

## FARSET LABS

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

**FOR THE YEAR ENDED 28 FEBRUARY 2024**

		Unrestricted funds 2024	Restricted funds 2024	Total 2024	Unrestricted funds 2023	Restricted funds 2023	Total 2023
	Notes	£	£	£	£	£	£
<b>Income and endowments from:</b>							
Donations and legacies	3	11,885	-	11,885	7,753	-	7,753
Charitable activities	4	525	-	525	3,500	-	3,500
Other trading activities	5	52,826	-	52,826	35,886	-	35,886
Other income	6	665	-	665	-	-	-
<b>Total income</b>		<u>65,901</u>	<u>-</u>	<u>65,901</u>	<u>47,139</u>	<u>-</u>	<u>47,139</u>
<b>Expenditure on:</b>							
Raising funds	7	2,083	-	2,083	1,147	-	1,147
Charitable activities	8	66,782	-	66,782	57,406	-	57,406
Other material expenditure		-	7,500	7,500	-	-	-
<b>Total expenditure</b>		<u>68,865</u>	<u>7,500</u>	<u>76,365</u>	<u>58,553</u>	<u>-</u>	<u>58,553</u>
<b>Net expenditure</b>		<u>(2,964)</u>	<u>(7,500)</u>	<u>(10,464)</u>	<u>(11,414)</u>	<u>-</u>	<u>(11,414)</u>
Transfers between funds		7,500	-	7,500	-	-	-
<b>Net movement in funds</b>	10	<u>4,536</u>	<u>(7,500)</u>	<u>(2,964)</u>	<u>(11,414)</u>	<u>-</u>	<u>(11,414)</u>
<b>Reconciliation of funds:</b>							
Fund balances at 1 March 2023		<u>(18,039)</u>	<u>7,500</u>	<u>(10,539)</u>	<u>(6,625)</u>	<u>7,500</u>	<u>875</u>
<b>Fund balances at 28 February 2024</b>		<u><u>(13,503)</u></u>	<u><u>-</u></u>	<u><u>(13,503)</u></u>	<u><u>(18,039)</u></u>	<u><u>7,500</u></u>	<u><u>(10,539)</u></u>

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

# FARSET LABS

## BALANCE SHEET

AS AT 28 FEBRUARY 2024

	Notes	2024 £	£	2023 £	£
<b>Fixed assets</b>					
Tangible assets	14		3,337		5,319
<b>Current assets</b>					
Stocks	15	1,265		-	
Debtors	16	4,141		2,441	
Cash at bank and in hand		13,835		15,323	
		<u>19,241</u>		<u>17,764</u>	
<b>Creditors: amounts falling due within one year</b>	18	<u>(36,081)</u>		<u>(33,622)</u>	
<b>Net current liabilities</b>			(16,840)		(15,858)
<b>Total assets less current liabilities</b>			<u>(13,503)</u>		<u>(10,539)</u>
<b>The funds of the charity</b>					
Restricted income funds	19		-		7,500
Unrestricted funds	20		(13,503)		(18,039)
			<u>(13,503)</u>		<u>(10,539)</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 28 February 2024.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on ...11/02/2025.....



Mr Artemiy Knipe  
Trustee

Company registration number NI611278 (Northern Ireland)

# FARSET LABS

## NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 28 FEBRUARY 2024*

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### 1 Accounting policies

#### Charity information

Farset Labs is a private company limited by guarantee incorporated in Northern Ireland. The registered office is Unit 1 Weavers Court, Linfield Road, Belfast, Co. Antrim, BT12 5GH, Northern Ireland.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 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 accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

As noted within our reserves policy, the charity has a deficit general reserves position of £13,503 at 28 February 2024. The Trustees are managing cash flow of the charity to ensure that it is able to pay liabilities as they fall due. During 2024/25, the charity saw an increase in the level of membership from 87 members to 105 by January 2025, this increase sees a return to pre-Covid levels. It is the Trustees expectation that the charity will reach 130 members, an optimum level to support the reserves policy, by 28 February 2026. The Trustees are also seeking sponsorship and paid events to help boost incoming resources. At this date, the Trustees are satisfied that they have plans in place to manage cash flow for the foreseeable future, and a period of at least 12 months from the date of approval of these 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 or grantors 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 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.

# FARSET LABS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 28 FEBRUARY 2024*

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### 1 Accounting policies

(Continued)

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.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts.

#### 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.

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the advancement of education and activities undertaken to further the purposes of the charity and their associated support costs;
- Other expenditure represents those items not falling into any other heading.

#### 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:

Plant and equipment	20% Straight Line
Fixtures and Fittings	20% Straight Line
Computer Equipment	20% Straight Line

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.

# FARSET LABS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 28 FEBRUARY 2024**

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### **1 Accounting policies**

**(Continued)**

#### **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 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### **1.9 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.

#### **1.10 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.

#### ***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.

# FARSET LABS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2024

### 1 Accounting policies

(Continued)

#### *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.

### 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.

### 3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	11,885	7,753

## FARSET LABS

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2024

#### 4 Charitable activities

	Unrestricted Funds 2024 £	Unrestricted Funds 2023 £
Performance related grants	525	3,500
	<u>525</u>	<u>3,500</u>
<b>Performance related grants</b>		
Programme support Income	525	3,500
	<u>525</u>	<u>3,500</u>

#### 5 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Non-charitable trading activities	13,615	14,400
Membership subscriptions and sponsorships	32,284	17,389
Fundraising events	6,927	4,097
	<u>52,826</u>	<u>35,886</u>
Other trading activities	52,826	35,886

#### 6 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other income	665	-
	<u>665</u>	<u>-</u>

## FARSET LABS

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2024

#### 7 Raising funds

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2024</b>	2023
	£	£
<u>Trading costs</u>		
Purchases	2,083	1,147
	<u>2,083</u>	<u>1,147</u>

#### 8 Expenditure on charitable activities

	<b>Unrestricted Funds</b>	Unrestricted Funds
	<b>2024</b>	<b>2023</b>
	£	£
<b>Direct costs</b>		
Programme Expenses	2,598	1,457
<b>Share of support and governance costs (see note 9)</b>		
Support	62,365	54,347
Governance	1,819	1,602
	<u>66,782</u>	<u>57,406</u>
<b>Analysis by fund</b>		
Unrestricted funds	<u>66,782</u>	<u>57,406</u>

## FARSET LABS

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2024

#### 9 Support costs allocated to activities

	2024	2023
	£	£
Depreciation	1,996	1,996
Premises Expenses	56,103	50,591
IT Software and Consumables	3,298	775
Advertising & Marketing	143	81
Bank Fees	668	480
General Expenses	157	424
Governance costs	1,819	1,602
	<u>64,184</u>	<u>55,949</u>
<b>Analysed between:</b>		
Unrestricted Funds	<u>64,184</u>	<u>55,949</u>

	2024	2023
	£	£
<b>Governance costs comprise:</b>		
Accountancy	<u>1,819</u>	<u>1,602</u>
	<u>1,819</u>	<u>1,602</u>

#### 10 Net movement in funds

	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	<u>1,996</u>	<u>1,996</u>

#### 11 Trustees

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

## FARSET LABS

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 28 FEBRUARY 2024*

#### 12 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Total	-	-

#### 13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

#### 14 Tangible fixed assets

	Plant and equipment £	Fixtures and Fittings £	Computer Equipment £	Total £
<b>Cost</b>				
At 1 March 2023	9,746	1,351	2,356	13,453
At 28 February 2024	9,746	1,351	2,356	13,453
<b>Depreciation and impairment</b>				
At 1 March 2023	5,281	1,242	1,597	8,120
Depreciation charged in the year	1,606	53	337	1,996
At 28 February 2024	6,887	1,295	1,934	10,116
<b>Carrying amount</b>				
At 28 February 2024	2,859	56	422	3,337
At 28 February 2023	4,465	109	745	5,319

#### 15 Stocks

	2024 £	2023 £
Finished goods and goods for resale	1,265	-

## FARSET LABS

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 28 FEBRUARY 2024*

<b>16 Debtors</b>		<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
Amounts falling due within one year:			
Trade debtors		4,141	2,441
		<u>          </u>	<u>          </u>
<b>17 Loans and overdrafts</b>		<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
Directors' loans		3,015	-
		<u>          </u>	<u>          </u>
Payable within one year		3,015	-
		<u>          </u>	<u>          </u>
<b>18 Creditors: amounts falling due within one year</b>		<b>2024</b>	<b>2023</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
Borrowings		3,015	-
Deferred income		4,320	6,000
Trade creditors		27,479	21,895
Other creditors		-	4,460
Accruals		1,267	1,267
		<u>          </u>	<u>          </u>
		<u>36,081</u>	<u>33,622</u>

## FARSET LABS

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 28 FEBRUARY 2024

#### 19 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

At 1 March 2023 £	Resources expended £	At 28 February 2024 £
7,500	(7,500)	-
<u>7,500</u>	<u>(7,500)</u>	<u>-</u>

During the year the trustees transferred funds of £7,500 that were spent in previous financial years in relation to University of Ulster- Future Screens NI.

#### Previous year:

At 1 March 2022 £	Resources expended £	At 28 February 2023 £
7,500	-	7,500
<u>7,500</u>	<u>-</u>	<u>7,500</u>

#### 20 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 March 2023 £	Incoming resources £	Resources expended £	Transfers £	At 28 February 2024 £
General funds	(18,039)	65,901	(68,865)	7,500	(13,503)
	<u>(18,039)</u>	<u>65,901</u>	<u>(68,865)</u>	<u>7,500</u>	<u>(13,503)</u>
<b>Previous year:</b>	<b>At 1 March 2022 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>At 28 February 2023 £</b>
General funds	(6,625)	47,139	(58,553)	-	(18,039)
	<u>(6,625)</u>	<u>47,139</u>	<u>(58,553)</u>	<u>-</u>	<u>(18,039)</u>

## FARSET LABS

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 28 FEBRUARY 2024

##### 21 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
<b>At 28 February 2024:</b>			
Tangible assets	3,337	-	3,337
Current assets/(liabilities)	(16,840)	-	(16,840)
	<u>(13,503)</u>	<u>-</u>	<u>(13,503)</u>
	<u><u>(13,503)</u></u>	<u><u>-</u></u>	<u><u>(13,503)</u></u>
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
<b>At 28 February 2023:</b>			
Tangible assets	5,319	-	5,319
Current assets/(liabilities)	(23,358)	7,500	(15,858)
	<u>(18,039)</u>	<u>7,500</u>	<u>(10,539)</u>
	<u><u>(18,039)</u></u>	<u><u>7,500</u></u>	<u><u>(10,539)</u></u>

##### 22 Related party transactions

There was one disclosable related party transaction during the year. A trustee provided a bridge loan of £3,000. This amount is repayable on demand and will incur no interest. (2023- None).