

Paragon Studios Ltd

Statement of Financial Activities for the Year Ended 31 May 2025 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £
Income and Endowments from:				
Donations and legacies	3	30,340	-	30,340
Charitable activities	4	4,410	131,298	135,708
Total income		34,750	131,298	166,048
Expenditure on:				
Charitable activities	7	(32,767)	(200,437)	(233,204)
Total expenditure		(32,767)	(200,437)	(233,204)
Net income/(expenditure)		1,983	(69,139)	(67,156)
Transfers between funds		1,037	(1,037)	-
Net movement in funds		3,020	(70,176)	(67,156)
Reconciliation of funds				
Total funds brought forward		16,023	98,942	114,965
Total funds carried forward	15	19,043	28,766	47,809
	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and Endowments from:				
Donations and legacies	3	30,100	-	30,100
Charitable activities	4	4,670	208,001	212,671
Other income	5	2,600	-	2,600
Total income		37,370	208,001	245,371
Expenditure on:				
Charitable activities	7	(34,052)	(168,299)	(202,351)
Total expenditure		(34,052)	(168,299)	(202,351)
Net income		3,318	39,702	43,020
Transfers between funds		(7)	7	-
Net movement in funds		3,311	39,709	43,020
Reconciliation of funds				
Total funds brought forward		12,712	59,233	71,945
Total funds carried forward	15	16,023	98,942	114,965

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown is shown in note 15.

The notes on pages 10 to 21 form an integral part of these financial statements.

Paragon Studios Ltd

(Registration number: NI029491)
Balance Sheet as at 31 May 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	12	1,120	607
Current assets			
Cash at bank and in hand	13	47,409	115,078
Creditors: Amounts falling due within one year	14	<u>(720)</u>	<u>(720)</u>
Net current assets		<u>46,689</u>	<u>114,358</u>
Net assets		<u>47,809</u>	<u>114,965</u>
Funds of the charity:			
Restricted income funds			
Restricted funds	15	28,767	98,942
Unrestricted income funds			
Unrestricted funds		<u>19,042</u>	<u>16,023</u>
Total funds	15	<u>47,809</u>	<u>114,965</u>

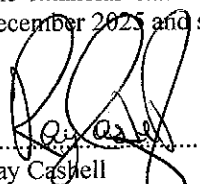
For the financial year ending 31 May 2025 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.


Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 8 to 21 were approved by the trustees, and authorised for issue on 15 December 2025 and signed on their behalf by:


.....
Ray Cashell
Chairman and Trustee


.....
Michael Patrick Conlon
Trustee

The notes on pages 10 to 21 form an integral part of these financial statements.

Paragon Studios Ltd

Notes to the Financial Statements for the Year Ended 31 May 2025

1 Charity status

The charity is limited by guarantee, incorporated in Northern Ireland, 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:

Property House
11 Rosemary Street
Belfast
BT1 1QA

These financial statements were authorised for issue by the trustees on 15 December 2025.

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act (Northern Ireland.) 2008 and 2013.

Basis of preparation

Paragon Studios Ltd 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.

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Notes to the Financial Statements for the Year Ended 31 May 2025

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

In March 2020 the charity took steps (in line with government advice) to help contain the outbreak of COVID-19. This meant that the charity had to slightly curtail, or change, how it operates although the charity has been able to continue the bulk of its activities using online services and adopting Covid compliant practices.

The Covid crisis may accelerate the fall in some of our income. Our ability to survive the crisis will rely on adapting quickly to this fall in income whilst striving to build and find alternatives and doing all we can to be ready for any economic bounce back. The nature of funding is such that the Trustees cannot be certain that projected future funding will materialise.

At the time of approving the accounts, despite financial challenges and following assessment, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, therefore the Trustees continue to adopt the going concern basis of accounting in preparing these financial statements.

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.

Donated services and facilities

Where services or facilities are provided to the charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at the cost to the donor or the resale value of goods that are to be sold.

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.

Paragon Studios Ltd

Notes to the Financial Statements for the Year Ended 31 May 2025

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.

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.

Tangible fixed assets

Individual fixed assets costing £1.00 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:

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.

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.

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Notes to the Financial Statements for the Year Ended 31 May 2025

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

Fund structure

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

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.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

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Notes to the Financial Statements for the Year Ended 31 May 2025

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

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Notes to the Financial Statements for the Year Ended 31 May 2025

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- (f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

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Notes to the Financial Statements for the Year Ended 31 May 2025

Derivative financial instruments

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

3 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Donations from individuals	240	240
Donated services and facilities	30,100	30,100
Total for 2025	<u>30,340</u>	<u>30,340</u>
Total for 2024	<u>30,100</u>	<u>30,100</u>

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total funds £
Studio operating costs	4,410	-	4,410
Arts Council	-	21,193	21,193
Belfast City Council	-	9,913	9,913
University of Ulster	-	21,038	21,038
NI Screen	-	1,950	1,950
Syllabus	-	2,477	2,477
Belfast 2024	-	74,727	74,727
Total for 2025	<u>4,410</u>	<u>131,298</u>	<u>135,708</u>
Total for 2024	<u>4,670</u>	<u>208,001</u>	<u>212,671</u>

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Notes to the Financial Statements for the Year Ended 31 May 2025

5 Other income

	Unrestricted funds General £	Total funds £
Total for 2024	<u>2,600</u>	<u>2,600</u>

6 Expenditure on raising funds

**Total
costs
£**

7 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total funds £
Studio operating costs	32,768	-	32,768
Arts Council N.I	-	24,290	24,290
Belfast City Council	-	9,627	9,627
University of Ulster	-	21,910	21,910
Freelands	-	763	763
British Council	-	5,153	5,153
The Mac	-	1,457	1,457
Esme Mitchell	-	1,973	1,973
Blueprint	-	153	153
Syllabus	-	2,758	2,758
Necessity	-	6,064	6,064
Belfast 2024	-	126,288	126,288
Total for 2025	<u>32,768</u>	<u>200,436</u>	<u>233,204</u>
Total for 2024	<u>34,052</u>	<u>168,299</u>	<u>202,351</u>

**Total
expenditure
£**

In addition to the expenditure analysed above, there are also governance costs of £900 (2024 - £840) which relate directly to charitable activities. See note 8 for further details.

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Notes to the Financial Statements for the Year Ended 31 May 2025

8 Analysis of governance and support costs

Governance costs

	Restricted funds £	Total funds £
Independent examiner fees		
Examination of the financial statements	900	900
Total for 2025	900	900
Total for 2024	840	840

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Notes to the Financial Statements for the Year Ended 31 May 2025

9 Trustees remuneration and expenses

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

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

10 Independent examiner's remuneration

	2025 £	2024 £
Examination of the financial statements	<u>900</u>	<u>840</u>

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

12 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 June 2024	3,516	3,516
Additions	<u>1,079</u>	<u>1,079</u>
At 31 May 2025	<u>4,595</u>	<u>4,595</u>
Depreciation		
At 1 June 2024	2,909	2,909
Charge for the year	<u>566</u>	<u>566</u>
At 31 May 2025	<u>3,475</u>	<u>3,475</u>
Net book value		
At 31 May 2025	<u>1,120</u>	<u>1,120</u>
At 31 May 2024	<u>607</u>	<u>607</u>

13 Cash and cash equivalents

	2025 £	2024 £
Cash at bank	<u>47,409</u>	<u>115,078</u>

14 Creditors: amounts falling due within one year

	2025 £	2024 £
Accruals	<u>720</u>	<u>720</u>

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Notes to the Financial Statements for the Year Ended 31 May 2025

15 Funds

	Balance at 1 June 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 May 2025 £
Unrestricted					
<i>General</i>					
Unrestricted	16,023	34,750	(32,768)	1,037	19,042
Restricted					
Arts Council NI	14,060	21,193	(24,290)	(1,037)	9,926
Belfast City Council	4,115	9,913	(9,627)	-	4,401
University of Ulster	3,521	21,038	(21,910)	-	2,649
Freelands	763	-	(763)	-	-
British Council	8,147	-	(5,153)	-	2,994
The Mac	1,457	-	(1,457)	-	-
Esme Mitchell	4,251	-	(1,973)	-	2,278
Blueprint	-	-	(153)	-	(153)
Syllabus	-	2,477	(2,758)	-	(281)
Necessity	7,818	-	(6,064)	-	1,754
Belfast 2024	54,810	74,727	(126,288)	-	3,249
NI Screen	-	1,950	-	-	1,950
Total restricted	<u>98,942</u>	<u>131,298</u>	<u>(200,436)</u>	<u>(1,037)</u>	<u>28,767</u>
Total funds	<u>114,965</u>	<u>166,048</u>	<u>(233,204)</u>	<u>-</u>	<u>47,809</u>

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Notes to the Financial Statements for the Year Ended 31 May 2025

	Balance at 1 June 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 May 2024 £
Unrestricted funds					
<i>General</i>					
Unrestricted	12,712	37,370	(34,052)	(7)	16,023
Restricted					
Arts Council NI	17,200	19,033	(22,173)	-	14,060
Belfast City Council	6,859	18,077	(20,821)	-	4,115
University of Ulster	3,204	21,273	(20,956)	-	3,521
Freelands	11,640	16,736	(27,613)	-	763
Artists Assembly	-	7,493	(7,500)	7	-
British Council	12,147	-	(4,000)	-	8,147
The Mac	2,183	-	(726)	-	1,457
Esme Mitchell	6,000	-	(1,749)	-	4,251
Necessity	-	10,000	(2,182)	-	7,818
Belfast 2024	-	111,389	(56,579)	-	54,810
Harvey Trust	-	4,000	(4,000)	-	-
Total restricted funds	<u>59,233</u>	<u>208,001</u>	<u>(168,299)</u>	<u>7</u>	<u>98,942</u>
Total funds	<u>71,945</u>	<u>245,371</u>	<u>(202,351)</u>	<u>-</u>	<u>114,965</u>

16 Related party transactions