

**Charity registration number NIC100353**

**Company registration number NI603904 (Northern Ireland)**

**NEW LODGE ARTS**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

# NEW LODGE ARTS

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr N Privilege Ms M Wylie Mr R Davison Ms C Crothers Mr S Hackett
<b>Secretary</b>	Ms J Kinnear
<b>Charity number</b>	NIC100353
<b>Company number</b>	NI603904
<b>Registered office</b>	Ashton Centre 5 Churchill Street Belfast BT15 2BP
<b>Auditor</b>	GMcG BELFAST Chartered Accountants & Statutory Auditor Alfred House 19 Alfred Street Belfast BT2 8EQ
<b>Bankers</b>	AIB 11-15 Donegall Square North Belfast BT1 5GB
<b>Solicitors</b>	Edwards & Co 28 Hill Street Belfast BT1 2LA

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# NEW LODGE ARTS

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# NEW LODGE ARTS

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

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The trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association 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 applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### **Objectives and activities**

New Lodge Arts continued to thrive during the 2022/23 period. Our projects have made a positive impact on young people, supporting their personal and social development, creativity and building aspirations.

The Arts Academy remains at the core of our work. Throughout the past year we delivered 14 weekly classes to 139 young people and four classes to over 25 adults. Our programme content expanded to include guitar lessons for children, young people and adults following requests from across the community, reflecting our commitment to delivering activities that meet need. The array of weekly classes, including drama, guitar, hip hop, ballet, visual arts and youth theatre, continue to stimulate creativity, build self-esteem and develop confidence of participants.

Our Stepping Stones after-schools programme for children with emotional, social and behavioural challenges continued with 25 children participating in the weekly classes from September 2022 to February 2023. Unfortunately Stepping Stones ended in February 2023 and an application to Children in Need was unsuccessful. We are exploring other avenues for funding Stepping Stones.

Our commitment to the promotion of Good Relations is evident through the Community Pride Programme delivered throughout the year. The programme allows cross-community working with schools and groups across north Belfast.

Youth development continues to provide progression opportunities for participants through leadership programmes, volunteering at events and social action initiatives. The Youth Development projects support young people to develop skills through a range of activities.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **Achievements and performance**

New Lodge Arts led on several activities during the summer 2022, which were included in the New Lodge Festival programme.

Activities included:

- Summer Fun Day
- The Dam Proud Cultural Event at Ligoneil Dam in partnership with the council to encourage better use of the park
- The Family Fun Day element of Gloves off at Girdwood, a youth boxing event that took place at Girdwood Community Hub.
- Two North Belfast Bike Raves with over 50 people taking part in a 5 mile cycle route across North Belfast.
- 'See Me Not My Label', a short film produced in partnership with the 174 Trust youth disability group.
- The Summer Street Party
- Tiny's Arts Academy presented 'Shrek' with 20 children aged 6-8 years old. 60 people made up of friends and family attended the final performance in Girdwood Hub.
- 'Bugsy' was performed in North Queen Street Community Centre involving 22 young people aged 8-11 years.
- The Senior Arts Academy presented 'Matila' to audiences of over 1000 people in the MAC through three sold-out audiences. 24 young people participated in the programme aged 11-17 years.

## NEW LODGE ARTS

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2023

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**Partnership interventions** continued through work with various partners including:

- New Lodge Youth Centre through the delivery of several intervention initiatives over the summer aimed at supporting young people at risk of engaging in risk-taking behaviour. Over 110 young people were engaged through intervention programmes helping prevent young people from engaging in bonfire activity and providing alternatives to anti-social activity.
- ArtEz University of the Arts, Netherlands, were based with New Lodge Arts from April to June 2023. The artists in residence were studying at Masters degree level and exploring the role of socially engaged practice and artistic research that puts art to work in the name of equality and social justice.

The **Spring Family Fun Day** replaced our annual Spring Awakening event which did not secure funding from The Executive Office. The event took place on Saturday 25th March in Alexandra Park and was attended by over 300 people. Our young leaders designed and programmed the event, created the interactive art work for the gymkhana game, facilitated the planting of hanging baskets and pots, facilitated an Easter Egg treasure hunt and undertook various other volunteering activities.

Our **Arts and Older People Programme**, 'A Night on the Tiles', engaged older New Lodge residents through weekly sessions delivered in New Lodge Arts' Studio, and weekly sessions with residents in Clifton House Nursing Home, Carlisle Day Centre, Families Beyond Conflict and Newington Day Centre. 38 participants engaged in 6 weekly sessions at each of the five groups.

#### **Financial review**

At 31 March 2023, the total funds of the charity amounted to £86,700 (2022 - £106,599) comprising £43,691 (2022 - £65,400) of restricted funds and £43,009 (2022 - £41,199) of unrestricted funds.

The directors retain funds in the charity in order to provide sufficient working capital to facilitate the ongoing activities. The current level of unrestricted reserves is sufficient to meet approximately 3 months salary and running costs. The target for unrestricted reserves is six months support costs in cash at bank.

#### **Plans for April 2023 to March 2024 (and beyond)**

Moving forward New Lodge Arts Academy will remain central to our work. The Community Pride Programme, though reduced in budget due to cuts from TEO, will also remain a central element of delivery. We continue to explore funding avenues for Stepping Stones as we believe it is a vitally needed programme for children in the area. We propose developing the New Lodge Arts' Studio in the coming year, to provide a shared space for the local community to access high quality arts provision including music and digital media. It will also enable creatives to explore and build upon their practice, expand their skills in digital sound recording, music production and digital media, work closely with other 'creatives' and potentially develop creative cluster. Finally, we are excited to for a collaboration with Battersea Arts Centre and Contact Theatre Manchester who have secured the delivery of The Agency, a project that supports young people (aged 15-25), as social entrepreneurs, to make a difference and transform their local area in a way that they think is best. We see The Agency as a progression opportunity for young people with a passion effecting social change in their communities. The project will commence in September 2023.

#### **Funding and support**

Our programme of activities continued to expand, participation increased and audiences grew significantly. We are grateful for the continued support from The Tudor Trust, Arts Council NI Project Lottery Fund, Henry Smith Foundation, Garfield Weston, The Executive Office and Belfast City Council Community Festivals Fund/ Good Relations Programme/ Parks Department. Unfortunately we were unsuccessful with a funding bid to Children in Need for continuation of the Stepping Stones Programme. We are delighted to have received funding from Belfast Harbour and through a new partnership with Battersea Arts Centre and Contact Theatre Manchester for The Agency Project (with funding recently secured from Kristian Gerhard Jebsen Foundation).

The charity maintains a relatively low level of reserves.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

## **NEW LODGE ARTS**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2023**

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##### **Structure, governance and management**

New Lodge Arts is a charitable company limited by guarantee, incorporated on 28 July 2010. It is governed by its Memorandum and Articles of Association. It has no share capital and the guarantee of each member is limited. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr N Privilege

Ms M Wylie

Mr R Davison

Ms C Crothers

Mr S Hackett

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association the directors retire by rotation and being eligible offer themselves for re-election.

Individuals are invited to serve as directors on the basis of their abilities and background so as to achieve a balance between those from the business and charity sectors.

New Lodge Arts has a Board of directors who meet regularly and are responsible for the strategic direction and policy of the charity.

A scheme delegation is in place and day to day responsibility for the provision of the services rest with the manager, Anne Delaney.

The directors have conducted a review of the major risks to which the charity is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the premises. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

## NEW LODGE ARTS

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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#### Statement of trustees' responsibilities

The trustees, who are also the directors of New Lodge Arts for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Auditor

In accordance with the company's articles, a resolution proposing that GMcG BELFAST be reappointed as auditor of the company will be put at a General Meeting.

#### Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

#### Small Companies Exemption

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.



Mr R Davison  
Trustee

Date: 28.11.23

## NEW LODGE ARTS

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEW LODGE ARTS

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#### Opinion

We have audited the financial statements of New Lodge Arts (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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## NEW LODGE ARTS

### INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF NEW LODGE ARTS

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#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

## NEW LODGE ARTS

### INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF NEW LODGE ARTS

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#### Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

#### Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing potential risks of material misstatement in respect of irregularities, including fraud and non-compliances with laws and regulations, we considered the following:

- The nature of the industry and sector, control environment and business performance, including the company's remuneration policies for directors, bonus levels and performance targets, if any;
- Results of our enquiries of management about their own identification and assessment of the risks of irregularities;

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## NEW LODGE ARTS

### INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF NEW LODGE ARTS

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- Any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
  - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instance of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- The matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the company for fraud and identified the greatest potential for fraud in income recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies Act 2006, and local tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

## NEW LODGE ARTS

### INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF NEW LODGE ARTS

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#### Audit response to risks identified

Our procedures to respond to the risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reading minutes of meetings of those charged with governance and reviewing correspondence with tax authorities; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as they may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## NEW LODGE ARTS

### INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF NEW LODGE ARTS

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#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Mr Nigel Moore FCA (Senior Statutory Auditor)**  
for and on behalf of GMcG BELFAST

28 November 2023

**Chartered Accountants**  
**Statutory Auditor**

Chartered Accountants & Statutory  
Auditor  
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## NEW LODGE ARTS

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<b><u>Income and endowments from:</u></b>							
Charitable activities	3	54,173	225,539	279,712	12,393	287,586	299,979
Other income	4	-	-	-	-	402	402
<b>Total income</b>		<u>54,173</u>	<u>225,539</u>	<u>279,712</u>	<u>12,393</u>	<u>287,988</u>	<u>300,381</u>
<b><u>Expenditure on:</u></b>							
Charitable activities	5	49,575	250,036	299,611	4,746	296,667	301,413
<b>Net incoming/(outgoing) resources before transfers</b>		4,598	(24,497)	(19,899)	7,647	(8,679)	(1,032)
Gross transfers between funds		(2,788)	2,788	-	2,132	(2,132)	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<u>1,810</u>	<u>(21,709)</u>	<u>(19,899)</u>	<u>9,779</u>	<u>(10,811)</u>	<u>(1,032)</u>
Fund balances at 1 April 2022		<u>41,199</u>	<u>65,400</u>	<u>106,599</u>	<u>31,420</u>	<u>76,211</u>	<u>107,631</u>
<b>Fund balances at 31 March 2023</b>		<u><u>43,009</u></u>	<u><u>43,691</u></u>	<u><u>86,700</u></u>	<u><u>41,199</u></u>	<u><u>65,400</u></u>	<u><u>106,599</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# NEW LODGE ARTS

## BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	10		20,105		26,807
<b>Current assets</b>					
Debtors	11	7,971		58,482	
Cash at bank and in hand		92,743		84,489	
		<u>100,714</u>		<u>142,971</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(34,119)</u>		<u>(63,179)</u>	
Net current assets			66,595		79,792
<b>Total assets less current liabilities</b>			<u>86,700</u>		<u>106,599</u>
<b>Income funds</b>					
Restricted funds	13		43,691		65,400
Unrestricted funds			43,009		41,199
			<u>86,700</u>		<u>106,599</u>

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 Trustees on 28.11.23



Mr R Davison  
Trustee

Company Registration No. NI603904

# NEW LODGE ARTS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies

##### Charity information

New Lodge Arts is a private company limited by guarantee incorporated in Northern Ireland. The registered office is Ashton Centre, 5 Churchill Street, Belfast, BT15 2BP.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with 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 applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

##### 1.2 Going concern

The period of the coronavirus pandemic has had an impact on the level of activity carried on by the organisation, resulting in underspends on several projects. As a result, the organisation has worked to adapt its programme delivery in the current circumstances.

Despite its relatively low level of unrestricted funds, the organisation does not have any external debt and has historically had the financial support of its controlling charity. Taking all factors into consideration, at the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

##### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

## NEW LODGE ARTS

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies (Continued)

##### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

All expenditure is inclusive of irrecoverable VAT.

##### 1.6 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	25% per annum reducing balance.
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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 recognised in the statement of financial activities.

##### 1.7 Impairment of fixed assets

At each reporting end date, the charity 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).

##### 1.8 Cash and cash equivalents

Cash and cash equivalents 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.

##### 1.9 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

# NEW LODGE ARTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies (Continued)

##### ***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.

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

Basic financial liabilities, including creditors and bank loans 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 operations 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.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.10 Employee benefits

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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees 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.

## NEW LODGE ARTS

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### 3 Charitable activities

	<b>Total</b>	<b>Total</b>
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Sales within charitable activities	22,173	12,393
Performance related grants	262,882	297,996
Less: deferred income	(5,343)	(10,410)
	<u>279,712</u>	<u>299,979</u>
<b>Analysis by fund</b>		
Unrestricted funds	54,173	12,393
Restricted funds	225,539	287,586
	<u>279,712</u>	<u>299,979</u>
<b>Performance related grants</b>		
Community Pride Programme	89,772	87,530
Art Council NI	53,133	41,410
Belfast City Council	4,000	30,050
Henry Smith	30,000	30,000
Central Good Relations	5,000	18,628
Children in Need	8,424	39,825
Tudor Trust	32,000	-
Partnership	15,553	13,701
Department of Foreign Affairs	-	8,702
Garfield Weston	25,000	25,000
Other	-	3,150
	<u>262,882</u>	<u>297,996</u>

#### 4 Other income

	<b>Total</b>	<b>Restricted funds</b>
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Coronavirus Job Retention Scheme	-	402
	<u>-</u>	<u>402</u>

## NEW LODGE ARTS

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2023

#### 5 Charitable activities

	Total 2023 £	Total 2022 £
Staff costs	42,934	44,282
Artistic and project costs	152,768	164,650
	<u>195,702</u>	<u>208,932</u>
Share of support costs (see note 6)	99,616	87,751
Share of governance costs (see note 6)	4,293	4,730
	<u>299,611</u>	<u>301,413</u>
<b>Analysis by fund</b>		
Unrestricted funds	49,575	4,746
Restricted funds	250,036	296,667
	<u>299,611</u>	<u>301,413</u>

#### 6 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Staff costs	61,558	-	61,558	63,723	-	63,723
Depreciation and impairment	6,702	-	6,702	8,238	-	8,238
Rent and rates payable	17,096	-	17,096	7,214	-	7,214
Insurance	4,321	-	4,321	3,960	-	3,960
Light and heat	3,616	-	3,616	1,354	-	1,354
Stationery, printing and advertising	2,114	-	2,114	1,488	-	1,488
Telephone	1,151	-	1,151	953	-	953
Bank fees	577	-	577	442	-	442
Travel	117	-	117	99	-	99
Repairs and services	2,364	-	2,364	280	-	280
Audit fees	-	4,293	4,293	-	4,730	4,730
	<u>99,616</u>	<u>4,293</u>	<u>103,909</u>	<u>87,751</u>	<u>4,730</u>	<u>92,481</u>
Analysed between Charitable activities	<u>99,616</u>	<u>4,293</u>	<u>103,909</u>	<u>87,751</u>	<u>4,730</u>	<u>92,481</u>

Governance costs includes payments to the auditors of £3,600 (2022 - £3,000) for audit fees.

## NEW LODGE ARTS

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2023

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#### 7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

#### 8 Employees

The average monthly number of employees during the year was:

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
	12	12
	<u>12</u>	<u>12</u>
<b>Employment costs</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	92,540	96,817
Social security costs	5,808	5,361
Other pension costs	6,144	5,827
	<u>104,492</u>	<u>108,005</u>
	<u>104,492</u>	<u>108,005</u>

There were no employees whose annual remuneration was more than £60,000.

#### 9 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

#### 10 Tangible fixed assets

	<b>Fixtures and fittings</b>
	<b>£</b>
<b>Cost</b>	
At 1 April 2022	45,160
At 31 March 2023	<u>45,160</u>
<b>Depreciation and impairment</b>	
At 1 April 2022	18,353
Depreciation charged in the year	6,702
At 31 March 2023	<u>25,055</u>
<b>Carrying amount</b>	
At 31 March 2023	<u>20,105</u>
At 31 March 2022	<u>26,807</u>

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## NEW LODGE ARTS

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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<b>11 Debtors</b>		<b>2023</b>	<b>2022</b>
		£	£
<b>Amounts falling due within one year:</b>			
Prepayments and accrued income		7,971	58,482
		<u>7,971</u>	<u>58,482</u>
<b>12 Creditors: amounts falling due within one year</b>		<b>2023</b>	<b>2022</b>
	<b>Notes</b>	£	£
Deferred income		5,343	35,410
Trade creditors		318	-
Other creditors		3,027	-
Accruals and deferred income		25,431	27,769
		<u>34,119</u>	<u>63,179</u>

## NEW LODGE ARTS

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2023

#### 13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds				
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Community Pride Programme	12,222	87,530	(93,183)	-	6,569	89,772	(94,577)	-	1,764
Central Good Relations	-	18,628	(17,130)	-	1,498	-	(1,498)	-	-
Belfast Harbour	-	-	-	-	-	5,000	-	-	5,000
Department of Foreign Affairs	-	8,702	(8,702)	-	-	-	-	-	-
Arts Council NI	4,432	31,000	(35,846)	414	-	47,790	(47,790)	-	-
Belfast City Council	4,995	30,050	(28,221)	-	6,824	4,000	(4,681)	(6,143)	-
Children in Need - Stepping Stones	13,243	39,825	(45,942)	(414)	6,712	8,424	(25,210)	10,074	-
Partnership	10,424	14,103	(13,480)	(2,132)	8,915	15,553	(16,299)	-	8,169
Henry Smith	19,552	30,000	(29,220)	-	20,332	30,000	(27,898)	-	22,434
Garfield Weston	11,343	25,000	(22,647)	-	13,696	25,000	(31,236)	(1,136)	6,324
Halifax	-	3,150	(2,296)	-	854	-	(847)	(7)	-
	<u>76,211</u>	<u>287,988</u>	<u>(296,667)</u>	<u>(2,132)</u>	<u>65,400</u>	<u>225,539</u>	<u>(250,036)</u>	<u>2,788</u>	<u>43,691</u>

See note 14 for explanatory notes to the funds.

## NEW LODGE ARTS

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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#### 14 Restricted funds explanatory notes

##### Community Pride Programme

This funding from the Northern Ireland Community Relations Council goes towards the Summer Arts Academy, North Belfast Festival, Winter Fest Programme and Youth Leadership Programme.

##### Belfast Harbour

Secured a Belfast Harbour Community Award to deliver a spring family fun day in Alexander Park.

##### Arts Council NI

This funding from the Arts Council of Northern Ireland National Lottery fund is toward Artistic and administration costs.

##### Belfast City Council

This funding from several Belfast City Council grants, supports various festivals and projects including costs of Artists and full time-equivalent staff.

##### Stepping stones

This funding ended this year from BBC Children in Need and provided a programme of art workshops for disadvantaged young people.

##### Partnership

This funding was received from various partnerships to help deliver festivals and programmes across North Belfast.

##### Henry Smith

This funding from Henry Smith is towards running costs for a project delivering art workshops to disadvantaged communities in North Belfast.

##### Garfield Weston

This funding from Garfield Weston is towards running costs and art workshops to disadvantaged communities.

#### 15 Transfers

During the year 31 March 2023 transfers were made from unrestricted funds to restricted funds to cover restricted expenditure. There were also transfers between restricted funds which were necessary to reallocate expenditure.

## NEW LODGE ARTS

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2023

#### 16 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022
	£	£	£	£	£
Fund balances at 31 March 2023 are represented by:					
Tangible assets	-	20,105	20,105	-	26,807
Current assets/(liabilities)	43,009	23,586	66,595	41,199	79,792
	<u>43,009</u>	<u>43,691</u>	<u>86,700</u>	<u>41,199</u>	<u>106,599</u>

#### 17 Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023	2022
	£	£
Aggregate compensation	<u>27,945</u>	<u>33,501</u>

##### Transactions with related parties

As the company is a wholly owned subsidiary, the directors have taken advantage of the exemption from disclosing related party transactions with other wholly owned group companies, in accordance with FRS 102.

No other transactions with related parties were undertaken that are required to be disclosed under FRS 102 Sections 1A.