (2020: surplus of £2,268) which relates to The Junction Promotions Ltd, a subsidiary of the charity.

Designated funds:

Repair and renewal fund represents the amount allocated for equipment and small capital repair, replacement and renewal.

Remuneration contingency represents an amount allocated for salary and wage increases.

Website Optimisation Fund represents an amount allocated to redesign the website to ensure the site is smartphone and tablet compliant.

Philanthropy Fund represents an amount allocated for Development department salaries following the end of the Catalyst Evolve project.

Job Retention Scheme represents a fund to support UK employers to cover up to 80 per cent of the wages of employees furloughed due to COVID-19.

Cultural Recovery Fund represents a fund to support cultural organisations forced to restrict activities because of COVID-19.

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

17. MOVEMENTS OF FUNDS (continued)

Restricted funds:

Building Redevelopment represents grants and costs related to the redevelopment of the Cambridge Junction site.

Tickets in advance reserve represents a grant from Arts Council England to reimburse ticket purchasers due to event cancellations, postponements or other unforeseen events.

Cambridge City Council represents funds received from Cambridge City Council to support the community engagement and artistic programmes

Heritage Lottery 30th Birthday represents a grant from the Heritage Lottery Fund towards the costs of the 30th anniversary celebrations.

BBC Children in Need represents a grant towards costs of a project supporting local young people.

Arts Council Catalyst Evolve represents a strategic fund supporting organisations to enable them to attract more private giving. This fund was closed at year end as development costs incurred in the previous year had been omitted.

Access The Arts Fund represents funds raised by Total Arts participants to support cultural access for young people with complex needs.

Total Arts represents funds received to support work for and by disabled young people.

Arts Council Diverse Actions represents a strategic fund supporting a three-year initiative championing BAME artists and arts workers.

Analysis of movement in free reserves

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
Unrestricted funds	327,749	1,796,260	(1,587,278)	33,815	570,546
Less - tangible fixed assets	(169,997)	-	607	-	(169,390)
Less - designated funds:					
Repair and renewal fund	(61,975)	-	-	(20,000)	(81,975)
Remuneration contingency	(16,398)	-	-	(12,000)	(28,398)
Website Optimisation Redesign	(12,000)	-	-	-	(12,000)
Philanthropy Fund	(43,855)	-	-	-	(43,885)
Job Retention Scheme	-	559,172	(559,172)	-	-
Cultural Recovery Fund 1	-	-	-	(72,154)	(72,154)
Free reserves	23,524	2,355,432	(2,145,843)	(73,969)	162,774

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

17. MOVEMENT OF FUNDS (continued)

2020 - Comparative

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
Unrestricted funds:					
General reserves	288,434	2,350,666	(2,445,579)	-	193,521
Unrestricted funds total	288,434	2,350,666	(2,445,579)	-	193,521
Designated funds:					
Repair and renewal fund	61,975	-	-	-	61,975
Remuneration contingency	16,398	-	-	-	16,398
Website Optimisation Fund	12,000	-	-	-	12,000
Philanthropy Fund	43,855	-	-	-	43,855
Designated funds total	134,228	-	-	-	134,228
Restricted funds:					
Building redevelopment	2,262,381	-	(227,041)	-	2,035,340
Tickets in advance reserve	120,000	-	-	-	120,000
Cambridge City Council	-	60,000	(60,000)	-	-
Cambridge City Council – Act Up	9,647	-	(9,647)	-	-
Heritage Lottery 30 th birthday project	-	47,175	(47,175)	-	-
New Ideas Fund	12,500	-	(12,500)	-	-
Mapping Touring Networks Project	10,000	-	(10,000)	-	-
BBC Children in Need	-	10,000	(10,000)	-	-
ACE Catalyst Evolve	68,194	4,200	(38,578)	-	33,816
Job Retention Scheme	-	6,902	(6,902)	-	-
Total Arts	96,652	23,768	(46,906)	-	73,514
ACE Diverse Actions	48,115	171,409	(211,673)	-	7,851
Restricted funds total	2,627,489	323,454	(680,422)	-	2,270,521
TOTAL FUNDS	3,050,151	2,674,120	(3,126,001)	-	2,598,270

Analysis of movements in free reserves

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
Unrestricted funds	422,662	2,350,666	(2,445,579)	-	327,749
Less - tangible fixed assets	(168,540)	-	(1,457)	-	(169,997)
Less - designated funds:					
Repair and renewal fund	(61,975)	-	-	-	(61,975)
Remuneration contingency	(16,398)	-	-	-	(16,398)
Website Optimisation Redesign	(12,000)	-	-	-	(12,000)
Philanthropy Fund	(43,855)	-	-	-	(43,855)
Free reserves	119,894	2,350,666	(2,447,035)	-	23,524

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

18. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

Group	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2021 £
Tangible fixed assets	169,390	-	1,811,174	1,980,564
Current assets	673,273	166,228	216,836	1,056,337
Current liabilities	(442,335)	-	-	(442,335)
At 31 March 2021	400,328	166,228	2,028,010	2,598,556

2020 – Comparative

Group	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2020 £
Tangible fixed assets	169,997	-	2,035,340	2,205,337
Current assets	450,477	134,228	235,181	819,886
Current liabilities	(426,953)	-	-	(426,953)
At 31 March 2020	193,521	134,228	2,270,521	2,598,270

19. EMPLOYEE RETIREMENT BENEFITS

The group operates a defined contribution retirement benefit scheme for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable to the scheme in the year and amounted to £46,159 (2020: £42,712). Contributions totalling £ 3,887 (2020: £6,393) were payable to the scheme at the balance sheet date and are included in creditors.

20. FINANCIAL COMMITMENTS

Operating lease commitments

The estimated annual value of rent and rates waived by Cambridge City Council in respect of the Cambridge Junction site is £105,840 (2020: £105,280), which is included in donations income and property costs.

21. RELATED PARTY TRANSACTIONS

Other related party transactions

In the year end 31 March 2021, trustees and associated companies made payments totalling £1,693 (2020: £52,429) to Cambridge Junction for donations, corporate memberships and sponsorship. One associated company, METIS, of which one trustee is a director, was supported by commission fee of £5,000 (2020: £1,000) from Junction CDC together with a grant of £34,188 (2020:nil) from Season for Change, a national programme funded by Arts Council England Project Grants, The Season for Change grant was paid to METIS as a transfer of grant from Arts Initiative. No trustee was involved in the decision making process for the commission fee or the grant.

The total remuneration for key management personnel for the period is set out in note 10. The company has taken advantage of the exemption in section 33 of FRS 102 'Reduced disclosure framework' not to disclose transactions and balances with its wholly owned subsidiary, The Junction Promotions Limited. There are no other related party transactions.

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

22. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group	
	2021	2020
	£	£
Net Income/(expenditure) for the year	285	(451,881)
Adjustments for:		
Depreciation charge	232,555	237,308
Interest income	(584)	(2,441)
Interest payable	-	-
Corporation tax charge	-	-
Corporation tax paid	-	(532)
Operating cash flow before movement in working capital	232,255	(217,546)
Decrease/(increase) in stock	4,668	3,322
Decrease/(increase) in debtors	15,396	25,138
(Decrease)/increase in creditors	14,052	(113,803)
Net cash provided by operating activities	266,372	(302,889)

23. ANALYSIS OF CHANGES IN NET DEBT – CURRENT YEAR

	31 March 2020 £	Cash flow £	Other Non Cash Changes £	31 March 2021 £
Cash at bank and in hand	648,664	259,175	-	907,839
Net funds	648,664	259,175	-	907,839

ANALYSIS OF CHANGES IN NET DEBT – PRIOR YEAR

	31 March 2019 £	Cash flow £	Other Non Cash Changes £	31 March 2020 £
Cash at bank and in hand	960,835	(312,171)	-	648,664
Net funds	960,835	(312,171)	-	648,664

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

24. OPERATING LEASE COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Expiry date:		
Not later than 1 year	2,152	2,152
Later than 1 but not later than 5 years	210	2,362
	<u>2,362</u>	<u>4,514</u>

25. CONTINGENT LIABILITY

The company is part of a group VAT registration and therefore is potentially liable for VAT liabilities of its trading subsidiary. As at 31 March 2021 the company had a debtor relating to value added tax of £743 (2020 - liability of £14,882).