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Charity Registration No. XR82700/NIC103347

Company Registration No. NI027789 (Northern Ireland)

BEAT CARNIVAL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

AWARD WINNING ADVICE...



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Seamus Keating is authorised to act as an Insolvency Practitioner in UK and Ireland by Chartered Accountants Ireland.

BEAT CARNIVAL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr F Galbraith Mr J W Hodge Dr W G McFarlane Mr O Paulin Mrs S Campbell Mrs D. McKenna Mrs L. Dougan	(Appointed 12 April 2022) (Appointed 24 October 2022) (Appointed 14 August 2023)
Charity number	XR82700/NIC103347	
Company number	NI027789	
Registered office	11-47 Boyd Street Belfast Co. Antrim Northern Ireland BT13 2GU	
Auditor	FPM Accountants Limited 1 - 3 Arthur Street Belfast Co. Antrim Northern Ireland BT1 4GA	
Bankers	Ulster Bank Arches Retail Bank Belfast Antrim BT5 4AF	
Key Management Personnel	David Boyd (Chief Executive Officer) Jean Boyd (Operations Manager)	

BEAT CARNIVAL

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BEAT CARNIVAL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

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

The Report and financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006; the Charities Act (Northern Ireland) 2008 and the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015 & Charities Statement of Recommended Practice 'Accounting and Reporting by Charities' (FRS 102) for charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Objectives and activities

1 WHAT THE ORGANISATION DOES

Beat Carnival is Northern Ireland's foremost and long-standing Carnival Arts company. We create carnival parades and outdoor arts performances. We encourage our city of Belfast and communities across the country to think big about celebrating our creative, community life in ways that are ambitious and welcoming to all. Beat's specialisms include performance arts such as drumming, music, singing, street dance and puppetry. We provide training and free-of-charge participation programmes and we have extensive experience of work with community organisations. Beat's first carnival parades were in 1995. There is no other carnival arts organisation of the scale, activity, history or influence in Northern Ireland, where Beat Carnival has introduced many of the artform techniques and trained many of the artists now working across the country.

Participants gain new skills, connections and support at weekly activity programmes that take place in the Carnival Centre plus extensive local outreach in Belfast postcode and across Northern Ireland. Carnival arts, outdoors in public spaces with people from diverse backgrounds, are experienced in ways that are culturally inclusive. Carnival arts bring new sources of creativity to Northern Ireland's traditional experience of cultural parades and street music. The organisation's involvement in a wide range of networks, locally and internationally, increases diversity of relationships and shared benefits. New and unique opportunities enable people and communities to increase skills; meet people from other areas, backgrounds and traditions; and gain positive experiences. Beat Carnival's activity is provided free of charge to participants and audience so that barriers to access and engagement are as low as possible. Ease of access is one of the ways that the activity increases equality of opportunity.

The organisation operates Beat Carnival Centre. The Centre with its programme of arts creation, education, training, community outreach and events production, provides a focal point for anyone interested in the development of carnival arts. Artists design, create, rehearse, teach and train at the Centre. The Carnival Centre's work makes a special contribution to festivals, community celebrations and civic events. Importantly, the premises and its activity provide an accessible, supportive and 'safe space', particularly for young people. Participants at Beat's weekly programme of open-access workshops range in age from 4 to over 60 years. Workshops specialise in teaching carnival arts of drumming, dance, making (floats, puppets, props, costume), music, street theatre performance, children's arts and crafts. Six or seven sessions operate over three to four nights a week at the Centre. Public audience at Beat's free events gain enjoyment and an increased sense of community pride and connection. In 2022-2023 Beat Carnival provided 1,995 benefit activities (workshops, artist sessions, events) for 139,500 beneficiaries.

BEAT CARNIVAL

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

FOR THE YEAR ENDED 31 MARCH 2023

Vision for the Future, Mission Statement and Value Base

Vision

The vision for Beat Carnival's work with artists, their audiences, the community, individual participants and young people is of a:

"vibrant, colourful, creative and welcoming society".

Beat Carnival will aim to achieve this through their organisational vision of being:

"the leaders in excellence of Carnival artforms".

Mission

The Beat Carnival's mission statement is to:

"Make accessible and spectacular Carnival, leaving a legacy of creative skills, collaboration, participation and celebration".

Values

Beat Carnival operates to a set of core values.

- Inclusive: Carnival is for everyone. Carnival activities celebrate diverse cultures and a common humanity with as few barriers to participation as possible.
- Quality: There is an aim for excellence in everything Beat Carnival does.
- Innovative: Beat Carnival will strive to take forward the carnival artform, creating new ideas and approaches. The skills and knowledge of local artists and carnival participants progressively increase through training and experience.
- Legacy: Carnival will be devised, developed and delivered in ways that leave a legacy of skills, ambition and achievement within communities.
- Civic pride: Carnival makes visible the organisation's great pride in being created in Belfast.
- Fun: Enjoyment and entertainment are key aspects of every Carnival.

2 PROVIDING PUBLIC BENEFIT

PUBLIC BENEFIT PURPOSES

- Beat Carnival's charitable purpose as set out in the Articles is, in summary, to:
- advance public education, appreciation of and participation in carnival
- promote arts and culture by managing an Arts Resource Centre as a cultural and social amenity
- organising and delivering carnival events, arts workshops and other activities, events, performances and initiatives throughout the year
- providing tuition in creative design, constructional, textile and performance skills
- promoting cultural tourism and cultural exchange and opportunities for vocational and recreational purposes for all groups and abilities
- advance community development by engaging with and assisting voluntary and community groups and organisations to organise and participate in cultural, arts, leisure and heritage projects and initiatives
- to promote other charitable purposes so long as these purposes would be considered to be charitable under the law of Northern Ireland.

BEAT CARNIVAL

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

FOR THE YEAR ENDED 31 MARCH 2023

WHAT HAPPENED IN 2022-2023

Direct benefits provided by Beat Carnival's activities in 22-23 included new awareness of, and participation in, creative activities for individuals, for groups and communities and for the general public. Free-access, collaborative, carnival arts activities fostered good relations and, when possible, animation of public and neighbourhood spaces, including spaces that have been or are contested or controlled by factions. The public spaces where arts activity took place were made more welcoming for all. Beat Carnival's activity increased interest in arts in young people and under-engaged groups. The activity improved access to information and expertise about arts for excluded people and communities. In areas that are deemed 'disadvantaged' it inspired ambition and enabled personal achievement and pride. Beat created developmental partnerships with community groups and other arts companies, to increase representation, knowledge sharing, skills sharing, specialist support, capacity building and the promotion of shared values. Beat's safe, imaginative and attractive arts and cultural activity resulted in people, many of them being children and young people, engaging with others. Pleasure and fun were gained through the programmes. Children and young people benefited from emotional growth, personal development and increased social skills. Participants, both individuals and groups, were better equipped to make positive changes in their lives. Social connections were enabled in a year of damaging isolation and more people took positive action on issues. An important benefit of Beat Carnival's activity was increased support of young people, whose mental health issues were magnified by the Covid impacts in recent years. The impact of Covid curtailed activity in schools because of their internal Covid restrictions.

Activity development and performance highlights over the year:

- This was the final year of the SPOTing programme (Spaces Of Transformation), a three year arts education methodology project with eight cultural centre partners in Europe. Learning from this project is feeding into Beat's Youth Programme development.
- Youth Development. Beat Carnival worked with over 60 young people per week (term times) across four projects in our core programming. The young people range in age from 5 years to 18 years old. The programmes focus on creative skills development; encouraging self-expression; and experiencing joy & less stress. The youth programme facilitators identified areas for future development and are working on a funding plan to support and ensure the youth development in coming years.
- Associated with the core youth programme, the Take A Beat summer week, Future Leaders and What's The Story? initiatives proved successful. 'What's the Story?' is a diverse group of passionate and enthusiastic young artists, interested in exploring arts for change and social action in a fun, safe and creative space. The group received presentations from a variety of Belfast arts activists including the Array Collective, Pure Mental, Another World Belfast and Alice Thompson ('Find your Why' Workshop). At the end of this year there was some specific work with 25-year-olds, as we approached the 25-year anniversary of the Good Friday Agreement for peace in Northern Ireland.
- Beat produced a Spring Neighbourhood Festival that united two communities in the Shankill area: Lower Oldpark Community Association and Denmark Street Residents Association in Lower Shankill estate.
- Many performances and events produced over the year included Halloween and Christmas entertainment.
- Following successful delivery of the 2022 St Patrick's Day Pageant pilot programme, Beat produced 2023's Belfast St Patrick's Day Parade, commissioned in Belfast City Council's Creative Development Awards for a St Patrick's Day 'New Chapter' of Belfast celebrations. Innovations in our participation programme and the bespoke Parade event were well received, however production was stressful as the contract was given only six weeks prior to St Patrick's Day. Over 1,000 people were involved in the programme and parade; the audience was the largest ever, with 40,000 packing the streets all around the city-centre parade route. We devised a 'Voices of Belfast' theme, reflecting the diversity of Belfast's music culture and traditions. Prior to the parade we compiled a Making St Patrick's Day Parade exhibition, displayed in Belfast Central Library.

BEAT CARNIVAL

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

FOR THE YEAR ENDED 31 MARCH 2023

- International collaborations and relationship development included the Trans Europe Halles network and a meeting in Prague; TEH Arts Education Hub; TEH Cultural Transformation Project and Movement; International Music project exploration with practitioners in Scotland, Metz France and Belgium; Samba connections and masterclass a Pernambuco, Northeast Brazil percussion master. A long-time Ukraine cultural partner visited Beat, facilitated by British Council. We worked with international partners on a proposal to participate in Voyages/Transfestival, Metz, France in May: it did not happen as a funding application was not successful. It is notable that two of the creative partnerships producing performance sections for the Queen's Platinum Jubilee Parade in London wanted Beat Carnival to perform with them. In the end, the expected London budget was reduced and it was not possible for us to travel and perform with paid artists.
- Artist training: Structural design and prototyping; and Silks artwork / dying; Arts Education and Community Arts methodology training for key Beat Community Artists; Four Music facilitators received training with London School of Samba; a specialist Maracatu Masterclass with Alexandre Garnizé from Brazil.
- There was a Board and Staff Strategic Planning Day in August.
- Researchers were engaged on three subjects: 1) Beat Carnival Archive, particularly focused on the St Patrick's Day event, with a view to further expanding the research of our practice generally; 2) Community Arts Workforce: issues, needs and development; 3) Carnival Centre Building Development to improve the building, its fabric, facilities and usability. The archive researcher was further engaged on Belfast St Patrick's Day consultation and the architectural researcher further engaged to draw up a plan proposal for making Beat's arts activity space more accessible. This resulted in important building works to create a wheelchair accessible entrance and a disabled-accessible toilet. The Beat Carnival Centre amenity is in a Super Output Area (Shankill 2) and much of Beat's activity benefited areas of high disadvantage. Beat employed the SPOTing European project Researcher, from our long-term arts team, to work with the partners, write case studies and produce a dissemination report.
- Three individual placements: one for the Prince's Trust, one a UU International Event Management student, another assisted Beat artists with Community Arts makes.
- We provided group placements for students from ArtEZ University of The Arts, Arnhem, Netherlands and hosted an educational visit by Surrey University International Events Management students to learn about our work and approach to events.
- Board development: significant Beat Carnival Board recruitment of two new members bringing specialist knowledge, experience and enthusiasm to the company included one whose first engagement had been as a programme participant.
- Stakeholder engagement continued on the direction of Beat Carnival's next Strategy Plan.
- One of the many comments and endorsements received over the year is this from a Brazilian carnival performer, teacher and company/project organiser: "Belfast has what for me is the most complete carnival HQ outside Brazil that I have ever seen! Plus the organisation hosts culture from all over the world."

Beat Carnival was able to ascertain the value and effectiveness of its activity because it monitored details of participation and outcomes; gathered feedback from participants and audience; used agreed performance indicators; produced reports and commissioned external consultation services. 2022-2023 numbers all increased from the 2021-2022 year.

BEAT CARNIVAL

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

FOR THE YEAR ENDED 31 MARCH 2023

Company and programme performance

3 PROGRAMME PARTICIPATION and AUDIENCE

Number of full-time equivalent staff	4
Number of short-term, contracted or freelance staff	131
Number of volunteers	76
Number of volunteer hours	602
Number of participant sessions	344
Number of individual participants	1,787
Number of Artists work / development sessions	1,620
Number of Performances / Events	31
Number of estimated audience-attendees	137,500
Number of visitors from outside NI	200
Number of online products (videos etc)	69
Number of known online audience-views	24,861

BEAT CARNIVAL

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

FOR THE YEAR ENDED 31 MARCH 2023

	CORE ANNUAL ARTS PROGRAMMES	
1	BeatStyle	Tiny Beat & Junior Beat
2	Carnival School – Arts Education	Junior Carnival, What's the Story? & SPOTing
3	Beat Carnival Music	BEATnDRUM, Brass Ensemble, Samba de Roda, Modern Rhythms Masterclasses & Community Music
4	Social Engagement, Events, Performances, Services	WTS?, Neighbourhood Carnivals, Arts Services, St Patricks Day & Events
ARTS DEVELOPMENT PROGRAMMES		
5	The Way Forward	Partnerships, Research, Carnival Centre Development & Training
6	Networks	Island-wide & International for inspirational research, development and delivery

- 1 **Beatstyle**
 - Children's and young people's multi-arts at Beat Carnival Centre
 - Promoting wellbeing and emotional resilience, enabling our young people to express themselves in a creative and safe environment
 - Projects are co-designed and co-directed by our young people and we constantly adapt and change programme to suit their wants and needs
- 2 **Carnival School**
 - Junior Carnival expanded, reaching out to 'disadvantaged communities'
 - SPOTing delivered leadership training and consultation with young people
 - Costume masterclass for yp
 - Research into arts education methodology continued
- 3 **Beat Carnival Music including BEATnDRUM**
 - Weekly training and rehearsals, mostly Samba drumming and music
 - BEATmDRUM beginners' classes
 - Brass masterclass with Mr Wilson's Secondliners
 - 'Make Music Day' video produced
- 4 **Performances and Arts Services**
 - Neighbourhood Spring Festival
 - Sailortown Festival
 - BEATnDRUM and Beat Artists performances in Belfast Mela, Maritime Festival, Lord Mayor's Day, Belfast Halloween events, Christmas Lights, ArtsEkta's Mela Parade and in other places including Lisburn, Donegal, Ballycastle, Bangor, Antrim, Coleraine, Derry, Liverpool
 - Green Spaces Dark Skies
 - Our Place In Space
 - Belfast St Patrick's Day Parade
 - University of Ulster Open Days
 - 4 Halloween events
 - 4 Christmas events
 - Arts outreach across Belfast
- 5 **Artist Training and Carnival Artform development**
 - Silk painting and carnival flags & banner making
 - Carnival Rhythms Masterclasses
 - Carnival costume making and backpack design
 - Carnival float creation/development

BEAT CARNIVAL

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

FOR THE YEAR ENDED 31 MARCH 2023

6 Networks and International Participation

- International collaborations and relationship development included the Trans Europe Halles network and a meeting in Prague; TEH Arts Education Hub; TEH Cultural Transformation Project and Movement
- International Music project exploration with practitioners in Scotland, Metz France and Belgium; Samba connections and masterclass with a Pernambuco, Northeast Brazil percussion master
- A long-time Ukraine cultural partner visited Beat, facilitated by British Council. A significant meeting was held at Beat Carnival with the British Council Ukraine Office and Beat's Ukraine colleague. All are committed to developing collaboration in 2023-24
- North Belfast Arts Festival organising committee

Percentage of total programme that included particular categories of participants, % groups and individuals identified as usually 'missing out', that engaged in Beat Carnival programmes:

Participation Engagement	% of programme activity that involved individuals in these categories
People with a physical or mental impairment	100
Newcomer or ethnic minority people and groups	100
People living in deprived neighbourhoods	100
LGBTQ+ people	100
Older people (aged 65+)	50
Children and young people (aged 0-24)	80
Unemployed People	100

BEAT CARNIVAL

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

FOR THE YEAR ENDED 31 MARCH 2023

4 STRUCTURE, GOVERNANCE & MANAGEMENT

Nature of the Governing Document and Constitution of the Charity

Beat Carnival is a registered Charity (NIC103347 and HMRC XR 82700) constituted as a Company limited by guarantee and is therefore governed by Articles of Association. The directors of the company are also trustees of the charity. Eligibility for membership of the charity, and membership of the board of trustees is governed by the Articles of Association.

Relationships Between the Charity and Related Parties, Including its Subsidiaries

The charity has a social enterprise subsidiary (Beat Trading Ltd) with which it has many transactions and a controlling interest. The only other related parties are trustees and there are no transactions with them.

Company Operations and Project Management

Beat has a long-term Strategic Plan and an annual Operational Plan. Its projects operate within that framework. Projects are managed through Project Plans with timelines and Project Teams. The project budget is monitored and adjusted as necessary to ensure that spend does not exceed the project income.

Beat produces detailed risk assessment for events.

Beat targets recruitment and publicity to ensure that a wide cross-section of people get involved in the company and its programmes.

Beat's Director presents a monthly financial report to the company Board. Beat operates separate cost centres on SAGE. Beat's financial statements are subject to a full financial audit at the end of each financial year. Beat management and Board of Directors regularly review financial procedures. Beat operates procurement policy and has a select list of suppliers that is updated at the end of each financial year.

Beat provides value for money by careful costing, recycling materials and having a high level of voluntary contribution.

Beat Carnival complies with legislative regulations laid out in Equal Opportunities legislation, the Disability Discrimination Act and the Children's Order, GDPR and other appropriate legislation. Beat Carnival Policies include: a Child Protection & Safeguarding Policy, a Health and Safety Policy, Community Relations Policy, Harassment Policy, Equal Opportunities Policy and Privacy Policy.

Staff Training

Beat's youth programme manager completed an ILM Award Level 3 in Leadership and Management. This qualification is valuable for new, aspiring managers without formal training or qualifications that reflect their experience. Other staff training undertaken included: CO3 fundraising workshop; Recruit, Retrain, Reward; Managing Change; Discover your Leadership; Culture of Impact; Cultural Governance Conference.

Staff Changes

The Carnival School Worker post finished (funding ended). This team member was employed in the weekly programme on a freelance basis. This provides valuable youth work expertise in our youth programme and staff team.

Risk Statement

Further to the above management statements, the trustees identify the major risks to which the charity is exposed each financial year when preparing and updating a strategic plan, in particular those related to the operations and finances of the charity. The trustees then review any major risks that have been identified and establish systems to mitigate those risks. The charity is satisfied that the systems are in place to mitigate their exposure to the major risks that have been so identified and reviewed. The charity is open to the usual financial risks of any organisation, and the charity has introduced controls to minimise these risks, such as two signatures being required for payments from the bank account. In addition, the accounts are regularly explained to members of the charity and are open for member's inspection at any time. Identified risks include: Strategic, Financial, Governance, People, Reputation, IT and Data, Health & Safety, Assets.

BEAT CARNIVAL

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

FOR THE YEAR ENDED 31 MARCH 2023

The Beat Carnival Centre building

There were issues of concern with repairs needed to Beat Carnival Centre, Northern Ireland's unique arts creation facility. We think the asset is an important, unique asset in the Northern Ireland and Belfast arts 'ecosystem' and should be safeguarded and developed for greater benefit. In this period we undertook further survey and assessment work including a drains survey of the site. Repairs were carried out to some of the widespread water ingress. The biggest improvement was in accessibility and inclusion, with creation of an automatic entrance from Gardener Street to the arts activity room and an adjacent disability accessible toilet.

5 FUTURE BUSINESS & PLANNING, ARTISTIC PLANNING & AUDIENCE DEVELOPMENT

- Produce new organisational plans and priorities
 - Strategic Plan to 2026
 - Succession Plan to 2025
 - Youth Programme Strategy and Development Plan to 2027
 - Artistic Development Plan 2024
 - Marketing / Audience Development Plan
 - Consider corporate structure changes that could benefit delivery of events and access to funding
- Artform and audience developmentPlan evaluation sessions with artists on our Carnival Arts practice and ambitions; consult on and plan for artform development and new events in 2023 and 2024; have a Carnival Arts Development Week
 - Carnival arts Initiatives in four categories of public-facing and participatory arts:
 - 1) Neighbourhood / North Belfast;
 - 2) City;
 - 3) Northern Ireland / out of Belfast;
 - 4) International.
 - Continue to provide specialist artform performance at community / neighbourhood places.
 - Embed environmental priorities and practices in carnival and outdoor arts construction and presentation
 - Lead Northern Ireland hub of 'Beach of Dreams', UK & Ireland creative climate awareness major programme, for 2024 and 2025
 - Empower young people, increase the leadership and self-organising roles of yp
 - Organise a significantly enhanced Youth Programme, building on current weekly provision
 - Allocate a specific room within the Carnival Centre for yp's self-organised use
 - Form new collaborations for a major outdoor spectacles and events, a wide range of arts, community development, social activist and environmental expertise including main partners:
 - W5 / Odyssey Trust
 - QUB Sonic Arts Research Centre
 - QUB Centre for Sustainability, Equality and Climate Action
 - Fighting Words NI
 - Retinize digital, VR
 - Kinetika, London
 - Donna Fox Associates, England midlands
- Maintain European partner projects. Participate in GB, European, international events
 - Arts Education Hub
 - Cultural Transformation Project and Movement
 - Ukraine cultural platform
 - Maintain relationships and potential for collaborations
 - Seek alternative means to resource international relationships and working, now that UK is ineligible for EU funding
- Organise a Beat Carnival 30th Anniversary celebration festival, September 2023

BEAT CARNIVAL

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

FOR THE YEAR ENDED 31 MARCH 2023

The Beat Carnival Centre building

There were issues of concern with repairs needed to Beat Carnival Centre, Northern Ireland's unique arts creation facility. We think the asset is an important, unique asset in the Northern Ireland and Belfast arts 'ecosystem' and should be safeguarded and developed for greater benefit. In this period we undertook further survey and assessment work including a drains survey of the site. Repairs were carried out to some of the widespread water ingress. The biggest improvement was in accessibility and inclusion, with creation of an automatic entrance from Gardener Street to the arts activity room and an adjacent disability accessible toilet.

Achievements and performance

Financial review

The Statement of Financial Activities on pages 24 & 25 report on the charitable activities in brief with an expanded analysis in the notes on pages 28 - 42 to the accounts. It shows the overall source and application of funds. The Charity had net incoming resources as at the 31 March 2023 of £28,385.

BEAT CARNIVAL

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

FOR THE YEAR ENDED 31 MARCH 2023

Reserves Policy

The trustees have resolved to establish reserves to provide for future needs.

1. Background

The Beat Carnival company is limited by guarantee and it has no share capital. As a charitable organisation as well as a limited company, Beat has the difficulty of attempting to meet the requirement of expending funds in line with charitable objectives, as well as maintaining a solvent company that can meet unforeseen circumstances. To this end and as part of the Business and Development planning, Beat has a Reserves Policy that outlines the rationale for holding reserves. Beat will aim to maintain organisational reserves at a level that equates to at least 50% of annual administration overheads to allow it to deal with loss of funding or other major shocks. Although Beat may not be in a position to maintain this level of free reserves at a particular point in time, it should strive to achieve a reserve that equates to this level.

2. Reserves structure

Complying with statutory and best practice guidelines, Beat reserves are split into the following categories.

(1) Unrestricted funds

Funds that currently have no known specific current or future purpose. These are kept to a minimum to ensure the Beat is maximising the use of its available resources. These funds will be available to respond to unknown risks and opportunities. Unrestricted funds can be spent on anything that furthers the objectives of the organisation; the money has been generated through the sale of services or expertise, hires, or public fundraising or donations.

(2) Designated (Unrestricted) Reserves – Business Risks & Working Capital

The Business Risks & Working Capital fund includes allocation towards the on-going working capital requirements for project and grant funding received in arrears.

It is proposed that these reserves should also take into account any unforeseen external risks, over which Beat has no control. Such risks included the following:

- The normal fluctuation in year on year activities – this relates to the situation where Beat may have to fund a projected loss in any particular period from existing resources.
- Provision of effective working capital to support the organisation's programme especially as many projects are funded in arrears thereby creating a requirement for bridging cashflow. The designated reserve may be utilised on an ongoing basis to bridge this cashflow gap, and as such saves Beat from expending resources on excessive bank interest and charges.
- Loss of funding for specific projects, whereby Beat gap funds the project in order to maintain staff.
- Legal actions that may arise, which will require funding.
- Changes in the political environment or in legislation that may require additional unplanned resources.
- Costs of expert insolvency advice or fundraising assistance.

These reserves are expendable at the discretion of the directors.

BEAT CARNIVAL

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

FOR THE YEAR ENDED 31 MARCH 2023

(3) Designated (Unrestricted) Reserves – Specified Purpose

If part of an unrestricted fund is ear-marked for a particular project, it may be designated as a separate fund. This may be designated for a project that Beat is seeking to build resources for. Designation does not restrict the board members and they can change their minds. The designation will be recorded in the minutes of a board meeting, as will any subsequent re-designation. A number of designated funds may exist at any one time. Any transfer between funds and allocations to or from designated funds, as well as the reasons for setting up a fund, will be explained. The current specified funds are:

- Building Development and Maintenance Fund – to build a fund that will enable premises and facilities development in line with Beat's strategic plan for a Carnival Arts Centre of Excellence.
- Redundancies Fund – to cover potential legal and contractual commitments in respect of staff redundancies.
- Strategic Development and Succession Fund – a fund that in part represents David Boyd's Creative Britons award, which was donated to Beat as an unrestricted award and which Beat has decided to designate to contribute to specific costs of creative opportunity and development. For the coming leadership transition period, the Creative Development Fund is now extended to be a Strategic Development and Succession Fund, which will be particularly required in the 2023 – 2025 period of strategic and leadership change.
- 30th Anniversary Events Fund – a fund to ensure that carnival arts celebration activities to mark the company's 30th Anniversary can be delivered. Supporting specific fund-raising for the programme.

4) Restricted Reserves

Funds that have been given for particular purposes and projects. Within Beat this reserve usually relates to specific grant funding received in advance. This reserve will be maintained at the level required by the stipulations of the grant awarding bodies. The level of the reserve will be calculated and agreed on an annual basis as part of the process of preparation of annual financial statements. The annual review should include an analysis of whether any of the stipulations have expired, therefore allowing the release of funds to an unrestricted reserve. The directors will undertake to ensure that all restricted funds are solely utilised in accordance with the terms of their being granted.

The the first two items are 'Unrestricted Reserves', as they are not subject to any restriction in law.

Beat's Board will review the reserve strategy on an ongoing basis in order to ensure its relevance to current business circumstances and risks. A fund designated for Succession has been added in this year's reserves accounts.

BEAT CARNIVAL

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

FOR THE YEAR ENDED 31 MARCH 2023

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.

Risk Statement

Further to the above management statements, the trustees identify the major risks to which the charity is exposed each financial year when preparing and updating a strategic plan, in particular those related to the operations and finances of the charity. The trustees then review any major risks that have been identified and establish systems to mitigate those risks. The charity is satisfied that the systems are in place to mitigate their exposure to the major risks that have been so identified and reviewed. The charity is open to the usual financial risks of any organisation, and the charity has introduced controls to minimise these risks, such as two signatures being required for payments from the bank account. In addition, the accounts are regularly explained to members of the charity and are open for member's inspection at any time. Identified risks include: Strategic, Financial, Governance, People, Reputation, IT and Data, Health & Safety, Assets.

BEAT CARNIVAL

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

FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

Nature Of The Governing Document And Constitution Of The Charity

Beat Carnival is a registered Charity (NIC103347 and HMRC XR 82700) constituted as a Company Limited by Guarantee and is therefore governed by Articles of Association. The directors of the company are also trustees of the charity. Eligibility for membership of the charity, and membership of the board of trustees is governed by the Articles of Association.

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 F Galbraith

Mr J W Hodge

Dr W G McFarlane

Mr O Paulin

Mrs S Campbell

(Appointed 12 April 2022)

Mrs D. McKenna

(Appointed 24 October 2022)

Mrs L. Dougan

(Appointed 14 August 2023)

The methods adopted for the recruitment and appointment of new directors/trustees

Members: Subscribers are members of the company. Others must apply for membership and be approved by the directors. A member may withdraw by giving written notice, unless there would be only two members remaining.

Directors: Number shall not be less than 3; there is no maximum number.

Appointment of directors: the company may by ordinary resolution appoint a director. A director may resign office by notice to the company.

Company Operations And Project Management

Beat has a long-term Strategic Plan and an annual Operational Plan. Its projects operate within that framework. Projects are managed through Project Plans with timelines and Project Teams. The project budget is monitored and adjusted as necessary to ensure that spend does not exceed the project income.

Beat produces detailed risk assessment for events.

Beat targets recruitment and publicity to ensure that a wide cross-section of people get involved in the company and its programmes.

Beat's Director presents a monthly financial report to the company Board. Beat operates separate cost centres on SAGE.

Beat's financial statements are subject to a full financial audit at the end of each financial year. Beat management and Board of Directors regularly review financial procedures. Beat operates procurement policy and has a select list of suppliers that is updated at the end of each financial year.

Beat provides value for money by careful costing, recycling materials and having a high level of voluntary contribution.

Beat Carnival complies with legislative regulations laid out in Equal Opportunities legislation, the Disability Discrimination Act and the Children's Order, GDPR and other appropriate legislation. Beat Carnival Policies include: a Child Protection & Safeguarding Policy, a Health and Safety Policy, Community Relations Policy, Harassment Policy, Equal Opportunities Policy and Privacy Policy.

BEAT CARNIVAL

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

FOR THE YEAR ENDED 31 MARCH 2023

The organisational structure and how decisions are made

The board of directors/trustees meets 6 times a year as a full board. It has established sub groups that discuss the activities of the charity in terms of finance, premises, staffing and programming. The subgroups make recommendations to the board and monitor operational activities. Staff have delegated authority to carry out day to day work within policies agreed by the board. Financial standing orders give necessary authorisation of different amounts.

The policies and procedures adopted for the induction and training of directors/trustees

Prior to being elected, nominees are invited to a Board meeting, as well as visiting the premises, to meet trustees and members of staff. All new directors are provided with an information pack containing details of the articles of association, reserves, financial performance to date, budget, insurance cover and marketing plan.

Setting Of Staff Salaries

Salaries for posts are set according to the benchmark NJC Salary Scales, widely used in the voluntary and community sector in Northern Ireland and endorsed and used by NICVA, the voluntary sector umbrella body. The NJC payscales are local government payscales resulting from negotiations between the employer and trade union sides of the National Joint Council. The benchmark or point of comparison that was used when considering the salary for the posts, was selected through review and recommendation by an external HR consultant, aligned to guidance produced by NICVA and agreed by the Beat Carnival Trustees.

Relationships between the charity and related parties, including its subsidiaries

The charity has a social enterprise subsidiary (Beat Trading Ltd) with which it has many transactions and a controlling interest. The only other related parties are trustees and there are no transactions with them

Auditor

In accordance with the company's articles, a resolution proposing that FPM Accountants Limited 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.

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



Mr J W Hodge

Trustee

Dated: 25/9/2023

BEAT CARNIVAL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also the directors of Beat Carnival 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; 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.



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Registered Office Address

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BEAT CARNIVAL

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF BEAT CARNIVAL

Opinion

We have audited the financial statements of Beat Carnival (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 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 charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, 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 responsibility 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.

AWARD WINNING ADVICE...



FPM Accountants Limited and FPM Accountants (Ireland) Limited are part of the FPM Group and branded as FPM, an AAB Group company. FPM is the trading name of FPM Accountants Limited and FPM Accountants (Ireland) Limited, which is regulated by Chartered Accountants Ireland for a range of Investment Business Activities in the United Kingdom. AAB Group is an independent member of Accelorate and TWS with associated firms throughout the UK and worldwide. FPM Accountants Limited is registered in Northern Ireland.



FPM ACCOUNTANTS LIMITED, AN AAB GROUP COMPANY
Reg No: NI022968 | VAT Reg: GB 187 4499 49 | IE 328 3821 FH

Teresa Campbell FCA, Paddy Harty FCA,
Seamus Keating FCA FABRP, Feargal McCormack FCA,
Gary Digney FCA PP, Michael Farrell FCA, Lowry Grant FCCA,
Michelle Hawkins FCA, Malachy McLennan FCA CTA,
James Pirrie CA, Stephen Smyth FCCA

Seamus Keating is authorised to act as an Insolvency Practitioner in UK and Ireland by Chartered Accountants Ireland.



AN AAB GROUP COMPANY

BEAT CARNIVAL

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BEAT CARNIVAL

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 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.



AN AAB GROUP COMPANY

BEAT CARNIVAL

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BEAT CARNIVAL

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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared 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.



AN AAB GROUP COMPANY

BEAT CARNIVAL

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF BEAT CARNIVAL

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.

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.

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.



AN AAB GROUP COMPANY

BEAT CARNIVAL

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BEAT CARNIVAL

We obtained an understanding of the legal and regulatory framework applicable to the company through enquiry of management, sector research and the application of cumulative audit knowledge. We identified the following principal laws and regulations relevant to the company – Companies Act 2006, Charities Act (Northern Ireland) 2008 and the 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).

We developed an understanding of the key fraud risks to the entity (including how fraud might occur), the controls in place to help mitigate those risks, and the accounts, balances and disclosures within the financial statements which may be susceptible to management bias. Our understanding was obtained through review of the financial statements for significant accounting estimates, analysis of journal entries, walkthrough of the key controls cycles in place and enquiry of management.

Our procedures to respond to those risks identified included, but were not limited to:

- Enquiry of management, and the entity's solicitors around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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.



AN AAB GROUP COMPANY

BEAT CARNIVAL

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF BEAT CARNIVAL

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 and regulations made under that Act. 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 auditors' 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

JL Grant

**Lowry Grant (Senior Statutory Auditor)
for and on behalf of FPM Accountants Limited**

**Chartered Accountants
Statutory Auditors**
1 - 3 Arthur Street
Belfast
Co. Antrim
Northern Ireland
BT1 4GA

3-10-2023

BEAT CARNIVAL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds general		Unrestricted funds designated		Restricted funds		Total		Unrestricted funds general		Unrestricted funds designated		Restricted funds		Total	
		2023	£	2023	£	2023	£	2023	£	2022	£	2022	£	2022	£	2022	£
Income from:																	
Donations and legacies	3	2,636		49,355		-		51,991		1,973		2,320		-		4,293	
Charitable activities	4	11,207		-		263,929		275,136		25,728		-		242,952		268,680	
Investments	5	1,380		-		-		1,380		347		-		-		347	
Total income		15,223		49,355		263,929		328,507		28,048		2,320		242,952		273,320	
Expenditure on:																	
Charitable activities	6	12,298		25,448		262,082		299,828		23,737		4,975		242,611		271,323	
Other	10	294		-		-		294		278		-		-		278	
Total resources expended		12,592		25,448		262,082		300,122		24,015		4,975		242,611		271,601	
Net income for the year/ Net movement in funds		2,631		23,907		1,847		28,385		4,033		(2,655)		341		1,719	

BEAT CARNIVAL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Net income for the year/ Net movement in funds	2,631	23,907	1,847	28,385	4,033	(2,655)	341	1,719
Fund balances at 1 April 2022	5,844	386,508	334,889	727,241	1,811	389,163	334,548	725,522
Fund balances at 31 March 2023	<u>8,475</u>	<u>410,415</u>	<u>336,736</u>	<u>755,626</u>	<u>5,844</u>	<u>386,508</u>	<u>334,889</u>	<u>727,241</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.

BEAT CARNIVAL

BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11		343,341		321,637
Current assets					
Debtors	13	15,957		31,690	
Cash at bank and in hand		417,226		406,710	
		<u>433,183</u>		<u>438,400</u>	
Creditors: amounts falling due within one year	14	<u>(20,898)</u>		<u>(32,796)</u>	
Net current assets			<u>412,285</u>		<u>405,604</u>
Total assets less current liabilities			<u>755,626</u>		<u>727,241</u>
Income funds					
Restricted funds	15		336,736		334,889
Unrestricted funds - designated	16		410,415		386,508
Unrestricted funds - general			8,475		5,844
			<u>755,626</u>		<u>727,241</u>

The financial statements were approved by the Trustees on 25/9/2023...



Mr J W Hodge
Director

Company Registration No. NI027789

BEAT CARNIVAL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	19		47,042		(18,030)
Investing activities					
Purchase of tangible fixed assets		(37,907)		(7,500)	
Investment income received		1,380		347	
Net cash used in investing activities			(36,527)		(7,153)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			10,515		(25,183)
Cash and cash equivalents at beginning of year			406,710		431,893
Cash and cash equivalents at end of year			417,226		406,710

BEAT CARNIVAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Beat Carnival is a private company limited by guarantee incorporated in Northern Ireland. The registered office is 11-47 Boyd Street, Belfast, Co. Antrim, BT13 2GU, 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 £.

1.2 Going concern

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.

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.

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.

BEAT CARNIVAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

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:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

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:

Freehold land and buildings	2% Straight Line
Plant and equipment	20% Straight Line
Fixtures and fittings	20% Straight Line
Motor vehicles	25% 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 net income/(expenditure) for the year.

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.

BEAT CARNIVAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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.

BEAT CARNIVAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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 Donations and legacies

	Unrestricted funds general £	Unrestricted funds designated £	Total 2023 £	Total 2022 £
Donations and gifts	2,636	49,355	51,991	4,293
	<u>2,636</u>	<u>49,355</u>	<u>51,991</u>	<u>4,293</u>

BEAT CARNIVAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities

	Unrestricted Income 2023 £	Restricted Income 2023 £	Total 2023 £	Total 2022 £
Sales within charitable activities	7,394	-	7,394	7,137
Performance related grants	-	263,929	263,929	257,952
Charitable rental income	3,770	-	3,770	3,570
Other income	43	-	43	21
	<u>11,207</u>	<u>263,929</u>	<u>275,136</u>	<u>268,680</u>
Analysis by fund				
Unrestricted funds - general	11,207	-	11,207	25,728
Restricted funds	-	263,929	263,929	242,952
	<u>11,207</u>	<u>263,929</u>	<u>275,136</u>	<u>268,680</u>
For the year ended 31 March 2022				
Unrestricted funds - general	25,728	-	25,728	25,728
Restricted funds	-	242,952	242,952	242,952
	<u>25,728</u>	<u>242,952</u>	<u>268,680</u>	<u>268,680</u>
Performance related grants				
Arts Council Core & Programme Funding	-	154,248	154,248	137,288
Belfast City Council Multi Annual Funding	-	33,000	33,000	30,000
DFC/BCC Access & Inclusion (Capital)	-	30,000	30,000	-
Children in Need	-	10,500	10,500	8,428
TEO TBUC	-	-	-	18,334
Erasmus+	-	16,169	16,169	13,607
ACNI - Resilience	-	-	-	10,700
Big Lottery	-	-	-	10,000
Other	-	20,012	20,012	29,595
	<u>-</u>	<u>263,929</u>	<u>263,929</u>	<u>257,952</u>

BEAT CARNIVAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Interest receivable	1,380	347

BEAT CARNIVAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

6 Charitable activities

	Unrestricted Fund 2023 £	Restricted Fund 2023 £	Total 2023 £	Total 2022 £
Artist, Performer and Tutor Fees	2,457	57,827	60,284	45,714
Venue Rental	-	460	460	360
Crew/Production Management	-	8,159	8,159	2,380
Travel & Subsistence	386	1,108	1,494	3,080
Skills Training	-	747	747	-
Programme Co-Ordination	178	3,383	3,561	2,967
Event Services	-	803	803	1,046
Publicity/Marketing	-	1,391	1,391	2,899
Materials	4,439	5,494	9,933	5,622
Evaluation & Consultancy	-	-	-	5,507
	<u>7,460</u>	<u>79,372</u>	<u>86,832</u>	<u>69,575</u>
Share of support costs (see note 7)	25,455	167,580	193,035	179,626
Share of governance costs (see note 7)	4,831	15,130	19,961	22,122
	<u>37,746</u>	<u>262,082</u>	<u>299,828</u>	<u>271,323</u>
Analysis by fund				
Unrestricted funds - general	12,298	-	12,298	23,737
Unrestricted funds - designated	25,448	-	25,448	4,975
Restricted funds	-	262,082	262,082	242,611
	<u>37,746</u>	<u>262,082</u>	<u>299,828</u>	<u>271,323</u>
For the year ended 31 March 2022				
Unrestricted funds - general	23,737	-		23,737
Unrestricted funds - designated	4,975	-		4,975
Restricted funds	-	242,611		242,611
	<u>28,712</u>	<u>242,611</u>		<u>271,323</u>

BEAT CARNIVAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Support costs	Support costs	Governance costs	2023	2022	Basis of allocation
	£	£	£	£	
Staff costs	131,280	-	131,280	133,379	
Depreciation	16,202	-	16,202	14,739	
Office expenses	15,403	-	15,403	11,784	
Motor Expenses	4,841	-	4,841	2,849	
Printing, Postage & Stationery	2,561	-	2,561	1,783	
Repairs & Maintenance	10,908	-	10,908	7,336	
Computer Maintenance	3,682	-	3,682	2,253	
Insurance	4,971	-	4,971	4,303	
Training & Recruitment	1,672	-	1,672	18	
Subscriptions & Memberships	1,515	-	1,515	1,182	
Audit and Accountancy	-	4,440	4,440	4,080	Governance
Legal and professional	-	15,521	15,521	18,042	Governance
	<u>193,035</u>	<u>19,961</u>	<u>212,996</u>	<u>201,748</u>	
Analysed between Charitable activities	<u>193,035</u>	<u>19,961</u>	<u>212,996</u>	<u>201,748</u>	

Governance costs includes payments to the auditors of £2,950 (2022- £2,950) for audit fees.

8 Trustees

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

9 Employees

The average monthly number of employees during the year was:

2023 Number	2022 Number
<u>3</u>	<u>4</u>

BEAT CARNIVAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Employees **(Continued)**

Employment costs	2023	2022
	£	£
Wages and salaries	108,941	111,363
Social security costs	7,986	7,922
Other pension costs	14,353	14,094
	<u>131,280</u>	<u>133,379</u>

No employee received remuneration of more than £60,000 during the year (2021 - Nil).

10 Other

	2023	2022
	£	£
Financing costs	294	278
	<u>294</u>	<u>278</u>

BEAT CARNIVAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

11 Tangible fixed assets

	Freehold land and buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2022	345,830	50,240	58,108	45,760	499,938
Additions	31,423	-	6,484	-	37,907
	<u>377,253</u>	<u>50,240</u>	<u>64,592</u>	<u>45,760</u>	<u>537,845</u>
At 31 March 2023	377,253	50,240	64,592	45,760	537,845
Depreciation and impairment					
At 1 April 2022	48,279	28,519	55,743	45,760	178,301
Depreciation charged in the year	6,977	7,504	1,722	-	16,203
	<u>55,256</u>	<u>36,023</u>	<u>57,465</u>	<u>45,760</u>	<u>194,504</u>
At 31 March 2023	55,256	36,023	57,465	45,760	194,504
Carrying amount					
At 31 March 2023	321,997	14,217	7,127	-	343,341
At 31 March 2022	297,550	21,721	2,366	-	321,637

12 Financial instruments

	2023	2022
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	15,212	30,756
Carrying amount of financial liabilities		
Measured at amortised cost	20,898	32,796

13 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	-	1,453
Other debtors	15,212	29,303
Prepayments and accrued income	745	934
	<u>15,957</u>	<u>31,690</u>

BEAT CARNIVAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	(268)	20,113
Other creditors	14,695	6,391
Accruals	6,471	6,292
	<u>20,898</u>	<u>32,796</u>

15 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 £	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Arts Council Capital	307,587	-	(7,392)	300,195	-	(7,392)	292,803
Arts Council Programme	-	53,897	(53,897)	-	88,961	(88,961)	-
Arts Council Core	-	83,391	(83,391)	-	65,287	(65,287)	-
Belfast City Council Multi Annual	976	30,000	(30,976)	-	33,000	(33,000)	-
Belfast City Council Community Festivals Fund	-	5,743	(5,743)	-	5,176	(5,176)	-
Community fund	-	10,000	(3,734)	6,266	-	(6,266)	-
Bank of Ireland Begin Together	-	3,440	(300)	3,140	5,148	(8,288)	-
Children In Need	3,554	8,428	(7,643)	4,339	10,500	(9,138)	5,701
Victoria Homes	-	1,700	(1,700)	-	-	-	-

BEAT CARNIVAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Restricted funds	(Continued)						
Belfast City Council Community Recovery Support	-	3,712	(3,712)	-	-	-	-
TEO - Good Relations	-	18,334	(18,334)	-	-	-	-
BCC Medium Grant	-	-	-	-	4,687	(4,687)	-
ACNI Commission Grant	-	-	-	-	5,000	-	5,000
Arts Council Equipment Grant	13,160	-	(3,926)	9,234	-	(3,926)	5,308
ACNI Stability & Renewal	3,279	-	(667)	2,612	-	(2,612)	-
Erasmus + DFC/BCC Access & Inclusion Grant (Capital)	-	13,607	(11,379)	2,228	16,170	(20,422)	(2,024)
Arts Council Resilience	5,992	10,700	(9,817)	6,875	-	(6,875)	-
	<u>334,548</u>	<u>242,952</u>	<u>(242,611)</u>	<u>334,889</u>	<u>263,929</u>	<u>(262,082)</u>	<u>336,736</u>

BEAT CARNIVAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Unrestricted funds - designated
Unrestricted Funds

Unrestricted funds comprise those funds which the Management Committee are free to use in accordance with the organisation's objectives.

Working Capital Fund

The Board has allocated £150,000 towards the ongoing capital requirements for project and grant funding received in arrears

Building Development Fund

The Board has allocated £140,000 to allow for maintenance and repair risks and for accrued depreciation

Redundancies Fund

The Board has allocated £40,500 to provide for potential redundancy costs

Strategic Development and Succession Fund

The Board has allocated £60,000 to Strategic Development and Succession

30th Anniversary Events Fund

The Board has allocated £19,915 towards the company's 30th Anniversary events in 2023-24

BEAT CARNIVAL

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

17 Analysis of net assets between funds

Fund balances at 31 March 2023 are represented by:

Tangible assets
Current assets/(liabilities)

	Unrestricted Fund	Designated Fund	Restricted Fund	Total	Unrestricted Fund	Designated Fund	Restricted Fund	Total
	2023	2023	2023	2023	2022	2022	2022	2022
	£	£	£	£	£	£	£	£
	895	9,239	333,207	343,341	1,968	2,922	316,747	321,637
	7,580	401,176	3,529	412,285	3,876	383,586	18,142	405,604
	8,475	410,415	336,736	755,626	5,844	386,508	334,889	727,241

BEAT CARNIVAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023	2022
	£	£
Aggregate compensation	102,203	96,292

The key management personnel is comprised of the CEO and the Operations Manager.

None of the Trustees receive remuneration or other benefit from their work with the charity. Any connection between a Trustee or senior manager of the charity with organisations the charity works with must be disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party.

The charity received a donation of £49,355 (2022: £2,320) from Beat Trading Limited, a company limited by guarantee whose only member is Beat Carnival. The amount due in respect of this donation at the year end was £Nil (2022: £Nil).

19 Cash generated from operations	2023	2022
	£	£
Surplus for the year	28,385	1,719
Adjustments for:		
Investment income recognised in statement of financial activities	(1,380)	(347)
Depreciation and impairment of tangible fixed assets	16,202	14,739
Movements in working capital:		
Decrease/(increase) in debtors	15,733	(20,480)
(Decrease)/increase in creditors	(11,898)	19,524
(Decrease) in deferred income	-	(33,185)
Cash generated from/(absorbed by) operations	47,042	(18,030)

20 Analysis of changes in net funds

The charity had no debt during the year.