

Company Registration Number: NI615954  
Charity Number: NI104893

**Strand Arts Centre**  
(A company limited by guarantee, not having a share capital)  
**Annual Report and Audited Financial Statements**  
**for the financial year ended 31 March 2024**



DNTCA Limited  
Chartered Accountants and Senior Statutory Auditor  
Ormeau House  
91-97 Ormeau Road  
Belfast  
BT7 1SH

## **Strand Arts Centre**

(A company limited by guarantee, not having a share capital)

### **CONTENTS**

	<b>Page</b>
Trustees' and Other Information	3
Trustees' Annual Report	4 - 6
Statement of Trustees' Responsibilities	7
Independent Auditor's Report	8 - 10
Statement of Financial Activities	11
Balance Sheet	12
Statement of Cash Flows	13
Notes to the Financial Statements	14 - 20

## **Strand Arts Centre**

(A company limited by guarantee, not having a share capital)

### **TRUSTEES' AND OTHER INFORMATION**

**Trustees**

Brian Gaffney  
Jonathan Hegan (Resigned 26 October 2023)  
Jenna Hall (Resigned 19 April 2023)  
Claire Ritchie  
Rachel McGuickin  
Mary Neely  
James Morton  
Stephanie Vaughan  
Paula McKay  
Mark Compston  
Kathryn Thomson

**Chairperson**

Kathryn Thomson

**Company Secretary**

Mark Compston

**Charity Number in Northern Ireland**

NI104893

**Company Registration Number**

NI615954

**Registered Office and Principal Address**

156 Hollywood Road  
Belfast  
BT4 1NY  
Northern Ireland

**Auditors**

DNTCA Limited  
Chartered Accountants and Senior Statutory Auditor  
Ormeau House  
91-97 Ormeau Road  
Belfast  
BT7 1SH

## **Strand Arts Centre**

(A company limited by guarantee, not having a share capital)

# **TRUSTEES' ANNUAL REPORT**

for the financial year ended 31 March 2024

The trustees present their Trustees' Annual Report, combining the Directors' Report and Trustees' Report, and the audited financial statements for the financial year ended 31 March 2024.

The financial statements are prepared in accordance with the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The charity is a registered charity and hence the report and results are presented in a form which complies with the requirements of the Companies Act 2006 and, although not obliged to comply with the Statement of Recommended Practice applicable in the UK and Republic of Ireland FRS 102, the organisation has implemented its recommendations where relevant in these financial statements.

### **Financial Review**

The results for the financial year are set out on page 11 and additional notes are provided showing income and expenditure in greater detail.

### **Financial Results**

At the end of the financial year the charity has assets of £782,908 (2023 - £587,014) and liabilities of £533,475 (2023 - £394,608). The net assets of the charity have increased by £57,027.

### **Trustees**

The trustees who served throughout the financial year, except as noted, were as follows:

Brian Gaffney  
Jonathan Hegan (Resigned 26 October 2023)  
Jenna Hall (Resigned 19 April 2023)  
Claire Ritchie  
Rachel McGuickin  
Mary Neely  
James Morton  
Stephanie Vaughan  
Paula McKay  
Mark Compston  
Kathryn Thomson

The secretary who served during the financial year was:

Mark Compston

### **Compliance with Sector-Wide Legislation and Standards**

The charity engages pro-actively with legislation, standards and codes which are developed for the sector. Strand Arts Centre subscribes to and is compliant with the following:

- The Companies Act 2006
- The Charities SORP (FRS 102)

### **Structure and Governance**

The charity is a company limited by guarantee, not-for-profit and not having a share capital, governed by its Memorandum and Articles of Association. It is a company incorporated under the charities act 2006 (NI615954). The company is a charity recognised by the Northern Ireland Charity Commission (NI00285).

A Management Team of 6 manage the day-to-day running of the charity, reporting to the board of trustees and ensuring the company is adhering to its core values listed below;

The main purpose of Strand Arts Centre is to be "The creative heart of East Belfast where everyone wants to be." Realising the vision of: "A thriving, inclusive and inspiring hub with an innovative programme rooted in creativity, community and heritage, which improves the lives of all who visit." This purpose and vision will be delivered through the organisations specific charitable purposes which are monitored, evaluated and reported on annually the charity commission:

- The advancement of arts and culture through increased engagement/ participation in the arts amongst East Belfast

## Strand Arts Centre

(A company limited by guarantee, not having a share capital)

# TRUSTEES' ANNUAL REPORT

for the financial year ended 31 March 2024

community and beyond.

- The advancement of heritage through the preservation, improvement and continued use of Northern Ireland's oldest cinema and only working art deco picture house.
- The advancement of education by developing skills through our arts workshops and development of knowledge through attendance of our cultural film screenings, theatre performances, heritage tours, book launches, etc.
- The advancement of citizenship and community development by way of a beneficial 'hub' - a shared space where all the East Belfast community is welcome.
- The additional charitable purpose of the provision of recreational facilities for all the community providing the benefits of mental and social stimulation, social interaction and community cohesion

### Core Aims and Objectives

The following ten aims and objectives have been identified to direct the services and activities the organisation delivers, ensuring they will deliver on the charitable purposes listed below:

- Attract audiences to the Strand as more than just a cinema – as a multi purpose arts centre
- Develop strong sustained partnerships with other arts organisations, community groups, charities from other sectors and corporate businesses
- Create a programme which increases equality of opportunity for engagement in arts, culture and heritage
- Create a programme which delivers on community needs – providing positive health, learning, and/or social outcomes, and targeting marginalised groups
- Be an appealing and distinctive cultural destination which inspires locals and attracts tourism and generates a positive economic impact
- Be welcoming to all - be physically, financially and perceptively accessible
- Communicate the value of the Strand as the last picture house in NI, and preserve and promote salient local history
- Refurbish the building in a manner which preserves its heritage and highlights its unique story, whilst addressing disability access, dilapidated services and the need for improved facilities
- Achieve sustainable financial, staff and operational resources
- Operate in a socially responsible manner, implementing best practice procedures

Strand Arts Centre sits within and draws a significant proportion of its audience from the East Belfast Neighbourhood Renewal Area. Truly a shared venue, our patrons vary in religious cultural and economic backgrounds.

### Achievement and performance

2023/24 has been a strong year for social impact by Strand Arts Centre (SAC), as the organisation has expanded its arts audience numbers and community partners with thanks to its high calibre arts programme, bespoke community services and creative engagement activity, all of which are carefully curated to meet our charitable purposes. Furthermore, this year has seen the organisation strengthen its sustainability, building its board capacity and skills and reaching its total funding target required to deliver the much needed refurbishment of its building.

Trading income and footfall for film has outperformed national trends, increasing by 22% on 2022/23. Bringing film and retail turnover, in real terms, on a par with our previous best performing year 2018/19. Whilst private hire income reached new heights with a 25% increase on 2022/23.

The following summaries the scale of activity delivered over this period:

- SAC attracted over 75,568 visitors, of which 7,434 attended live artistic performances (such as music, theatre, comedy) and 8,160 participated in creative workshops and activities, and 9,747 patrons attended specialist film events with talks or interactive elements
- SAC took part in 10 festivals bringing national and international artists and events to east Belfast which would not otherwise have visited
- SAC delivered a total of 736 live events, workshops and classes and worked with 670 artists to deliver our annual programme
- SAC partnered with 98 community groups care homes schools charities and churches to ensure our activity reached those who would benefit most

Highlights throughout this year include:

- 32 free creative educational workshops targeting low income families;
- 41 outreach heritage events
- 325 pupils in local schools using Strand education packs
- 40+ weekly dementia friendly 'Silver Screenings' for a total audience of 1331
- Supporting the delivery of the East Belfast Lantern parade by hosting 15 workshops for 1,075 participants and coordinating 1,000 participants on the day

## Strand Arts Centre

(A company limited by guarantee, not having a share capital)

## TRUSTEES' ANNUAL REPORT

for the financial year ended 31 March 2024

- Securing £250k funding from Garfield Weston and £150k from Foyle Foundation towards our capital refurbishment
- Hosting accessible events featuring and celebrating N.I. creatives who are successful on the global stage, namely: producer Mark Huffam CBE, actor Ciaran Hinds, BAFTA & Oscar directors & writers Ross White and Tom Berkeley, autor Colin Bateman, and more.

### The Auditors

The auditors, DNTCA Limited, (Chartered Accountants) have indicated their willingness to continue in office in accordance with the provisions of Section 485 of the Companies Act 2006.

Approved by the Board of Trustees on 19-11-2024 and signed on its behalf by:



**Kathryn Thomson**  
Chairperson



**Claire Ritchie**  
Trustee

## Strand Arts Centre

(A company limited by guarantee, not having a share capital)

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

for the financial year ended 31 March 2024

The trustees, who are also directors of Strand Arts Centre for the purposes of company law, are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the trustees as the directors to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the trustees 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 charity and of the net income or expenditure of the charity for that period.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

As explained in note 3, the financial statements have been prepared on a going concern basis.

The trustees are responsible for keeping adequate 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 charity and enable them to ensure that the financial statements comply with the Companies Act 2006 and. 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.

In so far as the trustees are aware:

- there is no relevant audit information (information needed by the charity's auditor in connection with preparing the auditor's report) of which the charity's auditor is unaware, and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Approved by the Board of Trustees on 19-11-2024 and signed on its behalf by:



Kathryn Thomson  
Chairperson



Claire Ritchie  
Trustee

# INDEPENDENT AUDITOR'S REPORT

## to the Members of Strand Arts Centre

(A company limited by guarantee, not having a share capital)

### Report on the audit of the financial statements

#### Opinion

We have audited the charity financial statements of Strand Arts Centre ('the charity') for the financial year ended 31 March 2024 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies set out in note 2. 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" and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102.

In our opinion, when reporting in accordance with a fair presentation framework the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its surplus for the financial 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 and the Charities Act (Northern Ireland) 2008.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

#### Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

# INDEPENDENT AUDITOR'S REPORT

## to the Members of Strand Arts Centre

(A company limited by guarantee, not having a share capital)

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

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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; 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
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees' Annual Report.

### Responsibilities of trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities set out on page 7, the trustees 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 they 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 management either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the company through discussions with directors and other management,
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company,

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Investigated the rationale behind significant or unusual transactions;
- Tested journal entries to identify unusual transactions; and
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;

# INDEPENDENT AUDITOR'S REPORT

## to the Members of Strand Arts Centre

(A company limited by guarantee, not having a share capital)

- Enquiring of management as to actual and potential litigation and claims;
- Reviewing correspondence with HMRC, Companies House and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Further information regarding the scope of our responsibilities as auditor

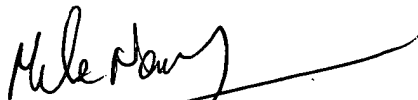
As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

### The purpose of our audit work and to whom we owe our responsibilities

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



Mr Mike Nangle (Senior Statutory Auditor)

for and on behalf of

~~DNTCA LIMITED~~

Chartered Accountants and Senior Statutory Auditor

Ormeau House

91-97 Ormeau Road

Belfast

BT7 1SH

19/11/24

## Strand Arts Centre

(A company limited by guarantee, not having a share capital)

### STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income and Expenditure Account)

For the financial year ended 31 March 2024

	Notes	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
<b>Income</b>							
Donations and legacies	5.1	601,157	110,507	711,664	517,865	207,960	725,825
<b>Expenditure</b>							
Charitable activities	6	544,130	110,507	654,637	519,695	207,960	727,655
<b>Net income/(expenditure)</b>		<b>57,027</b>	<b>-</b>	<b>57,027</b>	<b>(1,830)</b>	<b>-</b>	<b>(1,830)</b>
Transfers between funds		(46)	46	-	-	-	-
<b>Net movement in funds for the financial year</b>		<b>56,981</b>	<b>46</b>	<b>57,027</b>	<b>(1,830)</b>	<b>-</b>	<b>(1,830)</b>
<b>Reconciliation of funds:</b>							
Total funds beginning of the year	17	192,452	(46)	192,406	194,282	(46)	194,236
<b>Total funds at the end of the year</b>		<b>249,433</b>	<b>-</b>	<b>249,433</b>	<b>192,452</b>	<b>(46)</b>	<b>192,406</b>

The Statement of Financial Activities includes all gains and losses recognised in the financial year.  
All income and expenditure relate to continuing activities.

# Strand Arts Centre

(A company limited by guarantee, not having a share capital)

Company Number: NI615954

## BALANCE SHEET

as at 31 March 2024

		2024	2023
	Notes	£	£
<b>Fixed Assets</b>			
Tangible assets	11	80,492	103,218
<b>Current Assets</b>			
Stocks	12	5,325	3,570
Debtors	13	58,499	332,550
Cash at bank and in hand	14	638,592	147,676
		702,416	483,796
<b>Creditors: Amounts falling due within one year</b>	15	(533,475)	(394,608)
<b>Net Current Assets</b>		168,941	89,188
<b>Total Assets less Current Liabilities</b>		249,433	192,406
<b>Funds</b>			
Restricted trust funds		-	(46)
General fund (unrestricted)		249,433	192,452
<b>Total funds</b>	17	249,433	192,406

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the Board of Trustees and authorised for issue on 19/11/24 and signed on its behalf by



Kathryn Thomson  
Chairperson



Claire Ritchie  
Trustee

**Strand Arts Centre**  
**STATEMENT OF CASH FLOWS**  
for the financial year ended 31 March 2024

	Notes	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net movement in funds		57,027	(1,830)
Adjustments for:			
Depreciation		22,726	24,164
Interest payable and similar expenses		7,068	10,502
		<u>86,821</u>	<u>32,836</u>
Movements in working capital:			
Movement in stocks		(1,755)	213
Movement in debtors		274,051	(217,366)
Movement in creditors		142,301	132,025
		<u>501,418</u>	<u>(52,292)</u>
Cash generated from/(used in) operations		501,418	(52,292)
Interest paid		(10,502)	(9,102)
		<u>490,916</u>	<u>(61,394)</u>
<b>Cash flows from investing activities</b>			
Payments to acquire tangible assets		-	(2,174)
<b>Cash flows from financing activities</b>			
Repayment of long term loan		-	(6,399)
		<u>490,916</u>	<u>(69,967)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>490,916</b>	<b>(69,967)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>147,676</b>	<b>217,643</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>14</b>	<b>638,592</b>	<b>147,676</b>

## Strand Arts Centre

(A company limited by guarantee, not having a share capital)

# NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2024

## 1. GENERAL INFORMATION

Strand Arts Centre is a company limited by guarantee incorporated in Northern Ireland. The registered office of the charity is 156 Holywood Road, Belfast, BT4 1NY, Northern Ireland which is also the principal place of business of the charity. The financial statements have been presented in Pound (£) which is also the functional currency of the charity.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charity's financial statements.

### Basis of preparation

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS 102".

As permitted by the Companies Act 2006, the charity has varied the standard formats in that act for the Statement of Financial Activities and the Balance Sheet. Departures from the standard formats are to comply with the requirements of the Charities SORP and are in compliance with section 4.7, 10.6 and 15.2 of that SORP.

### Statement of compliance

The financial statements of the charity for the financial year ended 31 March 2024 have been prepared on the going concern basis and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS 102".

### Fund accounting

The following are the categories of funds maintained:

#### Restricted funds

Restricted funds represent income received which can only be used for particular purposes, as specified by the donors. Such purposes are within the overall objectives of the charity.

#### Unrestricted funds

Unrestricted funds consist of General and Designated funds.

- General funds represent amounts which are expendable at the discretion of the board, in furtherance of the objectives of the charity.

- Designated funds comprise unrestricted funds that the board has, at its discretion, set aside for particular purposes. These designations have an administrative purpose only, and do not legally restrict the board's discretion to apply the fund.

### Income

Income is recognised by inclusion in the Statement of Financial Activities only when the charity is legally entitled to the income, performance conditions attached to the item(s) of income have been met, the amounts involved can be measured with sufficient reliability and it is probable that the income will be received by the charity.

### Income from charitable activities

Income from charitable activities include income earned from the supply of services under contractual arrangements and from performance related grants which have conditions that specify the provision of particular services to be provided by the charity. Income from government and other co-funders is recognised when the charity is legally entitled to the income because it is fulfilling the conditions contained in the related funding agreements. Where a grant is received in advance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, it is accrued in debtors.

Grants from governments and other co-funders typically include one of the following types of conditions:

- Performance based conditions: whereby the charity is contractually entitled to funding only to the extent that the core objectives of the grant agreement are achieved. Where the charity is meeting the core objectives of a

## Strand Arts Centre

(A company limited by guarantee, not having a share capital)

### NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2024

grant agreement, it recognises the related expenditure, to the extent that it is reimbursable by the donor, as income.

■ Time based conditions: whereby the charity is contractually entitled to funding on the condition that it is utilised in a particular period. In these cases the charity recognises the income to the extent it is utilised within the period specified in the agreement.

In the absence of such conditions, assuming that receipt is probable and the amount can be reliably measured, grant income is recognised once the charity is notified of entitlement.

Grants received towards capital expenditure are credited to the Statement of Financial Activities when received or receivable, whichever is earlier.

#### Expenditure

Expenditure is analysed between costs of charitable activities and raising funds. The costs of each activity are separately accumulated and disclosed, and analysed according to their major components. Expenditure is recognised when a legal or constructive obligation exists as a result of a past event, a transfer of economic benefits is required in settlement and the amount of the obligation can be reliably measured. Support costs are those functions that assist the work of the charity but cannot be attributed to one activity. Such costs are allocated to activities in proportion to staff time spent or other suitable measure for each activity.

#### Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Plant and machinery	-	20%
Fixtures, fittings and equipment	-	10%

#### Inventories

Inventories are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all costs incurred in the normal course of business in bringing them to their present location and condition. Inventories comprise fundraising materials. It is not considered practicable to value inventories of unsold donated goods at the financial year end.

#### Debtors

Debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Income recognised by the charity from government agencies and other co-funders, but not yet received at financial year end, is included in debtors.

#### Cash at bank and in hand

Cash at bank and in hand comprises cash on deposit at banks requiring less than three months notice of withdrawal.

#### Taxation and deferred taxation

No current or deferred taxation arises as the charity has been granted charitable exemption. Irrecoverable valued added tax is expensed as incurred.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax in the future, or a right to pay less tax in the future. Timing differences are temporary differences between the charity's taxable income and its results as stated in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are anticipated to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### Financial Instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related

**Strand Arts Centre**

(A company limited by guarantee, not having a share capital)

**NOTES TO THE FINANCIAL STATEMENTS**

for the financial year ended 31 March 2024

transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

**3. GOING CONCERN**

There are no material uncertainties about the entity's ability to continue operating and the financial statements have been prepared on a Going Concern basis.

**4. CRITICAL ACCOUNTING JUDGEMENT AND ESTIMATES**

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

**5. INCOME****5.1 DONATIONS AND LEGACIES**

	Unrestricted Funds £	Restricted Funds £	2024 £	2023 £
Cinema Revenue	220,049	-	220,049	180,521
Shop Revenue	134,930	-	134,930	102,214
Screen Advertising Revenue	-	-	-	9,173
Live Shows Revenue	41,414	-	41,414	34,341
Private Screen Hire	49,934	-	49,934	39,347
Grant and Subsidies Received	142,748	110,507	253,255	341,642
Other Income	12,082	-	12,082	18,587
	<u>601,157</u>	<u>110,507</u>	<u>711,664</u>	<u>725,825</u>

**Strand Arts Centre**

(A company limited by guarantee, not having a share capital)

**NOTES TO THE FINANCIAL STATEMENTS**

for the financial year ended 31 March 2024

6	EXPENDITURE ON CHARITABLE ACTIVITIES	Direct	Other	Support	2024	2023
		Costs £	Costs £	Costs £	£	£
	Expenditure on charitable activities	<u>381,508</u>	<u>22,726</u>	<u>250,403</u>	<u>654,637</u>	<u>727,655</u>
7.	ANALYSIS OF SUPPORT COSTS				2024 £	2023 £
	Staff Costs				144,836	252,222
	Bank and Finance Charges				7,068	10,502
	Governance				1,750	3,500
	Office Administration Costs				19,700	20,649
	Premises Costs				77,049	73,039
					<u>250,403</u>	<u>359,912</u>
8.	NET INCOME				2024 £	2023 £
	<b>Net Income is stated after charging/(crediting):</b>					
	Depreciation of tangible assets				22,726	24,164
	Auditor's remuneration: - audit services				1,750	3,500
					<u>24,476</u>	<u>27,664</u>
9.	INTEREST PAYABLE AND SIMILAR CHARGES				2024 £	2023 £
	On bank loans and overdrafts				7,068	10,502
					<u>7,068</u>	<u>10,502</u>
10.	EMPLOYEES AND REMUNERATION					
	The staff costs comprise:				2024 £	2023 £
	Wages and salaries				226,751	227,705
	Social security costs				10,282	16,033
	Pension costs				3,789	3,931
					<u>240,822</u>	<u>247,669</u>

The average head count of employees during the year was 18 (2023: 18).

No Employee received employee benefits of more than £60,000 during the year (2023: Nil)

**Strand Arts Centre**

(A company limited by guarantee, not having a share capital)

**NOTES TO THE FINANCIAL STATEMENTS**

for the financial year ended 31 March 2024

<b>11. TANGIBLE FIXED ASSETS</b>	<b>Plant and machinery</b>	<b>Fixtures, fittings and equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 31 March 2024	165,083	86,008	251,091
<b>Depreciation</b>			
At 1 April 2023	121,468	26,405	147,873
Charge for the financial year	16,103	6,623	22,726
At 31 March 2024	137,571	33,028	170,599
<b>Net book value</b>			
At 31 March 2024	<b>27,512</b>	<b>52,980</b>	<b>80,492</b>
At 31 March 2023	<b>43,615</b>	<b>59,603</b>	<b>103,218</b>
<b>12. STOCKS</b>		<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
Finished goods and goods for resale		5,325	3,570
<b>13. DEBTORS</b>		<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
Trade debtors		53,161	327,243
Prepayments and accrued income		5,338	5,307
		<b>58,499</b>	<b>332,550</b>
<b>14. CASH AND CASH EQUIVALENTS</b>		<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
Cash and bank balances		638,592	147,676
<b>15. CREDITORS</b>		<b>2024</b>	<b>2023</b>
<b>Amounts falling due within one year</b>		<b>£</b>	<b>£</b>
Trade creditors		29,227	32,017
Taxation and social security costs		11,743	8,840
Accruals and deferred income		492,505	353,751
		<b>533,475</b>	<b>394,608</b>
<b>16. RESERVES</b>		<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
At the beginning of the year		192,406	194,236
Surplus/(Deficit) for the financial year		57,027	(1,830)
At the end of the year		<b>249,433</b>	<b>192,406</b>

## Strand Arts Centre

(A company limited by guarantee, not having a share capital)

### NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2024

#### 17. FUNDS

17.1 RECONCILIATION OF MOVEMENT IN FUNDS	Unrestricted Funds £	Restricted Funds £	Total Funds £
At 1 April 2022	194,282	(46)	194,236
Movement during the financial year	(1,830)	-	(1,830)
At 31 March 2023	192,452	(46)	192,406
Movement during the financial year	56,981	46	57,027
At 31 March 2024	<b>249,433</b>	<b>-</b>	<b>249,433</b>

#### 17.2 ANALYSIS OF MOVEMENTS ON FUNDS

	Balance 1 April 2023 £	Income £	Expenditure £	Transfers between funds £	Balance 31 March 2024 £
Restricted	(46)	110,507	110,507	46	-
Unrestricted funds					
Unrestricted General	192,452	601,157	544,130	(46)	249,433
<b>Total funds</b>	<b>192,406</b>	<b>711,664</b>	<b>654,637</b>	<b>-</b>	<b>249,433</b>

#### 17.3 ANALYSIS OF NET ASSETS BY FUND

	Fixed assets - charity use £	Current assets £	Current liabilities £	Total £
Restricted trust funds	43,635	420,668	(464,303)	-
Unrestricted general funds	36,857	281,748	(69,172)	249,433
	<b>80,492</b>	<b>702,416</b>	<b>(533,475)</b>	<b>249,433</b>

#### 18. STATUS

The charity is a company limited by guarantee not having a share capital.

The liability of the members is limited.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are members, or within one financial year thereafter, for the payment of the debts and liabilities of the company contracted before they ceased to be members, and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required, not exceeding £ 1.

#### 19. TRUSTEE REMUNERATION AND EXPENSES

One trustee was employed by the centre during the year. Total salary costs incurred by the charity in respect of this trustee was £36,000 (2023 : £36,000) along with employer pension contributions of £893 (2023: £893).

No other salary costs or expenses were paid in respect of any other trustee in either 2023 or 2024.

#### 20. POST-BALANCE SHEET EVENTS

There have been no significant events affecting the Charity since the financial year-end.

**Strand Arts Centre**

(A company limited by guarantee, not having a share capital)

**NOTES TO THE FINANCIAL STATEMENTS**

for the financial year ended 31 March 2024

**21. RELATED PARTY TRANSACTIONS**

Wallace Accounting and Consultancy Limited and Hollywood Road Developments Limited are considered related parties by virtue of a familial relationship existing between the directors of both companies and a member of the board. Total amounts paid to related parties during the year was £7,889 (2023: £8,000)