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Company registration number 11847672 (England and Wales)

**POWERHOUSE CREATIVE CIC**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

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# POWERHOUSE CREATIVE CIC

## COMPANY INFORMATION

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<b>Directors</b>	T J Evans B M Williams
<b>Company number</b>	11847672
<b>Registered office</b>	Rural Media Building Packers House 25 West Street Hereford HR4 0BX
<b>Accountants</b>	Hawkins Priday Ltd 5 Bridge Street Hereford HR4 9DF

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# POWERHOUSE CREATIVE CIC

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# **POWERHOUSE CREATIVE CIC**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 28 FEBRUARY 2023***

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The directors present their annual report and financial statements for the year ended 28 February 2023.

### **Principal activities**

The principal activity of the company continued to be that of a professional theatre company committed to developing creative talent in Herefordshire.

### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

T J Evans	
Miss E E Adams	(Resigned 1 March 2022)
Mrs R A Evans	(Resigned 8 March 2023)
R P Matthews	(Resigned 1 March 2022)
P F Murray	(Resigned 8 March 2023)
B M Williams	

### **Small companies exemption**

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

On behalf of the board

B M Williams  
**Director**

30 November 2023

# **POWERHOUSE CREATIVE CIC**

## **REPORT TO THE DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY ACCOUNTS OF POWERHOUSE CREATIVE CIC**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Powerhouse Creative CIC for the year ended 28 February 2023 which comprise the income and expenditure account, the balance sheet 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 Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at <https://www.accaglobal.com/gb/en/member/standards/rules-and-standards/rulebook.html>.

This report is made solely to the board of directors of Powerhouse Creative CIC, as a body, in accordance with the terms of our engagement letter dated 2 May 2023. Our work has been undertaken solely to prepare for your approval the financial statements of Powerhouse Creative CIC and state those matters that we have agreed to state to the board of directors of Powerhouse Creative CIC, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at [https://www.accaglobal.com/content/dam/ACCA\\_Global/Technical/fact/technical-factsheet-163.pdf](https://www.accaglobal.com/content/dam/ACCA_Global/Technical/fact/technical-factsheet-163.pdf). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Powerhouse Creative CIC and its board of directors as a body for our work or for this report.

It is your duty to ensure that Powerhouse Creative 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 deficit of Powerhouse Creative CIC. You consider that Powerhouse Creative 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 Powerhouse Creative 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.

**Hawkins Priday Ltd**

**Chartered Certified Accountants**

30 November 2023

5 Bridge Street  
Hereford  
HR4 9DF

## POWERHOUSE CREATIVE CIC

### INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 2023

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	Notes	2023 £	2022 £
Income		16,402	20,418
Cost of sales		(14,238)	(14,144)
<b>Gross surplus</b>		<u>2,164</u>	<u>6,274</u>
Administrative expenses		(30,729)	(55,868)
Other operating income		19,050	50,830
<b>(Deficit)/surplus before taxation</b>		<u>(9,515)</u>	<u>1,236</u>
Tax on (deficit)/surplus	5	1,348	(235)
<b>(Deficit)/surplus for the financial year</b>		<u><u>(8,167)</u></u>	<u><u>1,001</u></u>

The income and expenditure account has been prepared on the basis that all operations are continuing operations.

# POWERHOUSE CREATIVE CIC

## BALANCE SHEET

AS AT 28 FEBRUARY 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	6		5,151		6,624
<b>Current assets</b>					
Debtors	7	1,116		430	
Cash at bank and in hand		10,970		19,207	
		12,086		19,637	
<b>Creditors: amounts falling due within one year</b>	8	(2,423)		(17,021)	
<b>Net current assets</b>			9,563		2,616
<b>Total assets less current liabilities</b>			14,314		9,240
<b>Creditors: amounts falling due after more than one year</b>	9		(15,000)		-
<b>Provisions for liabilities</b>			-		(1,259)
<b>Net (liabilities)/assets</b>			(186)		7,981
<b>Reserves</b>					
Income and expenditure account			(186)		7,981
<b>Members' funds</b>			(186)		7,981

For the financial year ended 28 February 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 30 November 2023 and are signed on its behalf by:

B M Williams  
**Director**

Company registration number 11847672 (England and Wales)

# POWERHOUSE CREATIVE CIC

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2023

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### 1 Accounting policies

#### Company information

Powerhouse Creative CIC is a private company limited by guarantee incorporated in England and Wales. The registered office is Rural Media Building, Packers House, 25 West Street, Hereford, HR4 0BX.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The CIC is a Public Benefit Entity as defined by FRS 102.

#### 1.2 Income and expenditure

Income and expenses are included in the financial statements as they become receivable or due.

Expenses include VAT where applicable as the company cannot reclaim it.

#### 1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	15% on reducing balance
IT & Equipment	25% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

#### 1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.



# POWERHOUSE CREATIVE CIC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

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### 1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.7 Taxation

# POWERHOUSE CREATIVE CIC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

### 1 Accounting policies

(Continued)

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.9 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# POWERHOUSE CREATIVE CIC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	2	2

### 4 Directors' remuneration

	2023 £	2022 £
Remuneration paid to directors	15,518	37,763

### 5 Taxation

	2023 £	2022 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	-	(430)
<b>Deferred tax</b>		
Origination and reversal of timing differences	(1,348)	665
Total tax (credit)/charge	(1,348)	235

### 6 Tangible fixed assets

	Fixtures and fittings £	IT & Equipment £	Total £
<b>Cost</b>			
At 1 March 2022 and 28 February 2023	2,263	7,490	9,753
<b>Depreciation and impairment</b>			
At 1 March 2022	431	2,698	3,129
Depreciation charged in the year	275	1,198	1,473
At 28 February 2023	706	3,896	4,602
<b>Carrying amount</b>			
At 28 February 2023	1,557	3,594	5,151
At 28 February 2022	1,832	4,792	6,624

# POWERHOUSE CREATIVE CIC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

<b>7 Debtors</b>		
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Corporation tax recoverable	430	430
Other debtors	597	-
	<u>1,027</u>	<u>430</u>
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due after more than one year:</b>		
Deferred tax asset	89	-
	<u>89</u>	<u>-</u>
<b>Total debtors</b>	<u>1,116</u>	<u>430</u>
<b>8 Creditors: amounts falling due within one year</b>		
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	32	-
Government grants	-	12,923
Accruals and deferred income	2,391	4,098
	<u>2,423</u>	<u>17,021</u>
<b>9 Creditors: amounts falling due after more than one year</b>		
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Other creditors	15,000	-
	<u>15,000</u>	<u>-</u>
<b>10 Members' liability</b>		

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

## CIC 34

Community Interest Company  
ReportFor official use  
(Please write in block)Please  
complete in  
typewritten or  
in block block  
capital.

Company Name in full Powerhouse Creative CIC

Company Number 147672

VAT Number (123456789)

Date of Report (dd/mm/yyyy)

Name of Director (dd/mm/yyyy)

This template illustrates how the Regulator of Community Interest Companies considers to be best practice for completing a simplified community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2006. For further information see chapter 8 of the Regulator's guidance notes and the additional example provided for a more complex company with more detailed notes.

For further information on the Regulator's guidance notes and the additional example provided for a more complex company with more detailed notes, please visit the Regulator's website at [www.cicregulator.org.uk](http://www.cicregulator.org.uk).

## **PART 1 - GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT**

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a description of how they have benefited the community.

Powerhouse maintained its presence in the heart of the city, embedding its creative community work with a wide range of local partners and participants.

Maintaining our status as a pop-up arts hub, including Theatre, bar, gallery, and creative development space, the company oversaw a wide range of cultural activity for the year. This included:

- Hosting ongoing regular workshops for local community groups
- A significant photographic exhibition in partnership with Ferrous Festival incorporating photography from across the globe
- Hosting Ferrous Festival for their festival party which included performative work from LGBTQ+ group and Queer Metals.

*(If applicable, please just state "A social audit report covering these points is attached").*

*(Please continue on separate continuation sheet if necessary.)*

**PART 2 – CONSULTATION WITH STAKEHOLDERS** – Please indicate who the company's stakeholders are; how the stakeholders have been consulted and what action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear.

We work consistently with our stakeholders, which include young people in Herefordshire, early career artists and practitioners, established professionals working within the creative industries; and local cultural organisations.

Consultation is conducted via email, telephone, and face-to-face meetings, video conferencing and Powerhouse hosted sessions.

*(If applicable, please just state "A social audit report covering these points is attached").*

**PART 3 – DIRECTORS' REMUNERATION** – if you have provided full details in your accounts you need not reproduce it here. Please clearly identify the information within the accounts and confirm that, "There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed" (See example with full notes). If no remuneration was received you must state that "no remuneration was received" below.

The director's remuneration information is within the notes of the annual accounts. Directors' remuneration is listed in annual accounts. There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed.

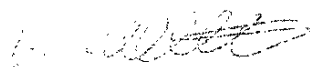
**PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION** – Please insert full details of any transfers of assets other than for full consideration e.g. Donations to outside bodies. If this does not apply you must state that “no transfer of assets other than for full consideration has been made” below.

No transfer of assets other than for full consideration has been made.

*(Please continue on separate continuation sheet if necessary.)*

The original  
report must be  
signed by a  
director or  
secretary of the  
company

Signed



Date

30/11/2012  
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For Companies registered in England and Wales, Scotland or Northern Ireland, please send this form to the Registrar of Companies at the address below.

For Companies registered in the Channel Islands or the Isle of Man, please send this form to the Registrar of Companies at the address below.

~~Office used (delete as appropriate) Director/Secretary~~

You do not have to give any  
contact information in the box  
opposite but if you are writing to  
the Registrar of Companies to  
contact you if there is a query on  
the form. This optional  
information that you provide is  
used in searches for information on your  
company.

Telex

DX Exchange

After you have completed and signed the form, please attach it to the accounts  
and send your accounts to the Registrar of Companies at:

for Companies registered in England and Wales: Companies House, Crown Way, Cardiff  
CF14 3UZ  
DX 12155 Cardiff

for Companies registered in Scotland: Companies House, 4th Floor, Edinburgh Quay 2, 139  
Leith Walk, Edinburgh, EH6 9LP or 135 Edinburgh or LP - 4 Edinburgh 2

for Companies registered in the Channel Islands: Companies House, 2nd Floor, The Linenhall  
41-43 Linenhall Lane, Belfast BT1 3BJ

For Companies registered in the Isle of Man, please send this form to the Registrar of Companies at the address below.