COMPANY REGISTRATION NUMBER: NI611183
CHARITY REGISTRATION NUMBER: 101653

Cathedral Quarter Trust

Company Limited by Guarantee

Financial Statements

31 March 2023

Finegan Gibson Ltd
Chartered Accountants & Registered Auditors & statutory auditor
Causeway Tower
9 James Street South
Belfast
BT2 8DN

Cathedral Quarter Trust

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2023

Cathedral Quarter Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2023

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2023.

Reference and administrative details

Registered charity name	Cathedral Quarter Trust
Charity registration number	101653
Company registration number	NI611183
Principal office and registered office	Cathedral Quarter Managed Workspace 5th Floor The Mac 10 Exchange Street West Belfast BT1 2NF
The trustees	
	K Collins G Duggan W Flinn M Hackett A McLean A McReynolds S Wolsey P Richards J Hall S Forde Appointed 5th April 2023
Company secretary	Susan Picken
Auditor	Finegan Gibson Ltd Chartered Accountants & Registered Auditors & statutory auditor Causeway Tower 9 James Street South Belfast BT2 8DN
Bankers	Unity Trust Bank 9 Brindley Place Birmingham B1 2HB

Structure, governance and management

Cathedral Quarter Trust is a company limited by guarantee governed by its Memorandum and Articles of Association dated 4th February 2012 and revised 14th October 2015. Cathedral Quarter Trust is a registered charity with the Charity Commission for Northern Ireland. Cathedral Quarter Trust is a membership organisation with currently 9 members (12 in 2021), each of whom agrees to contribute £1 in the event of the charity winding up.

Appointment of Trustees/Recruitment of Trustees

New members are recruited at any time. The Board of Directors, who are the charity's Trustees, approves all applications before prospective Trustees are put forward for election. The Board of Trustees ensures that the make-up of the Board sits within the criteria laid down in the Memorandum and Articles of Association and the Membership By-Laws. They determine if the nominee has the skills and ability to fulfil the role and that they fulfil the legal requirements to be a Charitable Trustee.

Applications from prospective Trustees are accepted and considered on an ongoing basis. The organisation also actively recruits at least once a year to fill vacancies that open up due to the standing down of existing Trustees.

Election of Trustees

The existing Board elect and re-elect all Trustees on an annual basis. New Trustees can be accepted at any of the Trust meetings, but Terms of Office are formally agreed at each AGM to ensure that the Board meets the requirements of the Membership By-Laws

Arrangements for setting pay and remuneration of key management personnel

The Board of Trustees comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. All Trustees give of their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in note 13 and note 23 to the accounts.

Organisation structure and how charity makes decisions

The Board of Trustees, which can include up to 21 members, administers the charity. The Board normally meets bi-monthly. A Finance Committee (including membership, finance and audit) also meets bi-monthly. From April 2023 onwards, the Trustees will manage the day-to-day operations of the charity including finance, employment and direct charitable activities.

Structure, governance and management *(continued)*

Role

Trustees are expected to establish a strategic vlslon, policies and strategic priorities for the organisation. Trustees are expected to participate actively in the organisation's governance and have ultimate responsibility for ensuring it is solvent, well run and is delivering the outcomes for which it has been set up, and fulfilling its charitable purposes.

The Board of Trustees consists of no fewer than 5 and no more than 21 members and will meet at least 4 times per year.

Trustees have responsibility for:

- Setting the strategic vision of CQT and ensuring the vision, mission, value and activities remain true to its objectives;
- Ensuring compliance with the objects, purposes and values of the organisation, and with its governing document;
- Setting or approving policies, plans and budgets to achieve those objectives, and monitoring performance against them;
- Ensuring the solvency, financial strength and good performance of the organisation;
- Ensuring the organisation complies with all relevant laws, regulations and requirements of its regulators and funders;
- Dealing with the appointment (and if necessary the dismissal) of senior staff;
- Setting and maintaining a framework of delegation and internal control;
- Agreeing or ratifying all policies and decisions on matters which might create significant risk to the organisation, financial or otherwise.

In addition

- Trustees are bound by an overriding duty individually and as a Board to act reasonably at all times in the interests of the organization and of its present and future stakeholders;
- All Trustees are equally responsible in law for the Board's actions and decisions, and have equal status as Trustees, indemnity insurance is provided;
- Each Trustee acts personally and not as a representative of any group or organisation, regardless of how the Trustee was nominated, elected or selected to become a Trustee;
- Trustees must ensure that they remain independent and do not act on behalf of any external organisation, group or individual;
- Trustees will build productive relationships with people across and outside the Board, will source and introduce useful contacts to CQT thus enabling the organization to use its resources effectively, and will seek out opportunities for collaborative working with other organisations;
- Trustees will be expected to disclose any personal or business interests that may or may not be perceived to influence their judgment in performing their functions or obligations.

Structure, governance and management ***(continued)***

Relationships with related parties

None of the Trustees receive remuneration or other benefit from their work with the charity.

Risk management

The Trustees have a risk management strategy which comprises:

- An annual review of the principal risks and uncertainties that the charity faces;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review;
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise, and;
- Ongoing oversight of an organisational Risk Register, reviewed bi-monthly.

Objectives and activities

The purposes of the charity are:

(1) The promotion of the arts, culture and heritage in Belfast's Cathedral Quarter (the "area of benefit"), in particular by:

(a) promoting, organising and publicising cultural and arts activities, events, performances, initiatives and exhibitions, and encouraging complementarity and inclusivity in all offering;

(b) encouraging interest in and raising awareness of cultural, arts and heritage matters and issues;

(c) encouraging public participation in the arts and in decision-making relating to cultural and arts activities;

(2) The advancement of education of the public by raising awareness of the geography, social and economic history and architecture of the Cathedral Quarter;

(3) The provision of facilities and amenities for cultural and recreational activities within the Cathedral Quarter with the object of improving the conditions of life of members of the public having need of such facilities by reasons of their age, sex, youth, disabilities, poverty and social and economic circumstances;

(4) The advancement of community development by:

(a) engaging with and assisting community and voluntary groups and organisations to organise and participate in cultural and arts projects and initiatives;

(b) providing facilities and space for creative and cultural activity.

(5) The promotion of the conservation, protection and improvement of the physical environment of the Cathedral Quarter and high standards of planning, architecture, economic, environmental and social regeneration for the benefit of the public.

In shaping their objectives for the year and planning their activities, the Trustees have considered the Charity Commission's guidance on public benefit.

The Vision and Mission of the charity are:

'Our vision for the Cathedral Quarter is as the beating heart of Belfast; a welcoming, inclusive and culturally-vibrant area, celebrating its distinctive heritage and animating its creative future.'

With a Mission:

"To champion the artistic, cultural and heritage-focused regeneration of a thriving Cathedral Quarter."

To realise the Vision and Mission, the charity's aims and objectives are to:

- Celebrating the distinctive character of the Cathedral Quarter;
- Sustaining and developing arts and culture in the Cathedral Quarter;
- Taking the Cultural Pulse: Sustaining Positive Relationships and Partnerships;

- Building resilience and sustainability.

Until the end of March 2023, the main activities of the Cathedral Quarter Trust included:

- Marketing and Communications within Cathedral Quarter and promoting the area to the general public, including the provision of information through a website, social media and other channels;
- Convening Cathedral Quarter stakeholders to identify issues and find solutions through committees of the Trust and public meetings;
- Regeneration initiatives aimed at increasing public and private sector support for cultural activity, venues and events;
- Development of a flagship city-based cultural event to replace Belfast Culture Night - prior to 2022, one of the city's most significant free cultural celebrations;
- Development and delivery of other tourism and cultural initiatives aimed at welcoming visitors and raising awareness of the area's history and cultural activity;
- Liaison and strategic collaboration with the arts, cultural, business and voluntary sectors; including extensive outreach to local communities and promotion to the general public;
- Advocacy on behalf of Cathedral Quarter stakeholders and the area in general;
- Increasing public and private sector support for cultural venues and events;
- Input into management of Destination CQ BID, the Business Improvement District proposed by CQT and approved by vote in April 2016. CQT is the first member of the BID Company;

In February 2023 the Trust received notification that core funding from Department for Communities would be withdrawn with effect from 1st April 2023 due to budgetary pressures. This resulted in both members of CQT staff being placed on notice of redundancy. The CQT Executive Assistant left the organisation on 31st March 2023 and the CQT Director left at the end of May 2023.

After consideration the CQT Board have decided to continue operation of the organisation, albeit at a much-reduced level of activity and without staff resource, from April 2023 onwards.

Achievements and performance

The twelve months up to March 2022 continued to be extremely challenging due to the continued impact of COVID-19 and the associated uncertainty over restrictions and delivery of activity.

Achievements during the year included:

The twelve months up to March 2023 were primarily focussed on the future development of the Cathedral Quarter and, in particular, the process of developing a new flagship event aimed at replacing Culture Night Belfast.

Achievements during the year included:

- Development of a new Strategic Development Plan for Cathedral Quarter Trust and a corresponding set of aims and objectives feeding into a proposed activity plan;

- Ongoing planning and development around the new flagship event including development of a fundraising strategy and recruitment of a Creative Director.

- Delivery of the final stages of a lighting and street-art based improvement scheme installed in Royal Avenue and the Cathedral Quarter between January and June 2022.

- Ongoing input into development and planning for Belfast Stories, a major Belfast Region City Deal project scheduled to open in the Cathedral Quarter in 2028.

- Continued input into the Destination CQ BID Company;

- Continued engagement with the arts, culture and heritage sector, government departments, Belfast City Council, funders, developers and other local stakeholders

Financial review

CQT received a total of £135,653 of public funding. Of this £57,000 was repaid to Belfast City Council in April 2023 due to the inability of the Trust to fulfil the terms of its funded Agreement with the Council as a result of the loss of core funding from Department for Communities.

Investment powers and policy

The Trustees, having regard to the liquidity requirements of the charity, have kept available funds in an interest-bearing deposit account and seek to achieve a rate on deposit which matches or exceeds inflation measured by the retail prices index.

Reserves policy and going concern

Reserves are needed to bridge the timing gap between spending and receiving of income and to cover unplanned temporary shortfalls in income should they arise. Holding adequate reserves safeguards the provision of services in the event of unexpected significant financial pressures. The Trustees consider that the ideal level of reserves would be between three to six-months expenditure which for the year ended 31 March 2023 would be between £30,000 and £60,000. Unrestricted reserves freely available to spend, therefore excluding fixed assets, restricted reserves and designated reserves amounted to £52,000.

Following the previously noted withdrawal of core funding from Department for Communities, the Trustees have approved the use of unrestricted reserves to pay for associated costs including a statutory redundancy payment for the CQT Director and any payments to creditors.

The charity has historically had a strong reliance on funding from its two main funders: Belfast City Council and the Department for Communities. Following notification from the Department for Communities of the withdrawal of core funding the Trustees recognise that the current economic situation is one of unprecedented challenge and have taken the necessary steps to continue the operation and solvency of the charity, run on a voluntary basis, for the foreseeable future. The financial statements have therefore been prepared on a going concern basis as Trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future.

Plans for future periods

While the COVID-19 pandemic no longer poses a significant threat to sustainability, this has been replaced by a different, but equally challenging, set of circumstances. The lack of a functioning executive continues to impact on long-term funding for the Trust while the cost-of-living crisis combined with problems of anti-social behavior and substance abuse in the area is having a negative effect on the Cathedral Quarter itself.

Over the coming year COT will:

- Develop and implement a new 3-year Strategic Plan for the Trust for 2022-2025;

- Work to ensure ongoing organisational and financial stability within the context of reduced funding and wider economic pressures;

- Lobby and advocate for the Arts and culture sector including encouraging and supporting the development of new arts and cultural activities and entities in the area;

- Lobby and advocate for the cultural heritage of the area ,encouraging sensitive development in and around the area, including supporting preservation and reuse of heritage buildings and assets;

- Prepare and submit funding proposals and applications where possible ,required for organisational stability and development and for the delivery of the CQT Strategic Plan;

- Explore and develop additional cultural participation and engagement opportunities to be delivered by the CQ area, including sectorial development initiatives, project applications and partnerships. Work closely with Destination CQ BID and other partners to deliver shared aims to make the Cathedral Quarter a better place to live, work and visit.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

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 applicable Charities SORP;

- make judgments and accounting estimates that are reasonable and prudent;

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Small company provisions

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

The trustees' annual report was approved on 6th December 2023 and signed on behalf of the board of trustees by:

A McReynolds
Trustee

Opinion

We have audited the financial statements of Cathedral Quarter Trust (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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 charity'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;
- 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 the provisions available for small entities, in the circumstances set out below, 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.

APB Ethical Standard - Provisions available for small entities

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.

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.

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. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 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 directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes 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 charity 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

- the nature of the industry and sector, control environment and business performance including the design of the remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed documentation of their policies and procedures relating to:
    - identifying, evaluating and complying with laws and regulations and whether management were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether management have knowledge of any actual, suspected or alleged fraud;
    - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team including significant component audit teams and relevant internal specialists, including tax and valuations specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. 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 in operation, 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 ongoing compliance with the UK Companies Act and 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 for their ability to operate or to avoid a material penalty.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Dolan FCA (Senior Statutory Auditor)

For and on behalf of
Finegan Gibson Ltd
Chartered Accountants & Registered Auditors & statutory auditor
Causeway Tower
9 James Street South
Belfast
BT2 8DN

06 December 2023

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2023

	Note	2023 Unrestricted funds £	2023 Restricted funds £	2023 Total funds £	2022 Total funds £
Income and endowments					
Donations and legacies	5	–	–	–	8,000
Charitable activities	6	22,849	135,653	158,502	169,081
Other trading activities	7	–	–	–	15,000
Total income		22,849	135,653	158,502	192,081
Expenditure					
Expenditure on charitable activities	8	19,583	154,857	174,440	187,708
Total expenditure		19,583	154,857	174,440	187,708
Net (expenditure)/income and net movement in funds		3,266	(19,204)	(15,938)	4,373
Reconciliation of funds					
Total funds brought forward		48,917	19,204	68,121	63,748
Total funds carried forward		52,183	–	52,183	68,121

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Cathedral Quarter Trust

Company Limited by Guarantee

Statement of Financial Position

31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	**14**	183	551
Current assets			
Debtors	**15**	3,504	6,792
Cash at bank and in hand		110,653	69,277
		114,157	76,069
Creditors: amounts falling due within one year	**16**	62,157	8,499
Net current assets		52,000	67,570
Total assets less current liabilities		52,183	68,121
Net assets		52,183	68,121
Funds of the charity			
Restricted funds		–	19,204
Unrestricted funds		52,183	48,917
Total charity funds	**18**	52,183	68,121

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

These financial statements were approved by the board of trustees and authorised for issue on 6th December 2023, and are signed on behalf of the board by:

A McReynolds
Trustee

The notes on pages 19 to 27 form part of these financial statements.

Cathedral Quarter Trust

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 March 2023

	2023	2022
	£	£
Cash flows from operating activities		
Net (expenditure)/income	(15,938)	4,373
Adjustments for:		
Depreciation of tangible fixed assets	368	579
Interest payable and similar charges	320	278
Accrued expenses	91	263
Changes in:		
Trade and other debtors	3,288	1,392
Trade and other creditors	53,567	(3,949)
Cash generated from operations	41,696	2,936
Interest paid	(320)	(278)
Net cash from operating activities	41,376	2,658
Cash flows from investing activities		
Purchase of tangible assets	–	(919)
Net cash used in investing activities	–	(919)
Net increase in cash and cash equivalents	41,376	1,739
Cash and cash equivalents at beginning of year	69,277	67,538
Cash and cash equivalents at end of year	110,653	69,277

The notes on pages 19 to 27 form part of these financial statements.

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in Northern Ireland and a registered charity in Northern Ireland. The address of the registered office is Cathedral Quarter Managed Workspace, 109-113 Royal Avenue, Belfast, BT1 2FF.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

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

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

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

- legacy income is recognised when receipt is probable and entitlement is established.

- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

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

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

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

Freehold property	-	40% straight line
Fixtures and fittings	-	40% straight line

Impairment of fixed assets

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

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Cathedral Quarter Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

5. Donations and legacies

	Restricted Funds £	**Total Funds 2023 £**	Restricted Funds £	Total Funds 2022 £
Sponsorship				
Belfast Harbour	–	–	5,000	5,000
Translink	–	–	3,000	3,000
	–	–	8,000	8,000

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
Department for Communities	–	55,367	55,367
Belfast City Council - Core Funding	–	60,000	60,000
Belfast City Centre - Project Funding	–	9,586	9,586
Belfast City Council - Capital Grant	–	–	–
Arts Council Northern Ireland	–	10,000	10,000
Tourism Northern Ireland	–	–	–
Earned Income	22,849	–	22,849
Other Grant Income	–	700	700
	22,849	135,653	158,502

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Department for Communities	–	55,367	55,367
Belfast City Council - Core Funding	–	60,000	60,000
Belfast City Centre - Project Funding	–	6,000	6,000
Belfast City Council - Capital Grant	–	19,960	19,960
Arts Council Northern Ireland	–	10,000	10,000
Tourism Northern Ireland	–	12,000	12,000
Earned Income	5,754	–	5,754
Other Grant Income	–	–	–
	5,754	163,327	169,081

7. Other trading activities

	Restricted Funds £	**Total Funds 2023 £**	Restricted Funds £	Total Funds 2022 £
Northern Ireland Screen	–	–	15,000	15,000

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
Culture, Creativity & Learning	19,583	119,082	138,665
Support costs	–	35,775	35,775
	19,583	154,857	174,440

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Culture, Creativity & Learning	–	151,353	151,353
Support costs	579	35,776	36,355
	579	187,129	187,708

9. Analysis of support costs

	Analysis of support costs activity 1 £	**Total 2023 £**	Total 2022 £
Staff costs	6,073	6,073	4,895
Premises	15,082	15,082	10,830
General office	6,219	6,219	6,917
Governance costs	8,583	8,583	13,713
	35,957	35,957	36,355

10. Net (expenditure)/income

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

	2023 £	2022 £
Depreciation of tangible fixed assets	368	579

11. Auditors remuneration

	2023	2022
	£	£
Fees payable for the audit of the financial statements	3,000	2,915

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	55,208	44,059
Social security costs	288	357
Employer contributions to pension plans	1,437	1,225
	56,933	45,641

The average head count of employees during the year was 2 (2022: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2023	2022
	No.	No.
Number of staff	2	1

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £46,162 (2022:£45,940).

13. Trustee remuneration and expenses

The charity trustees were not paid or received any other benefits from employment with the Charity in the year (2022: £Nil). No charity trustee received reimbursement for travel expenses during the year (2022: £Nil). No charity trustee received payment for professional or other services supplies to the charity (2022: £Nil).

14. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	**Total £**
Cost			
At 1 April 2022 and 31 March 2023	408	4,397	4,805
Depreciation			
At 1 April 2022	408	3,846	4,254
Charge for the year	–	368	368
At 31 March 2023	408	4,214	4,622
Carrying amount			
At 31 March 2023	–	183	183
At 31 March 2022	–	551	551

15. Debtors

	2023 £	2022 £
Trade debtors	2,021	3,883
Prepayments and accrued income	1,483	2,909
	3,504	6,792

16. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	12	3,900
Accruals and deferred income	3,234	3,143
Social security and other taxes	1,911	1,456
Other creditors	57,000	–
	62,157	8,499

17. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,437 (2022: £1,225).

18. Analysis of charitable funds

Unrestricted funds

	At 1 April 2022	Income	Expenditure	**At 31 March 2023**
	£	£	£	£
General funds	48,917	22,849	(19,583)	52,183

	At 1 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
General funds	43,742	5,754	(579)	48,917

Restricted funds

	At 1 April 2022	Income	Expenditure	**At 31 March 2023**
	£	£	£	£
Culture Night Belfast	19,204	135,653	(154,857)	–

	At 1 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
Culture Night Belfast	20,006	186,327	(187,129)	19,204

19. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	**Total Funds 2023**
	£	£	**£**
Tangible fixed assets	183	–	183
Current assets	114,157	–	114,157
Creditors less than 1 year	(62,157)	–	(62,157)
Net assets	52,183	–	52,183

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Tangible fixed assets	551	–	551
Current assets	48,366	27,703	76,069
Creditors less than 1 year	–	(8,499)	(8,499)
Net assets	48,917	19,204	68,121

20. Analysis of changes in net debt

	At 1 Apr 2022	Cash flows	**At 31 Mar 2023**
	£	£	**£**
Cash at bank and in hand	69,277	41,376	110,653

21. Contingencies

Certain grants received and receivable may become repayable to funders if the charity is no longer able to meet the conditions under which they were awarded. Due to the nature of these contingencies it is not possible to quantify the potential financial effect or give an indication of timing as to when the liabilities may arise.

22. Related parties

A number of Trustees have directorships with other organisations who fund or provide service to Cathedral Quarter Trust. Related Trustees are made aware of their responsibilities to identify, declare and manage any potential conflicts of interest. Cathedral Quarter Trust maintain a detailed register of interests for all Trustees. Declaration of interests are an agenda item at each Trust meeting.