

REGISTERED COMPANY NUMBER: NI027190 (Northern Ireland)  
REGISTERED CHARITY NUMBER: NIC100150

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2022  
FOR  
FLAX ART STUDIOS LTD**

M.B.McGrady & Co  
Chartered Accountants  
Suite 2B  
Cadogan House  
322 Lisburn Road  
Belfast  
Co. Antrim  
BT9 6GH

**FLAX ART STUDIOS LTD**

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FOR THE YEAR ENDED 31 JANUARY 2022**

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**FLAX ART STUDIOS LTD**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 JANUARY 2022**

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<b>TRUSTEES</b>	B Farren C Morgan Mr J M Rainey Artist Mr C J Callan Consultant Director
<b>COMPANY SECRETARY</b>	Gail Prentice
<b>REGISTERED OFFICE</b>	Po Box BT7 1EB, Havelock House, Flax Art Studios, Ormeau Road Belfast BT7 1EB
<b>REGISTERED COMPANY NUMBER</b>	NI027190 (Northern Ireland)
<b>REGISTERED CHARITY NUMBER</b>	NIC100150
<b>INDEPENDENT EXAMINER</b>	M.B.McGrady & Co Chartered Accountants Suite 2B Cadogan House 322 Lisburn Road Belfast Co. Antrim BT9 6GH

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 JANUARY 2022**

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The trustees present their report with the financial statements of the charity for the year ended 31 January 2021. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102.

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The company is established to support and promote emerging and established contemporary visual artists from Belfast and beyond, through affordable artist-run studios, to sustain and develop local, regional and international initiatives and to promote research and community outreach projects.

**FINANCIAL REVIEW**

The results for the year are set out in detail on page 5 to 10.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**Organisational structure**

The trustees are directly responsible for the day to day management of the charity and they meet on a regular basis to review all aspects of the charity.

Approved by order of the board of trustees on 18 October 2022 and signed on its behalf by:



Gail Prentice - Secretary

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
FLAX ART STUDIOS LTD**

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I report on the accounts of the company for the year ended 31 January 2022, which are set out on pages four to thirteen.

**Respective responsibilities of charity trustees and examiner**

As the charity's trustees (and also the directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 65 of the Charities Act
- follow the procedures laid down in the general Directions given by the Charity Commission for Northern Ireland under Section 65(9)(b) of the Charities Act
- state whether particular matters have come to my attention.

**Basis of the independent examiner's report**

I have examined your charity accounts as required under section 65 of the Charities Act and my examination was carried out in accordance with the general Directions given by the Charity Commission for Northern Ireland under section 65(9)(b) of the Charities Act. The examination included a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also included consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as charity trustees concerning any such matters.

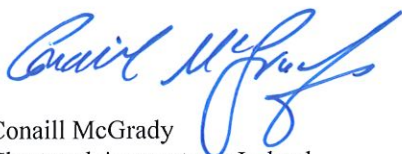
My role is to state whether any material matters have come to my attention giving me cause to believe:

1. That accounting records were not kept in accordance with section 386 of the Companies Act 2006
2. That the accounts do not accord with those accounting records
3. That the accounts do not comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland
4. That there is further information needed for a proper understanding of the accounts to be reached.

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Chartered Accountants Ireland which is one of the listed bodies.

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission for Northern Ireland, I have found no matters that require drawing to your attention.



Conaill McGrady  
Chartered Accountants Ireland  
M.B.McGrady & Co  
Chartered Accountants  
Suite 2B  
Cadogan House  
322 Lisburn Road  
Belfast  
Co. Antrim  
BT9 6GH

18 October 2022

FLAX ART STUDIOS LTD

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 JANUARY 2022

	Notes	Unrestricted fund £	Restricted funds £	31/1/22 Total funds £	31/1/21 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
<b>Charitable activities</b>					
Restricted		-	111,633	111,633	112,542
Investment income	2	152,309	-	152,309	105,144
<b>Total</b>		<b>152,309</b>	<b>111,633</b>	<b>263,942</b>	<b>217,686</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Unrestricted	4	51,813	-	51,813	37,256
Restricted		-	142,393	142,393	83,300
<b>Total</b>		<b>51,813</b>	<b>142,393</b>	<b>194,206</b>	<b>120,556</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>100,496</b>	<b>(30,760)</b>	<b>69,736</b>	<b>97,130</b>
Transfers between funds	14	6,119	(6,119)	-	-
Net movement in funds		106,615	(36,879)	69,736	97,130
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		107,104	44,171	151,275	54,145
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>213,719</b>	<b>7,292</b>	<b>221,011</b>	<b>151,275</b>

The notes form part of these financial statements

**BALANCE SHEET**  
31 JANUARY 2022

	Notes	31/1/22 £	31/1/21 £
<b>FIXED ASSETS</b>			
Tangible assets	10	36,060	22,311
<b>CURRENT ASSETS</b>			
Debtors	11	9,159	38,634
Cash at bank		199,041	103,894
		<u>208,200</u>	<u>142,528</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	(23,249)	(13,564)
<b>NET CURRENT ASSETS</b>		<u>184,951</u>	<u>128,964</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>221,011</u>	<u>151,275</u>
<b>NET ASSETS</b>		<u>221,011</u>	<u>151,275</u>
<b>FUNDS</b>	14		
Unrestricted funds		213,719	107,104
Restricted funds		7,292	44,171
<b>TOTAL FUNDS</b>		<u>221,011</u>	<u>151,275</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 January 2022.

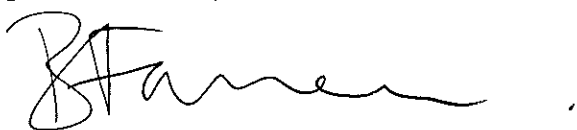
The members have not required the company to obtain an audit of its financial statements for the year ended 31 January 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 18 October 2022 and were signed on its behalf by:



B Farren - Trustee

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2022

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1. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice 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 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all cost related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Allocation and apportionment of costs**

All costs are allocated between the expenditure categories on a basis designed to reflect the use of resources. Costs relating to a particular activity are allocated directly, others are apportioned on a basis consistent with use of the resources.

**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	- 15% on reducing balance
Computer equipment	- 25% on reducing balance

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JANUARY 2022

2. INVESTMENT INCOME

	31/1/22	31/1/21
	£	£
Rental income	86,961	75,382
Hire income	65,348	29,762
	<u>152,309</u>	<u>105,144</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	31/1/22	31/1/21
	£	£
Grants	111,633	112,542
	<u>111,633</u>	<u>112,542</u>

Grants received, included in the above, are as follows:

	31/1/22	31/1/21
	£	£
ACNI	130,393	99,547
BCC	5,000	12,995
Dept FAS	7,000	-
	<u>142,393</u>	<u>112,542</u>

4. CHARITABLE ACTIVITIES COSTS

	Support costs (see note 5)
	£
Unrestricted	51,813
Restricted	142,393
	<u>194,206</u>

5. SUPPORT COSTS

	Management	Information technology	Other	Governance costs	Totals
	£	£	£	£	£
Unrestricted	39,501	173	6,772	5,367	51,813
Restricted	142,393	-	-	-	142,393
	<u>181,894</u>	<u>173</u>	<u>6,772</u>	<u>5,367</u>	<u>194,206</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JANUARY 2022

## 6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31/1/22	31/1/21
	£	£
Depreciation - owned assets	6,772	4,175
Other operating leases	<u>14,400</u>	<u>10,892</u>

## 7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 January 2022 nor for the year ended 31 January 2021.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 January 2022 nor for the year ended 31 January 2021.

## 8. STAFF COSTS

	31/1/22	31/1/21
	£	£
Wages and salaries	<u>79,475</u>	<u>63,450</u>
	<u>79,475</u>	<u>63,450</u>

The average monthly number of employees during the year was as follows:

	31/1/22	31/1/21
Administrative staff	<u>2</u>	<u>1</u>

No employees received emoluments in excess of £60,000.

## 9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
<b>Charitable activities</b>			
Restricted	-	112,542	112,542
Investment income	<u>105,144</u>	-	<u>105,144</u>
<b>Total</b>	<u>105,144</u>	<u>112,542</u>	<u>217,686</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Unrestricted	37,256	-	37,256
Restricted	-	83,300	83,300
<b>Total</b>	<u>37,256</u>	<u>83,300</u>	<u>120,556</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JANUARY 2022

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued			
	Unrestricted fund £	Restricted funds £	Total funds £
NET INCOME	67,888	29,242	97,130
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	39,216	14,929	54,145
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>107,104</u>	<u>44,171</u>	<u>151,275</u>
<b>10. TANGIBLE FIXED ASSETS</b>			
	Plant and machinery £	Computer equipment £	Totals £
<b>COST</b>			
At 1 February 2021	22,553	5,655	28,208
Additions	18,562	1,959	20,521
At 31 January 2022	<u>41,115</u>	<u>7,614</u>	<u>48,729</u>
<b>DEPRECIATION</b>			
At 1 February 2021	3,583	2,314	5,897
Charge for year	5,630	1,142	6,772
At 31 January 2022	<u>9,213</u>	<u>3,456</u>	<u>12,669</u>
<b>NET BOOK VALUE</b>			
At 31 January 2022	<u>31,902</u>	<u>4,158</u>	<u>36,060</u>
At 31 January 2021	<u>18,970</u>	<u>3,341</u>	<u>22,311</u>
<b>11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			
		31/1/22 £	31/1/21 £
Trade debtors		7,959	38,634
Prepayments and accrued income		1,200	-
		<u>9,159</u>	<u>38,634</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JANUARY 2022

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/1/22	31/1/21
	£	£
Other creditors	528	8,406
Accruals and deferred income	22,721	5,158
	<u>23,249</u>	<u>13,564</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted funds	31/1/22 Total funds	31/1/21 Total funds
	£	£	£	£
Fixed assets	49,557	(13,497)	36,060	22,311
Current assets	189,670	18,530	208,200	142,528
Current liabilities	(25,508)	2,259	(23,249)	(13,564)
	<u>213,719</u>	<u>7,292</u>	<u>221,011</u>	<u>151,275</u>

14. MOVEMENT IN FUNDS

	At 1/2/21	Net movement in funds	Transfers between funds	At 31/1/22
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	107,104	100,496	6,119	213,719
<b>Restricted funds</b>				
ACNI	38,052	(35,760)	-	2,292
BCC	5,970	5,000	(5,970)	5,000
Great Britain SASAKAWA Foundation	149	-	(149)	-
	<u>44,171</u>	<u>(30,760)</u>	<u>(6,119)</u>	<u>7,292</u>
<b>TOTAL FUNDS</b>	<u>151,275</u>	<u>69,736</u>	<u>-</u>	<u>221,011</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JANUARY 2022

14. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	152,309	(51,813)	100,496
<b>Restricted funds</b>			
ACNI	94,633	(130,393)	(35,760)
BCC	10,000	(5,000)	5,000
Dept of FAS	7,000	(7,000)	-
	<u>111,633</u>	<u>(142,393)</u>	<u>(30,760)</u>
<b>TOTAL FUNDS</b>	<u>263,942</u>	<u>(194,206)</u>	<u>69,736</u>

Comparatives for movement in funds

	At 1/2/20 £	Net movement in funds £	At 31/1/21 £
<b>Unrestricted funds</b>			
General fund	39,216	67,888	107,104
<b>Restricted funds</b>			
ACNI	8,810	29,242	38,052
BCC	5,970	-	5,970
Great Britain SASAKAWA Foundation	149	-	149
	<u>14,929</u>	<u>29,242</u>	<u>44,171</u>
<b>TOTAL FUNDS</b>	<u>54,145</u>	<u>97,130</u>	<u>151,275</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	105,144	(37,256)	67,888
<b>Restricted funds</b>			
ACNI	99,547	(70,305)	29,242
BCC	12,995	(12,995)	-
	<u>112,542</u>	<u>(83,300)</u>	<u>29,242</u>
<b>TOTAL FUNDS</b>	<u>217,686</u>	<u>(120,556)</u>	<u>97,130</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JANUARY 2022

14. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/2/20 £	Net movement in funds £	Transfers between funds £	At 31/1/22 £
<b>Unrestricted funds</b>				
General fund	39,216	168,384	6,119	213,719
<b>Restricted funds</b>				
ACNI	8,810	(6,518)	-	2,292
BCC	5,970	5,000	(5,970)	5,000
Great Britain SASAKAWA Foundation	149	-	(149)	-
	<u>14,929</u>	<u>(1,518)</u>	<u>(6,119)</u>	<u>7,292</u>
<b>TOTAL FUNDS</b>	<u>54,145</u>	<u>166,866</u>	<u>-</u>	<u>221,011</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	257,453	(89,069)	168,384
<b>Restricted funds</b>			
ACNI	194,180	(200,698)	(6,518)
BCC	22,995	(17,995)	5,000
Dept of FAS	7,000	(7,000)	-
	<u>224,175</u>	<u>(225,693)</u>	<u>(1,518)</u>
<b>TOTAL FUNDS</b>	<u>481,628</u>	<u>(314,762)</u>	<u>166,866</u>

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 January 2022.

**16. GOING CONCERN**

The organisation covers its financial liabilities through the provision of funding and their own income generation. The nature of the organisation means that there can be fluctuations in continued funding sources.

The Trustees have projected cash flow information for the next 12 months and consider that they will be able to continue operations. However given the nature of the funding environment there can be no certainty in relation to these matters.

On this basis, the Trustees consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustment that would result should the organisation fail to secure any of its funding or if the income generating activities do not meet expected levels.