

Company registration number: 06548122

Charity registration number: 1163955

LIBERDADE COMMUNITY DEVELOPMENT TRUST

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2023

Liberdade Community Development Trust

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Liberdade Community Development Trust

Reference and Administrative Details

Trustees	S Peace A L Golding N Forrest S Ripley D Shaw (resigned 12 December 2022) E J Denham T J Goodill (resigned 30 June 2022) J Pearce (resigned 30 June 2022) M A Geffre (appointed 30 June 2022)
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Registered Office	Gosforth Civic Theatre Regent Farm Road Gosforth Newcastle upon Tyne NE3 3HD The charity is incorporated in Wales.
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Company Registration Number	06548122
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Charity Registration Number	1163955
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Solicitors	Muckle LLP Time Central 32 Gallowgate Newcastle Upon Tyne Tyne And Wear NE1 4BF
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Bankers	Lloyds Bank plc London 63 Lincoln's Inn Fields London WC2A 3JW
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Auditor	Azets Audit Services Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS
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Liberdade Community Development Trust

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2023.

Our purposes and activities

Liberdade's mission is 'To raise everyone's expectations about what people with learning disabilities (pwld) can achieve'. We raise our own expectations and the expectations of society in general.

- Our work deliberately sets out to challenge the prejudice in society about learning disabled people and the contribution they can make.
- Setting high standards for the quality of work and the way we achieve it is central to the way we operate
- Creating opportunities for learning disabled people and the wider community to spend time together is central to our approach
- We believe our work leads to greater equality, quality of life and improved health and wellbeing for learning disabled people and the wider community

Liberdade (*Lib – er – dar – jie*) has a soul, it cares for people and pushes them to excel, it always goes above and beyond and doesn't know the meaning of can't. People with learning disabilities come to Liberdade to work, to train others, to expel old misconceptions but mostly to belong.

We work by using the arts and Gosforth Civic Theatre as tools for change. The change happens both within our participants and society as a whole, we use the process of performing, working, and being a member of a company as a mechanism for personal and social development.

What we do

We deliver training and provide opportunities for young people and adults with learning disabilities, the training covers; performing arts; health and wellbeing; sport; employment skills; and more. The opportunities we provide include; work experience; community engagement; leading an organisation; volunteering; and performing in front of a public audience. We also share our learning by publishing detailed information on our organisational development, and partner with a large number of other organisations and individuals.

We take part in regional, national and international events representing the learning disabled community and have set up and supported new organisations to create further opportunities for people with learning disabilities across the region.

In 2016 we took on an asset via a community asset transfer. Gosforth Civic Theatre is an arts venue that is open to all.

Historically society has created places for people with learning disabilities to go, at Gosforth Civic Theatre, people with learning disabilities have created a place for everyone to come together.

"We wanted to provide something for the community instead of it being the other way around, here people can see that we've got skills, that we can be useful"

Ed (founding company member)

Liberdade Community Development Trust

Trustees' Report

Gosforth Civic Theatre is an amazing place where a group of people with learning disabilities are bringing the local community together to generate understanding, creativity, and change. We believe that if you bring people together in a positive and creative way then the barriers that can exist in communities are overcome.

Artistic values

Producing performance platform events, performing, and creating films enables our members to have a collective voice. It instils confidence and creativity, it promotes valuable life and work skills but most importantly it promotes social value. At Liberdade its not about how talented you are or what you can do, it is about belonging first and then finding and honing your skills to contribute to the organisation as a whole.

Our working practices have always strived for social change by raising our own expectations, those of our learning disabled members and members of the public we engage with. Using this very simple model we aim to demonstrate to society that learning disabled people are able, skilled and valuable members of a community whilst breaking down old misconceptions that hinder progress.

We use commonality in the creation of our artistic work to build connections between our performers and their audiences, we also use humor in our performances to further break down barriers.

Achievements and performances

This year we have focused on three major objectives:

- Developing and fundraising for the delivery of a major capital development of Gosforth Civic Theatre, without which the building would have eventually become unusable. This resulted in raising £2.5m to deliver an incredibly ambitious capital project which broke ground in February 2023 after instructing T Manners and Sons as our contractors. To enable this project to happen we also agreed an extension to our lease of Gosforth Civic Hall with Newcastle City Council from 25 years to 50 years.

- Continuing to build our income back up to aid our financial recovery from the pandemic, this included continuing to fine tune our business model, and securing several multi-year grants. We were however incredibly disappointed not to be successful with our application to become an Arts Council National Portfolio Organisation. Our work closely fits Arts Council England's strategy 'Lets Create', and our achievements are a nationally important example of inclusive practice within the governance of cultural venues. We were told we were unsuccessful due to where we were based. We hope that Arts Council England come to value the incredible work our company members have achieved when realising Gosforth Civic Theatre.

- Continuing to use our new Theory of Change, which has been instrumental in determining what positive steps we have taken as a part of our recovery from the pandemic, and it has also helped to illustrate these steps to stakeholders. The three core strands of development highlighted by the Theory of Change are; Make the building better; Make sure everyone feels welcome at GCT; and get even better at showing what people with learning disabilities can do.

We have developed successful partnerships with regional and national organisations, these included:

- Working relationships with Mortal Fools, Curious Monkey, Curious Arts, Unfolding theatre, National Youth Agency and Tin Arts.
- We have also participated in networks including, NEIDN, North East Culture Social, Meet the programmers, Youth Investment Fund, and Locality.

Liberdade Community Development Trust

Trustees' Report

Our income streams

We generated earned income in a number of different ways, these were:

- Services delivered to people with learning disabilities
- Café and Bar sales
- Ticket Sales
- Space rental
- Donations
- Grant and trust funding

The current programmes and activities we deliver for our core beneficiaries

Dance Outreach

These are arts, participatory and learning projects delivered in local SEND Schools and Colleges with young people aged 12-24. The projects are usually 10 weeks long and provide opportunities for young people to create and perform artistic work. They include fun creative classes which introduce learners to dance technique and choreography. Learners are encouraged to be creative and work towards creating a performance piece.

Contemporary Dance and Youth Dance

Our Contemporary Dance Class is open to young people who enjoy dance. Liberdade Youth Dance is for young people who have participated in Outreach projects and want to continue their interest outside of school. Both activities are for young people aged 16 to 24 years and offer: Weekly dance technique classes with learners from local SEND Schools and Colleges who are committed to developing their skills; Opportunities for those in Youth Dance to create higher level performance work.

Skills Development

This programme is designed for young people aged 18-25 years who have participated in Liberdade Youth Dance and want to develop further, and for School and College leavers who have participated in dance elsewhere. It offers: Dance technique class - training in strength and flexibility, developing coordination and discipline; Creative tasks – learning to use bodies to express narrative, feelings and emotions, working together as a team; Choreography – making group decisions about themes and narratives to develop a dance/performance project, taking direction, inputting ideas and giving direction.

Performance Ensemble

This programme is for young people aged 20+ who have completed the Skills Development programme and have shown commitment and potential to further their performance career. It includes: Professional level classes in technique, creative tasks and choreography; Opportunities to tour work and represent the company at national performances.

Liberdade Community Development Trust

Trustees' Report

Health and Wellbeing

These programmes for 18-30's and 30+ are designed to support participants to lead a healthy lifestyle. They involve changing eating and exercise behaviours in a fun and engaging way with support & encouragement from others. They include: Helping each individual to find the right balance; Learning about how well and often participants move compared to how much and what they eat; Learning about food and discovering how what is eaten affects feelings; Learning about healthy meals; Exploring new ways to get & keep fit; Using local facilities to try new activities and work with fitness professionals; Setting personal goals; Doing meditation and improving emotional well-being through stress management and mindfulness.

GCT Gaming Social

Our super-relaxed gaming social is somewhere young people are welcome to come along, game, play, and socialise through their love and passion for all things video game.

Future plans

We have now (January 2024) significantly updated the building by improving its environmental performance, internal and external aesthetics, theatrical infrastructure, and increasing its capacity. We are now working on fine tuning our business model to maximise our earned income, this is increasingly important because of the competitive funding environment and not being awarded National Portfolio Investment from Arts Council England.

We will continue to develop the activities and performance programme to maximise the buildings capacity to provide a service, earn income and most importantly create positive social change.

We are looking to build financial resilience over the coming years by building on our reserves (Emergency Fund), and increasing the amount of funding we are seeking from both organisations and individuals.

We are wanting to improve our organisational systems, to help deliver this change we have employed an office manager, and we are working on fundraising to improve all of our digital systems to boost efficiencies and effectively use data to drive social impact and sales.

We are currently working with the National Youth Agency to write our Youth Development Plan, this will formalise how we work with young people and will lead to an exciting youth board who will work with our SEND Shadow board to advise the board of Trustees.

Structure, governance and management

Liberdade Community Development Trust is a Charity and Company Limited by Guarantee and not having a Share Capital, governed by its articles of association dated 05/10/2015. Prior to this the organisation was known as Liberdade North East CIC and was a community interest company also limited by guarantee and not having a share capital.

Membership of Liberdade

We have increased the diversity of our board this year by recruiting new trustees with lived experience of a learning disability, and lived experience of being part of the LGBTQ+ community. We also plan to recruit a number of other new people to join our Trustee Board as we embark on an exciting stage in our development.

Liberdade Community Development Trust

Trustees' Report

We were looking for people who can strengthen our Board and enable us to fully realise our plans for the future. We are planning to recruit trustees with one or some of the following skills, knowledge and experience:

Facilities Management (arts/hospitality) – Although we have good skills within our staff team we would like to find a trustee who can bring facilities management skills to the board.

Fundraising Events and Philanthropy - To support our fundraising strategy. Some of our income will need to come from our community and we need someone on the board who can help us to build relationships with high net worth individuals and corporate donors.

Digital and Data – To support the development of our digital systems and social impact measurement we would like to recruit someone with experience of CRM systems, and digital best practice within cultural organisations.

Governance of membership

- a. Persons who wish to become members of the Charity must apply for membership in a manner approved by the Trustees and the application must then be approved by the Trustees, who have in their absolute discretion to decline it and need not give reasons for doing so.
- b. The Trustees must keep a register of names and addresses of any elected Members.
- c. The Trustees may make rules which establish different classes of membership with different rights and obligations, these shall be recorded in the register of Members
- d. Membership shall terminate if, the Member dies, is convicted of a criminal offence, resigns, is in arrears to the Charity or the Trustees decide to terminate as in the best interests of the Charity.

The Role of the Board

The Board of Trustees is the governing body of the Charity, and has overall legal responsibility for all that the Charity does. Members of the Board are the Trustees of the Charity.

The Board meets at least four times a year, but will meet more frequently as required. There are also currently some sub-group meetings in addition to Board meetings to cover specific topics.

Trustees Responsibilities

Trustees have ultimate responsibility for directing the affairs of the Charity, and ensuring that it is solvent, well-run, and is delivering the charitable outcomes for which it has been set up.

There are three key duties as specified by the Charity Commission:

Duty of Compliance – Trustees must ensure the charity complies with all relevant laws and regulations, including charity law. They must ensure that Liberdade CDT does not breach any of the requirements set out in the Articles of Association and that it remains true to the charitable purpose and objects set out.

Trustees must also act with integrity, and avoid any personal conflicts of interest or misuse of charity funds or assets.

Liberdade Community Development Trust

Trustees' Report

Duty of Prudence – Trustees must ensure that the charity is and will remain solvent. They should use charitable funds and assets reasonably, and only in furtherance of Liberdade CDT objects. They should avoid undertaking activities that might place the charities funds, assets or reputation at undue risk and take special care when investing the funds of the charity, or borrowing funds for the charity to use.

Duty of Care – Trustees must use reasonable care and skill in their work as trustees, using their personal skills and experience as needed to ensure that the charity is well-run and efficient and consider getting external professional advice on all matters where there may be material risk to the charity, or where the trustees may be in breach of their duties.

These duties are explained further in the Charity Commission Publication CC3,

The Essential Trustee. It can be read in full at (<http://www.charity-commission.gov.uk/publications/cc3.aspx>)

The Board may establish committees, advisory councils or working groups as appropriate to help it to fulfil its remit.

Membership of the Board

The minimum size of the Board is 3 and the maximum is 13

The Trustees shall use all reasonable endeavours to facilitate the creation of an informal group of service users of the Charity. The Trustees shall ensure that the views of such group are reported back to the Trustees on a regular basis, as they shall determine.

The first Trustees shall be those persons named in the statement delivered pursuant to Section 12(1) of CA 2006 who shall be deemed to have been appointed under the Articles of Association. Future Trustees shall be appointed as provided below.

A Trustee may not appoint an alternate director or anyone to act on his or her behalf at meetings of Trustees.

Eligibility to be a Trustee - Any person who is eligible to act as a Trustee may be appointed to be a Trustee by the existing Trustees.

No person may be appointed as a Trustee, unless he or she is a Member of the Charity and is in support of the Objects, and that person is willing to serve as a Trustee and has attained the age of 18 (eighteen) years, or if (had he or she already been a Trustee) he or she would have been disqualified from acting as a trustee by virtue of section 178 of the Charities Act 2011.

Appointment and Retirement of Trustees

Trustees shall be appointed by a decision of the Trustees. Trustees shall serve for a term of four years but shall be eligible for re-appointment by the Trustees. There shall be no limit on the number of terms in office that a Trustee may serve.

Disqualification and Removal of Trustees -A Trustee shall cease to hold office if:

He or she ceases to be a director by virtue of any provision in the Companies Acts or the Insolvency Act 1986 or is disqualified from acting as a Trustee by virtue of Section 178 of the Charities Act 2011,

Liberdade Community Development Trust

Trustees' Report

He or she is deemed by HM Revenue & Customs not to be a fit and proper person to be a manager of a charity.

The Trustees reasonably believe that he or she has become physically or mentally incapable by reason of illness or injury of managing and administering his or her own affairs and they decide to remove him or her from office.

The Trustee resigns from his or her office by notice to the Charity (but only if at least the minimum number specified ie. 3 will remain in office when the notice of resignation is to take effect).

The Trustee is absent without the permission of the Trustees from all their meetings held within a period of 6 (six) months without good reason and the Trustees decide that his or her office be vacated.

The Trustee has a bankruptcy order or an order is made against him or her in individual insolvency proceedings in a jurisdiction other than England and Wales which has an effect similar to that of bankruptcy.

The Trustee is removed from office by the Trustees on the grounds that it is in the best interests of the Charity to be so removed. A decision to remove a Trustee from office may only be passed if, the Trustee has been given at least 21 (twenty one) Clear Days' notice in writing of the meeting of the Trustees at which the decision will be made and the reasons why it is to be proposed; and the Trustee or, at the option of the Trustee, the Trustee's representative (who need not be a Trustee) has been allowed to make representations to the meeting.

The Trustee will cease to be a trustee if he or she ceases to be a Member of the Charity for any reason whatsoever, retires from office and is not re-elected or is removed from office in accordance with Section 168 of the CA 2006.

Public benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. We endeavour to encourage all within our community to take part in our activities and to attend our theatre and workshops.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Liberdade Community Development Trust

Trustees' Report

Financial review

Policy on reserves

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves those - reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees considered it would be appropriate to hold the equivalent of three months expenditure, which would equate to holding between £100,000 and £125,000 in free reserves.

The trustees have released the previously designated emergency funds of £31,000 back into general funds, such that at the year end free reserves were reported as £64,453 (2022: £37,320) an increase of £27,133 in the year. Note 25 – Analysis of net assets between funds gives the detail of the movement of free reserves.

Included within Fixed Assets are tangible capital additions of £468,420 and intangible (website) capital additions of £7,380 a total of £475,800. The £475,800 capital spend in the year has been funded by restricted grants from both the Arts Council and YIF – which you can reference in the charity's funds (note 25). Having received restricted funding the charity has carried out these capital works (which were still ongoing after the year end) and to recognise that monies have been spent - and therefore the restriction met – has made a restricted to unrestricted fund transfer equal to the value of the capital additions £475,800.

The Balance Sheet at the year end 2023 shows Net Current Assets of £343,637 (an increase from the prior year of £247,222). However, it should be noted that whilst this gives the charity sufficient liquid reserves to continue its ongoing capital works, the restricted funds are currently bloating this Net Current Asset figure, with £279,184 being the restricted funds within the Net Current Assets – hence the balance of Free Reserves of £64,453.

The reason for the above increase in free reserves is due to the release of the designated fund and the restricted funding support for wages relating to the project, despite the curtailed activities of the charity prior to the commencement of the capital project (which saw the charity closing its doors towards the end of its financial year whilst the planned capital works commenced). Restricted funding provided by both Arts Council and The Clothworkers' Foundation totalling £82,046 (to the 31 March 2023) was claimed against wages costs related to the project.

Key Management Personnel

The board, who give their time freely and no trustees received remuneration in the year, have considered who the Key Management Personnel (KMP) of the charity, as noted in the Reference and Administration section. Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis. The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with the budget and forecast information, ensuring that the charity can afford any proposed increases. The board then agree any uplift to remuneration.

Statement of trustees' responsibilities

The trustees (who are also the directors of Liberdade Community Development Trust 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Liberdade Community Development Trust

Trustees' Report

Company law requires the trustees to prepare financial statements for each financial year. 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 parent charitable company and the group and of the incoming resources and application of resources, including its income and expenditure, of the charitable group 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 estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the parent charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the parent charitable company and the group 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 parent charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

Azets Audit Services Limited, trading as Azets Audit Services, were appointed auditor to the company following the charity breaching audit thresholds. The prior period was not audited.

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 12/03/2024..... and signed on its behalf by:



Amy Golding 12 Mar 2024 15:34:55 GMT (UTC +0)

.....
A L Golding
Trustee

Liberdade Community Development Trust

Independent Auditor's Report to the Members of Liberdade Community Development Trust

Opinion

We have audited the financial statements of Liberdade Community Development Trust (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2023 and of the group's incoming resources and application 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 responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 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 group's ability to continue as a going concern for a period of at least twelve months from when the financial statements were 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 matter

We note that the prior year financial statements were not audited. Consequently ISAs (UK) require the auditor to state that the corresponding figures contained within these financial statements are unaudited. Our opinion is not modified in respect of this matter.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

Liberdade Community Development Trust

Independent Auditor's Report to the Members of Liberdade Community Development Trust

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 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 and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the and Trustees' Report have 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the and the Trustees' 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities (set out on page 9), 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 the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor 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.

Liberdade Community Development Trust

Independent Auditor's Report to the Members of Liberdade Community Development Trust

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquires with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board meeting minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment laws, and compliance with the Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISA's (UK). For instance, the further removed non-compliance is from the event and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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

Use of our report

This report is made solely to the charitable parent company's trustees, 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 group's trustees 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 parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Simon Brown 12 Mar 2024 15:49:54 GMT (UTC +0)

Simon Brown BA ACA DChA (Senior Statutory Auditor)
For and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 12/03/2024

Azets Audit Services is a trading name of Azets Audit Services Limited.

Liberdade Community Development Trust

Consolidated Statement of Financial Activities for the Year Ended 31 March 2023

(Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Income and Endowments from:					
Donations and legacies	3	22,289	-	22,289	50,799
Charitable activities	4	233,466	993,408	1,226,874	380,929
Other trading activities	5	35,189	-	35,189	39,268
Other income	6	163,864	-	163,864	114,161
Total Income		<u>454,808</u>	<u>993,408</u>	<u>1,448,216</u>	<u>585,157</u>
Expenditure on:					
Raising funds	7	(138,302)	-	(138,302)	(118,812)
Charitable activities	8	<u>(354,739)</u>	<u>(278,509)</u>	<u>(633,248)</u>	<u>(589,215)</u>
Total Expenditure		<u>(493,041)</u>	<u>(278,509)</u>	<u>(771,550)</u>	<u>(708,027)</u>
Net (expenditure)/income		(38,233)	714,899	676,666	(122,870)
Transfers between funds		<u>475,800</u>	<u>(475,800)</u>	<u>-</u>	<u>-</u>
Net movement in funds		437,567	239,099	676,666	(122,870)
Reconciliation of funds					
Total funds brought forward		<u>175,479</u>	<u>299,727</u>	<u>475,206</u>	<u>598,076</u>
Total funds carried forward	25	<u>613,046</u>	<u>538,826</u>	<u>1,151,872</u>	<u>475,206</u>

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 25.


Liberdade Community Development Trust

(Registration number: 06548122)

Consolidated Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	16	7,380	-
Tangible assets	17	828,355	411,291
		<u>835,735</u>	<u>411,291</u>
Current assets			
Stocks	19	868	3,883
Debtors	20	121,412	20,127
Cash at bank and in hand		618,216	117,914
		<u>740,496</u>	<u>141,924</u>
Creditors: Amounts falling due within one year	21	<u>(396,859)</u>	<u>(45,509)</u>
Net current assets		<u>343,637</u>	<u>96,415</u>
Total assets less current liabilities		1,179,372	507,706
Creditors: Amounts falling due after more than one year	22	<u>(27,500)</u>	<u>(32,500)</u>
Net assets		<u>1,151,872</u>	<u>475,206</u>
Funds of the group:			
Restricted		538,826	299,727
Unrestricted income funds			
General funds		<u>613,046</u>	<u>175,479</u>
Total funds	25	<u>1,151,872</u>	<u>475,206</u>

The financial statements on pages 14 to 35 were approved by the trustees, and authorised for issue on 12/03/2024.... and signed on their behalf by:


 Amy Golding 12 Mar 2024 15:34:55 GMT (UTC +0)


 A L Golding
 Trustee

Liberdade Community Development Trust

(Registration number: 06548122)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	16	7,380	-
Tangible assets	17	828,355	411,291
Investments	18	100	100
		<u>835,835</u>	<u>411,391</u>
Current assets			
Debtors	20	121,237	19,837
Cash at bank and in hand		604,307	110,570
		<u>725,544</u>	<u>130,407</u>
Creditors: Amounts falling due within one year	21	<u>(459,911)</u>	<u>(55,648)</u>
Net current assets		<u>265,633</u>	<u>74,759</u>
Total assets less current liabilities		1,101,468	486,150
Creditors: Amounts falling due after more than one year	22	<u>(27,500)</u>	<u>(32,500)</u>
Net assets		<u>1,073,968</u>	<u>453,650</u>
Funds of the charity:			
Restricted		538,826	299,727
Unrestricted income funds			
Unrestricted funds		<u>535,142</u>	<u>153,923</u>
Total funds	25	<u>1,073,968</u>	<u>453,650</u>

The financial statements on pages 14 to 35 were approved by the trustees, and authorised for issue on 12/03/2024..... and signed on their behalf by:


 Amy Golding 12 Mar 2024 15:34:55 GMT (UTC +0)

 A L Golding
 Trustee

Liberdade Community Development Trust

Consolidated Statement of Cash Flows for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash income/(expenditure)		676,666	(122,870)
Adjustments to cash flows from non-cash items			
Depreciation	7	<u>51,356</u>	<u>50,188</u>
		728,022	(72,682)
Working capital adjustments			
Decrease/(increase) in stocks	19	3,015	(1,111)
(Increase)/decrease in debtors	20	(101,285)	14,240
Increase in creditors	21	325,001	9,241
Increase in deferred income	22	<u>30,460</u>	<u>-</u>
Net cash flows from operating activities		<u>985,213</u>	<u>(50,312)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets	16	(7,380)	-
Purchase of tangible fixed assets	17	<u>(468,420)</u>	<u>(39,254)</u>
Net cash flows from investing activities		(475,800)	(39,254)
Cash flows from financing activities			
Repayment of loans and borrowings	21	<u>(9,111)</u>	<u>(3,389)</u>
Net increase/(decrease) in cash and cash equivalents		500,302	(92,955)
Cash and cash equivalents at 1 April		<u>117,914</u>	<u>210,869</u>
Cash and cash equivalents at 31 March		<u><u>618,216</u></u>	<u><u>117,914</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Liberdade Community Development Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Charity status

The charity is limited by guarantee, incorporated in Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is: Gosforth Civic Theatre, Regent Farm Road, Gosforth, Newcastle upon Tyne, NE3 3HD

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Liberdade Community Development Trust 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 notes.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 March 2023.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a surplus after tax for the financial year of £620,318 (2022 - deficit of £160,646).

Liberdade Community Development Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Going concern

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group.

Estimation uncertainty and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported.

Income and endowments

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Liberdade Community Development Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Intangible assets

Intangible assets are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised on a straight line basis over their estimated useful lives.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class

Website costs

Amortisation method and rate

over 5 years

Liberdade Community Development Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

Tangible fixed assets

Individual fixed assets costing £300.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Plant and machinery	20% reducing balance
Fixtures and fittings	20% straight line
Computer equipment	33.33% straight line
Leasehold property	over the term of the lease

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Liberdade Community Development Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the group.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The group operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations and legacies

	Unrestricted funds General £	Total 2023 £
Donations and legacies;		
Donations	22,289	22,289
	<u>22,289</u>	<u>22,289</u>
	Unrestricted funds General £	Total 2022 £
Donations and legacies;		
Donations	18,192	18,192
Grants, including capital grants;		
Government grants - CJRS	16,607	16,607
Grants	16,000	16,000
	<u>50,799</u>	<u>50,799</u>

Liberdade Community Development Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £
User income	101,467	-	101,467
Ticket income	30,752	-	30,752
Grants receivable	101,247	993,408	1,094,655
	<u>233,466</u>	<u>993,408</u>	<u>1,226,874</u>
	Unrestricted funds General £	Restricted funds £	Total 2022 £
User income	101,837	-	101,837
Ticket income	30,473	-	30,473
Grants receivable	5,097	243,522	248,619
	<u>137,407</u>	<u>243,522</u>	<u>380,929</u>

5 Income from other trading activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Event income	35,189	35,189	39,268
	<u>35,189</u>	<u>35,189</u>	<u>39,268</u>

6 Other income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Income from trading subsidiary	153,768	153,768	100,534
Rental income	10,096	10,096	13,627
	<u>163,864</u>	<u>163,864</u>	<u>114,161</u>

Liberdade Community Development Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

7 Expenditure on raising funds

a) Costs of trading activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Trading subsidiary costs	75,864	75,864	62,758
Costs of performances/events	62,438	62,438	56,054
	<u>138,302</u>	<u>138,302</u>	<u>118,812</u>

8 Expenditure on charitable activities

		Unrestricted General £	Restricted £	Total 2023 £	Total 2022 £
Staff costs		253,543	201,084	454,627	410,395
Allocated support costs	9	87,673	77,425	165,098	173,852
Governance costs	9	13,523	-	13,523	4,968
		<u>354,739</u>	<u>278,509</u>	<u>633,248</u>	<u>589,215</u>

	Activity undertaken directly £	Activity support costs £	2023 £	2022 £
Charitable Activities	454,627	165,098	619,725	584,247
Governance costs	-	13,523	13,523	4,968
	<u>454,627</u>	<u>178,621</u>	<u>633,248</u>	<u>589,215</u>

In addition to the expenditure analysed above, there are also governance costs of £13,523 (2022 - £4,968) which relate directly to charitable activities. See note 9 for further details.

Liberdade Community Development Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

9 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Audit fees			
Audit of the financial statements	7,500	7,500	-
Other fees paid to auditors	5,248	5,248	-
Independent examiner fees			
Examination of the financial statements	-	-	1,800
Other fees paid to examiners	-	-	3,168
Other governance costs	775	775	-
	<u>13,523</u>	<u>13,523</u>	<u>4,968</u>

10 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2023 £	2022 £
Audit fees	7,500	-
Other non-audit services	5,248	3,168
Depreciation of fixed assets	51,356	50,188
Independent examination fees	<u>-</u>	<u>1,800</u>

11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

Liberdade Community Development Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

12 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	419,478	378,214
Social security costs	27,309	24,979
Pension costs	7,840	7,202
	<u>454,627</u>	<u>410,395</u>

The monthly average number of persons (including senior management / leadership team) employed by the group during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Full time	14	7
Part time	9	15
	<u>23</u>	<u>22</u>

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the group were £78,784 (2022 - £71,726).

13 Independent examiner's remuneration

	2023 £	2022 £
Examination of the financial statements	-	1,800
Other fees to examiners		
All other services	-	3,168

14 Auditors' remuneration

	2023 £	2022 £
Audit of the financial statements	7,500	-
Other fees to auditors		
All other non-audit services	5,248	-

Liberdade Community Development Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

15 Taxation

The group is a registered charity and is therefore potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

16 Intangible fixed assets

Group and charity

	Website costs £	Total £
Cost		
Additions	7,380	7,380
At 31 March 2023	7,380	7,380
Amortisation		
At 31 March 2023	-	-
Net book value		
At 31 March 2023	7,380	7,380
Charity		

17 Tangible fixed assets

Group and charity

	Long leasehold property £	Fixture and fittings £	Computer equipment £	Plant and machinery £	Total £
Cost					
At 1 April 2022	359,674	89,580	28,558	181,276	659,088
Additions	455,183	-	-	13,237	468,420
At 31 March 2023	814,857	89,580	28,558	194,513	1,127,508
Depreciation					
At 1 April 2022	88,043	55,222	22,916	81,616	247,797
Charge for the year	11,989	17,916	4,307	17,144	51,356
At 31 March 2023	100,032	73,138	27,223	98,760	299,153
Net book value					
At 31 March 2023	714,825	16,442	1,335	95,753	828,355
At 31 March 2022	271,631	34,358	5,642	99,660	411,291

Liberdade Community Development Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

Included within Long Leasehold property is capital spend to date on the refurbishment of the Gosforth Civic Theatre. These costs, included as additions, will be depreciated once the refurbishment works are complete.

18 Fixed asset investments

Charity

	2023 £	2022 £
Shares in group undertakings and participating interests	<u>100</u>	<u>100</u>

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 April 2022	<u>100</u>	<u>100</u>
At 31 March 2023	<u>100</u>	<u>100</u>
Net book value		
At 31 March 2023	<u>100</u>	<u>100</u>
At 31 March 2022	<u>100</u>	<u>100</u>

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2023	2022	
Subsidiary undertakings					
Liberdade Trading Limited	England and Wales	Shares	100%	100%	Operating a bar and cafe at the theatre.

Liberdade Community Development Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

Subsidiaries

The profit for the financial period of Liberdade Trading Limited was £77,904 (2022 - £37,776) and the aggregate amount of capital and reserves at the end of the period was £78,004 (2022 - £21,656).

19 Stock

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Stocks	868	3,883	-	-

20 Debtors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	24,543	12,339	24,368	12,258
Prepayments	3,149	1,681	3,149	1,681
Accrued income	93,640	-	93,640	-
Other debtors	80	6,107	80	5,898
	121,412	20,127	121,237	19,837

21 Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Bank loans	10,000	10,000	10,000	10,000
Trade creditors	331,566	10,063	331,222	7,348
Other loans	-	4,111	-	4,111
Due to group undertakings	-	-	65,084	12,854
Other taxation and social security	7,136	7,632	7,136	7,632
VAT	18	-	18	-
Other creditors	4,405	2,835	2,717	2,835
Accruals	13,274	10,868	13,274	10,868
Deferred income	30,460	-	30,460	-
	396,859	45,509	459,911	55,648

Bank borrowings

Bounce back loan is denominated in sterling with a nominal interest rate of 2.5% (2022 - 2.5%), and the final instalment is due on 9 June 2026. The carrying amount at year end is £37,500 (2022 - £42,500).

Liberdade Community Development Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

Other borrowings

The loan with Social Investment was settled in full within the year.

Deferred income

Group and charity

	2023 £	2022 £
Deferred income at 1 April 2022	-	-
Resources deferred in the period	30,460	-
Amounts released from previous periods	-	-
Deferred income at year end	<u>30,460</u>	<u>-</u>

22 Creditors: amounts falling due after one year

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Bank loans	<u>27,500</u>	<u>32,500</u>	<u>27,500</u>	<u>32,500</u>

23 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £7,840 (2022 - £7,202).

Contributions totalling £1,282 (2022 - £1,282) were payable to the scheme at the end of the year and are included in creditors.

24 Commitments

Group and charity

Capital commitments

The charity was undergoing a building refurbishment as at the year end.

The total amount contracted for but not provided in the financial statements was £198,474,050 (2022 - £Nil).

Liberdade Community Development Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

25 Funds

Group

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted funds					
<i>General</i>					
General	144,479	454,808	(493,041)	506,800	613,046
<i>Designated</i>					
Emergency Fund	31,000	-	-	(31,000)	-
Total unrestricted funds	<u>175,479</u>	<u>454,808</u>	<u>(493,041)</u>	<u>475,800</u>	<u>613,046</u>
Restricted funds					
Arts Council	-	109,970	(46,493)	(63,477)	-
Property Fund	271,631	-	(11,989)	-	259,642
NCIF	-	30,000	(30,000)	-	-
Lloyds Foundation	14,440	27,250	(41,690)	-	-
Lottery - Sport fund	5,473	-	(5,473)	-	-
Community Foundation Grant (Covid)	-	12,500	(12,500)	-	-
Community Funds Main Grant	7,083	-	(7,083)	-	-
Percy Hedley Charitable Trust	500	-	(500)	-	-
The Rothley Trust	600	-	(600)	-	-
Foyle Capital Project	-	75,000	-	-	75,000
NCC CICC Starter Grant	-	13,135	(13,135)	-	-
Power to Change	-	10,000	(10,000)	-	-
School for Social SESF	-	40,000	(36,364)	-	3,636
National Lottery Community Fund	-	30,000	(27,129)	-	2,871
YIF Capital Project	-	610,000	-	(412,323)	197,677
The Clothworkers' Foundation	-	35,553	(35,553)	-	-
Total restricted funds	<u>299,727</u>	<u>993,408</u>	<u>(278,509)</u>	<u>(475,800)</u>	<u>538,826</u>
Total funds	<u>475,206</u>	<u>1,448,216</u>	<u>(771,550)</u>	<u>-</u>	<u>1,151,872</u>

Liberdade Community Development Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

The specific purposes for which the funds are to be applied are as follows:

- Arts Council (Capital) – Amounts received to support the delivery of the Capital Project.
- Property Fund – Fund set up to account for the 50 year lease taken out on 15th January 2023 at Gosforth Civic Theatre, the premises in which the charity operates.
- Newcastle Cultural Investment Fund (NCIF) – Amounts received to be used for core costs of Gosforth Civic Theatre.
- Lloyds Foundation - Amounts received to be used against core costs.
- Community Foundation Grant (COVID) - Amounts received to be used for core costs.
- Awards For All (Community Funds Main Grants) – Amount received towards the costs of conducting user research and the development of digital services/products.
- Percy Hedley Charitable Trust - Amounts received to be used for core costs.
- The Rothley Trust - Amounts received to be used for core costs.
- CICC Starter – Amounts received to be used in creating an Inclusive, Confident Community.
- Foyle Foundation (Capital) - Amounts received to support the delivery of the Capital Project, with particular focus on Theatrical Infrastructure.
- Power to Change - Amounts received to be used for core costs.
- Social Enterprise Support Fund (SESF) - Amounts received to be used for core costs.
- National Lottery Community Fund (Capital and Revenue) - Amounts received to be used for core costs, and towards the delivery of the Capital Project.
- Youth Investment Fund (Capital) - Amounts received to support the delivery of the Capital Project.
- The Clothworkers Foundation (Capital) Amounts received to support the delivery of the Capital Project.

Liberdade Community Development Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

26 Analysis of net assets between funds

Group

	Unrestricted		Restricted	Total funds
	General	Designated		
	£	£	£	£
Intangible fixed assets	7,380	-	-	7,380
Tangible fixed assets	568,713	-	259,642	828,355
Net current assets/(liabilities)	64,453	-	279,184	343,637
Creditors over 1 year	(27,500)	-	-	(27,500)
Total net assets	<u>613,046</u>	<u>-</u>	<u>538,826</u>	<u>1,151,872</u>

	Unrestricted			Total funds
	General	Designated	Restricted	at 31 March
	£	£	£	2022
				£
Tangible fixed assets	139,659	-	271,632	411,291
Net current assets/(liabilities)	37,320	31,000	28,095	96,415
Creditors over 1 year	(32,500)	-	-	(32,500)
Total net assets	<u>144,479</u>	<u>31,000</u>	<u>299,727</u>	<u>475,206</u>

27 Analysis of net funds

Group

	At 1 April	Financing	At 31 March
	2022	cash flows	2023
	£	£	£
Cash at bank and in hand	117,914	500,302	618,216
Debt due within one year	(14,111)	4,111	(10,000)
Debt due after more than one year	(32,500)	5,000	(27,500)
Net debt	<u>71,303</u>	<u>509,413</u>	<u>580,716</u>
	At 1 April	Financing	At 31 March
	2021	cash flows	2022
	£	£	£
Cash at bank and in hand	210,869	(92,955)	117,914
Debt due within one year	(8,333)	(5,778)	(14,111)
Debt due after more than one year	(41,667)	9,167	(32,500)
Net debt	<u>160,869</u>	<u>(89,566)</u>	<u>71,303</u>

Liberdade Community Development Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

28 Related party transactions

Charity

During the year the charity made the following related party transactions:

Liberdade Trading Limited

(The charity owns 100% of the subsidiary, Liberdade Trading Limited. The company runs the bar and cafe at the theatre.)

During the year, the subsidiary gifted its profits from the prior year totalling £21,556. At the balance sheet date the amount due to Liberdade Trading Limited was £65,084 (2022 - £12,854).

Liberdade Community Development Trust

Comparative Consolidated Statement of Financial Activities for the Year Ended 31 March 2022 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	50,799	-	50,799
Charitable activities	4	137,407	243,522	380,929
Other trading activities	5	39,268	-	39,268
Other income	6	114,161	-	114,161
Total income		<u>341,635</u>	<u>243,522</u>	<u>585,157</u>
Expenditure on:				
Raising funds	7	(103,228)	(15,584)	(118,812)
Charitable activities	8	<u>(343,283)</u>	<u>(245,932)</u>	<u>(589,215)</u>
Total expenditure		<u>(446,511)</u>	<u>(261,516)</u>	<u>(708,027)</u>
Net expenditure		<u>(104,876)</u>	<u>(17,994)</u>	<u>(122,870)</u>
Net movement in funds		(104,876)	(17,994)	(122,870)
Reconciliation of funds				
Total funds brought forward		<u>280,355</u>	<u>317,721</u>	<u>598,076</u>
Total funds carried forward	25	<u><u>175,479</u></u>	<u><u>299,727</u></u>	<u><u>475,206</u></u>