

Company Registration No. 02328810

Charity Registration No. 801637

JUNCTION CDC LIMITED
(t/a Cambridge Junction)

Trustees' Report and Financial Statements

Year ended 31 March 2023

JUNCTION CDC LIMITED (t/a Cambridge Junction)

ANNUAL REPORT AND FINANCIAL STATEMENTS 2023

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JUNCTION CDC LIMITED (t/a Cambridge Junction)

ANNUAL REPORT AND FINANCIAL STATEMENTS 2023

REFERENCE AND ADMINISTRATION DETAILS

TRUSTEES

Richard Arnold
Nicola Buckley, Chair
Dr Othman Cole (Resigned 20 Mar 2023)
Kevin Jones (appointed 29 May 2023)
Dr Lucy Mills (appointed 18 July 2022)
Prof Shreepali Patel (appointed 26 Sept 2022)
Jonathan Payne, Treasurer (resigned 26 Sep 2022)
Mark Reddy, Treasurer (appointed 18 July 2022)
Dr Merav Rosenfeld
Godric Smith (resigned 26 Sep 2022)
Julius Stobbs (resigned 26 Sep 2022)
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

AUDITOR

Price Bailey LLP
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 2023

OUR PURPOSE AND ACTIVITIES

Cambridge Junction is the trading name of Junction CDC Ltd.

Our purpose is to share the power of live performance and creativity.

To do this we provide & encourage:

- a welcoming home of original arts, entertainment, and creativity
- opportunities for audiences and communities to experience, create and share, and a platform for emerging and establish artists
- audiences, participants, and artists to be confident and curious.

Our vision is to:

- be the most inspiring centre for the performing arts
- grow a risk-taking audience through an engaging programme
- support artists and their development, foregrounding artists and producers who are Deaf/Disabled, LGBTQIA+ and artists and producers who experience racism
- be a centre for excellence for our work with young people with complex needs
- communicate with passion, connect with our communities, and commit to change

We do this by:

- commissioning and presenting an ambitious, original, engaging, entertaining and high-quality programme
- delivering creative learning and community programmes
- supporting artist and producer development

Our cornerstones are:

- Welcome, Creativity, Equity, Diversity, Inclusivity and Belonging

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.
- 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**
- support excellence in arts, popular culture and creative learning. **GOAL 2**
- be a forward-thinking arts centre responsive to changes in the arts and community. **GOAL 3**
- be rooted in Cambridge, contributing to the life of the city and its residents. **GOAL 4**
- 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 these financial statements, the activities of Cambridge Junction may be classified as:

- Programming
 - Popular Culture
 - Arts
 - Family
- Creative Learning: Open Access
- Creative Learning: Targeted Projects
- Creative Learning: Skills & Employability
- Community Projects
- Artist Development
- Producer Development
- Commissioning & Co-production

Overview of the year

In many ways, this year has been very successful for Cambridge Junction. The quality and creative risk embodied by our work is exemplary, the delivery of more than 600 events across artform, as well as landmark international contemporary performance to high production standards. Inclusivity across our programmes has begun to shift a sense of representation in all our work, our Creative Learning team continue to make strong progress towards establishing Cambridge Junction a centre of excellence for our work with young people with complex needs, with audiences returning to nearly 90% of pre-pandemic levels and with news of our successful application to Arts Council England's National Portfolio securing vital core revenue funding for the next three years.

However, it has also been a highly challenging year financially. Increases in energy costs, the impacts of the cost of living crisis on fees and audience spend, inflation at the highest level in a generation, higher costs on projects than anticipated (due to significant competition for grants from key funders) and for the first quarter of the year, much lower numbers of gigs than projected due to promoter and audience confidence post-pandemic, have resulted in something of a perfect storm and one of the most complicated end of year positions for Cambridge Junction in many years.

In addition to funding from statutory organisations, we continue to grow income from private sources, from Trusts & Foundations, individuals and companies. In 2022/23, we delivered the second year of Take Two, a major three-year Creative Learning project for which we received an award of £176,000 from Paul Hamlyn Foundation in 2021. We also secured funding from the following Trusts & Foundations, other statutory/project and international funds; Evelyn Trust, the Lujenna Educational Trust, the Red Hill Trust, the Better Futures/Tees Law, ARM, Marshall, Warwick and Dominey, and D & J Lloyd Funds through the Cambridgeshire Community Foundation. This funding is vital in supporting our Creative Learning programme and supporting the development of young people's creativity, skills and confidence.

We also secured £113,185 of section 106 funding through Cambridge City Council to support future capital work to increase the community use of our social spaces.

Our individual giving is holding steady with 500 (2022: 490) members, supporters and patrons as of 31 March 2023.

Programming

In 2022/23 we presented 626 performances (an increase of 41% on 2021/22), with 79 of these for children, young people, and families. 84,259 people attended events (an increase of 21% from 2021/22), with 7,369 people attending family shows (and increase of 65% on the previous year).

We continue to commission, produce and deliver a distinctive, contemporary Arts programme, commissioning 23 new productions in 2022/23. We continue to foreground Global Majority, LGBTQIA+ and Disabled artists through the programme with 75% of the programme demonstrating the creative case for diversity. To ensure access to this

JUNCTION CDC LIMITED (t/a Cambridge Junction)

TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (continued)

disruptive and lingering work, created by local, national and international artists, we offer tickets on a Pay What You Feel model with tickets from £2.50. It is worthy of note that in 2022/23, average ticket yield was £7.50, an increase of 15% on last year and an increase of 38% on 2018/2019 when fixed ticket prices were in place.

Programming: Popular Culture

Highlights across our Popular Culture programme included Max Cooper, Sound + Vision Festival – a new programme of music and comedy at Cambridge Junction and venues across the city, J.P. Cooper, Bombay Bicycle Club, Joanne McNally, Flo & Joan, Inhaler, Everything Everything, Salty Dog (a new all-day festival of Americana), Tom Lumley, Vir Das, Gogo Penguin, Shy FX, Mark Thomas, Jerry Sadowitz, Lightning Seeds, DnB Allstars, Chase & Status, Working Men's Club, Garth Marengi, Big Fish Little Fish, Nick Cope Family Show, Mogwai, Pigs Pigs Pigs Pigs Pigs Pigs Pigs, The Comet Is Coming, Warning presents Wilkinson, Bridget Christie. Nick Mulvey. Sophie Duker and The Cat Empire.

Programming: Arts

Highlights across our arts season included Pagrav Dance's Kattam Katti, Little Wimmin / Figs in Wigs, Daniel Oliver's Chiperlarterart Party, DISRUPT included performances of Sleepwalk Collective and Chris Brett Bailey's Psychodrama, Hester Stefan Chillingworth's Blood Show and Monster Show, and the first J1 outing for Club Urania. Powerhouse: Vision Mixers-supported day-long festival of Queer arts, culture and music, Fountain :) Live by Alexandrina Hemsley (also Vision Mixers supported), BODIES by Ray Young presented at Abbey Pool, Hibernation by Olivier Award-winners Little Bulb, High Performance Packing Tape by Australian company Branch Nebula, Still Floating by Shon Dale-Jones, 24 Italian Songs & Arias by live art maker Brian Lobel, collaborating with Cardiff Singer of the World finalist Gweneth-Ann Rand, Extraordinary Bodies, Mapping Gender by Anders Duckworth, another Vision Mixers project Fest en Fest, featuring Icelandic live art/music/cabaret/dance piece DEAD, fantastic first work-in-progress performance from Troop member Alan Seiglow, our most accessible Christmas show, a reimagined The Nutcracker from Moxie Brawl, Home X by Kakilang, Lighthouse by Hazel Lam, Macondo by Silvia Mercuriali, and Stobbs New Ideas Fund commission The Talent by Action Hero.

Community Projects

In November 2022, we produced our most ambitious off-site, international and participatory project, The Democratic Set Cambridge by Ibsen Award-winners Back-to-Back Theatre. A hundred participants from across the city took part in the project that created a new film that captures the diversity and inclusivity of our community, and that premiered at Cambridge Junction in January 2023. Feedback from the company is testament to the quality of our engagement work and production: "Please pass on to your fabulous team a huge thank you for making us feel so welcome and delivering a very smooth residency in the Guild Hall. Nothing was too much trouble for Jess and Ema in front of house, all of your stewards and crew were very lovely, special shout out to Ash who is so amazing at reading the room in the DEM SET, it was greatly appreciated. We are so looking forward to the next stages of this project delivery, I just know it will be beautiful with the fabulous performers that gave so much in the box, the team were truly humbled by the all that was brought to the box.- What a wonderful artistic community you have."

In addition the producing team at Cambridge Junction delivered Luca Rutherford's You Heard Us, a community project working with women from across Cambridge to create a series of large-scale photographic portraits; Hunt & Darton's series of projects with residents in Queen Edith, which included a Dog Show, Live Art Jumble Sale and The Punch, The Sandwich, The Cake, a participatory feast; A Recipe for a Queen, Cambridge Junction's Jubilee project funded by Arts Council England through the Cambridgeshire Community Foundation with residents of Heathlands House care home, Queen Emma Primary School and the Friday Friends group at Cherry Hinton Baptist Church and led by artists Yvonne Hercules, Peter Harmer and Hannah Jane Walker; and projects with the Edge Café, led by artists Tink Flaherty and Jennifer Gaskell. You Heard Us, and projects with the Edge Café and in Queen Edith were supported by Cambridge City Council's Community Fund.

Creative Learning

We continue progress towards becoming a centre of excellent for our work with young people with complex needs. In 2022/23, our Creative Learning programme and projects engaged 5,137 children and young people (an increase of 18% on 2021/22), many of whom have complex needs.

JUNCTION CDC LIMITED (t/a Cambridge Junction)

TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (continued)

Our Creative Learning programme is comprised of Open Access, Targeted and Skills & Employability projects. Open Access projects include Junction Young Company (JYC), Total Arts and Total Arts Mini-Bytes, and our new Contemporary Youth Choir. Targeted projects focus on work with young people with complex needs, and marginalised young people, and include Paul Hamlyn Foundation funded multi-year project Take Two (that will run until 2024) and Beats, Trials, & Tribulations. Skills & Employability projects include our Apprenticeships, Industry Days and intensive workshops such as Big Bang Theory (developing sound engineering skills for 14+ year olds).

Total Arts continues to be a core Creative Learning project. Total Arts is a group for young disabled creatives which works together throughout the year to create new theatre performances and films. In 2022, a new group for 9-13yr olds was founded through funds raised by Total Arts participant Irving McCormick. One of the joyous highlights of our annual programme is the Total Arts Film Festival, a two-day event presented in June each year, which is curated by Total Arts and which showcases the films made by the group as well as films made through Taster sessions in SEND schools, and through other Creative Learning projects including Beats, Trials and Tribulations and Take Two.

In 2022/23, JYC worked with Breach Theatre and choreographer and dance artist Bar Groisman to create a new devised show that premiered at Cambridge Junction in April 2022. In September the company began work with critically acclaimed company The Pappy Show, and will work through the year towards a new production that will premiere in April 2023. The principle of artist leadership and co-creation is at the heart of all our Creative Learning activities and the sense of agency and ownership held by all the young people with whom we work is vital and tangible through each process with Junction Young Company.

Contemporary Youth Choir, led by local musician Yvonne Hercules, was established at the beginning of 2022 with funding from Children in Need and Cambridgeshire Community Foundation and after a successful pilot project was delivered throughout 2022/23. This project is inclusive of disabled and non-disabled young people, free to participants and open to people with no previous singing experience. The project was funded in 2022/23 through awards from the Lujenna Trust and the Cambridgeshire Community Foundation.

Take Two is a three-year project funded by the Paul Hamlyn Foundation, through which we will deliver a series of artist-led and co-created projects with young people in four educational settings; Olive Academy (alternative provision for young people excluded from mainstream education), Red Balloon (a charity working with young people who self-exclude), six Autism CABINS across Cambridge and Cambridgeshire, and Pilgrim Pathways Schools (CUH schools, some of which are secure psychiatric settings). In 2022/23, we delivered projects with each of these partners, producing high quality and engaging new films, with themes and approaches led by the young people themselves, facilitated by professional theatre and film-makers, animators and spoken word artists. The films produced have been showcased online and at the Total Arts Film Festival.

In 2022/23, we delivered a second Beats, Trials, and Tribulations (BTT) project funded by Cambridge City Council, working with marginalised young people from Trumpington, Romsey and Arbury wards, and in partnership with HighRise Entertainment and Romsey Mill. Through BTT a series of music videos and freestyles is produced, building on the co-creation model developed through Act One and Take Two, supporting skills development in music and film production, building confidence, wellbeing and expanding possibilities for participants. The project creates a genuine sense of opportunity for participants, through which they establish a sense of ownership and agency in the project, change perceptions of young people in their communities and develop a stronger connection with Cambridge Junction and our wider programmes.

Artist & Producer Development

We continue to provide a regional leading role on artist development. Our artist development network Troop (which currently has 60 members) received training, workshops, advice sessions, mentoring, work-in-progress opportunities and space and time in our building to make work. In 2022/23 commissioned and supported the development of 23 new pieces of work and offered 43 weeks of residency time across the building.

Artists and companies supported with residencies in the building have included Cath Hoffman, Hester Stefan Chillingworth, Selina Thompson, Sanskruti Dance, Moxie Brawl, Sam Ross, Alexandrina Hemsley/Yewande 103, Nando Messias, Tamara Micner, Alan Seiglow, Vanhulle Dance, and Neurodelicious

JUNCTION CDC LIMITED (t/a Cambridge Junction)

TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (continued)

Commissions were awarded to Figs in Wigs, Daniel Oliver, Moa Johansson & An*dre Neely, Laura Murphy, Wet Mess, Katie Greenall, Tink Flaherty, Emma Frankland, Yolanda Mercy, Harry Clayton-Wright, Fatt Projects, Jamal Harewood, Lou Robbins, The Uncultured, Demi Nandhra, Marikiscrycrycry, Collusion, H2 Dance, I'm Here Where Are You?, and Alice Holland

FINANCIAL REVIEW

Overall, the group had net expenditure for the year of £511,099 (2021: £136,202), including net expenditure of £401,682 (2022: net surplus £92,289) on unrestricted funds.

The net expenditure on restricted funds in the year was £109,417 (2022: £228,491).

Included within the group's results are those of the charity's wholly owned trading subsidiary, The Junction Promotions Limited, which earned £175,500 profit for the year (2022: £122,625), which was gift-aided to the charity. **[KPI15]**

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 (2022: £649,146) through its National Portfolio funding programme. We received project funding of £50,000 (2022: £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.

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 Charity for three months stands at approximately £230,000. 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 £1,951,254 at 31 March 2023 (2022: £2,462,353).

These funds included restricted funds of £1,670,784 (2022: £1,780,201). 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 2023 were £280,470 (2022: £682,152). These funds include £119,475 (2022: £119,475) relating to designated funds for a repair and renewal contingency, £28,398 (2022: £50,088) relating to designated funds for remuneration contingency, £43,855 (2022: £43,855) relating to designated funds for philanthropy and development, £7,337 (2022: £40,000) relating to designated funds to mitigate against increased

JUNCTION CDC LIMITED (t/a Cambridge Junction)

TRUSTEES' REPORT

RESERVES POLICY (continued)

utility costs. The free reserves of the group are in deficit of £173,036 (2022: surplus £186,260) after taking out fixed assets of £254,441 (2022: £181,474).

At 31 March 2023, the free reserves fell short of the desired level as set out in the reserves policy, above. The trustees are taking steps to address this as detailed below.

PLANS FOR FUTURE PERIODS

Whilst we have emerged well from the pandemic and the impacts on cultural organisations of the restrictions of lockdown, extrinsic factors will continue to affect our sustainability and resilience over the coming years. In the last year we have seen our overheads increase significantly due to a combination of high inflation, the impact of Brexit on supply chains, and soaring energy prices. The cost-of-living crisis impacts on the cultural sector in many ways, including through diminishing discretionary spend for audiences which in turn may reduce box office income, and with arts workers moving to new work due to historically lower wages across the sector. Without sufficient funding from central government, Arts Council England does not have the resource to fund independent artists or venues at the levels required to support growth or sustainability in the longer term, which will over time affect the availability of high quality, contemporary theatre and dance (in particular).

We will continue to work to develop audiences and programmes and identify new sources of income (both donated and earned) to ensure we increase attendance, grow income, are dynamic in our development of strategy and actions, and further strengthen our resilience to this ongoing situation and similar challenges in the future.

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 Arts Council England 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.

In November 2022, we were delighted and grateful to be informed that our application to Arts Council England's National Portfolio was successful. This will provide vital core revenue funding to the organisation of £649,146 per year, for the three years, 2023-2026. This was a solid result in a very difficult and competitive process which saw a number of companies cut from the National Portfolio. The funding awarded remains at standstill, with no inflationary increases since 2010, equivalent to a 35% cut in real terms.

In January 2022, we were informed that the grant that would be awarded to us by Cambridge City Council through their Community Fund, would be £20,000 lower than the sum requested. We are grateful to Cambridge City Council for the grant of £50,000 which will partially support projects including Total Arts, Contemporary Youth Choir, and Beats, Trials, & Tribulations. The Council's Community Fund was heavily oversubscribed, with most organisations not receiving the funds they had requested and require to deliver vital work in communities. To demonstrate the impact of cuts to local authority funding, in 2012, Cambridge Junction received £120,000 in revenue funding from Cambridge City Council. Further reduction to our Cambridge City Council funding would impact directly on our ability to deliver our Creative Learning programme and to work with young people with complex needs across the city.

To balance real terms and actual reductions in public subsidy, while continuing to deliver our core programmes of work, requires us to have ambitious targets for fundraising from private trusts, foundations and individuals. However, this is at a time when third sector, community and arts organisations are all experiencing pressure on budgets like never before, and so many are in a similar position to us and the upshot is significant pressure on trust and foundation funds, with success rates for these (as well as for Arts Council England) at historically low levels. Telling compelling and well-evidenced stories of the value and impact and success of all our work will be essential to securing the income

JUNCTION CDC LIMITED (t/a Cambridge Junction)

TRUSTEES' REPORT

PLANS FOR FUTURE PERIODS (continued)

required to continue delivering world-class, contemporary, progressive, inclusive and representative commissions and projects.

The capital redevelopment of the site we currently lease from Cambridge City Council remains an urgent concern and major ambition for Cambridge Junction's senior leadership and Board. Since 2014, we have worked with our partners at Cambridge City Council on a series of feasibility studies and proposals, including writing the brief and procurement of a lead design team in November 2019. Cambridge Junction's senior leadership and Board are keen to restart the partnership board with Cambridge City Council and to find new ways to progress this project and realise our ambitions for this redevelopment, secure the partnerships necessary to capitalise this work, and identify and realise the new revenue that this project could unlock and which is vital in replacing public funding that has been on standstill or cut since 2010. The business case and need for the development of our site to provide Cambridge Junction and the city with the significant cultural complex has been fully detailed in previous studies, and our need for far greater capacity is brought into even sharper relief by the first release of data from Census 2021 which shows that Cambridge's population has increased by 43% since we opened in 1990 and will have increased by 54% by 2031. Arts Council England have identified this project's delivery as a key risk to our future plans and success.

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 the United Kingdom and registered 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 2022/23.

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 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), the significant deficit incurred in 2022/23 and the reduction/cessation of ongoing financial support from Arts Council England and/or 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 2022/23 and beyond.

TRUSTEES' QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The Charity 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



Mark Reddy (Nov 21, 2023, 8:52am)

M Reddy

Trustee

Date: 21 Nov 2023

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 2023 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 2023, 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. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.
- 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 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.



Shaun Jordan ACA (Senior Statutory Auditor)
for and on behalf of
Price Bailey LLP

Chartered Accountants
Statutory Auditors

Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

Date: 21 November 2023

JUNCTION CDC LIMITED (t/a Cambridge Junction)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including consolidated income and expenditure account) Year ended 31 March 2023

| | Note | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|--|------|---------------------------------|-------------------------------|--------------------------|--------------------------|
| INCOME: | | | | | |
| <i>Donations and legacies</i> | 3 | 855,785 | 298,783 | 1,154,568 | 1,337,606 |
| <i>Income from charitable activities:</i> | | | | | |
| Main projects and participation programme | 4 | 1,454,190 | 3,200 | 1,457,390 | 836,378 |
| Projects including arts development | | | | | - |
| <i>Other Income:</i> | | | | | |
| Coronavirus Job Retention Scheme | | - | - | - | 119,994 |
| <i>Income from other trading activities:</i> | | | | | |
| Commercial trading operations | 5 | 553,769 | - | 553,769 | 378,138 |
| <i>Investments – bank interest</i> | 6 | 2,183 | - | 2,183 | 455 |
| Total income | | 2,865,927 | 301,983 | 3,167,910 | 2,672,571 |
| EXPENDITURE: | | | | | |
| <i>Costs of raising funds:</i> | | | | | |
| Commercial trading operations | 5 | 378,269 | - | 378,269 | 255,513 |
| <i>Expenditure on charitable activities:</i> | | | | | |
| Main projects and participation programme | 7 | 2,889,340 | 94,576 | 2,983,916 | 2,122,359 |
| Projects, including arts development | 7 | - | 316,823 | 316,823 | 430,901 |
| Total expenditure | | 3,267,609 | 411,399 | 3,679,008 | 2,808,773 |
| Net income/(expenditure) | | (401,682) | (109,417) | (511,099) | (136,202) |
| Transfer between funds | | - | - | - | - |
| Net movement in funds in the year | 17 | (401,682) | (109,417) | (511,099) | (136,202) |
| Total funds brought forward | 17 | 682,152 | 1,780,201 | 2,462,353 | 2,598,555 |
| TOTAL FUNDS CARRIED FORWARD | 17 | 280,470 | 1,670,784 | 1,951,254 | 2,462,353 |

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 deficit of the parent charity for the year for Companies Act purposes is £511,099 (2022: £136,202). 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

Year ended 31 March 2023

| | Note | 2023 £ | 2022 £ |
|--|------|------------------|------------------|
| FIXED ASSETS | | | |
| Tangible assets | 11 | 1,617,280 | 1,768,481 |
| | | <u>1,617,282</u> | <u>1,768,483</u> |
| CURRENT ASSETS | | | |
| Stocks | 13 | 23,960 | 23,707 |
| Debtors | 14 | 199,834 | 149,916 |
| Cash at bank and in hand | | 748,118 | 1,133,738 |
| | | <u>971,912</u> | <u>1,307,361</u> |
| CREDITORS: amounts falling due within one year | 15 | (637,938) | (613,489) |
| | | <u>333,974</u> | <u>693,872</u> |
| NET CURRENT ASSETS | | | |
| | | <u>1,951,254</u> | <u>2,462,353</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | |
| | | <u>1,951,254</u> | <u>2,462,353</u> |
| NET ASSETS | | | |
| | | <u>1,951,254</u> | <u>2,462,353</u> |
| CHARITY FUNDS | | | |
| Restricted funds | 17 | 1,670,784 | 1,780,201 |
| Unrestricted funds | 17 | 280,470 | 682,152 |
| | | <u>1,951,254</u> | <u>2,462,353</u> |
| TOTAL FUNDS | | | |
| | | <u>1,951,254</u> | <u>2,462,353</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 ~~21 Nov 2023~~.

Signed on behalf of the Trustees



Mark Reddy (Nov 21, 2023, 8:52am)

M Reddy

Trustee

JUNCTION CDC LIMITED (t/a Cambridge Junction)

CHARITY BALANCE SHEET Year ended 31 March 2023

| | Note | 2023 £ | 2022 £ |
|--|------|------------------|------------------|
| FIXED ASSETS | | | |
| Tangible assets | 11 | 1,617,280 | 1,768,481 |
| Investments | 12 | 2 | 2 |
| | | 1,617,282 | 1,768,483 |
| CURRENT ASSETS | | | |
| Debtors | 14 | 701,137 | 746,765 |
| Cash at bank and in hand | | 242,271 | 530,255 |
| | | 943,408 | 1,277,020 |
| CREDITORS: amounts falling due within one year | 15 | (609,436) | (583,150) |
| NET CURRENT ASSETS | | 333,972 | 693,870 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 1,951,254 | 2,462,353 |
| NET ASSETS | | 1,951,254 | 2,462,353 |
| CHARITY FUNDS | | | |
| Restricted funds | 17 | 1,670,784 | 1,780,201 |
| Unrestricted funds | 17 | 280,470 | 682,152 |
| TOTAL FUNDS | | 1,951,254 | 2,462,353 |

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 21 Nov 2023.

Signed on behalf of the Trustees



Mark Reddy (Nov 21, 2023, 8:52am)
M Reddy

Trustee

JUNCTION CDC LIMITED (t/a Cambridge Junction)

STATEMENT OF CONSOLIDATED CASH FLOWS

Year ended 31 March 2023

| | Note | 2023 £ | 2022 £ |
|---|------|----------------|------------------|
| Cash generated from operating activities | 22 | (292,518) | 251,551 |
| Cash flows from investing activities | | | |
| Interest income | | 2,183 | 455 |
| Purchase of tangible fixed assets | | (95,285) | (26,107) |
| Cash flows used in investing activities | | (93,102) | 25,652 |
| Increase in cash and cash equivalents in the year | | (385,620) | 225,899 |
| Cash and cash equivalents at beginning of the year | | 1,133,738 | 907,839 |
| Total cash and cash equivalents at the end of the year | | 748,118 | 1,133,738 |

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

| | Note | 2023 £ | 2022 £ |
|---|------|----------------|------------------|
| Increase/decrease in cash in the year being movement in net funds in the year | 23 | (385,620) | 225,899 |
| Net funds at 1 April | | 1,133,738 | 907,839 |
| Net funds at 31 March | | 748,118 | 1,133,738 |

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

1. ACCOUNTING POLICIES

Company and charitable status

Junction CDC Limited meets the definition of a public benefit entity under FRS102 and is incorporated in the United Kingdom and registered in England and Wales as a company limited by guarantee not having a share capital. There are currently nine (2022: eight) 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; its free reserves policy and statutory funding position.

The Trustees and senior management acknowledge their responsibility to evaluate Cambridge Junction's financial position and sustainability. As a result of the current economic conditions which impacts operating income, operational costs and the generation of funding, Cambridge Junction currently possess reserves that are lower than the Trustees and senior management would ideally like. However reserves remain at a level which ensures that the organisation continues to be able to pursue its charitable objectives.

The Trustees and senior management continue to be actively engaged in seeking funding opportunities, cost-saving measures, and strategic partnerships to enhance its financial position and ensure the continued delivery of its charitable aims. The trustees and senior management believe that these ongoing efforts will enable Cambridge Junction to continue to operate as a going concern in the foreseeable future despite the current economic challenges. The trustees and senior management have prepared forecasts which, even allowing for plausible downside scenarios and a continuation of the current economic challenges, show that Cambridge Junction will be able to meet its liabilities as they fall due, for a period of at least 12 months from the date of approval of these financial statements.

The trustees have a reasonable expectation that Cambridge Junction has adequate resources to continue in operational existence for the foreseeable future and, therefore, 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.

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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

1. ACCOUNTING POLICIES (CONTINUED)

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.

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, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

1. ACCOUNTING POLICIES (CONTINUED)

| | |
|------------------------------|-----------------|
| 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

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.

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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

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

| | 2023 £ | 2023 £ | 2023 £ | 2022 £ |
|--|-----------------------|---------------------|------------------|------------------|
| | Unrestricted Funds | Restricted Funds | Total Funds | |
| Donations: | | | | |
| Rent and rates in kind | 105,840 | - | 105,840 | 105,840 |
| Individual Donations | 61,038 | 1,000 | 62,038 | 70,480 |
| Corporate Sponsorship | 5,071 | 45,000 | 50,071 | 5,853 |
| Trusts & Foundations | - | 40,258 | 40,258 | 14,999 |
| | 171,949 | 86,258 | 258,207 | 197,172 |
| Grants: | | | | |
| Cambridge City Council ¹ | - | 50,000 | 50,000 | 55,000 |
| Canadian Commission ² | - | - | 0 | 417 |
| Arts Council England ³ | 649,146 | - | 649,146 | 649,146 |
| Arts Council England – Cultural Recovery Fund ⁴ | 34,690 | - | 34,690 | 368,871 |
| Cambridgeshire County Council ⁵ | - | 4,032 | 4,032 | 4,750 |
| Police and Crime Commissioner ⁶ | - | 3,500 | 3,500 | - |
| Sound & Vision Festival ⁷ | - | 10,839 | 10,839 | - |
| Arts Council England – Capital ⁸ | - | 77,676 | 77,676 | - |
| BBC Children in Need ⁹ | - | - | 0 | 4,500 |
| Arts Admin ¹⁰ | - | 3,244 | 3,244 | - |
| Paul Hamlyn Foundation (Take Two) ¹¹ | - | 61,734 | 61,734 | 57,750 |
| Festival Bridge ¹² | - | 1,500 | 1,500 | - |
| | 683,836 | 212,525 | 896,361 | 1,140,434 |
| | 855,785 | 298,783 | 1,154,568 | 1,337,606 |

1. Community grant which supports the community and creative learning programmes. The grant is awarded annually.
2. Grant to support marketing costs for Tamara Micner's *Old Friends*
3. National Portfolio Organisation triannual funding awarded up to 2026.
4. Cultural Recovery Fund grant to support cultural organisations during COVID-19 pandemic.
5. Grant to support youth music initiatives.
6. Grant to support creative learning activity.
7. Grant to support Sound & Vision Festival April 2023
8. Arts Council England Capital award for audio visual upgrades
9. Grant to support creative learning activity.
10. Grant to support arts programme commission
11. Multiyear grant to support creative learning activity.
12. Grant to support creative learning activity

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2023

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

2022 figures include restricted funds of £137,416 consisting of £14,999 restricted donations and £122,417 restricted grants.

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

4. ANALYSIS OF INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted funds 2023 £ | Restricted Funds 2023 £ | Total 2023 £ |
|---|------------------------------------|----------------------------------|--------------------|
| <i>Earned income from performance, classes and public events:</i> | | | |
| Ticket sales | 957,064 | - | 957,064 |
| Event hire fees | 248,532 | - | 248,532 |
| Cloakroom sales | 17,068 | - | 17,068 |
| Creative learning sales | 16,765 | - | 16,765 |
| Other sales | 214,761 | 3,200 | 217,961 |
| Total | 1,454,190 | 3,200 | 1,457,390 |

| <u>2022 – Comparative</u> | Unrestricted funds 2022 £ | Restricted Funds 2022 £ | Total 2022 £ |
|---|------------------------------------|----------------------------------|--------------------|
| <i>Earned income from performance, classes and public events:</i> | | | |
| Ticket sales | 555,775 | - | 555,775 |
| Event hire fees | 140,201 | - | 140,201 |
| Cloakroom sales | 8,861 | - | 8,861 |
| Creative learning sales | 9,540 | - | 9,540 |
| Other sales | 122,001 | - | 122,001 |
| Total | 836,378 | - | 836,378 |

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2023

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:

| | 2023 £ | 2022 £ |
|---|-------------|-------------|
| Turnover | 553,769 | 378,138 |
| Cost of sales | (285,423) | (176,402) |
| Administration costs | (31,001) | (25,339) |
| Support costs (note 8) | (61,845) | (53,772) |
| | <hr/> | <hr/> |
| Net Profit | 175,500 | 122,625 |
| Retained earnings at the beginning of the year | - | (9,065) |
| Deed of covenant/gift aid | (175,500) | (113,560) |
| | <hr/> | <hr/> |
| Retained in subsidiary | - | - |
| | <hr/> | <hr/> |
| SUMMARY BALANCE SHEET | 2023 | 2022 |
| | £ | £ |
| CURRENT ASSETS | | |
| Stocks | 23,960 | 23,707 |
| Debtors | 1,188 | 1,082 |
| Cash at bank and in hand | 505,847 | 603,484 |
| | <hr/> | <hr/> |
| | 530,995 | 628,273 |
| CREDITORS: amounts falling due within one year | (530,993) | (628,271) |
| | <hr/> | <hr/> |
| NET CURRENT ASSETS | 2 | 2 |
| | <hr/> | <hr/> |
| NET ASSETS | 2 | 2 |
| | <hr/> | <hr/> |
| CAPITAL | | |
| Share capital | 2 | 2 |
| Retained earnings | - | - |
| | <hr/> | <hr/> |
| SHAREHOLDERS' FUNDS | 2 | 2 |
| | <hr/> | <hr/> |

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2023

6. ANALYSIS OF INCOME FROM INVESTMENTS

| | 2023 £ | 2022 £ |
|---------------|-----------|-----------|
| Bank interest | 2,183 | 455 |

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ |
|---|------------------------------------|----------------------------------|--------------------|
| Cost of main performance and participation programme | 2,889,340 | 94,576 | 2,983,916 |
| Costs of projects, including arts development | - | 316,823 | 316,823 |
| Total | 2,889,340 | 411,399 | 3,300,739 |
| Cost of main performance and participation programme | | | |
| Artists' fees and commissions | 981,576 | 53,028 | 1,034,604 |
| Licences | 39,058 | - | 39,058 |
| Security costs | 129,138 | - | 129,138 |
| Technical costs | 95,583 | - | 95,583 |
| Box Office Costs | 50,462 | - | 50,462 |
| Marketing costs | 77,393 | 360 | 77,753 |
| Property costs | 361,455 | - | 361,455 |
| Salaries | 524,826 | 31,078 | 555,904 |
| National insurance | 48,051 | 1,661 | 49,712 |
| Depreciation | 17,857 | 4,462 | 22,319 |
| Support costs (note 8) | 563,941 | 3,987 | 567,928 |
| | 2,889,340 | 94,576 | 2,983,916 |
| Costs of projects, including arts development | | | |
| Creative Learning/Total Arts Film Festival | - | 30,922 | 30,922 |
| PHF: Take Two | - | 61,734 | 61,734 |
| Other: | | | |
| Building depreciation | - | 224,167 | 224,167 |
| | - | 316,823 | 316,823 |

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2023

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

2022 – Comparative

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
|---|------------------------------------|----------------------------------|--------------------|
| Cost of main performance and participation programme | 2,067,359 | 55,000 | 2,122,359 |
| Costs of projects, including arts development | 119,994 | 310,907 | 430,901 |
| Total | 2,187,353 | 365,907 | 2,553,260 |
| Cost of main performance and participation programme | | | |
| Artists' fees and commissions | 560,796 | 26,486 | 587,282 |
| Licences | 22,964 | - | 22,964 |
| Security costs | 79,855 | - | 79,855 |
| Technical costs | 69,906 | - | 69,906 |
| Box Office Costs | 29,646 | - | 29,646 |
| Marketing costs | 44,034 | 600 | 44,634 |
| Property costs | 311,558 | - | 311,558 |
| Salaries | 431,936 | 26,751 | 458,687 |
| National insurance | 42,506 | 1,163 | 43,669 |
| Depreciation | 14,022 | - | 14,022 |
| Support costs (note 8) | 460,135 | - | 460,135 |
| | 2,067,358 | 55,000 | 2,122,358 |
| Costs of projects, including arts development | | | |
| Pru Project/Total Arts Film Festival | - | 52,103 | 52,103 |
| Staff Costs/Job Retention Scheme | 119,994 | - | 119,994 |
| Access The Arts Fund | - | 10,932 | 10,932 |
| PHF: Take Two | - | 13,288 | 13,288 |
| Canadian Commission re Old Friends | - | 417 | 417 |
| BBC CiN Act One | - | 10,000 | 10,000 |
| Other: | | | |
| Building depreciation | - | 224,167 | 224,167 |
| | 119,994 | 310,907 | 430,901 |

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2023

8. ANALYSIS OF SUPPORT COSTS

| | Main performance and participation programme 2023 £ | Commercial trading operations 2023 £ | Total 2023 £ |
|---------------------------------|---|--|--------------------|
| <i>Support costs:</i> | | | |
| Recruitment | 1,059 | - | 1,059 |
| Staff training | 3,935 | 125 | 4,060 |
| Staff welfare | 9,261 | 280 | 9,541 |
| Travel and subsistence | 12,529 | - | 12,529 |
| General administration | 94,776 | 12,233 | 107,009 |
| Legal fees | 4,172 | 569 | 4,741 |
| Bank and credit card charges | 40,598 | 14,074 | 54,672 |
| Irrecoverable VAT | 159,343 | - | 159,343 |
| Bad and doubtful debts | 7,398 | - | 7,398 |
| Exchange rate variance | 201 | - | 201 |
| Wages and salaries | 157,175 | 26,781 | 183,956 |
| National insurance | 17,150 | 2,410 | 19,560 |
| Pension | 50,331 | 1,873 | 52,204 |
| <i>Governance costs:</i> | | | |
| Auditor's remuneration | 10,000 | 3,500 | 13,500 |
| | 567,928 | 61,845 | 629,773 |

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 2023

8. ANALYSIS OF SUPPORT COSTS (continued)

2022 – Comparative

| | Main performance and participation programme 2022 £ | Commercial trading operations 2022 £ | Total 2022 £ |
|------------------------------|---|--|--------------------|
| Support costs: | | | |
| Recruitment | 824 | - | 824 |
| Staff training | 5,501 | 35 | 5,536 |
| Staff welfare | 8,033 | 265 | 8,298 |
| Travel and subsistence | 4,511 | - | 4,511 |
| General administration | 83,061 | 9,979 | 93,040 |
| Legal fees | 4,070 | 555 | 4,625 |
| Consultancy fees | 8,055 | 1,098 | 9,153 |
| Bank and credit card charges | 24,326 | 11,867 | 36,193 |
| Irrecoverable VAT | 98,872 | - | 98,872 |
| Bad and doubtful debts | 3,393 | - | 3,393 |
| Exchange rate variance | (36) | - | (36) |
| Wages and salaries | 146,180 | 21,557 | 167,737 |
| National insurance | 15,067 | 2,843 | 17,910 |
| Pension | 45,848 | 1,673 | 47,521 |
| Governance costs: | | | |
| Auditor's remuneration | 12,430 | 3,900 | 16,330 |
| | 460,135 | 53,772 | 513,907 |

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

| | 2023 £ | 2022 £ |
|--|-----------|-----------|
| This is stated after charging: | | |
| Depreciation of tangible fixed assets: | | |
| Owned | 246,485 | 238,189 |
| Fees payable to the charity's auditor for audit | 10,000 | 12,430 |
| Fees payable to the charity's auditor for other services to the group: | | |
| The audit of the charity's subsidiary | 3,500 | 3,900 |

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2023

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

The average monthly number of employees was:

| | 2023 No | 2022 No |
|--|------------|------------|
| Commercial trading | 13 | 9 |
| Main performance and participation programme | 65 | 62 |
| Support | 2 | 2 |
| | <u>80</u> | <u>73</u> |

The aggregate staff costs were as follows:

| | £ | £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 1,084,393 | 970,4662 |
| Social security costs | 71,658 | 62,530 |
| Pension costs | 52,204 | 47,521 |
| | <u>1,208,255</u> | <u>1,080,517</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 £123,320 (2022: £114,727).

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 £1,358 (2022: £1,234) plus 12% Insurance Premium Tax making £1,521 (2022: £1,383) in total.

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2023

11. TANGIBLE FIXED ASSETS

Group and charity

| | Long term leasehold property £ | Fixtures and fittings £ | Total £ |
|-----------------------|---|-------------------------------|------------|
| Cost | | | |
| At 1 April 2022 | 5,738,137 | 620,009 | 6,358,146 |
| Additions | - | 95,285 | 95,285 |
| At 31 March 2023 | 5,738,137 | 715,294 | 6,453,431 |
| Depreciation | | | |
| At 1 April 2022 | 3,996,222 | 593,443 | 4,589,665 |
| Charge for the year | 224,167 | 22,319 | 246,485 |
| At 31 March 2023 | 4,220,389 | 615,762 | 4,836,151 |
| Net book value | | | |
| At 31 March 2023 | 1,517,748 | 99,532 | 1,617,280 |
| At 31 March 2022 | 1,741,915 | 26,566 | 1,768,481 |

12. FIXED ASSET INVESTMENTS

Charity

£

Shares in subsidiary undertakings

At 1 April 2022 and 31 March 2023

2

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

| | 2023 £ | 2022 £ |
|------------------------|-----------|-----------|
| Bar and catering stock | 23,960 | 23,707 |

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 2023

14. DEBTORS

| | Group | | Charity | |
|---|----------------|----------------|----------------|----------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Debtors falling due within one year: | | | | |
| Trade debtors | 68,317 | 38,386 | 68,317 | 38,386 |
| Amounts due from subsidiary undertakings | - | - | 502,492 | 597,930 |
| Prepayments and accrued income | 131,517 | 111,530 | 130,328 | 110,449 |
| | <u>199,834</u> | <u>149,916</u> | <u>701,137</u> | <u>746,765</u> |

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Group | | Charity | |
|------------------------------------|----------------|----------------|----------------|----------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Trade creditors | 141,992 | 129,539 | 117,021 | 106,661 |
| Other taxation and social security | 51,903 | 42,665 | 51,903 | 42,665 |
| Deferred ticket income | 300,130 | 297,537 | 300,130 | 297,537 |
| Other creditors | 15,931 | 27,755 | 15,931 | 27,755 |
| Accruals and deferred income | 127,982 | 115,993 | 124,451 | 108,532 |
| | <u>637,938</u> | <u>613,489</u> | <u>609,436</u> | <u>583,150</u> |

16. DEFERRED TICKET INCOME RECONCILIATION

| | 2023 | 2022 |
|-----------------------------|----------------|----------------|
| | £ | £ |
| Balance at 1 April 2022 | 297,537 | 248,981 |
| Amount deferred in the year | 1,579,197 | 970,427 |
| Amount released in the year | (1,576,604) | (921,871) |
| Balance as at 31 March 2023 | <u>300,130</u> | <u>297,537</u> |

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2023

17. MOVEMENTS OF FUNDS

| | At 1 April 2022 £ | Income £ | Expenditure £ | Transfers £ | At 31 March 2023 £ |
|--|-------------------------|------------------|--------------------|------------------|--------------------------|
| Unrestricted funds: | | | | | |
| General funds | 367,734 | 2,865,927 | (3,267,609) | 115,353 | 81,405 |
| Unrestricted funds total | 367,734 | 2,865,927 | (3,267,609) | 115,353 | 81,405 |
| Designated funds: | | | | | |
| Repair and renewal fund | 119,475 | - | - | - | 119,475 |
| Remuneration contingency | 50,088 | - | - | (21,690) | 28,398 |
| Website Optimisation Fund | 40,000 | - | - | (40,000) | - |
| International Projects | 21,000 | - | - | (21,000) | - |
| Philanthropy Fund | 43,855 | - | - | - | 43,855 |
| Utilities Reserve | 40,000 | - | - | (32,663) | 7,337 |
| Designated funds total | 314,418 | - | - | (115,353) | 199,065 |
| Unrestricted and designated funds total | 682,152 | 2,865,927 | (3,267,609) | - | 280,470 |
| Restricted funds: | | | | | |
| Building redevelopment | 1,587,006 | - | (224,167) | - | 1,362,840 |
| Tickets in advance reserve | 120,000 | - | - | - | 120,000 |
| Cambridge City Council | - | 50,000 | (45,000) | (5,000) | - |
| Community Projects | - | 12,216 | (6,031) | - | 6,185 |
| Paul Hamlyn Foundation (Take Two) | 54,858 | 71,492 | (61,734) | - | 64,616 |
| Stobbs New Ideas Fund 23/24 | - | 20,000 | - | - | 20,000 |
| Sound Production | - | 2,500 | - | - | 2,500 |
| Stobbs Christmas Fund | - | 25,000 | (25,000) | - | - |
| Arts Council Capital | - | 77,676 | (4,462) | - | 73,214 |
| Commissioning | - | 14,083 | (14,083) | - | - |
| Seat Sponsorship | - | 1,000 | - | - | 1,000 |
| Total Arts | 18,336 | 28,016 | (30,922) | 5,000 | 20,429 |
| Restricted funds total | 1,780,200 | 301,983 | (411,399) | - | 1,670,784 |
| TOTAL FUNDS | 2,462,352 | 3,167,910 | (3,679,008) | - | 1,951,254 |

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.

Designated funds:

Repair and renewal fund represents the amount allocated for 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 company's website

International Projects represents an amount allocated to international projects (UK-Australia) delayed due to COVID-19

Philanthropy Fund represents an amount allocated for Development department salaries.

Utilities Reserve represents an amount allocated to mitigate the impact of increasing utilities costs

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 2023

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 programmes.

Stobbs News Ideas funds represents funds received towards artistic commissions.

Paul Hamlyn Foundation (Take Two) represents a multi-year grant supporting projects with young people.

Stobbs Christmas Fund represents funds received towards accessibility initiatives for the 2022 Christmas show.

ACE Capital represents a capital fund towards audio visual upgrades.

Commissioning represents funds received towards artistic commissions.

Seat sponsorship represents a capital fund towards costs of replacing the seats in J2 auditorium.

Sound production represents fundings towards costs sound production equipment.

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

Analysis of movement in free reserves

| | At 1 April 2022 £ | Income £ | Expenditure £ | Transfers £ | At 31 March 2023 £ |
|-------------------------------|-------------------------|------------------|--------------------|----------------|-----------------------------|
| Unrestricted funds | 682,152 | 2,865,927 | (3,267,609) | - | 280,470 |
| Less - tangible fixed assets | (181,474) | - | (72,967) | - | (254,441) |
| Less - designated funds: | | | | | |
| Repair and renewal fund | (119,475) | - | - | - | (119,475) |
| Remuneration contingency | (50,088) | - | - | 21,690 | (28,398) |
| Website Optimisation Redesign | (21,000) | - | - | 21,000 | - |
| Philanthropy Fund | (43,855) | - | - | - | (43,855) |
| International Projects | (40,000) | - | - | 40,000 | - |
| Utilities Fund | (40,000) | - | - | 32,663 | (7,337) |
| Free reserves | 186,260 | 2,865,927 | (3,340,576) | 115,353 | (173,036) |

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2023

17. MOVEMENT OF FUNDS (continued)

2022 – Comparative

| | At 1 April 2021 £ | Income £ | Expenditure £ | Transfers £ | At 31 March 2022 £ |
|--|-------------------------|------------------|--------------------|-----------------|--------------------------|
| Unrestricted funds: | | | | | |
| General reserves | 332,164 | 2,535,155 | (2,442,866) | (56,719) | 367,734 |
| Unrestricted funds total | 332,164 | 2,535,155 | (2,442,866) | (56,719) | 367,734 |
| Designated funds: | | | | | |
| Repair and renewal fund | 81,975 | - | - | 37,500 | 119,475 |
| Remuneration contingency | 28,398 | - | - | 21,690 | 50,088 |
| Website Optimisation Fund | 12,000 | - | - | 9,000 | 21,000 |
| International Projects | - | - | - | 40,000 | 40,000 |
| Philanthropy Fund | 43,855 | - | - | - | 43,855 |
| Utilities Reserve | - | - | - | 40,000 | 40,000 |
| Cultural Recovery Fund | 72,154 | - | - | (72,154) | - |
| Designated funds total | 238,382 | - | - | 76,036 | 314,418 |
| Unrestricted and designated funds total | 570,546 | 2,535,155 | (2,442,866) | 19,317 | 682,152 |
| Restricted funds: | | | | | |
| Building redevelopment | 1,811,174 | - | (224,167) | - | 1,587,007 |
| Tickets in advance reserve | 120,000 | - | - | - | 120,000 |
| Cambridge City Council | - | 55,000 | (55,000) | - | - |
| Canadian Commission | - | 417 | (417) | - | - |
| Access The Arts Fund | 10,932 | - | (10,932) | - | - |
| Paul Hamlyn Foundation (Take Two) | - | 57,750 | (8,288) | - | 49,462 |
| Red Hill | - | 5,000 | (5,000) | - | - |
| BBC Children in Need | 5,500 | 4,500 | (10,000) | - | - |
| Total Arts | 80,403 | 14,749 | (52,103) | (19,317) | 23,732 |
| Restricted funds total | 2,028,009 | 137,416 | (365,907) | (19,317) | 1,780,201 |
| TOTAL FUNDS | 2,598,555 | 2,672,571 | (2,808,773) | - | 2,462,533 |

Transfers between funds represent reallocation of income or expenditure to funds, while remaining consistent with any restriction in relation to these funds. The transfer of £19,317 out of Total Arts is for costs previously unallocated in the year.

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2023

17. MOVEMENT OF FUNDS (continued)

Analysis of movements in free reserves

2022 – Comparative

| | At 1 April 2021 £ | Income £ | Expenditure £ | Transfers £ | At 31 March 2022 £ |
|-------------------------------|-------------------------|------------------|--------------------|-----------------|-----------------------------|
| Unrestricted funds | 570,546 | 2,535,155 | (2,442,866) | 19,317 | 682,152 |
| Less - tangible fixed assets | (169,390) | - | (12,084) | - | (181,474) |
| Less - designated funds: | | | | | |
| Repair and renewal fund | (81,975) | - | - | (37,500) | (119,475) |
| Remuneration contingency | (28,398) | - | - | (21,690) | (50,088) |
| Website Optimisation Redesign | (12,000) | - | - | (9,000) | (21,000) |
| Philanthropy Fund | (43,855) | - | - | - | (43,855) |
| International Projects | - | - | - | (40,000) | (40,000) |
| Utilities Fund | - | - | - | (40,000) | (40,000) |
| Cultural Recovery Fund 1 | (72,154) | - | - | 72,154 | - |
| Free reserves | 162,774 | 2,535,155 | (2,454,950) | (56,719) | 186,260 |

18. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

| Group | Unrestricted funds £ | Designated funds £ | Restricted funds £ | Total 2023 £ |
|-------------------------|----------------------------|--------------------------|--------------------------|--------------------|
| Tangible fixed assets | 254,440 | - | 1,362,840 | 1,617,280 |
| Current assets | 464,903 | 199,065 | 307,944 | 971,912 |
| Current liabilities | (637,937) | - | - | (637,937) |
| At 31 March 2023 | 81,406 | 199,065 | 1,670,784 | 1,951,254 |

2022 – Comparative

| Group | Unrestricted funds £ | Designated funds £ | Restricted funds £ | Total 2022 £ |
|-------------------------|----------------------------|--------------------------|--------------------------|--------------------|
| Tangible fixed assets | 181,474 | - | 1,587,007 | 1,768,481 |
| Current assets | 799,749 | 314,418 | 193,194 | 1,307,361 |
| Current liabilities | (613,489) | - | - | (613,489) |
| At 31 March 2022 | 367,734 | 314,418 | 1,780,201 | 2,462,353 |

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

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 £52,204 (2022: £45,848). Contributions totalling £5,007 (2022: £3,887) 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 (2022: £105,840), which is included in donations income and property costs.

21. RELATED PARTY TRANSACTIONS

Other related party transactions

In the year ended 31 March 2023, trustees and associated companies made payments totalling £52,090 (2022: £22,447) to Cambridge Junction for donations, corporate memberships and sponsorship. This includes two donations from Stobb LLP, £25,000 (2022:nil) to aid access initiatives for the 22/23 Christmas show and £20,000 (2022:£20,000) for Stobbs New Ideas Fund to aid the commissioning of new work. These are treated as restricted funds in the accounts and cover activities that are in the normal course of business for the charity with no onerous terms.

The total remuneration for key management personnel for the period is set out in note 10. The Charity 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.

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

| | Group | |
|---|------------------|----------------|
| | 2023 | 2022 |
| | £ | £ |
| Net(expenditure)/income for the year | (511,099) | (136,202) |
| Adjustments for: | | |
| Depreciation charge | 246,485 | 238,189 |
| Interest income | (2,183) | (455) |
| Operating cash flow before movement in working capital | (266,797) | 101,532 |
| (Increase)/decrease in stock | (254) | (17,537) |
| (Increase)/decrease in debtors | (49,916) | (4,929) |
| Increase/(decrease) in creditors | 24,449 | 172,485 |
| Net cash(used)/ provided by operating activities | (292,518) | 251,551 |

JUNCTION CDC LIMITED (t/a Cambridge Junction)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2023

23. ANALYSIS OF CHANGES IN NET DEBT

| | 31 March 2022 £ | Cash flow £ | 31 March 2023 £ |
|--------------------------|-----------------------|------------------|-----------------------|
| Cash at bank and in hand | 1,133,738 | (385,620) | 748,118 |
| Net funds | <u>1,133,738</u> | <u>(385,620)</u> | <u>748,118</u> |

24. OPERATING LEASE COMMITMENTS

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

| | 2023 £ | 2022 £ |
|---|-----------|------------|
| Expiry date: | | |
| Not later than 1 year | - | 210 |
| Later than 1 but not later than 5 years | - | - |
| | <u>-</u> | <u>210</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 2023 the company had a creditor relating to value added tax of £28,920 (2022- £22,503).