

Charity number: NIC103703

Company number: NI032276

THE NERVE CENTRE LTD
(A company limited by guarantee)

Directors' report and financial statements

for the year ended 31 March 2024

THE NERVE CENTRE LTD
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Legal and administrative information

Directors	John Mc Gowan Tess Maginess Michael Hamlyn Andrew McAfee Shauna Kelpie Edward Friel	(Resigned 2nd October 2024)
Trustees	Kathy Gilfillan Anthony Doherty	
Secretary	Pearse Moore	
Registered office	7-8 Magazine Street Derry BT48 6HJ	
Company number	NI032276	
Charity number	NIC103703 XR20210	
Auditors	McGroarty McCafferty & Company Accountants & Registered Auditors 2 Carlisle Terrace Derry BT48 6JX	
Bankers	Bank Of Ireland 27 Culmore Road Derry BT48 8JB	
	Nationwide Building Society 11 Ferryquay Street Derry BT48 6JN	
Solicitors	Desmond J Doherty & Company 4 Ballougry Road Derry BT48 9XJ	

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Directors Report for the year ended 31 March 2024

The directors present their annual report and the audited financial statements for the year ended 31 March 2024.

Directors and their interests

The directors of the charity for the purposes of charity law and who served during the year were as follows:

Andrew McAfee	Michael Hamlyn
John Mc Gowan	Shauna Kelpie (Resigned 2nd October 2024)
Tess Maginess	Edward Friel

Principal activity

The principal activity of the company in the year under review was that of running a multimedia arts centre.

Structure, governance and management

Governing Document

The Nerve Centre Ltd is a company limited by guarantee and established under a Memorandum of Association which established the objects and powers of the charitable company and is governed by its Articles of Association. It is a registered charity with the Charity Commission Northern Ireland.

Recruitment and Appointment of the Board of Directors

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Board. At the Annual General Meeting one third of directors retire in rotation and being eligible offer themselves for re-election.

Risk Management

The directors have a risk management strategy which consists of establishing a system of identifying risks and mitigating such risks. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

Financial Review

Budgetary controls and constant reviews of all expenditure continue to be implemented this period and have not hindered business of The Nerve Centre Ltd in achieving their primary purpose. Controls taken at the management level will continue in the current financial year with continuous monitoring throughout.

The financial accounts show a surplus of £527,176 with reserves of £4,096,572.

Principal Funding Sources

The principal funding sources over the relevant financial year have been NI Screen, Arts Council of Northern Ireland, British Film Institute, Derry City & Strabane District Council, South West College, Heritage Lottery Fund, Festival 2022 and Paul Hamlyn Foundation. The company maintains a strong relationship with its funders and have secured funding with them for the foreseeable future.

Chairperson's Foreword

Normal service has resumed after the unprecedented years delivering our Unboxed project with Oliver Jeffers, Our Place in Space. This project ended in June 2023.

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However, the legacy of that project continues as the sculptures of the Sun to Mars are staying at the Ulster Transport Museum so you can still embark on an intergalactic journey. In addition, with support from British Council we continued our celestial journey on to Hanoi in Vietnam.

Our Place in Space was one of the best performing of the Unboxed Festival projects with audiences in excess of 1 million and at the time of writing our Augmented Reality App and Minecraft World has been downloaded over 3 million times across 150 countries. This large scale project was additional to our regularly funded activity supported by our core funders.

Our largest funder, Northern Ireland Screen, continued to provide their annual support for our film festival, creative learning centres, academies, film clubs and exhibition programming.

Foyle Film Festival celebrated its 36th year with a special sold of screening of Raging Bull with the film's editor, Thelma Schoonmaker attending the screening as part of our Powell/Pressburger season of films.

Our regular cinema screenings at the Nerve Centre evolved from just Wednesday and Thursday night screenings to include winter cinema programming, award season favourites, Reel Lives Film Festival and Schools Film Week with additional support from Film Hub NI and NI Screen.

Our music activity was busy during the year with an extensive programme including gigs, music courses, music facilities, Music Hothouse and educational programmes.

Arts Council NI continued to provide core funding for music activity and capital funding to enable us to cater for our music programme including live events and music Hothouses.

Our delivery would not have been possible without the support of all our core funders such as Derry City and Strabane District Council (who support core building costs and the Annual Foyle Film Festival), Belfast City Council and Community Relations Council.

Nerve Centre was able to continue to provide career opportunities for young people in the screen and creative industries including the BFI Film Academy, BFI Venue Education Fund, Music Hothouse, Bandcamp and CADI programmes.

We also secured funding during the year from Community Relations Council, The Executive Office and the Department of Foreign Affairs for our cultural and heritage programmes, which are delivered with our strategic community partners.

Lastly, our 10 year grant from the Paul Hamlyn Foundation continued to provide the core support for the organisation providing a stability and programme resource for the organisation to develop new ways of thinking and seed fund projects at a very early stage.

John McGowan
Chairperson

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Activity Report 2023/24

Northern Ireland Screen continue to be the largest funder of the Nerve Centre supporting creative learning centres in Derry and Belfast, our exhibition programme including Foyle Film Festival and the Northern Ireland Screen Academies.

Their funding makes a strategic intervention in the film sector ecosystem crossing between industry, education and exhibition. The Nerve Centre delivers our education, training and participation programmes both at the Nerve Centre and also via our network of Creative Learning Centres in Derry and Belfast.

During the period with NI Screen funding Nerve Centre continued the highly successful Academies in Animation, Production Design and Gaming, providing career opportunities for 16 - 19 year olds in the screen industries.

Foyle Film Festival celebrated its 36th year with a special sold of screening of Raging Bull with the film's editor, Thelma Schoonmaker attending the screening as part of our Powell/Pressburger season of films as well as providing over 100 film events over the course of 10 days.

Foyle Film Festival is one of only a handful of international film festivals with Oscar affiliation and BAFTA recognition. The festival, which is a flagship project of the Nerve Centre, offers filmmakers, animators and artists a unique platform to screen their films, network with industry professionals and gain access to the international market.

Our regular cinema screenings at the Nerve Centre evolved from just Wednesday and Thursday night screenings to include winter cinema programming, award season favourites, Reel Lives Film Festival and Schools Film Week with additional support from Film Hub NI and NI Screen.

Nerve Centre has also built a reputation as an organisation that provides opportunities for new bands and artists in Northern Ireland. We continued to provide many live performances in our venue showcasing local performers and international acts as well.

Arts Council NI provided core funding for music activity to enable us to cater for our music programme including live events and music Hothouses.

Our delivery would not have been possible without the support of all our core funders such as Derry City and Strabane District Council (who support core building costs and the Annual Foyle Film Festival), Belfast City Council and Community Relations Council.

We also secured funding during the year from Community Relations Council, the Executive Office and the Department of Foreign Affairs for our cultural and heritage programmes which are delivered with our strategic community partners.

In addition, our 10 year grant from the Paul Hamlyn Foundation continued to provide the core support for the organisation providing a stability and programme resource for the organisation to develop new ways of thinking and seed fund projects at a very early stage.

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Nerve Centre continued to provide career opportunities for young people in the screen and creative industries including Music Hothouse, Bandcamp and CADI programmes.

During the year we also partnered with local youth service - Our Space. Our initial goal with Our Space was straightforward - to provide the next generation of young musical talent with a platform and the experience of performing in a top tier music venue. However, we've witnessed some serious developments in the group over the past year, as they continue to exceed our already-high expectations.

By working in partnership with South West College we were able to offer full-time courses during the year in creative media. These courses are the backbone of the Nerve Centre, enabling us to develop the indigenous skills necessary to sustain a local music, multimedia and film/video-making industry.

BFI increased their support of the Nerve Centre by also providing funding from their BFI venue education fund as well as the BFI Film Academy which we have been delivering on an NI wide basis for 10 years.

Normal service has resumed after the unprecedented years delivering our Unboxed project with Oliver Jeffers, Our Place in Space. This project ended in June 2023. However, the legacy of that project continues as the sculptures of the Sun to Mars are staying at the Ulster Transport Museum so you can still embark on an intergalactic journey.

In addition, with support from British Council we continued our celestial journey on to Hanoi in Vietnam.

Our Place in Space was one of the best performing of the Unboxed Festival projects with audiences in excess of 1 million and at the time of writing our Augmented Reality App and Minecraft World has been downloaded over 3 million times across 150 countries.

As is always the case at the Nerve Centre, projects ending make the way for new. Our CollabArchive, Our Place in Space, Almanac for a Walled City and RRR projects ended making the way for XRtists Immersive arts, StoryFutures Xperience, Northern Ireland Now and Dormant accounts projects.

Lastly, this year marked the 10th anniversary of the NI Science Festival. Our dedication to advancing STEAM education drives us to seek out and develop strategic partnerships both locally and globally.

Our partnership with the NI Science Festival, which has grown over 7 years is a prime example of this in action. Together, we've created an education programme that utilises our combined experiences, connections and insights.

This strategic partnership has enabled us to connect with thought leaders, educators and organisations such as the Manchester United Foundation and the South Africa Observatory, to offer unparalleled educational experiences to classrooms and communities across Northern Ireland.

News on all our current workshops and events can be found at: <https://www.nervecentre.org>

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Directors Responsibilities in Relation to The Financial Statements

The directors are responsible for preparing the Annual 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 directors to prepare financial statements for each financial year. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK and Accounting Standards have been followed; subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Board is responsible for maintaining proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with Companies Act 2006. The Board is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the person's whos is a director at the date of the approval of this report confirms that:

So far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and as the directors of the company we have taken all steps we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditor's-


McGroarty McCafferty & Company are deemed to be reappointed in accordance with Section 487 (2) of the Companies Act 2006.

This report is prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements are approved and authorised for issue by the Board of Directors on 5 December 2024 and signed on it's behalf by;



Director



Director

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Independent auditor's report to the directors of THE NERVE CENTRE LTD

Opinion

We have audited the financial statements of THE NERVE CENTRE LTD for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, Cashflow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

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 2024, and of its incoming resources and expenditure of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 charitable company'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 directors with respect to going concern are described in the relevant sections of this report.

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Other information

The directors are responsible for the other information. The other information comprises the information included in the directors' annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' annual 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' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' annual report.

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

- adequate accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit;
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

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Responsibilities of the directors

As explained more fully in the Directors' Responsibilities Statement, the directors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 directors are responsible for assessing the charitable company'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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud;

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. However, the primary responsibility for the prevention and detection of fraud lies with management and the board of directors of the charitable company.

Identifying and assessing potential risks related to irregularities

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

- the nature of the industry, sector and the specific control environment which it operates in;
- the charities own assessment of the risks that irregularities may occur, either as a result of fraud or error;
- representations and results from our enquiries with management and the board of directors regarding their own identification and assessment of the risks of irregularities;
- enquiries of management relating to accounting estimates measurements, recognition criteria and justification of such amounts;
- any matters we have identified having obtained and reviewed the charities policies and procedures relating to:
 - * identifying and assessing if laws and regulations are compliant and whether they are aware of any instances of non-compliance;
 - * detection and response to the risk of fraud and whether they are aware of any actual, suspected or alleged fraud instances;
 - * the internal controls designed to mitigate risks or fraud or non-compliance with laws and regulations, and to minimise risk of management overrides of such controls.

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- all matters discussed among the audit engagement team regarding how and where fraud could occur and the potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the charity for fraud. The audit included assessing the procedures and evaluating the measurement of estimations. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also required an understanding of the legal and regulatory frameworks applicable to the charity and considered that the most significant are the Companies Act 2006, SORP 2019 (FRS 102) and Charities Act (Northern Ireland) 2008.

Based on our understanding of the charitable company the most significant legal and regulatory frameworks that have a direct impact on the financial statements are those relating to the applicable reporting framework, (FRS102, The Charities Act (Northern Ireland) 2008, The Charities (Accounts and Report) Regulations (Northern Ireland) 2015, the Charity SORP, and the Companies Act 2006) non compliance may have a material effect on the financial statements. Compliance with these laws and regulations was assessed as part of our procedures.

Audit responses to risks identified

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures, testing the relevant documentation to assess compliance with the significant laws and regulations - those described as having a direct effect on the financial statements;
- enquiring with management and obtaining third party confirmation from the charitable company's solicitors regarding any actual or potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of board and management meetings, examine forecasting material in line with actual performance, identifying any potential fraud indicators or instances;
- reviewing Companies House and Charity Commission Northern Ireland correspondence, identify any late submissions or omissions of mandatory information;
- review correspondence with HMRC, identifying non compliance of specific information to be disclosed;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of data entries and adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of the charities objectives.

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

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

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

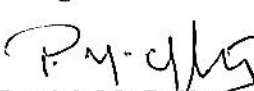
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.

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

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

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

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


Patrick McCafferty
Senior Statutory Auditor
for and on behalf of
McGroarty McCafferty & Company
Statutory Auditor

2 Carlisle Terrace
Derry
BT48 6JX

Date: 5 December 2024

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Statement of Financial Activities
for the year ended 31 March 2024

	Unrestricted Funds £	Restricted Funds £	2024 £	2023 £
Income and Expenditure				
Incoming Resources				
Grants & Sundry Income	1,176,112	1,524,490	2,700,602	5,614,367
Total Incoming Resources	2 1,176,112	1,524,490	2,700,602	5,614,367
Resources Expended				
Management & Administration	662,258	1,511,168	2,173,426	5,341,119
Total Resources Expended	2.1 662,258	1,511,168	2,173,426	5,341,119
Net Incoming / (Outgoing) Resources	15 513,854	13,322	527,176	273,248
Balances brought forward 1 April 2023	2,612,960	956,436	3,569,396	3,296,148
Balances carried forward 31 March 2024	3,126,814	969,758	4,096,572	3,569,396

All of the above amounts relate to continuing activities.

There are no recognised gains and losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been presented. There is no difference between the net incoming resources for the year stated above and their historical cost equivalents.

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Balance sheet
as at 31 March 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	7		1,919,529		1,977,264
Investments	8		<u>687,477</u>		<u>636,180</u>
			2,607,006		2,613,444
Current assets					
Debtors	9	335,666		419,031	
Cash at bank and in hand		<u>3,559,393</u>		<u>3,135,687</u>	
		3,895,059		3,554,718	
Current liabilities					
Trade creditors		52,939		185,338	
Bank loans and overdrafts		4,088		7,134	
Other creditors		400,846		334,880	
Accruals		<u>52,334</u>		<u>134,711</u>	
	10		510,207		662,063
Net current assets			<u>3,384,852</u>		<u>2,892,655</u>
Total assets less current liabilities			5,991,858		5,506,099
Long-term liabilities	12		<u>(400,000)</u>		<u>(400,000)</u>
Net assets	14		<u>5,591,858</u>		<u>5,106,099</u>
Financed By					
Unrestricted Funds	14		3,096,023		2,582,170
Restricted Funds	14		969,758		956,436
Revaluation Reserve	15		30,790		30,790
Capital Grants	16		<u>1,495,287</u>		<u>1,536,703</u>
			5,591,858		5,106,099

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and the Charities SORP 2019 (FRS 102).

The Financial Statements were approved and authorised for issue by the board on 5 December 2024 and signed on its behalf by

Director

Company Number: NI032276

Director

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Statement of Cash flows
as at 31 March 2024

	Note	2024	2023
		£	£
Operating Activities			
Net incoming / (outgoing) resources for the year		527,176	273,248
Depreciation and impairment		57,736	63,612
(Increase)/ decrease debtors		83,363	836,523
(Decrease) / increase in creditors		<u>(151,857)</u>	<u>705,225</u>
Net cash inflow from operating activities		516,418	468,158
Financing Activities			
(Increase)/loss on investments		(51,297)	37,889
Capital grant released		<u>(41,415)</u>	<u>(41,415)</u>
Increase in cash in the year		<u>423,706</u>	<u>464,632</u>
Reconciliation of net cash flow to movement in net funds			
Increase in cash in the year		423,706	464,632
Net funds at 1 April 2023		<u>3,135,687</u>	<u>2,671,055</u>
Net funds at 31 March 2024	17	<u>3,559,393</u>	<u>3,135,687</u>

THE NERVE CENTRE LTD
Notes to the accounts
for the year ended 31 March 2024

1. General information

The charity is a private limited company by guarantee, registered in Northern Ireland and a registered charity in Northern Ireland. The address of the registered office is 7-8 Magazine Street, Derry, BT48 6HJ. The company changed its name to The Nerve Centre Ltd on 31 October 2023.

1.1. Accounting convention

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act (Northern Ireland) 2008 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 published in October 2019 (SORP 2019) and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

1.2. Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be qualified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

1.3. Resources expended

All expenditure is accounted for on an accruals basis as a liability is incurred and has been classified under headings that aggregate all costs related to the category.

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.

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Notes to the accounts
for the year ended 31 March 2024

1.4. Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

1.5. Tangible fixed assets and depreciation

Land and buildings are carried at a revalued amount, being its fair value at the date of revaluation less subsequent depreciation and impairment, provided that fair value can be measured reliably.

Tangible fixed assets classified under the headings equipment and motor vehicles are valued at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	2% Straight Line
Fixtures, fittings and equipment	-	20% Straight Line
Motor vehicles	-	20% Straight Line

1.6. Investments

Investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

1.7. Cash at bank

Cash at bank and cash equivalents are stated at cost at the financial year end.

1.8. Capital grants

Capital grants are received in respect of purchase of fixed assets a portion of which is released to the statement of financial activities in the year of receipt.

1.9. Debtors & creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.10. Company status

The charity is a company limited by guarantee and does not have a share capital.

1.11. Pension costs

Contributions to auto enrolment pension schemes are recognised as an expense in the period in which the related service is provided.

1.12. Redundancy costs

Redundancy costs are recognised as an expense in the period when the employment contract in question was terminated.

THE NERVE CENTRE LTD
Notes to the accounts
for the year ended 31 March 2024

1.13. Going concern

The financial statements have been prepared on a going concern basis as the directors believe that no material uncertainties exist. The directors have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

1.14. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Statement of Financial Activities.

THE NERVE CENTRE LTD
Notes to the accounts
for the year ended 31 March 2024

2. Grants & other income

The total income of the company for the year has been derived from its principal activity wholly undertaken in the UK.

	2024	2023
	£	£
<u>Restricted Income - Charitable Activities</u>		
Northern Ireland Screen	747,262	784,427
OCN	3,500	1,500
Arts Council (including National Lottery)	75,392	78,495
Derry City & Strabane District Council	40,886	39,688
Community Relations Council	24,226	26,918
ESB	20,400	8,160
SEUPB	-	75,886
Dormant Accounts	17,125	-
Nottingham Media Centre Ltd	-	4,000
The Executive Office	35,987	-
Heritage Lottery Fund	29,389	265,830
British Film Institute	143,400	79,700
Belfast City Council	19,800	19,800
British Council	82,110	76,500
EU Commission Erasmus Grant	6,888	-
Department of Foreign Affairs	17,435	-
Film Hub NI	29,126	15,300
Other Grants	1,564	6,400
Paul Hamlyn Foundation	230,000	232,415
	1,524,490	1,715,019
<u>Unrestricted Income - Charitable Activities</u>		
Project Income	172,856	485,774
Festival 2022 (Unboxed/Belfast City Council)	670,146	3,023,511
Venue Income/Ticket Sales	129,023	107,167
Foyle Film Festival	45,290	32,219
South West College	100,000	150,000
Bank Interest	58,797	26,759
Other Income	-	73,918
	1,176,112	3,899,348
Total Income	2,700,602	5,614,367

THE NERVE CENTRE LTD
Notes to the accounts
for the year ended 31 March 2024

2.1 Resources Expended - Charitable Activities

Management & Administration	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Wages & salaries	197,123	1,029,654	1,226,777	1,551,488
Redundancy payments	-	15,866	15,866	9,950
Staff pension costs	21,226	113,883	135,109	148,019
Staff life insurance payments	5,193	-	5,193	7,070
Rent, rates & venue hire	-	31,643	31,643	30,754
Insurance	24,456	7,057	31,513	34,218
Heat & light	29,903	19,983	49,886	35,804
Telephone & internet	2,195	4,659	6,854	9,046
Production costs	30,989	50,478	81,467	312,507
Repairs & maintenance	53,877	37,015	90,892	42,392
Cleaning & consumables	4,497	-	4,497	5,776
Postage, printing & stationery	4,655	1,152	5,807	21,881
Website maintenance & development	-	30,618	30,618	10,620
Training tutors, course fees & accreditation	38,524	63,405	101,929	134,628
Travel, subsistence & hospitality	40,287	40,323	80,610	55,042
Motor expenses	-	9,458	9,458	3,245
Professional fees & subscriptions	12,967	23,241	36,208	61,357
Audit fees	11,000	-	11,000	11,000
Bank charges	936	1	937	2,357
Bus hire & carriage	-	-	-	1,995
Hire of equipment	1,578	400	1,978	480
Materials	-	-	-	22,014
Artist's fees	29,434	24,507	53,941	42,321
Video production costs	-	-	-	21,681
Licence fees	17,992	645	18,637	15,660
Marketing expenses	36,241	5,834	42,075	19,584
Grant partner payments	-	-	-	83,134
Nerve Centre equipment expenditure	2,083	1,346	3,429	30,967
Bar purchases	24,224	-	24,224	23,391
Sundry expenses	1,099	-	1,099	5,587
Profit / loss on exchange	2,140	-	2,140	(15,807)
Depreciation of Building	57,736	-	57,736	57,736
Depreciation Fix & Fittings	-	-	-	354
Depreciation Motor vehicles	-	-	-	5,522
Capital Grants Amortised	(41,415)	-	(41,415)	(41,415)
Gain/loss on investments	(51,297)	-	(51,297)	37,889
Festival 2022 expenses	104,615	-	104,615	2,542,872
	<u>662,258</u>	<u>1,511,168</u>	<u>2,173,426</u>	<u>5,341,119</u>

THE NERVE CENTRE LTD
Notes to the accounts
for the year ended 31 March 2024

3.	Net income/ expenditure for the year	2024	2023
		£	£

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

Depreciation and other amounts written off tangible assets	57,736	63,612
Auditors' remuneration	11,000	11,000
	<u>11,000</u>	<u>11,000</u>

4. Auditor's remuneration

The auditor's remuneration amounts to an audit fee of £11,000 (2023 - £11,000).

5. Employees

		2024	2023
		£	£
Wages and Salaries	1,122,243	1,421,560	
Social security costs	104,534	129,928	
Pension costs	135,109	148,019	
Redundancy costs	15,866	9,950	
	<u>1,377,752</u>	<u>1,709,457</u>	

Two employees received emoluments of more than £60,000 (2023: 2)

The directors' neither received nor waived any emoluments during the year. (2023: None)

Number of employees	2024	2023
	Number	Number
The average monthly numbers of employees during the year, calculated on the basis of full time equivalents, was as follows:	<u>62</u>	<u>125</u>

6. Taxation

As a charity, The Nerve Centre Ltd is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its chargeable objects. Accordingly, no tax charges have arisen in the charity.

THE NERVE CENTRE LTD
Notes to the accounts
for the year ended 31 March 2024

7. Tangible assets

	Land and buildings	Equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2023	2,886,788	1,246,743	52,392	4,185,923
At 31 March 2024	<u>2,886,788</u>	<u>1,246,743</u>	<u>52,392</u>	<u>4,185,923</u>
Depreciation				
At 1 April 2023	909,523	1,246,743	52,392	2,208,658
Charge for the year	<u>57,736</u>	<u>-</u>	<u>-</u>	<u>57,736</u>
At 31 March 2024	<u>967,259</u>	<u>1,246,743</u>	<u>52,392</u>	<u>2,266,394</u>
Net book values				
At 31 March 2024	<u>1,919,529</u>	<u>-</u>	<u>-</u>	<u>1,919,529</u>
At 31 March 2023	<u>1,977,264</u>	<u>-</u>	<u>-</u>	<u>1,977,264</u>

8. Investments

	2024	2023
	£	£
Balance at 1 April 2023	636,180	674,069
Additions to investments in year	-	-
Gain/(loss) on investment	<u>51,297</u>	<u>(37,889)</u>
Balance at 31 March 2024	<u>687,477</u>	<u>636,180</u>

The company invested €250,000 (£212,925) with Davy Group on 30th November 2021, in the months November and December 2021 an additional £500,000 was invested.

9. Debtors

	2024	2023
	£	£
Trade debtors	45,724	163,845
Grants receivable	278,391	206,864
Other debtors	620	35,104
Prepayments	<u>10,931</u>	<u>13,218</u>
	<u>335,666</u>	<u>419,031</u>

THE NERVE CENTRE LTD
Notes to the accounts
for the year ended 31 March 2024

10. Creditors: amounts falling due within one year	2024	2023
	£	£
Trade creditors	52,939	185,338
Taxes and social security creditor	37,504	30,575
Bank loans and overdrafts	4,088	7,134
Deferred income (Note 12)	311,552	303,675
Sundry creditor	51,790	630
Accruals	52,334	134,711
	<u>510,207</u>	<u>662,063</u>

11. Deferred Income	2024	2023
	£	£
Balance at 1 April 2023	303,675	942,291
Additions during the year	1,524,490	1,344,890
Amounts released to income	(1,516,613)	(2,590,856)
Balance at 31 March 2024	<u>311,552</u>	<u>303,675</u>

Deferred income is income received before the end of the financial year 31 March 2024 and relates to post year end expenditure.

12. Long-term liabilities	2024	2023
	£	£
Inner City Trust	<u>400,000</u>	<u>400,000</u>

In the event that the building at 7-8 Magazine Street is sold, the charitable company (The Nerve Centre) would be liable to repay the Inner City Trust £400,000.

- 13. Securities**
Bank of Ireland hold the following securities;
- Offer letter dated 5th June 2012 - £12,500 facility.
- Internal cash deposit dated 7th June 2021 - £100,000 facility.

THE NERVE CENTRE LTD
Notes to the accounts
for the year ended 31 March 2024

14. Analysis of net assets between funds	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 March 2024 as represented by:			
Tangible fixed assets	30,790	1,888,739	1,919,529
Investments	687,477	-	687,477
Current assets	2,569,697	1,325,362	3,895,059
Current liabilities	(161,151)	(349,056)	(510,207)
Long term liabilities	-	(400,000)	(400,000)
Capital grant	-	(1,495,287)	(1,495,287)
Total funds	<u>3,126,814</u>	<u>969,758</u>	<u>4,096,572</u>

15. Movements in Funds	At 1 April 2023 £	Incoming resources £	Outgoing resources £	At 31 March 2024 £
Restricted funds:				
Total restricted funds	956,436	1,524,490	(1,511,168)	969,758
Total restricted funds	<u>956,436</u>	<u>1,524,490</u>	<u>(1,511,168)</u>	<u>969,758</u>
Unrestricted funds:				
General funds	2,612,960	1,176,112	(662,258)	3,126,814
Total unrestricted funds	<u>2,612,960</u>	<u>1,176,112</u>	<u>(662,258)</u>	<u>3,126,814</u>
Total funds	<u>3,569,396</u>	<u>2,700,602</u>	<u>(2,173,426)</u>	<u>4,096,572</u>

Purposes of Restricted Funds

Restricted grants awarded to the charity is provided to cover the core objects as explained in directors report.

16. Capital Grants	2024 £	2023 £
At 1 April 2023	1,536,703	1,578,118
Less: Capital Grants Amortised	(41,415)	(41,415)
At 31 March 2024	<u>1,495,287</u>	<u>1,536,703</u>

THE NERVE CENTRE LTD
Notes to the accounts
for the year ended 31 March 2024

17. Cash and cash equivalents	2024	2023
	£	£
Cash at bank and in hand	3,559,393	3,135,687
	<u> </u>	<u> </u>

18. Related party transactions

There were no related party transactions in the period under review.

19. Limited by Guarantee

The company is limited by guarantee and does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

20. Controlling interest

Controlling interest rests with the Board of Directors.

21. Post Balance Sheet events

No significant events have taken place since the year end that would result in adjustments to 2024 financial information or inclusion of a note thereto.

THE NERVE CENTRE LTD
Notes to the accounts
for the year ended 31 March 2024

22. Reserves Policy

The Nerve Centre is committed to organisational financial sustainability and the generation of financial reserves to enable the future of the organisation.

Reserves provide the organisation with adequate financial stability and the means for it to meet its objectives for the future. In addition, sufficient reserves are essential to enable the Nerve Centre to meet its short, medium and longer term strategic objectives. These strategic objectives also include any potential capital expansion plans, capital investment including ongoing refurbishment and strategic programme development.

Nerve Centre currently operates within a climate of funding cuts, changes in policy and Brexit. During this period the maintenance of cash reserves are prudent financial management, especially in light of the cut in European Funding post Brexit.

Each year Nerve Centre's earned income is used to subsidise the potential shortfall in restricted activities as well as add to unrestricted reserves.

Current reserves will be used for the following;

- Capital expansion plans and strategic programme investment.
- Capital investment including ongoing refurbishment, redevelopment, upgrade and maintenance of the current capital stock of the organisation.
- Investment in new specialist equipment to ensure that Nerve Centre has cutting edge technology to deliver its programmes.
- Risk Management/Contingency. It is essential for the organisation to have a significant trading reserve to enable it to manage a number of funded projects at any one time. There is also a risk factor as many funds are paid in arrears.
- In addition to any unexpected costs and funding shortfalls, Nerve Centre also needs to provide match funding for projects. Reserves can provide the necessary match funding where a matching funder cannot be secured.
- Reserves are also intended to cover essential staff costs including allowances for non-funded salaries, pensions, redundancies and the like.

The reserves policy is reviewed annually by the Board of the Nerve Centre.