

REGISTERED SOCIETY NUMBER: 31727R

SHEFFIELD COMMUNITY MEDIA LIMITED

Report of the Directors and Consolidated Financial Statements

For The Year Ended 31 March 2018

Sheffield Community Media Limited

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For The Year Ended 31 March 2018

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Sheffield Community Media Limited

Legal and Administrative Information
For the Year Ended 31 March 2018

DIRECTORS: S Basudev
S Buckley
J Devereux
R Motley

SECRETARY: S Buckley

REGISTERED OFFICE: 15 Paternoster Row
SHEFFIELD
South Yorkshire
S1 2BX

REGISTERED NUMBER: 31727R

BANKERS: Co-operative Bank plc
Olympic House
6 Olympic Court
Salford
Manchester
M50 2QP

AUDITORS: Hart Shaw LLP
Europa Link
Sheffield Business Park
Sheffield
S9 1XU

Sheffield Community Media Limited

Report of the Directors For The Year Ended 31 March 2018

The directors present their report with the financial statements of the company for the year ended 31 March 2018.

LEGAL STATUS

Sheffield Community Media Limited (SCM) is incorporated as a registered society under the Co-operative and Community Benefit Societies Act 2014. SCM has a wholly owned subsidiary, Sheffield Local Television Limited (SLTV), a company limited by guarantee. These are the consolidated financial statements of SCM and SLTV for the year to 31 March 2018.

PRINCIPAL ACTIVITIES

The principal activity of SCM is to invest in public access media facilities and services that enable production and distribution of media content, the promotion of access to information, encouragement of creative expression and the provision of training.

The principal activity of SLTV is the operation of the local digital television channel for Sheffield. SLTV is the holder of Ofcom licences to operate the Local Digital Television Programme Service for Sheffield and a Television Licensed Content Service.

SCM and SLTV work in partnership with Commedia Sheffield, which operates Sheffield Live! 93.2fm community radio and sheffieldlive.org, to deliver a cross platform media service – on radio, TV, web and mobile – under the Sheffield Live! brand.

BUSINESS REVIEW

During the year the society maintained a focus on developing the offer of public access media facilities linked to the Sheffield Live! broadcast platform and including hosting the activities of SLTV. SLTV continued to operate the local TV channel, Sheffield Live! TV, which is receivable on Freeview channel 7, Virgin cable channel 159 and on broadband via sheffieldlive.org, as well as delivering video production and social enterprise support services. The society and SLTV continued to work in close partnership with Commedia Sheffield, hosting Sheffield Live! community radio, providing technical support and sharing technical facilities. Commedia Sheffield is a volunteer run 24/7 community radio service with around 18 hours per day of local content.

Among the original local productions broadcast by SLTV have been extended coverage of Special Olympics GB Sheffield 2017, regular match coverage of Sheffield Sharks basketball, a new comedy drama series 'Up North', the 'Who What Where' show with celebrity interviews, 'Hybrid Live' with local bands and artists interviews and performance. Other programming has included studio-based talk shows covering sport, community affairs and culture and including programmes in Arabic and Urdu. The Sheffield Live! news team have continued to generate a daily bulletin and around 10 video news stories every week covering local public bodies, community and voluntary sector, culture, sports and business. During the year SLTV joined discussions with Ofcom and other local TV channels with a view to revising local TV programming commitments to enable greater sharing at peak viewing times of quality programme content made by other local TV channels and by independent producers.

FINANCIAL REVIEW

The year was marked by further negative changes in the revenue profile of the group including the cessation of BBC revenues to SLTV with the tapering of the BBC news supply agreement, part of a sector-wide BBC policy to pull back from local TV. Commercial revenue from sponsorship and production has not been sufficient to replace the reduction in BBC revenue.

Grant funding secured from Power to Change has enabled significant renewal and upgrading of facilities and has contribute towards revenue costs. SLTV also continued to deliver social enterprise support services under a three year partnership agreement (2016 – 2019) as part of the Social Enterprise Exchange, part-funded by the European Regional Development Fund.

SLTV received investment income during the year in the form of distributions from its shareholding in Comux UK Ltd, the local TV transmission provider, which it co-owns on a one share per local TV licence basis with other local TV channels. Comux UK Ltd distributions have continued to meet 100 per cent of the costs of transmission services for Sheffield Live! TV. Towards the end of the year Comux UK agreed to commence additional payments in recompense of SLTV costs of playout services.

At the year end the reserves of the group, including community shares funding, were in deficit. This is attributed to an operating deficit due to reduced revenues together with a deficit brought forward from the start up period of SLTV. During the year the society issued additional community shares on the same terms as the original offer of 2014. Since the year end the directors have undertaken further steps to address the situation, to restore the reserves to a positive balance and to improve the position in the future. The directors have reviewed the financial circumstances of the society and group and have concluded that adequate resources continue to be available to fund the activities and that the society and group are a going concern.

PLANS FOR FUTURE PERIODS

Looking ahead, the society aims to increase the range and diversity of media content carried on Sheffield Live! as well as to increase the numbers of volunteers involved in production and related activities. This will be supported by equipment upgrades for both radio and TV production and new calls for programme proposals and volunteers. Opportunities to extend audience reach have been under active development leading to launch of a relay transmitter for Sheffield Live! TV that will increase household coverage by 80 per cent. In the longer term the society and group maintain an ambition to identify a suitable property for acquisition that would enable a reduction in net premises costs and additional revenues from office rental, studio hire, co-working membership, events and promotions. This project is expected to require significant new capital investment.

Report of the Directors
For The Year Ended 31 March 2018

INTEREST AND TRANSFER TO RESERVES

The directors did not pay interest on members' shares held during the year. The society has stated its objective to offer interest in the future on members' shares at a projected rate of 3% per annum. Subject to available surpluses, this remains the society's objective. The actual rate of interest will be determined by the board of directors at the time and in light of financial performance. It is capped at 5% per annum or 2% above the base lending rate of the Co-operative Bank, whichever is the greater.

FIXED ASSETS

Full disclosure of all matters relating to fixed assets is set out in the notes to the financial statements.

DIRECTORS

The directors shown below held office from 1 April 2017 to the date of this report except where indicated:

S Basudev
S Buckley
J Devereux
R Motley
M Neale (resigned 1 November 2017)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The law governing Co-operative and Community Benefit Societies requires the directors to prepare financial statements for each financial year which give a true and fair record of the state of affairs of the society and the group at the end of the period and of the income and expenditure of the society and the group for that period. In preparing those financial statements the directors are required to:-

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the society and the group will continue operation
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the society and the group and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. The directors are responsible for safeguarding the assets of the society and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditors

We, the Directors of the society who held office at the date of approval of these financial statements as set out below each confirm, so far as we are aware, that:

- There is no relevant audit information of which the company's auditors are unaware: and
- We have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report was approved by the board of directors on 3 September 2020.

SIGNED ON BEHALF OF THE BOARD:



Stephen Buckley
Secretary



Jacqueline Devereux
Director



Richard Motley
Director

Sheffield Community Media Limited

Independent Auditor's Report
to the Members of Sheffield Community Media Limited

Opinion

We have audited the financial statements of Sheffield Community Media Limited (the 'society') and its group (the 'group') for the year ended 31 March 2018 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 society's and group affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014 and the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969.

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 society and group 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the society and group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the society and group 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 where the Co-operative or Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Independent Auditor's Report
to the Members of Sheffield Community Media Limited (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the society and group'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 directors either intend to liquidate the society and group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the society and group's members, as a body, in accordance with the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the society and group'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 society and group and the society and group's members as a body, for our audit work, for this report, or for the opinions we have formed.



Martin McDonagh (Senior Statutory Auditor)
for and on behalf of Hart Shaw LLP

Date 8.9.20

Chartered Accountants
Statutory Auditor

Europa Link
Sheffield Business Park
Sheffield
S9 1XU

Sheffield Community Media Limited

Consolidated Income and Expenditure Account
For The Year Ended 31 March 2018

	2018 £	2017 £
TURNOVER	233,668	198,637
Cost of sales	<u>161,394</u>	<u>147,823</u>
GROSS SURPLUS	72,274	50,814
Administrative expenses	<u>121,257</u>	<u>95,974</u>
	(48,983)	(45,160)
Other operating income	<u>0</u>	<u>0</u>
OPERATING SURPLUS/(DEFICIT)	(48,983)	(45,160)
Interest receivable and similar income	-	2
Investment income	<u>11,376</u>	<u>14,607</u>
	(37,607)	(30,551)
Interest payable and similar charges	<u>6,165</u>	<u>7,256</u>
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION	(43,772)	(37,807)
Tax on (deficit) on ordinary activities	<u>0</u>	<u>0</u>
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR AFTER TAXATION	<u>(43,772)</u>	<u>(37,807)</u>
SURPLUS/(DEFICIT) FOR THE YEAR	(43,772)	(37,807)
Retained deficit brought forward	(129,371)	(91,564)
RETAINED SURPLUS/(DEFICIT) CARRIED FORWARD	<u>(173,143)</u>	<u>(129,371)</u>

Sheffield Community Media Limited

Society Income and Expenditure Account
For The Year Ended 31 March 2018

	2018 £	2017 £
TURNOVER	162,645	22,478
Cost of sales	<u>0</u>	<u>0</u>
GROSS SURPLUS	162,645	22,478
Administrative expenses	<u>154,639</u>	<u>93,008</u>
	8,006	(70,530)
Other operating income	<u>0</u>	<u>0</u>
OPERATING SURPLUS	8,006	(70,530)
Interest receivable and similar income	<u>-</u>	<u>-</u>
	8,006	(70,530)
Interest payable and similar charges	<u>6,165</u>	<u>7,256</u>
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION	1,841	(77,786)
Tax on (deficit) on ordinary activities	<u>0</u>	<u>0</u>
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR AFTER TAXATION	<u>1,841</u>	<u>(77,786)</u>
SURPLUS/(DEFICIT) FOR THE YEAR	1,841	(77,786)
Retained deficit brought forward	(103,956)	(26,170)
RETAINED SURPLUS/(DEFICIT) CARRIED FORWARD	<u>(102,115)</u>	<u>(103,956)</u>

Sheffield Community Media Limited


Balance Sheets
31 March 2018

		2018		2017	
	Notes	Group £	Society £	Group £	Society £
FIXED ASSETS					
Tangible assets	3	37,880	11,824	36,457	36,457
Investment	4	1	0	1	0
		<hr/>	<hr/>	<hr/>	<hr/>
		37,881	11,824	36,458	36,457
CURRENT ASSETS					
Debtors	5	40,324	92,670	77,508	78,434
Cash at bank and in hand		42,611	31,915	130,103	107,909
		<hr/>	<hr/>	<hr/>	<hr/>
		82,935	124,585	207,611	186,343
CREDITORS					
Amounts falling due within one year	7	116,589	79,715	199,460	152,776
		<hr/>	<hr/>	<hr/>	<hr/>
NET CURRENT ASSETS		(33,654)	44,870	8,151	33,567
TOTAL ASSETS LESS CURRENT LIABILITIES					
		4,227	56,694	44,609	70,024
CREDITORS					
Amounts falling due after more than one year	8	57,370	38,809	73,980	73,980
		<hr/>	<hr/>	<hr/>	<hr/>
NET ASSETS		(53,143)	17,885	(29,371)	(3,956)
RESERVES					
Share capital	11	120,000	120,000	100,000	100,000
Retained surplus		(173,143)	(102,115)	(129,371)	(103,956)
		<hr/>	<hr/>	<hr/>	<hr/>
		(53,143)	17,885	(29,371)	(3,956)

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Board of Directors on 3 September 2020 and signed on its behalf by:


Stephen Buckley
Secretary


Jacqueline Devereux
Director


Richard Motley
Director

The notes on pages 8 to 11 form part of these financial statements.

Registered society number 31727R

Notes to the Financial Statements
For The Year Ended 31 March 2018

1. ACCOUNTING POLICIES

General information and basis of preparation

Sheffield Community Media Ltd (SCM) is incorporated as a registered society under the Co-operative and Community Benefit Societies Act 2014. SCM has a wholly owned subsidiary, Sheffield Local Television Ltd (SLTV), a company limited by guarantee. These are the consolidated financial statements of SCM and SLTV for the year to 31 March 2018.

The financial statements are presented in sterling which is the functional currency of the company and is rounded to the nearest £0.

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 Co-operative and Community Benefit Societies Act 2014 and the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969. 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.

These financial statements for the year ended 31 March 2018 are the second financial statements of Sheffield Community Media Limited prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The financial statements have been prepared under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Turnover

Turnover represents the total value of goods and services rendered during the year exclusive of value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery -25% on cost

Deferred Tax

Deferred taxation is provided where there is a reasonable probability of the amount becoming payable in the foreseeable future.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the income and expenditure account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The society operates a defined contribution pension scheme. Contributions payable to the society's pension scheme are charged to the income and expenditure account in the period to which they relate.

Government grants

Grants are credited to deferred revenue. Grants received in respect of fixed assets are treated as deferred income and released to the income and expenditure account over the life of the assets to which they relate. Grants towards revenue expenditure are released to the income and expenditure account as the related expenditure is incurred.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement on the grounds that the group is small.

Basis for consolidation

The consolidated financial statements incorporate the results of Sheffield Community Media Limited and its trading subsidiary undertaking using the acquisition method of accounting. The results of the subsidiary undertaking are included from the date of acquisition.

Sheffield Community Media Limited

Notes to the Financial Statements
For The Year Ended 31 March 2018 (continued)

2. **Average number of employees/directors in the year**

	2018	2017
Group	9	12
Society	5	5

3. **TANGIBLE FIXED ASSETS**

	Group Plant and Machinery £	Group Totals £	Society Plant and Machinery £	Society Totals £
COST				
At 1 April 2017	102,951	102,951	102,951	102,951
Additions	<u>31,032</u>	<u>31,032</u>	<u>1,051</u>	<u>1,051</u>
At 31 March 2018	<u>133,983</u>	<u>133,983</u>	<u>104,002</u>	<u>104,002</u>
DEPRECIATION				
At 1 April 2017	66,494	66,494	66,494	66,494
Charge for year	<u>29,609</u>	<u>29,609</u>	<u>25,684</u>	<u>25,684</u>
At 31 March 2018	<u>96,103</u>	<u>96,103</u>	<u>92,178</u>	<u>92,178</u>
NET BOOK VALUE				
At 31 March 2018	<u>37,880</u>	<u>37,880</u>	<u>11,824</u>	<u>11,824</u>
At 31 March 2017	<u>36,457</u>	<u>36,457</u>	<u>36,457</u>	<u>36,457</u>

4. **INVESTMENTS**

	2018		2017	
	Group £	Society £	Group £	Society £
Unlisted investments at cost	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>
	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>

5. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018		2017	
	Group £	Society £	Group £	Society £
Trade debtors	4,504	-	22,436	15,630
Prepayments and accrued income	35,820	15,327	55,072	2,637
Amount owed by group undertakings	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>40,324</u>	<u>15,327</u>	<u>77,508</u>	<u>18,267</u>

Sheffield Community Media Limited

**Notes to the Financial Statements
For The Year Ended 31 March 2018 (continued)**

6. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018		2017	
	Group £	Society £	Group £	Society £
Amount owed by group undertakings	-	77,343	-	60,167
	-	77,343	-	60,167

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018		2017	
	Group £	Society £	Group £	Society £
Bank loans and overdrafts	15,286	15,286	19,285	19,285
Trade creditors	12,178	6,159	17,974	8,351
Taxation and social security	2,580	-	11,617	7,093
Other creditors	1,327	168	27,017	1,872
Accruals	36,397	16,776	7,392	-
Deferred income – ERDF	3,130	3,130	6,698	6,698
Deferred income – Power to Change	45,691	38,196	109,477	109,477
	116,589	79,715	199,460	152,776

The loans from Key Fund Investments Ltd (totalling £9,333, 2017 £13,333) and The Co-operative Loan Fund (totalling £5,952, 2017 £5,952) are secured against the assets of the company.

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018		2017	
	Group £	Society £	Group £	Society £
Bank loans and overdrafts	38,086	38,086	32,917	32,917
Deferred income – ERDF	-	-	3,130	3,130
Deferred income – Power to Change	19,284	723	37,933	37,933
	57,370	38,809	73,980	73,980

The loans from Key Fund Investments Ltd (totalling £4,667, 2017 £14,000) and The Co-operative Loan Fund (totalling £13,419, 2017 £18,917) are secured against the assets of the company. Directors' loans (totalling £20,000, 2017 £0) are unsecured.

9. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2018		2017	
	Group £	Society £	Group £	Society £
	7,136	7,136	7,136	7,136

Sheffield Community Media Limited

**Notes to the Financial Statements
For The Year Ended 31 March 2018 (continued)**

10. PENSION COMMITMENTS

The group operates a defined contribution pension scheme.

	2018		2017	
	Group £	Society £	Group £	Society £
Pension costs for the year	6,467	-	5,608	-
Pension contributions owed at year end	<u>1,327</u>	<u>168</u>	<u>969</u>	<u>168</u>

11. SHARE CAPITAL

Issued and fully paid

	2018 Society £	2017 Society £
Opening share capital	100,000	100,000
£1 shares issued in the year at par	<u>20,000</u>	<u>-</u>
Closing share capital	<u>120,000</u>	<u>100,000</u>

11. MEMBERSHIP

	2018 Society	2017 Society
Members at beginning of year	116	116
Members ceased during year	-	-
Members admitted during year	<u>-</u>	<u>-</u>
Members at end of year	<u>116</u>	<u>116</u>

12. RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS

	2018		2017	
	Group £	Society £	Group £	Society £
Surplus/(Deficit) for the financial year	<u>(43,772)</u>	<u>1,841</u>	<u>(37,807)</u>	<u>(77,786)</u>
	(43,772)	1,841	(37,807)	(77,786)
New shares subscribed	20,000	20,000	-	-
Reduction in share capital subscribed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
New addition to members' funds	(23,772)	21,841	(37,807)	(77,786)
Members' funds at beginning of year	<u>(29,371)</u>	<u>(3,956)</u>	<u>8,436</u>	<u>73,830</u>
Members' funds at year end	<u>(53,143)</u>	<u>17,885</u>	<u>(29,371)</u>	<u>(3,956)</u>
Share capital	120,000	120,000	100,000	100,000
Retained surplus/(deficit) at year end	<u>(173,143)</u>	<u>(102,115)</u>	<u>(129,371)</u>	<u>(103,956)</u>
	<u>(53,143)</u>	<u>17,885</u>	<u>(29,371)</u>	<u>(3,956)</u>

Notes to the Financial Statements
For The Year Ended 31 March 2018 (continued)

13. SUBSIDIARY

The Society has a wholly owned subsidiary, Sheffield Local Television Limited, a private company limited by guarantee incorporated in England and Wales of which the Society is sole member and guarantor. The subsidiary company is included in the consolidated accounts. The principal activities of Sheffield Local Television Limited are the operation of a local television channel for Sheffield and the provision of video production, social enterprise support and consultancy.

14. COVID-19

Since the balance sheet date, the Covid-19 pandemic has impacted negatively on some anticipated revenue streams and has also led to increased costs of production and adaptation. This has been offset by Covid-19 emergency grants and by government funding for public health information campaigns. The directors are actively pursuing other Covid-19 related funding support for recovery and renewal with the objective of building resilience and future preparedness.