

NEW CUT ARTS
(A company limited by guarantee)

UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

NEW CUT ARTS
(A company limited by guarantee)

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NEW CUT ARTS
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024**

Trustees	S Bailey U Hashim (resigned 19 September 2024) K Don-Daniel (resigned 19 September 2024) B Holloway J Leverett (resigned 15 July 2023) A Casement J Jordan N Jaffa D Parkin E Rodwell (appointed 21 November 2024) G Maughan (appointed 1 November 2024) A Dudeney (appointed 22 November 2024)
Company registered number	06461027
Charity registered number	1123971
Registered office	Old Maltings 8 New Cut Halesworth Suffolk IP19 8BY
Principal operating office	The Cut, New Cut Halesworth Suffolk IP19 8BY
Accountants	Larking Gowen LLP Chartered Accountants Faiers House Gilray Road Diss IP22 4WR

NEW CUT ARTS
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their annual report together with the financial statements of the Company for the 1 April 2023 to 31 March 2024. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The object of the charity is to advance education in the arts in Suffolk and Norfolk particularly, but not exclusively, by:

- Establishing an Arts Centre;
- Providing training courses and workshops in all aspects of the performing and fine arts and media studies leading to educational qualifications;
- Providing community arts programmes to meet the needs of the whole community;
- Developing and encouraging youth programmes to meet the needs of the whole community;
- Developing and encouraging youth programmes in all areas of arts, dance and media.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

New Cut Arts is a charity and non-profit organisation. Its aim is to stand as a beacon of creativity and empowerment, harnessing the transformative power of art to connect individuals and communities across local, regional, and global landscapes. Its unwavering commitment to self-determination places individuals at the helm of decision-making, fostering a sense of ownership and agency in their artistic and creative journeys. New Cut Arts ignites a spark of inspiration, nurturing young artists and fostering creativity within the local community. This empowerment enables individuals to pursue their artistic passions, engage in creativity, and enrich the cultural landscape. Through its comprehensive range of youth programmes in arts, dance and media, The Cut engages young people, fostering a thriving artistic community. Committed to expanding its community's artistic horizons, The Cut also actively seeks to attract wider audiences, bridging the gap between local, regional, national, and international artistic expressions. Welcoming travelling groups and fostering international exchange programmes, New Cut Arts cultivates creativity, cross-cultural understanding and collaboration, weaving a tapestry of global connections that transcend boundaries and unite individuals through the transformative power of art.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance

a. Main achievements of the Company

The Cut continues to offer its community and beyond a full programme of events and a stimulating environment for a wide range of groups in a challenging economic environment. Our 11 studio and business units remain in demand and are fully occupied providing essential income for the organisation. In spite of a very competitive funding climate The Cut fulfils its objectives to provide a programme of opportunities for young people notably through the James Holloway Youth Arts Fund and in July 2024 successfully launched its first international artists residency for 42 artists and 14 artist mentors, using the entire building to create a memorable and intensive 9 days of creativity.

Financial review

a. Going concern

The Trustees have considered the Charity's position at the time of signing the financial statements, and in particular, they have considered the Charity's cash reserves and loan repayments due in the short to medium term.

Based on this, the Trustees have concluded that they have a reasonable expectation that the Charity will have adequate resources to continue in operational existence for the foreseeable future, and at least twelve months from the date of signing these financial statements. They therefore continue to adopt the going concern basis of accounting in preparing these financial statements.

b. Reserves policy

Purpose

Unrestricted funds serve as a cornerstone of New Cut Art's financial management, providing flexibility, decision-making autonomy, and adaptability to support its mission and objectives. By effectively managing unrestricted funds, we can safeguard financial stability, foster strategic agility, and achieve continued success in fulfilling our mission.

This Operating Reserve Policy is designed to enable New Cut Arts to build and maintain an adequate level of unrestricted cash reserves to support the organisation's day-to-day operations in the event of unforeseen shortfalls. Operating reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget deficit. These funds represent financial resources that can be utilised for any purpose aligned with our mission and objectives. They are not restricted to specific projects or programs and can be employed to cover operating expenses, make strategic investments, or pursue innovative initiatives.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Definition and Goals

New Cut Arts adheres to a strict segregation policy, managing unrestricted funds separately from designated and restricted funds, which are for specific projects or purposes as specified by the Trustees, donor or funding sources. This clear distinction ensures financial transparency, ethical stewardship, and adherence to the intent of all funders and contract providers. Unrestricted funds are utilised for general operations, while restricted funds are earmarked for specific projects or purposes in accordance with the defined guidelines.

We identify our unrestricted funds, New Cur Art's reserves, as 'Core Costs' and 'Contingency':

1. Core Costs: With the goal of safeguarding the organisation's long-term sustainability and ability to deliver uninterrupted services, the operating reserve ('Core Costs') is set at a minimum of six months of recurring operating costs, calculated based on the maximum six-months expenditure. This six-month policy ensures The Cut can maintain its operations, providing continuous support and the centre's activities for an extended timeframe
2. Contingency: To enhance our financial preparedness, we aim to gradually increase our contingency funds ('Contingency') to a minimum of 3 months over the next five years. These contingency funds will serve as a safeguard against unforeseen liabilities and expenditures.

These reserves (both 'Core Costs' and 'Contingency') will be reported to the Board of Trustees and included in the regular financial reports to ensure that we are working towards achieving our objectives.

Reserve levels

Free reserves are defined as unrestricted funds not represented by fixed assets and excluding designated funds. The charity's free reserves at 31 March 2024 were in deficit of £20,524 (2023: surplus of £4,259). After excluding long term debt, our operating reserves at 31 March 2024 stood at £34,035 (2023: £65,097). This is equivalent to between 1 and 2 months of current unrestricted operating costs. Our aim is to increase this to a minimum of six months.

Unrestricted funds at 31 March 2024 were £695,729 (2023: £733,467) and restricted funds were £90,199 (2023: £109,668), meaning total funds were £785,928 (2023: £843,135).

Review of reserve policy

This policy will undergo annual review by the Board of Trustees, or sooner if deemed necessary due to internal or external events or changes. Recommendations for policy amendments will be presented to the Board of Trustees by the Centre Manger. Upon approval, each revision will be documented in writing and redistributed as required. The policy's purpose remains steadfast: to safeguard the financial health and integrity of the organisation in pursuit of its mission as outlined in the policy's Purpose section.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management

a. Constitution

New Cut Arts is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 11 April 2008.

b. Methods of appointment or election of Trustees

New Cut Arts has adopted the following policy covering the recruitment of new trustees:

Trustees must have an interest in the aims and objectives of New Cut Arts and be committed to the safe governance of the charity.

Trustees must not have any conviction for fraud or financial mal-practice.

Trustees must not stand to gain financially from their position as trustee except in special circumstances approved by the trustees and authorised by the Charity Commission.

Trustees must be able to attend at least 80% of all scheduled meetings.

Trustees must be selected on the basis of knowledge and experience which is appropriate to the charity's aims and organisation - in particular we seek to include people with financial, legal, marketing, HR and health & safety competencies.

The Board of Trustees should be representative of the local community in terms of age, gender and ethnicity - we actively support the notion of diversity.

c. Financial risk management

The Trustees have assessed the major risks to which the Company is exposed, in particular those related to the operations and finances of the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . 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 Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:

T.C.

A Casement
(Trustee)
Date:

28 Jan 2025

NEW CUT ARTS
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2024

Independent examiner's report to the Trustees of New Cut Arts ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 March 2024.

Responsibilities and basis of report

As the Trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

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INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Signed:

Dated:

Christopher Yeates FCA DChA

Larking Gowen LLP

Chartered Accountants

Diss

NEW CUT ARTS
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and grants	3	15,763	9,700	25,463	18,661
Charitable activities	4	76,623	-	76,623	68,624
Other trading activities	5	114,247	-	114,247	93,799
Investments		860	-	860	116
Total income		207,493	9,700	217,193	181,200
Expenditure on:					
Raising funds	6	84,306	20,140	104,446	88,467
Charitable activities	7	169,954	-	169,954	169,450
Total expenditure		254,260	20,140	274,400	257,917
Net expenditure		(46,767)	(10,440)	(57,207)	(76,717)
Transfers between funds	16	9,029	(9,029)	-	-
Net movement in funds		(37,738)	(19,469)	(57,207)	(76,717)
Reconciliation of funds:					
Total funds brought forward		733,467	109,668	843,135	919,852
Net movement in funds		(37,738)	(19,469)	(57,207)	(76,717)
Total funds carried forward		695,729	90,199	785,928	843,135

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 12 to 27 form part of these financial statements.

NEW CUT ARTS
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REGISTERED NUMBER: 06461027

BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	11	794,989	829,861
		<u>794,989</u>	<u>829,861</u>
Current assets			
Stocks	12	3,000	3,000
Debtors	13	7,199	1,483
Cash at bank and in hand		57,036	93,521
		<u>67,235</u>	<u>98,004</u>
Creditors: amounts falling due within one year	14	(21,737)	(23,892)
Net current assets		<u>45,498</u>	<u>74,112</u>
Total assets less current liabilities		<u>840,487</u>	<u>903,973</u>
Creditors: amounts falling due after more than one year	15	(54,559)	(60,838)
Total net assets		<u><u>785,928</u></u>	<u><u>843,135</u></u>
Charity funds			
Restricted funds	16	90,199	109,668
Unrestricted funds	16	695,729	733,467
Total funds		<u><u>785,928</u></u>	<u><u>843,135</u></u>

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REGISTERED NUMBER: 06461027

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

T.C.

A Casement

(Trustee)

28 Jan 2025

Date:

The notes on pages 12 to 27 form part of these financial statements.

NEW CUT ARTS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. General information

The charity is a company limited by guarantee, incorporated in England and Wales. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office is Old Maltings, 8 New Cut, Halesworth, Suffolk IP19 8BY.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

New Cut Arts meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements are prepared on a going concern basis. In preparing the financial statements the trustees have assessed the level of reserves, together with cash availability and expected demands and remain confident that the going concern basis is appropriate in the circumstances.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs including all accountancy and legal fees incurred.

2.5 Government grants

Government grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued..

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold property	- 2% on cost
Improvements to property	- 2% on cost
Furniture	- 15% on reducing balance
Computer equipment	- 33% on cost

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.12 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.13 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

3. Income from donations and grants

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Donations	4,661	-	4,661	7,840
Grants	4,500	9,700	14,200	3,000
Government grants	-	-	-	541
500 Club	6,602	-	6,602	7,280
Total 2024	<u>15,763</u>	<u>9,700</u>	<u>25,463</u>	<u>18,661</u>
<i>Total 2023</i>	<u>18,120</u>	<u>541</u>	<u>18,661</u>	

4. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Auditorium	56,873	56,873	53,843
Commission on art sales	994	994	86
Room hire and rent	13,981	13,981	14,695
Educational courses	4,775	4,775	-
Total 2024	<u>76,623</u>	<u>76,623</u>	<u>68,624</u>
<i>Total 2023</i>	<u>68,624</u>	<u>68,624</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

5. Other trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Fundraising events	5,695	5,695	4,745
Cafe and bar income	60,434	60,434	43,247
Programme advertising	(72)	(72)	1,313
Room hire	48,190	48,190	44,494
Total 2024	<u>114,247</u>	<u>114,247</u>	<u>93,799</u>
<i>Total 2023</i>	<u>93,799</u>	<u>93,799</u>	

6. Expenditure on raising funds

	Total funds 2024 £	<i>Total funds 2023 £</i>
Cafe and bar purchases and consumables	27,481	20,446
Catering wages	37,644	25,481
500 Club expenses	2,000	1,200
Allocation of support costs	37,321	41,340
Total 2024	<u>104,446</u>	<u>88,467</u>
<i>Total 2023</i>	<u>88,467</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

7. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Auditorium	43,373	125,016	168,389	168,180
Commission on art sales	1,565	-	1,565	1,270
Total 2024	44,938	125,016	169,954	169,450
<i>Total 2023</i>	<i>48,122</i>	<i>121,328</i>	<i>169,450</i>	

Analysis of direct costs

	Auditorium 2024 £	Art shows 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Staff costs	17,712	-	17,712	16,893
Cinema films	693	-	693	750
Visiting theatre and music	24,968	-	24,968	28,909
Art shows	-	1,565	1,565	1,270
Technical labour	-	-	-	300
Total 2024	43,373	1,565	44,938	48,122
<i>Total 2023</i>	<i>46,852</i>	<i>1,270</i>	<i>48,122</i>	

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**NOTES TO THE FINANCIAL STATEMENTS
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7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2024 £	<i>Total funds 2023 £</i>
Staff costs	37,830	39,994
Depreciation	36,294	38,966
Rent and rates	3,826	4,749
Light and heat	14,812	14,613
Telephone	1,647	1,475
Print, post, stationary and computer costs	4,502	4,564
Website and marketing	1,895	4,627
Repairs and renewals	6,988	13,638
Premises expenses and equipment hire	2,534	3,360
Training costs	509	10
Insurance	5,309	5,381
Interest and bank charges	8,142	7,494
Sundries	6,843	4,473
Professional fees	23,829	11,437
Accountancy	7,377	7,887
Allocation of support costs to fundraising costs	(37,321)	(41,340)
	125,016	121,328

8. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £4,815 (2023 - £4,675), and other services including VAT assistance of £1,490 (2023 - £1,130).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

9. Staff costs

	2024	2023
	£	£
Wages and salaries	91,267	81,347
Social security costs	484	-
Contribution to defined contribution pension schemes	1,435	1,021
	93,186	82,368

The average number of persons employed by the Company during the year was as follows:

	2024	2023
	No.	No.
New Cut Arts Centre	6	6

The average headcount expressed as full-time equivalents was:

	2024	2023
	No.	No.
New Cut Arts Centre	4	4

No employee received remuneration amounting to more than £60,000 in either year.

Total employee benefits of key management personnel were £37,428 (2023: £37,604).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, no Trustee expenses have been incurred (2023 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

11. Tangible fixed assets

	Land and buildings £	Plant and machinery £	Total £
Cost or valuation			
At 1 April 2023	952,670	333,881	1,286,551
Additions	-	1,422	1,422
At 31 March 2024	<u>952,670</u>	<u>335,303</u>	<u>1,287,973</u>
Depreciation			
At 1 April 2023	232,500	224,190	456,690
Charge for the year	19,052	17,242	36,294
At 31 March 2024	<u>251,552</u>	<u>241,432</u>	<u>492,984</u>
Net book value			
At 31 March 2024	<u>701,118</u>	<u>93,871</u>	<u>794,989</u>
At 31 March 2023	<u>720,170</u>	<u>109,691</u>	<u>829,861</u>

Included in land and buildings is freehold land and property with a carrying value of £701,118 (2023 - £720,171) which is pledged as security for liabilities.

12. Stocks

	2024 £	2023 £
Goods for sale and consumables	<u>3,000</u>	<u>3,000</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

13. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	4,699	1,483
Prepayments and accrued income	2,500	-
	<u>7,199</u>	<u>1,483</u>

14. Creditors: Amounts falling due within one year

	2024 £	2023 £
Bank loans	5,196	4,836
Other loans	1,000	-
Trade creditors	-	5,396
Other taxation and social security	4,847	5,446
Pension fund creditor	465	210
Other creditors	2,572	2,704
Accruals and deferred income	7,657	5,300
	<u>21,737</u>	<u>23,892</u>

15. Creditors: Amounts falling due after more than one year

	2024 £	2023 £
Bank loans	54,559	59,838
Other loans	-	1,000
	<u>54,559</u>	<u>60,838</u>

Interest is charged on the bank loan at 2.5% above the bank base rate subject to a minimum of 3.5%. Instalments are paid monthly to cover the interest and capital. The loan is due to be repaid by October 2032 and is secured on the property to which it relates.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Unrestricted funds					
Designated funds					
James Holloway Youth Fund	4,735	1,315	(303)	-	5,747
Summer Project	4,280	8,275	(6,839)	-	5,716
	<u>9,015</u>	<u>9,590</u>	<u>(7,142)</u>	<u>-</u>	<u>11,463</u>
General funds					
General Fund	724,452	197,903	(247,118)	9,029	684,266
	<u>724,452</u>	<u>197,903</u>	<u>(247,118)</u>	<u>9,029</u>	<u>684,266</u>
Total Unrestricted funds	<u>733,467</u>	<u>207,493</u>	<u>(254,260)</u>	<u>9,029</u>	<u>695,729</u>
Restricted funds					
Cutting Edge	55,347	-	(2,351)	-	52,996
Refurbishment	40,524	-	(6,019)	(9,029)	25,476
Lighting	11,034	-	(1,655)	-	9,379
Flooring	2,763	-	(415)	-	2,348
James Holloway Youth Fund	-	9,700	(9,700)	-	-
	<u>109,668</u>	<u>9,700</u>	<u>(20,140)</u>	<u>(9,029)</u>	<u>90,199</u>
Total of funds	<u>843,135</u>	<u>217,193</u>	<u>(274,400)</u>	<u>-</u>	<u>785,928</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2023 £</i>
Unrestricted funds					
Designated funds					
James Holloway Youth Fund	-	5,215	(480)	-	4,735
Summer Project	-	5,000	(720)	-	4,280
	<u>-</u>	<u>10,215</u>	<u>(1,200)</u>	<u>-</u>	<u>9,015</u>
General funds					
General Fund	<u>789,125</u>	<u>170,444</u>	<u>(244,687)</u>	<u>9,570</u>	<u>724,452</u>
Total Unrestricted funds	<u>789,125</u>	<u>180,659</u>	<u>(245,887)</u>	<u>9,570</u>	<u>733,467</u>
Restricted funds					
Cutting Edge	56,979	-	(1,632)	-	55,347
Refurbishment	55,572	-	(6,019)	(9,029)	40,524
Lighting	12,981	-	(1,947)	-	11,034
Flooring	3,251	-	(488)	-	2,763
Website	1,944	-	(1,944)	-	-
East Suffolk Covid Continuity Fund	-	541	-	(541)	-
	<u>130,727</u>	<u>541</u>	<u>(12,030)</u>	<u>(9,570)</u>	<u>109,668</u>
Total of funds	<u>919,852</u>	<u>181,200</u>	<u>(257,917)</u>	<u>-</u>	<u>843,135</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

The funds held in the **Cutting Edge Fund** are for the refurbishment of storage space to create performance and workshop space. As funds held are expended on fixed assets, a corresponding amount is transferred from this fund to the general fund except where these are subject to restrictions on their use. A transfer has been made in the current year corresponding to the depreciation on the assets on which the funding was spent.

The funds held in the **Refurbishment Fund** were for the purchase and refurbishment of the Old Maltings as the New Cut Arts Centre. The East of England Development Agency (EEDA) grants are repayable on a pro-rata basis over 20 years should the charity dispose of its freehold property and therefore the funds relating to EEDA grants are reduced by 5% on an annual basis.

The funds held in the **Lighting Fund** are for the renewal and improvement of lighting. As funds held are expended on fixed assets, a corresponding amount is transferred from this fund to the general fund except where these are subject to restriction on their use. A transfer has been made in the current year corresponding to the depreciation on the assets on which the funding was spent.

The funds held in the **Flooring Fund** are for the purchase of new rubber flooring for the stairs and corridors. As funds held are expended on flooring, a corresponding amount is transferred to the general fund to reflect the depreciation on the assets on which the funding was spent.

The funds held within the **Website Fund** and for the purpose of developing a new website and booking system.

The funds held in the **East Suffolk Covid Recovery Fund** were for the purchase of a sound console.

Where restricted funds are spent on the purchase of fixed assets where the asset is held for a general and not a restricted purpose, a transfer is made from restricted to unrestricted funds for the corresponding amount.

Designated funds represent funds set aside for specific projects. The **James Holloway Youth Fund** has been established to support talented young people who would not otherwise have access to arts activities. The funds in the **Summer Project Fund** will be used to support up to 40 emerging artists to participate in a unique multidisciplinary arts project in the summer of 2024.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	704,790	90,199	794,989
Current assets	67,235	-	67,235
Creditors due within one year	(21,737)	-	(21,737)
Creditors due in more than one year	(54,559)	-	(54,559)
Total	695,729	90,199	785,928

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	720,193	109,668	829,861
Current assets	98,004	-	98,004
Creditors due within one year	(23,892)	-	(23,892)
Creditors due in more than one year	(60,838)	-	(60,838)
Total	733,467	109,668	843,135

18. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £1,021 (2022: £634). Contributions totalling £210 (2022: £303) were payable to the fund at the balance sheet date and are included in creditors.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

19. Operating lease commitments

At 31 March 2024 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024	2023
	£	£
Later than 1 year and not later than 5 years	508	508

20. Related party transactions

Payments totalling £470 (2023: £371) were made in the year to Dean Parkin, a trustee, including £248 for hosting the Big Cut Quiz and £222 (2023: £Nil) representing reimbursement for the sale of books.

The charity employs the spouse of one of the trustees. During the year, that employee received emoluments from the charity totalling £34,091 (2023: £34,091), including employer's pension contributions.

The payments are permitted by the charity's Governing Document.

Document

Name	Accounts to sign.pdf
Creator	Chris Yeates (chris.yeates@larking-gowen.co.uk)
Date	28 January 2025 13:06:46 UTC
Identifier	0f79fec7-d7c8-4d03-afcc-fcfc359a9815

Signers

anthony.casement@yahoo.com

E-mail	anthony.casement@yahoo.com
Signed	28 January 2025 14:17:23 UTC
IP address	109.145.138.39