

Canterbury Connected CIC
Company Limited by Guarantee
Unaudited Financial Statements
30 September 2022

BURGESS HODGSON LLP

Chartered accountants
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Canterbury Connected CIC
Company Limited by Guarantee
Financial Statements
Year ended 30 September 2022

Contents	Page
Directors' report	1
Statement of income and retained earnings	5
Statement of financial position	6
Notes to the financial statements	8
The following pages do not form part of the financial statements	
Chartered accountant's report to the board of directors on the preparation of the unaudited statutory financial statements	14
Detailed income statement	15
Notes to the detailed income statement	16

Canterbury Connected CIC

Company Limited by Guarantee

Directors' Report

Year ended 30 September 2022

The directors present their report and the unaudited financial statements of the company for the year ended 30 September 2022.

Principal activities

Directors

The directors who served the company during the year were as follows:

Mr D J Grimwood
Mr M R L Keir
Mr D J Lilford
Mr C N Relf
Mr M R Stuart
Mr B R McCaskill
Mr K W Elliott
Ms C C Millett (Board Chair)
Mr P J L Turner (Board Vice
Chair)
Ms R E Bishop
Ms A N Gordon
Mr D Lewis
Mr J C Mills
Mr M Pegg
Dr P N Pothen
Ms J Richardson
Mr D B Wilkinson
Ms S J Wren
Mr S J Youden

Canterbury Connected CIC

Company Limited by Guarantee

Directors' Report *(continued)*

Year ended 30 September 2022

Business review

The report reflects the activities of Canterbury Connected CIC in running the Canterbury Business Improvement District (BID) in the third year of its second five-year term, from 1st October 2021 to 30th September 2022.

Income is derived from the BID levy, voluntary contributions from local organisations who are either not levy payers but wish to contribute as they support the BID in its ongoing activities; a Service Level Agreement with Canterbury City Council for the delivery of an agreed action plan; commercial income derived from the MyCanterbury marketing and loyalty platform; sponsorship or contributions to events and projects; and grants.

The impact of the pandemic meant that some projects and activities had to be postponed, resulting in a surplus that will be invested in 2022-24.

Here are some highlights from 2021-22:

Promote & Animate: to maximise footfall and spend and create a positive atmosphere, Canterbury BID:

- Ringfenced £83,000 to be spent in over 120 registered businesses in Canterbury through the Canterbury Gift Card.
- Created and distributed 40,000 MyCanterbury Guides, distributed door to door, circulated to accommodation providers, high footfall locations, travel hubs and businesses.
- Successfully delivered two Medieval Pageants. October 2021: formed the opening day of the Canterbury Festival (dedicated to Thomas Becket's 850th anniversary). July 2022: saw a record number of trail visits - 9,770 within 6 hours.
- Celebrated Canterbury's longstanding businesses for the Jubilee campaign. Hospitality businesses were featured in the 10th anniversary of Purple Flag campaign including a free photoshoot.
- Jubilee celebrations including a joined-up campaign with the Cathedral and Whitefriars involving eye catching window vinyls, a 'royal visit' from look-a-likes William and Kate and Jubilee event page.
- 488,000 MyCanterbury emails circulated, promoting businesses and events across the city. Social media reached 200,000+ through Facebook and Instagram
- Displayed 385 hanging baskets, 6 miles of Christmas lights and 5 miles of bunting. New vinyls were created including a Bison Selfie wall on Guildhall Street, Jubilee design in Whitefriars and new Cathedral Quarter branding in Burgate.
- The Christmas Campaign 2021 included ITV adverts and a LEGO window tour. Visitors to the Christmas homepage increased by 250%, organic searches of Canterbury by 158%. Campaign impressions came to over 15 million.
- Following the award of Gold in South and South East in Bloom 2021, Canterbury's Bloom committee was nominated as a RHS Britain in Boom UK Finals competition in 2022 (results will be announced in October).
- Event sponsorship for: Wimbledon at Whitefriars, Pride Canterbury, Canterbury Festival, Student Shopping Event, City Feast, Canterbury Beer Trail, Vegan Market, Summer at the Marlowe and the Shakespeare Festival. n Supported CCAP's Climate Action Week with 'Green Stories' (social media campaign around local businesses), hosted a Climate Change networking lunch, sponsored the

Canterbury Connected CIC

Company Limited by Guarantee

Directors' Report *(continued)*

Year ended 30 September 2022

Science Strand of Canterbury Festival, joined the Climate Action Rally panel, and supported with PR and marketing.

Support & Represent: to provide business support and represent business interests, we:

- BID CEO Lisa Carlson continued to represent Canterbury at the All Party Parliamentary Group for Town Centres while also chairing the Association of Town and City Management (ATCM).
- Leveraged in additional funding totalling £114,423 (Welcome Back Fund, Safer Streets, Community Renewal Fund, Low Carbon Grant (LoCASE), CCC RISE Grant), commercial income and sponsorship.
- Hosted Canterbury's Green Business Day as part of the city's first Climate Action Week, which took place during the Canterbury Festival.
- Provided free support packages to help businesses in the journey to Net Zero.
- Joined the only delegation from Kent at the United Nations Climate Change Conference in Glasgow (COP26).
- Held 17 training, sector group, networking and consultation sessions covering fraud, cash flow, business rates, carbon awareness and marketing.
- Joined the ATCM and the International Downtown Association at the International Climate Crisis for Cities Conference.
- Worked with Visit Kent / Kent Resilience Forum on Operation Brock lobbying.

Improving the Experience: to create a positive atmosphere for customers, clients, staff and visitors, Canterbury BID:

- Secured a LoCASE grant for our Street Scene Improvement Programme to purchase our very own electrically-powered cleaning machine.
- Celebrated the 10th anniversary of Purple Flag in Canterbury with bespoke photoshoots for hospitality and evening and night-time economy (ENTE) businesses and hosted the national awards in the city.
- Helped to secure £564k of Safer Streets funding through joint working with the Community Safety Unit to tackle violence against women and girls.
- Relunched the Zero Tolerance training programme for licensed premises with new training sessions for managers and staff.
- Attended weekly Tactical Coordination Group meetings with Kent Police, CCC Enforcement, Licensing, District Watch and other statutory groups, to work on solutions to business crime, safety and security.
- Created awareness campaigns around Purple Flag, the Safety Hubs, District Watch and provided a new support directory for businesses to use for reporting purposes.

Small company provisions

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

Canterbury Connected CIC

Company Limited by Guarantee

Directors' Report *(continued)*

Year ended 30 September 2022

This report was approved by the board of directors on and signed on behalf of the board by:

Ms C C Millett (Board Chair)
Director

Mr P J L Turner (Board Vice Chair)
Director

Registered office:
Camburgh House
27 New Dover Road
Canterbury
Kent
United Kingdom
CT1 3DN

Canterbury Connected CIC
Company Limited by Guarantee
Statement of Income and Retained Earnings
Year ended 30 September 2022

	Note	2022 £	2021 £
Turnover		590,469	563,885
Cost of sales		<u>464,866</u>	<u>427,662</u>
Gross profit		125,603	136,223
Administrative expenses		24,977	144,468
Other operating income		–	<u>16,076</u>
Operating profit		100,626	7,831
Other interest receivable and similar income		<u>55</u>	<u>7</u>
Profit before taxation	7	100,681	7,838
Tax on profit		<u>10</u>	–
Profit for the financial year and total comprehensive income		<u>100,671</u>	<u>7,838</u>
Retained earnings at the start of the year		164,438	156,600
Retained earnings at the end of the year		<u>265,109</u>	<u>164,438</u>

All the activities of the company are from continuing operations.

The notes on pages 8 to 12 form part of these financial statements.

Canterbury Connected CIC

Company Limited by Guarantee

Statement of Financial Position

30 September 2022

	Note	2022 £	£	2021 £
Fixed assets				
Tangible assets	9		15,252	2,248
Current assets				
Debtors	10	107,478		80,503
Cash at bank and in hand		<u>242,959</u>		<u>172,603</u>
		350,437		253,106
Creditors: amounts falling due within one year	11	<u>72,580</u>		<u>62,916</u>
Net current assets			<u>277,857</u>	<u>190,190</u>
Total assets less current liabilities			293,109	192,438
Provisions				
Other provisions			<u>28,000</u>	<u>28,000</u>
Net assets			<u>265,109</u>	<u>164,438</u>
Capital and reserves				
Profit and loss account			<u>265,109</u>	<u>164,438</u>
Members funds			<u>265,109</u>	<u>164,438</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

For the year ending 30 September 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The statement of financial position
continues on the following page.

The notes on pages 8 to 12 form part of these financial statements.

Canterbury Connected CIC
Company Limited by Guarantee
Statement of Financial Position *(continued)*

30 September 2022

These financial statements were approved by the board of directors and authorised for issue on, and are signed on behalf of the board by:

Ms C C Millett (Board Chair)
Director

Mr P J L Turner (Board Vice Chair)
Director

Company registration number: 06937002

The notes on pages 8 to 12 form part of these financial statements.

Canterbury Connected CIC
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 30 September 2022

1. General information

The company is a private company limited by guarantee, registered in England and Wales. The address of the registered office is Camburgh House, 27 New Dover Road, Canterbury, Kent, CT1 3DN, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Explanatory notes to the detailed income statement

Medieval pageant

The event was postponed from July to October 2021 and so two events took place in the same year.

Event development

Increased to support recovery and invest in pandemic surplus.

Christmas lights, marketing and events

Increased budget due to the expansion of the scheme and delivering a pre-pandemic level switch on event.

Levy not yet recovered

Recovered amount collected after the end of the financial year.

4. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Revenue recognition

BID Levy Income represents amounts invoiced to businesses who are liable to pay the levy. This income is collected for the company by a third party.

Income tax

The taxation expense represents the aggregate amount of current tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Canterbury Connected CIC

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2022

4. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	20% straight line
Office equipment	-	33% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Canterbury Connected CIC

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2022

4. Accounting policies *(continued)*

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

5. Company limited by guarantee

The company is limited by guarantee and consequently does not have share capital. In the event of a liquidation, each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company.

6. Employee numbers

The average number of persons employed by the company during the year amounted to 8 (2021: 7).

This increase was due to maternity cover.

7. Profit before taxation

Profit before taxation is stated after charging:

	2022	2021
	£	£
Depreciation of tangible assets	<u>3,421</u>	<u>1,308</u>

8. Members funds

Included within the profit and loss account of £265,119 is £42,000 of restricted reserves, intended to provide sufficient liquidity to the business and to cover the cost of closing the business in the event of a 'no' vote or an unforeseen eventuality, in accordance with the Reserves Policy.

Canterbury Connected CIC

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2022

9. Tangible assets

	Plant and machinery £	Equipment £	Total £
Cost			
At 1 October 2021	–	10,041	10,041
Additions	16,425	–	16,425
Disposals	–	(133)	(133)
At 30 September 2022	<u>16,425</u>	<u>9,908</u>	<u>26,333</u>
Depreciation			
At 1 October 2021	–	7,793	7,793
Charge for the year	1,643	1,778	3,421
Disposals	–	(133)	(133)
At 30 September 2022	<u>1,643</u>	<u>9,438</u>	<u>11,081</u>
Carrying amount			
At 30 September 2022	<u>14,782</u>	<u>470</u>	<u>15,252</u>
At 30 September 2021	<u>–</u>	<u>2,248</u>	<u>2,248</u>

10. Debtors

	2022 £	2021 £
Trade debtors	35,184	16,281
Other debtors	72,294	64,222
	<u>107,478</u>	<u>80,503</u>

11. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	16,095	18,093
Corporation tax	10	–
Social security and other taxes	4,668	7,375
Credit card	1,232	950
Other creditors	50,575	36,498
	<u>72,580</u>	<u>62,916</u>

Canterbury Connected CIC

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2022

12. Related party transactions

During the year, the company supported the following events in the city centre with which some BID directors had a declared interest: Wine Festival (£1,500) Wimbledon Screen (£2,000) and Summer at The Marlowe (£2,000), Jubilee Park Feast (£3,000). Canterbury BID also paid for the design and print of the Beer Trail map (£2,000).

During the year Canterbury City Council paid the company £19,000 (2021: £19,000) to carry out the following services: reporting on vacancy rates, footfall, visitor and shopper feedback and sales performance; co-ordinating and delivering of the Destination Management Plan; and managing of the Purple Flag accreditation process.

Canterbury Connected CIC
Company Limited by Guarantee
Management Information
Year ended 30 September 2022

The following pages do not form part of the financial statements.

Canterbury Connected CIC

Company Limited by Guarantee

Chartered Accountant's Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of Canterbury Connected CIC

Year ended 30 September 2022

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Canterbury Connected CIC for the year ended 30 September 2022, which comprise the statement of income and retained earnings, statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at www.icaew.com/en/membership/regulations-standards-and-guidance.

This report is made solely to the Board of Directors of Canterbury Connected CIC, as a body. Our work has been undertaken solely to prepare for your approval the financial statements of Canterbury Connected CIC and state those matters that we have agreed to state to you, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at www.icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Canterbury Connected CIC and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Canterbury Connected CIC has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Canterbury Connected CIC. You consider that Canterbury Connected CIC is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Canterbury Connected CIC. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

BURGESS HODGSON LLP
Chartered accountants

Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Canterbury Connected CIC

Detailed Income Statement

Year ended 30 September 2022

	2022 £	2021 £
Turnover		
BID Levy Income	486,346	489,931
BID Income - Voluntary Contributions	22,587	13,250
Canterbury City Council Service Level Agreement	19,000	19,000
Grants and Contributions	47,269	33,362
Other Income - MyCanterbury	15,267	8,342
	<u>590,469</u>	<u>563,885</u>
Cost of sales		
Medieval pageant	26,151	–
Canterbury in Bloom	38,362	39,622
Cleaning and graffiti removal	15,028	14,054
Safety and security	31,681	28,267
Marketing (Including MyCanterbury)	44,085	43,641
City Centre Performance - footfall & surveys	14,020	14,428
B2B networking and training	13,892	14,288
Christmas lights, marketing and events	124,633	88,969
Canterbury Wi-Fi Project	–	32,710
Vinyling and Street Decorations	19,259	29,490
Levy collection	11,200	11,200
Communication with levy payers	26,280	22,244
BID Memberships	2,350	1,485
The Canterbury Gift Card	14,803	23,160
Event development	28,575	18,678
BID Ambassadors	54,547	45,426
	<u>464,866</u>	<u>427,662</u>
Gross profit	<u>125,603</u>	<u>136,223</u>
Overheads		
Administrative expenses	24,977	144,468
Other operating income		
Government grant income	–	16,076
Operating profit	<u>100,626</u>	<u>7,831</u>
Other interest receivable and similar income	55	7
Profit before taxation	<u>100,681</u>	<u>7,838</u>

Canterbury Connected CIC

Notes to the Detailed Income Statement

Year ended 30 September 2022

	2022	2021
	£	£
Administrative expenses		
Wage costs apportioned to administration	32,048	38,133
Staff recruitment	3,182	–
Rent and rates	20,871	24,392
Insurance	2,950	2,254
Repairs and maintenance	–	4,956
Travel and subsistence	2,119	149
Telephone and website costs	1,391	1,678
Computer costs	7,852	6,360
Printing, stationery and postage	1,440	832
Sundry expenses	2,644	872
Legal and professional fees	1,775	5,029
Bookkeeping	6,145	5,625
Accountancy fees	4,156	3,000
Depreciation of Equipment	3,421	1,308
Levy not yet recovered	(65,366)	49,626
Bank charges	349	254
	<u>24,977</u>	<u>144,468</u>
Other interest receivable and similar income		
Interest on cash and cash equivalents	<u>55</u>	<u>7</u>