THE ASSOCIATION FOR CULTURAL ENTERPRISES

England & Wales · Charity number 1122763

Details

Status	Registered
Legal form	Charitable company
Company number	06480726
Registered	2008-02-13
Register	View on the Charity Commission register

Contact

Address	Unit B7 Castle Gardens Stanhope Bishop Auckland DL13 2FJ
Phone	01388 741394
Email	info@culturalenterprises.org.uk
Website	www.culturalenterprises.org.uk

Activities

Objects: 1) TO PROVIDE EDUCATION AND TRAINING FOR ALL ITS MEMBERS AND THE GENERAL PUBLIC ON COMMERCE IN THE CULTURAL AND HERITAGE SECTOR; AND2) TO PROMOTE THE VOLUNTARY SECTOR FOR THE BENEFIT OF THE PUBLIC BY ASSISTING VOLUNTARY ORGANISATIONS AND CHARITIES TO MAXIMISE THEIR REVENUE BY PROVIDING A FORUM FOR SHARING INFORMATION AND IDEAS ON COMMERCE IN THE CULTURAL AND HERITAGE SECTOR.

Activities: The charity is run by and for cultural heritage trading professionals. It provides education, information and continuing professional development for all its members and promotes best practice. New members are always warmly welcome.

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Classification

- **How:** Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training
- **Who:** Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINEDN IN PRACTICE NATIONAL.
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£975,490	£948,795	£219,130	8
2024-03-31	£808,363	£952,146	£192,435	9
2023-03-31	£670,949	£768,611	£336,787	8
2022-03-31	£683,506	£680,928	£434,449	7
2021-03-31	£487,405	£385,373	-	-

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Trustees

Name	Role	Appointed
Melanie Victoria Margaret Lewis-O'Boyle	Chair	2024-04-03
ANN MORROW JOHNSON		2025-07-21
CAROLINE MARGARET ANNE REID		2025-07-21
GRAEME SILCOCKS		2025-07-21
Gabriela Ferreira Fernandez Gandolfini		2021-09-03
Iain Ashton Watson		2019-07-16
Kingston Adam Myles		2021-09-03
Laura Wright		2019-07-16
Matthew Martin Henderson		2021-09-03
STEPHEN JAMES GARDAM		2025-07-21
Zak Mensah		2019-07-17

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THE ASSOCIATION FOR CULTURAL ENTERPRISES

England & Wales - Charity number 1122763

Accounts

ASSOCIATION for CULTURAL ENTERPRISES

ANNUAL REPORT

1 APRIL 2024 - 31 MARCH 2025

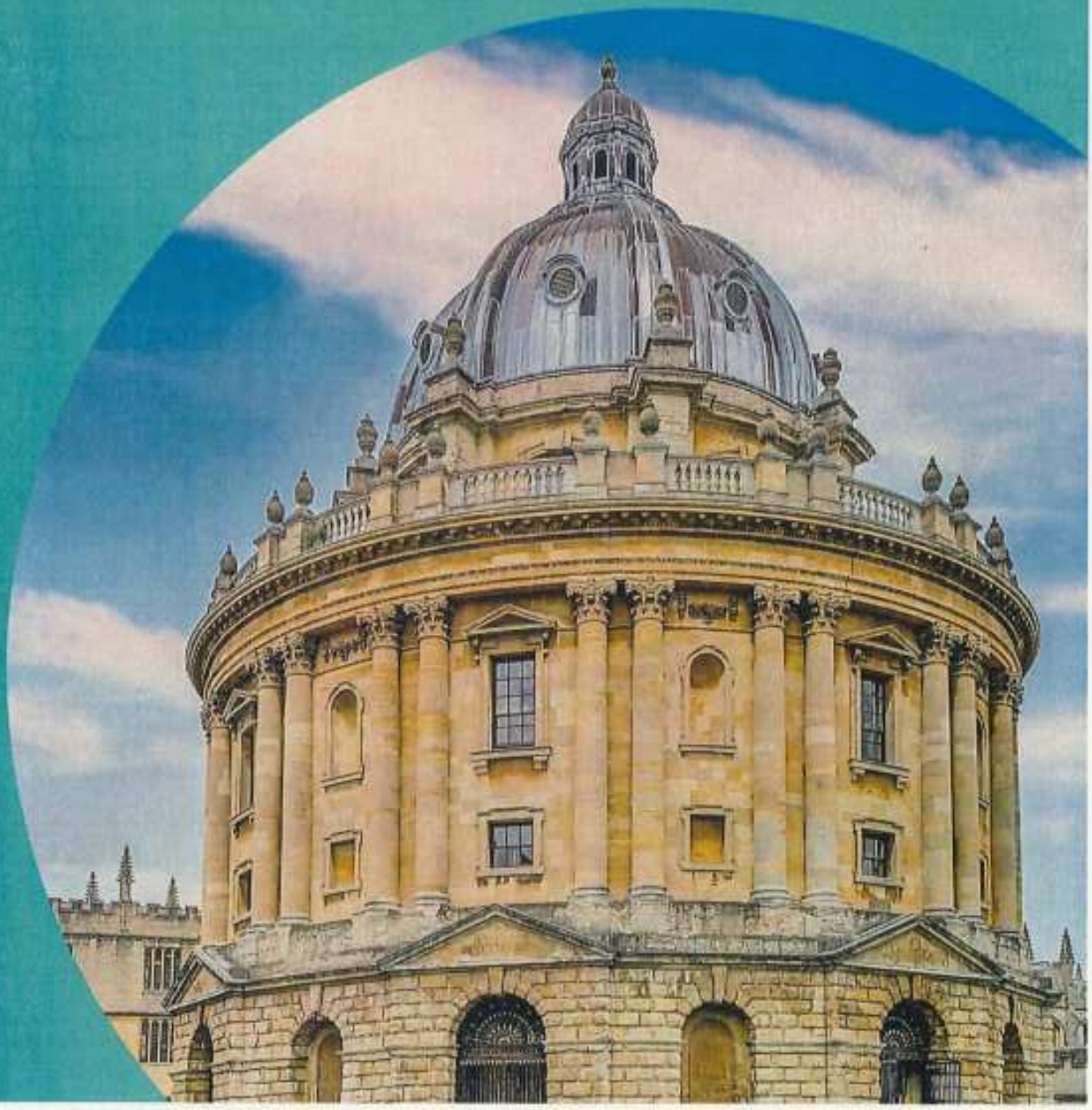


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INTRODUCTION

The Trustees of the Association for Cultural Enterprises present their Annual Report and consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2025, which have also been prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Front cover: Bodleian Libraries, Oxford, the setting for a Cultural Enterprises Masterclass on Venue Hire

OUR VISION, MISSION AND STRATEGIC AIMS

Our vision is to empower the cultural sector to secure a sustainable future.

Our mission is to promote commercial best practice in the cultural sector by harnessing the combined strength of our community's knowledge and experience. We deliver education and build connections across all areas of self-generated income, for everyone at every stage of their career.

To deliver our vision and mission we aim to meet the following strategic aims:

- To be recognised as the sector leader.
- To transform into a data-led organisation.
- To become less reliant on external funding.
- To become an environmentally sustainable entity.
- To raise our profile.
- To grow and develop our membership.
- To grow as a supportive and progressive employer.



Member networking at the Cultural Enterprises Conference in Liverpool

WELCOME



MELANIE LEWIS, MBE

Chair of Trustees

This has been a strong and important year for the Association. As we publish this Annual Review, I want to thank all of our members and partners for the continued support, commitment, and trust you place in us. Our work is only possible because of you.

The context across the sector remains challenging. Cultural organisations are still grappling with cost pressures and policy uncertainty, while continuing to deliver value to their communities and visitors. Many of our members are navigating increases in wage costs, National Insurance, and pension contributions, alongside ambitions to be exceptional employers for their teams and deliver outstanding experiences for customers and clients. This is demanding work, and it deserves recognition.

In that context, 2024/25 has been a year of real momentum and progress for the Association. Our membership grew by 9%, and we returned to operating at a financial surplus. More importantly, we focused our resources where they matter most: helping members to build capability, generate income, and stay connected to each other and to best practice.

We launched the Commercial Performance Barometer in January, which is already proving to be one of our most valued tools. It gives organisations real-time insight into income trends and visitor behaviour, supporting you to make sharper decisions and plan effectively. We introduced the Online Member Forum to strengthen peer-to-peer collaboration, expanded our free Regional Networking events, and launched a new free Jobs Board. These are practical, member-driven changes, which are already delivering benefits.

The Cultural Enterprises Academy continues to grow in depth and value, offering outstanding CPD approved content completely free to all staff across member organisations. We are proud to offer learning that supports commercial growth, operational resilience, and leadership development; accessible to all, regardless of size or geography.

Our flagship event, the annual Conference, reached new heights this year. Over 800 delegates, exhibitors, and speakers joined us in Liverpool, making it the largest event in our history. For me personally, it was a joy to welcome so many of you to my hometown. The energy, insight, and generosity on display was outstanding. Speakers from inside and outside the sector,

including Liverpool FC and Hasbro, reminded us that cultural commerce is constantly evolving and that the Association sits at the heart of that progress. Special thanks to our member organisation, National Museums Liverpool, for their support in delivering events across their portfolio of venues, and to all our partners and sponsors for their generous and valued support.

We are also deepening our impact around sustainability and innovation. The Seeds of Change prize is supporting bold ideas like Fruitmarket's Future Makers programme, and our Retail Sustainability Framework is giving practical, everyday tools to teams trying to work more sustainably. These resources are tangible, accessible, and already delivering change.

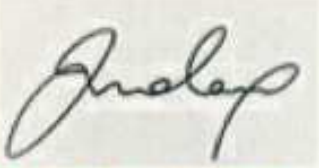
Looking ahead, we will launch our new Emerging Leaders Programme to support the next generation of commercial leaders. We will continue to enhance our benchmarking, deepen our learning offer, and grow our national reach and influence. Building on the success of this year's Mentoring Programme, now into its fifth year, we will launch an expanded and refreshed programme to provide even greater support to our members throughout all stages of their career. And we will keep strengthening the tools and networks our members need most.

This has also been a period of transition for the Association. In March 2025, we knew that our Chief Executive, Gordon Morrison, would be stepping down later in the year. Gordon has made an exceptional contribution to the growth and confidence of the Association and leaves us in a position of real strength. We wish him every success in his exciting new role, and on behalf of the Board, I want to thank Gordon for his leadership, vision, and commitment.

We also said goodbye to Trustees Caroline Brown, Chris Gilbert and Rod Taylor during this period. Their insight, experience, and generosity have played a vital role in shaping the organisation's recent development. I would like to thank them all for their service and impact.

As this report goes to publication, recruitment for our next Chief Executive is underway. The Board remains focused on securing the right leadership to take the Association forward. We are clear in our ambition, values, and purpose, and we are confident in the road ahead.

Thank you to all of our members for being part of this community. Please continue to use what is on offer, challenge us, and share your ideas. The Association is stronger because of your involvement, and we look forward to working with you in the year to come.



MELANIE LEWIS, MBE

MEMBERSHIP

The year to March 2025 saw a **9% increase** in membership, bringing our total membership to 520 organisations, made up of 330 Members and 190 Associates. Acting in response to member feedback, we have introduced a number of significant new member benefits. **These critical tools are not just features – they're designed to shift how cultural enterprises work and grow.**

- Our new **Commercial Performance Barometer** offers monthly benchmarking insights gathered from member venues, accessible via an interactive dashboard.
- The online **Member Forum** is a place for members to share knowledge and solutions, post questions and connect with each other.
- The new self-service **Job Board** (with free advertising for members from 1 April 2025) makes it easy for members to recruit the best talent from across the sector.
- A series of **free regional networking events** now support local connections.
- In response to feedback from Associates who wanted more opportunities to engage with members, we have introduced a new tiered membership structure, with flexible options to increase reach and visibility.
- We also launched an enhanced, fully searchable **Supplier Directory**, and all Associates now have the opportunity to create an **Exclusive Member Offer** to help raise their profile.

What's Next

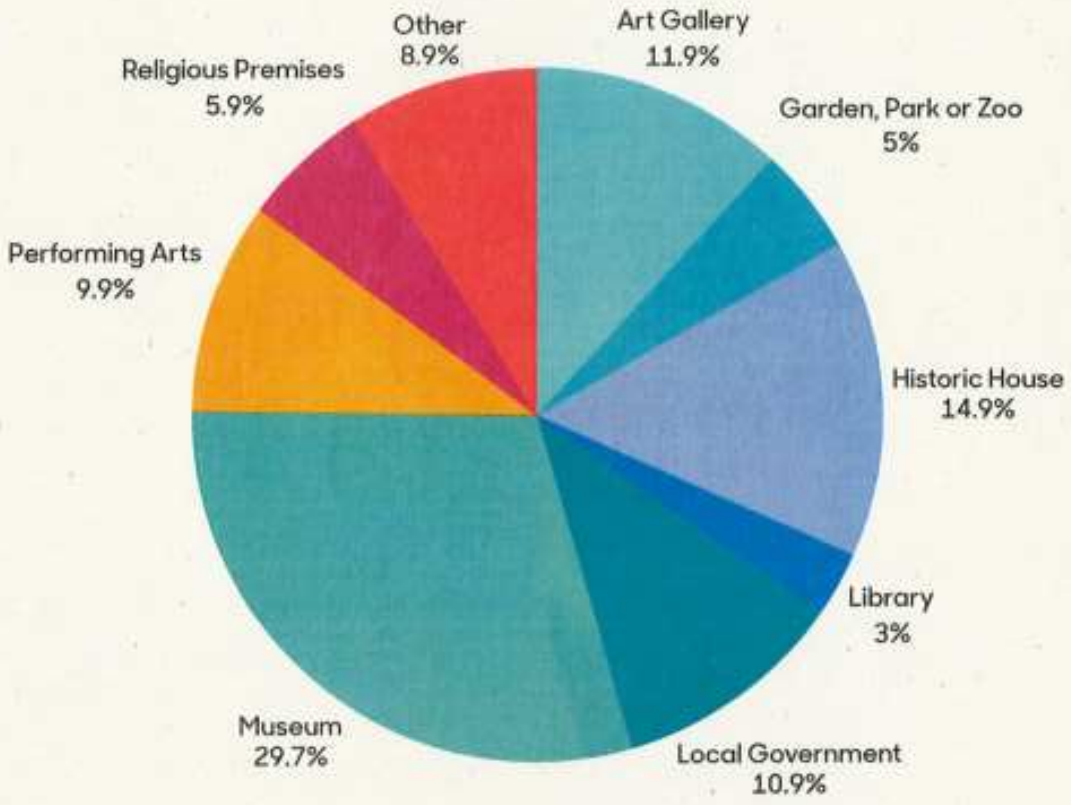
Strengthening engagement with our new member benefits will be a priority, reflecting our ongoing commitment to ensuring our members' voices continue to shape our work, and to building a connected and collaborative membership community.

The Association community has been such a welcoming and supportive place for me and my team. I am grateful for its support, endorsement and encouragement.

Rosie Baker, Director of Commercial & Operations, Foundling Museum (pictured right, receiving the Best Ticketing Initiative Award with Tabitha Paterson, Visitor Engagement Manager)



Members by Organisation Type and Region





Members

COMMERCIAL PERFORMANCE BAROMETER

Launched in January 2025, the Commercial Performance Barometer marks a game changing new benefit for our members—delivering the most up to date, consistent, and sector-specific insight into commercial and audience performance across UK cultural venues. This monthly survey is already transforming how organisations understand and respond to commercial trends, enabling participants to benchmark performance, identify emerging patterns, and share best practice.

Highlights

- January results revealed a mixed start to the year: overall admissions were down 4% compared to January 2024, driven in part by adverse weather, temporary closures, and ongoing cost-of-living pressures.
- However, the data also highlighted areas of resilience—particularly in retail and catering, where increased average spend per visitor and transaction value suggested a willingness among audiences to pay more for quality experiences.
- Encouragingly, 47% of members reported good or excellent commercial performance, and 66% expressed optimism about the year ahead.

What's Next

With over 100 sites engaged in its first three months, the Barometer is fast becoming an essential planning tool, providing data that has the potential to shape strategic decisions and drive improvement across the sector. We will continue to grow participation, measure reach across our membership, and embed the Barometer into our member value proposition—ensuring even more organisations can benefit from these timely and actionable insights.

The Barometer feels transformative - becoming data-led enables us to benchmark performance and identify opportunities plus quick wins that are essential in a challenging market

David Middlemiss, Deputy Chief Executive, Black Country Living Museum

Dashboard

ONLINE MEMBER FORUM

As part of our commitment to fostering greater connectivity and knowledge sharing across our community, and in response to demand from members, this year saw the successful launch of our free Online Member Forum. Designed as a dedicated space for members to post questions, share advice, and connect with peers, the Forum has already seen encouraging uptake. By strengthening participation and embedding the Forum into the member journey, we hope to build a more connected, informed, and engaged community.

Highlights

- Since launching in November 2024, we've seen 318 unique posts from 271 unique users
- There have been 5,652 page views across a wide range of topics including events, venue hire, F&B, visitor experience, retail, and ecommerce. This early activity highlights both the appetite and potential for deeper collaboration and peer-to-peer learning.

What's Next

Looking ahead our focus is building on this momentum. We aim to increase the proportion of members actively using the Forum, not only by enhancing its visibility and usability but also by encouraging contributions. This will include tracking engagement metrics to better understand its impact and inform future improvements. We'll also explore opportunities to integrate the Forum more fully into our member acquisition strategy, positioning it as a key benefit of joining.

Member Forum



Peta Swindall & Samantha Lane, Little Angel Theatre sharing insights at the Conference

EVENTS

Our annual events programme delivers expert-led training, peer-to-peer learning and valuable networking opportunities, covering all commercial activities within the sector including catering, ecommerce, filming, retail, sustainability, ticketing, venue hire and visitor experience.

Highlights

- Over **1,600** delegates engaged with our events programme across the year, with a **94%** average satisfaction score.
- **Seeds of Change** was our first networking event specifically aimed at senior leaders, with content showcasing the best of environmental sustainability initiatives in the cultural sector as well as the presentation of the inaugural Seeds of Change prize fund.
- Our new series of **one day online conferences** are designed to make commercial content and networking accessible to all, with peer-to-peer exchange of experience and the opportunity to connect, network and share ideas in roundtable discussions.
- Our **free regional networking events**, created in response to member feedback, provide an opportunity to make new connections and hear commercial insights in an informal setting.

What's Next

We'll continue to deliver inspirational and engaging training events and networking opportunities to support income generation in the cultural sector, both online and in person, with bursary places available to ensure all events are fully accessible to our members.

> **The event gave me head space to review where we are and how we can move forward. It was nice to be in a room full of people who understand running a business within a cultural venue.**
>
> *Jess Nicklin, Hospitality Operations Manager, BALTIC Centre for Contemporary Art*

Events



Lewis Iwu, Purpose Union, spoke at View from the Top on Diversity, Equity and Inclusion

CONFERENCE

In March 2025 we delivered our biggest and most ambitious Conference to date, bringing together over 800 delegates, exhibitors and speakers in the vibrant city of Liverpool. The two day event showcased inspiring case studies and innovative projects across all areas of cultural income generation, with a wide range of speakers from across the sector and beyond.

Highlights

- 23% increase in delegate numbers compared with the previous year, including increased attendance from senior leaders.
- Our exceptional keynote speakers Tom Cassidy, Liverpool Football Club and Ashley Alexander, Hasbro, both gave inspirational talks that were very well received.
- A vibrant atmosphere with connections being made and conversations touching on everything from strategy and leadership to shopfloor challenges and opportunities.
- 92% rated their overall satisfaction with the event as Very Good to Excellent.

What's Next

Responding to feedback we will be exploring further opportunities to enhance the Conference programme with a number of fringe activities including learning tours, focused and facilitated networking sessions, and the Trustees Lounge where delegates can meet and chat informally with our Board of Trustees.

> **Excellent conference – we learnt a lot and made many new connections. The sector has challenges that can't be ignored but opportunities that must be grasped.**

Tom Cassidy, Director of Tourism, Liverpool FC (pictured right delivering the keynote speech)





> **One of the most welcoming and forward-thinking gatherings of the year, brilliantly organised. Inspiring to be surrounded by passionate professionals, all dedicated to shaping the future of cultural attractions.**
>
> *John Turner, Director, The Penny Press*

> **An inspiring and successful conference with a multitude of different talks which have left me energised and excited for the future of culture and heritage in the UK.**
>
> *Will Desmond, Deputy Visitor Experience Manager, The Design Museum*







Delegates, exhibitors and speakers including (right) keynote Ashley Alexander, Vice President – Film, Hasbro

TRADE SHOW

The Cultural Enterprises Trade Show is a flagship event, providing a platform for sector-level supplier development, product innovation, and commercial growth. Our goal is to create a welcoming, dynamic space where delegates can discover new brands and opportunities, and exhibitors can showcase their products, grow their networks, and strengthen their presence in the sector. We curate the show with care, striking a balance between returning exhibitors and fresh, innovative voices, ensuring the experience remains high quality, relevant, and inspiring.

Highlights

- Design Nation Collaboration - a curation of independent designer makers for whom the opportunity for exposure and connection is increasingly valuable.
- Cultural Connections Lounge - new for 2025, Stephen Spencer + Associates hosted this informal networking space for drop-in conversations and knowledge sharing.
- Stand sales grew by nearly 10%, and the standard of presentation was particularly high, offering thoughtful and meaningful engagement for delegates. The atmosphere was vibrant, creative and highly valued by all in attendance.

What's Next

We are committed to continuing to enhance the Trade Show experience, for both exhibitors and delegates. This includes attracting new brands to keep the event fresh and exciting; supporting our loyal exhibitors with the best environment to meet new clients; and expanding interactive areas such as the Cultural Connections Lounge to maximise engagement throughout the event.

Another wonderful event! I've come away full of ideas, projects, new friends (and important contacts) and above all filled with enthusiasm to create moments of wonder.

Zoe Scott, Cured (Exhibitor)





25% new exhibitors

90% plan to return in 2026

> **Easy to navigate and spacious, enabling meaningful conversations, like being in a high end retail setting. One of the best shows I've visited.**
>
> *Trade Show Visitor*







AWARDS

The only industry Awards which exist solely to recognise and celebration commercial success and creativity in the cultural sector, the **Cultural Enterprises Awards** provide a platform to showcase best practice and inspire innovation in sustainable income generation.

Highlights

- For the first time entries were open to all cultural organisations, not just members, providing the opportunity to increase awareness of the Awards throughout the sector.
- New categories were introduced covering the full range of commercial activity including filming, venue hire, ticketing, marketing and a popular new Award for Team of the Year.
- A new set of criteria was created for consistency across all categories and judges, based on three key elements - innovation, commercial success and sustainability and/or EDI.

What's Next

Continuing with this established set of award categories and criteria, we'll continue to grow awareness of the Awards, increasing entries from across the wider sector and positioning the Cultural Enterprises Awards as a prestigious and highly sought after badge of excellence.

The calibre of entries demonstrates supreme entrepreneurialism, excellence of visitor experience, and real resilience. Ground breaking, sector leading – we have it all here.

Rebecca Hossain, Director of Commercial & Operations, Sir John Soane's Museum



See all Winners







The passion and commitment displayed in each entry was apparent, as was innovation and creativity. It was inspiring to see how these were applied to achieve greater inclusion, diversity and sustainability.

Siobhán Lynch, Deputy Chief Executive & Director of Operations, Titanic Belfast





SUSTAINABILITY

As part of our ongoing commitment to environmental responsibility, we continue to embed sustainable practices across our operations, events, and member services. Sustainability is an evolving process, and each activity presents an opportunity to identify new and improved ways of working more sustainably.

Highlights

- We actively prioritise **public transport** for business travel and select venues based on accessibility by public transport. In 2024-25 car/van use for the Conference and Trade Show fell from nearly 60% to just 25%, showing that location planning and sustainable travel messaging are having a tangible impact.

- All staff have completed **Carbon Literacy Training**, deepening our understanding of the climate emergency, pathways to net zero, and how we can take steps to effect change.

- We have made significant strides in **sustainable event delivery**, reducing print and using recycled materials; encouraging encouraging exhibitors to reuse sustainable display materials; sourcing local and sustainable catering where possible; adopting fully vegan/vegetarian menus; and creating a sustainability checklist for each event.

- Our **Sustainability Working Group,** comprising professionals from across the sector, continues to play a vital role guiding and supporting our sustainable initiatives.

- In February 2025, we launched our first online **Sustainability Conference**, which was well attended and positively received. This is now a regular fixture in our calendar, providing an annual opportunity for members to learn and share best practice around sustainability.



The Conference app has replaced all printed materials for both delegates and exhibitors

SEEDS OF CHANGE

Launched in 2024 and open to all members, the annual £10,000 Seeds of Change prize fund was created to encourage innovation in sustainable, income-generating projects across the cultural sector. The calibre of entries was exceptionally high, and we commend all the 2024 Finalists, including Insole Court Trust and National Theatre for their imaginative, inspiring proposals.

Highlights

- The inaugural award was presented to **Fruitmarket**, whose innovative Future Makers programme exemplifies the blend of commercial thinking and sustainable practice the prize was created to support. Designed by Buying & Retail Buyer **Allison Everett**, the programme supports independent makers and emerging artists in Scotland by mentoring them to develop commercially viable products for gallery retail, while staying true to their creative practice.
- Future Makers is now successfully supporting the creation of new sustainable business opportunities, and has been transformative for Fruitmarket - a shining example of what happens when creativity meets opportunity.
- Another Finalist, Insole Court Trust has been inspired to launch its mobile Tuk Tuk café independently - proof that the prize's influence goes well beyond its single winner.

What's Next

Seeds of Change reinforces the vital role the cultural sector can play in nurturing innovation and sustainability from the ground up. We'll continue to share outcomes from Future Makers as well as follow the journey of the 2025 award winner (to be announced summer 2025), showcasing and inspiring sustainable commercial innovation across the sector.

Seeds of Change has enabled us to raise much-needed income while bringing new voices into cultural retail, a model which can be upscaled to help even more makers across the UK.

Allison Everett, Buying & Retail Manager, Fruitmarket (pictured left with Kathleen Glancy, Development Manager)



RETAIL SUSTAINABILITY FRAMEWORK

In line with our sustainability commitments and shaped by member feedback, we have developed a suite of practical resources to support retail teams and suppliers in embedding sustainability across their operations, enabling them to take meaningful, measurable action at their own pace.

Highlights

- 14 bespoke resources developed in-house to support sustainable retail practices, including templates, guidance documents, examples of sustainable practices, and how-to guides.
- Just under 300 downloads since the launch of the Framework in March 2025.
- All users are encouraged to sign up to our **Sustainable Retail Pledge** to help build a national picture of positive action.

What's Next

The Framework is a dynamic resource and will continue to evolve to reflect new research, trends and sector needs, with up to date and relevant illustrative case studies.

> **I'm now using the Framework on a daily basis and I've already written a policy using it. It's another example of the incredible benefits the Association offers.**
>
> *Matthew Henderson,*
> *Cultural Enterprises Trustee*

Framework



Sustainable publishing by Bookspeed, one of several member case studies in the Framework

MUSEUM SHOP SUNDAY

Museum Shop Sunday continues to generate huge enthusiasm from members and the wider sector, creating a focal point to collectively showcase the fantastic retail offer at cultural venues and the vital role it performs. It offers a great platform for cultural organisations of all types to showcase products, reach new audiences and boost sales.

Highlights

- 2024 was our biggest campaign to date, with over 150 UK organisations taking part, including multi-site nationals like English Heritage, Historic Scotland and Amgueddfa Cymru as well as iconic venues like Royal Ballet & Opera, and dozens of local museums and galleries across the country from Shetland right down to Cornwall and even Guernsey.
- The new **Shop with Purpose** tagline really resonated with audiences, perfectly capturing the essence of the campaign around thoughtful, sustainable shopping.
- Our Instagram campaign was really impactful, with reach soaring by 315% to 15.3k. Collaborative posts with participants performed best, with a reach of up to 4k per post, and engagement grew by 100% to 1.1k.

What's Next

We have created new Museum Shop Sunday web pages which have had over 12k views, including an online shop directory which will now sit on our website as a permanent feature. We'll continue to promote the annual campaign and encourage participation across the sector.

Museum Shop Sunday - what an amazing way of highlighting everything great about retail in cultural attractions! We posted record retail sales on the day.

Rob King, Operations and Project Manager, The Story, Durham



MENTORING

The Cultural Enterprises Mentoring Programme is a highly rewarding opportunity for members. The programme features a full day of online training, including a personalised matching session. Mentors receive an additional day of training, while mentees benefit from a session focused on guidance and support.

> **I have become a better leader because of this programme and my mentor**
>
> *2025 Mentee*

The 2024-25 Cohort

Employer	Job Title	Mentor		Mentee	Job Title	Employer
Courtauld Institute of Art	Commercial Director	**Jonathan Ping**	=	**Jennifer Pass**	Business Development Manager	Barnsley Museums
Bath Museums & Galleries	Retail Services Manager	**Rachel Chivers**	=	**Will Desmond**	Deputy Visitor Experience Manager	The Design Museum
National Gallery	Head of Operations	**Carole Keltie**	=	**Kirsty Richards**	Venue Operations Manager	Wales Millennium Centre
Young V&A	Head of Operations & Commercial	**Amy Akino-Wittering**	=	**Danny Woolston**	Public Programmes Producer	National Army Museum
Take the Current Ltd	Director	**Louise Emerson**	=	**Natalie Stevens**	Manager, Not just a shop	University of the Arts London
Royal Botanic Garden Edinburgh	Head of Enterprises	**Clare Short**	=	**Leah Scarlett**	Retail Store Assistant Manager	Royal Armouries

ACADEMY

The **Cultural Enterprises Academy** offers over 40 units of CPD approved learning available free of charge to all staff in member organisations - an incredible member benefit worth nearly £2,000 per person.

Highlights

- This year several new courses were added to the Academy:
  - **An Introduction to Fundraising** by Cécile de Cormis
  - **Finding the Right Ticketing System** by Carly Straughan
  - **Creating Transformative Visitor Experiences** by David Hingley, Bianca Corriette and Rachel Kuhn
  - **Value Led Visitor Journey Design** by David Hingley, Bianca Corriette and Rachel Kuhn
  - **A Quick Guide to Mentoring and Coaching** by Gabriela Gandolfini

- Enrolments were up **20%** in 2024-25 compared to the previous year.
- The most popular courses included Visual Merchandising, Leadership, Shop Floor Skills, Maximising Commercial Income and Consumer Psychology.

What's Next

We are looking forward to refreshing existing courses and creating new ones, with a further four courses due to be added to the library of content in 2025-26. A particular focus will be on creating learning pathways for entry-level and junior cultural professionals.

Explore courses



Filming a new Visitor Experience course, presented and co-created by Bianca Corriette, BOP Consulting

LOOKING AHEAD



GORDON MORRISON

Chief Executive

As I prepare to embark on my own next chapter as a member of the Association, rather than its CEO, I reflect on 2024/25 with immense pride and a deep sense of accomplishment. It brings me tremendous satisfaction to know that I will be leaving the Association for Cultural Enterprises in a position of strength, with our membership reaching a record high of over 520 organisations. Furthermore, the sheer scale and success of our Liverpool conference and trade show this year, which brought together over 800 individuals from across and beyond the cultural sector, underscores the vibrant and dynamic community we serve.

I am also incredibly proud of the remarkable dedication and responsiveness demonstrated by our Executive Team and Trustees throughout the past year. Recognising the significant challenges facing cultural organisations in the current climate, their unwavering commitment to understanding and addressing the evolving needs of our members has been truly inspiring. We listened intently when our members clearly articulated their need for more practical, free tools and services to help them navigate these turbulent times, and I am delighted that we took decisive and bold steps in 2024/25 to deliver on this.

This commitment translated directly into significant investment and the successful launch of several key, free initiatives designed to provide tangible support:

- The **Commercial Performance Barometer**, our new monthly resource which empowers members with crucial data and insights to monitor their commercial health, understand broader sector trends, and identify pathways for growth by benchmarking their performance against their peers.
- The **Online Member Forum** now provides a seamless platform for our members to connect, engage in peer-to-peer learning, seek support and inspiration, and share valuable ideas and insights.
- Our new series of free **Regional Networking Events** directly addresses the strong desire expressed by our members for more in-person connection and collaboration.

Furthermore, our commitment to providing practical and meaningful education and training has been significantly amplified. In direct response to the need for bespoke development opportunities, I am particularly excited about the upcoming launch of our new Emerging Leaders Programme in 2025/26. This unique initiative is specifically designed to support and cultivate the next generation of commercial leaders within our sector.

Finally, we have made significant strides in providing greater inspiration and sharing best practices from both within and beyond our sector. This has been achieved through:

- The development and launch of new Online Academy Courses, offering expert-led learning and practical insights.
- The hosting of webinars and events featuring insightful guest speakers from diverse industries, broadening our collective perspectives and understanding.
- Our largest and most ambitious conference to date, which featured outstanding keynote speakers such as Tom Cassidy from Liverpool FC and Ashley Alexander from Hasbro, bringing invaluable commercial expertise and fresh perspectives directly to our members.

Looking ahead to 2025/26, the focus now shifts firmly to empowering our members to fully leverage these fantastic new benefits. These are all new resources, and their success hinges on your active engagement. You asked for them, and we delivered – so please, I urge you to utilise them fully. Our commitment to you remains steadfast: we will not stand still and will continue to seek opportunities to provide even greater value for your membership in these challenging times. A prime example of this ongoing commitment is the launch of our new free job advertising service which is already being widely adopted.

I am optimistic that the support the Association now provides, and will continue to provide in the months ahead, will make a real and meaningful difference, equipping you with the tools you need not just to survive, but to truly thrive. I extend my very best wishes for great success in the year ahead to all our members and everyone connected with the Association.

WITH THANKS TO OUR PARTNERS AND SPONSORS

ARTS COUNCIL ENGLAND

navigate

Peridot

CULTURAL ENTERPRISES CONFERENCE

Tourism Exchange Great Britain

intelligent counting.

n-gage.io

COMPLETE WORKS

Entegra

BIC graphic

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Katapult

VisitEngland

ARTS & CULTURE PODCAST

KING & McGAW EST. 1982

TREASURER'S REPORT

For the year ending 31 March 2025

The Association made a surplus of £26,695 in the year ended 31 March 2025 compared to a deficit of £144,352 in 2024. This builds on a year of planned investment in member services and benefits in 2023/24. That strategy is now delivering results, with increased engagement and a stronger financial position in 2024/25.

The 2024 deficit included the impact of a number of one-off items, including the write-off of the remaining Thruu ecommerce assets and reserve commitments made in respect of key projects. In 2025, business has returned to regular Association activities of training and conference provision, which have seen improved margins.

Consolidated income for the year was £975,409, an increase of nearly £167,000 on the 2024 income of £808,512. Of this £201,000 was grant income; we are once again grateful to Arts Council England for their continued support.

Membership income has seen a further significant year on year increase of £24,000 (30%) to just under £106,000. This continues the trend of growth in membership numbers in both Full and Associate Members.

Income from educational activities of £202,954 is an increase on 2024 income of £142,831. A significant contribution to that was the increase in Conference delegate income - at £127,535 this was an increase on 2024 levels by £41,652.

Trading activities income has increased to £458,360 in 2025 from £381,154 in 2024, a 20% increase. This is helped by increases across categories of Conference and Trade Show income, Associate Membership and income from the Association's online Job Board.

Overall, the Conference and Trade Show, our key event of the year performed very well, with costs carefully managed and income opportunities maximised. The margin for the year was £137,880 (36%) compared to 2024: £77,871 (25%).

Staff costs have reduced on 2024 levels by £15,500 (7%) – this was achieved by a review and rationalisation of activities within the staff base. Careful management of costs means charitable activity expenditure has only increased overall by £20,499 (4%) on 2024 levels and trading activity expenditure has decreased by £24,000 (6%) on 2024 levels.

With regards to the balance sheet, current assets have increased by £137,000 due to additional cash being held at year end in 2025 compared to 2024. However, creditors have also increased at the end of the year so overall net assets are increased by £26,695.

The surplus for the year is transferred into the general reserve to contribute towards funds held in accordance with our reserves policy of holding two to three months of operating expenditure in our unrestricted reserves. At the end of the year, the total unrestricted reserves held was £219,130, which is within that range.

Reserves Policy

Reserves are held to fund working capital, to provide resources for future activities, to offset unforeseeable shortfalls in income, and to protect the Association against unplanned adverse events. The Trustees have identified the following key factors in setting the level of reserves:

- the level of volatility in our income
- the level of dependency on the Conference and Trade Show
- our need to develop the organisation's financial resilience and rebuild/augment our activities
- the need to be better prepared for significant, unexpected events that could have substantial detrimental impacts upon the Association.

The Association needs liquid funds for working capital requirements and to cope with fluctuations in income. To address this, we have taken two to three months of operating expenditure to create a target range for the level of free reserves. Based on current expenditure levels, this means we need between £158,100 and £237,200 in free reserves. With the opening general reserves of £192,435 and the surplus for the year of £26,695, the closing reserves are £219,130 which are within this target range.

OBJECTS AND PUBLIC BENEFIT

The Association for Cultural Enterprises is a charity established to deliver public benefit through the promotion of excellence in cultural trading, which contributes to the resilience and sustainability of cultural institutions across the UK.

In planning and overseeing the Association's activities for the year, the Trustees have given due consideration to the guidance published by the Charity Commission relating to public benefit. The trustees have considered how the charity's activities contribute to our aims and objectives and are satisfied that the Association is delivering benefits to the cultural and heritage sector via its member organisations.

The Association's charitable purposes are part of the charity's objects as stated in its Articles of Association:

1. To provide education and training for all its members and the general public on commerce in the cultural and heritage sector.
2. To promote the voluntary sector for the benefit of the public by assisting voluntary organisations and charities to maximise their revenue by providing a forum for sharing information and ideas on commerce in the cultural sector.

Activities for Achieving Objectives

The Association provides education and training to its members on a wide range of commercial activities (including publishing, licensing, venue hire, film locations, retail and catering) which helps members to maximise self-generated income for their organisations.

The Charity can call upon a considerable pool of expertise via its staff, Trustees, external experts and the general membership. All members are encouraged to take advantage of this expertise via formal training and online tools, as well as networks and contacts facilitated by the Charity's activities.

Formal learning and development opportunities include:

- Masterclasses delivered by expert trainers
- Peer to peer Study Days covering a wide range of topics
- Certified courses delivered through the online Academy
- The annual Conference

Other learning and development opportunities include:

- Networking at events
- Mentoring programme
- Resource library including model contracts, podcast, blog and benchmarking
- Cultural Enterprises Awards.

Two bursary places are available for each online event and one for each on site event throughout the year, covering the cost of the delegate fee. These are limited to one delegate per member organisation. Additional bursaries are available for the annual Conference.

Membership Criteria

Membership is subject to the criteria set out in the Charity's Articles of Association. Both Members and Associates are warmly encouraged to attend events and meetings, but voting is constitutionally allowed only to Member organisations through their nominated representatives.

Membership is open to any cultural organisation that is established for public benefit and registered as a charity, or otherwise run not for profit. Such organisations include museums, galleries, libraries and archives, historic houses and gardens, zoos and aquariums, religious premises, theatres and arts centres.

Associate (non-voting) Membership is open to any UK cultural organisation run for private profit and any commercial companies, firms or individuals that support the Association's work. Non-profit, cultural organisations from outside the UK are also welcome to join as Associate Members.

Fundraising

The Association is funded by the subscriptions of its members, payments for education activities and profits from Cultural Enterprises (Trading) Limited. We are also supported by Arts Council England. We do not undertake any fundraising activity from the general public and as such we are not subscribed to any particular scheme of fundraising regulation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Charity's constitution consists of a Memorandum and Articles of Association. These were subsequently amended and consolidated into a single set of Articles of Association. Cultural Enterprises (Trading) Limited (CET) is a trading subsidiary company of the Charity established by the Trustees in 2013 in order for the Charity to expand its activities and carry them out more profitably with less risk. CET's activities comprise principally the Masterclasses and Conference, with any net operating profits being donated to the Charity under Gift Aid. The results of the company are included within the Charity's consolidated accounts.

Appointment of Trustees

All Trustees are required to have one or more of the skills required to govern, manage and steer the Charity effectively. Prospective Trustees are recruited by the means of advertisement on the Charity's website and email broadcast with candidates being interviewed by a panel of Trustees and expert advisers for suitability.

All Trustees are informed of their legal responsibilities to the Charity and of governance procedures generally. Further training is given to new Trustees on appointment. Following amendments made to the Articles of Association at the 2024 AGM, the Trustees shall ensure there is never a majority of Independent Trustees from outside the membership serving on the Board.

Key Management Personnel

Alongside the Trustees, all members of staff are considered key management personnel given the current scale of the Charity's operations. This may change if the charity grows and will be reviewed annually.

Setting pay within the Association is a matter for the Board. Initial salaries are discussed and agreed between the Chief Executive and the Trustees. An annual review of salaries is undertaken by the Finance and Risk Committee which takes into account performance, market rates for similar positions and the prevailing rate of inflation. The Committee is not bound to increase salaries annually.

There is no bonus scheme or performance related pay mechanism. None of the Trustees receive remuneration for their roles as Trustees of the Association. The staff team is salaried and employed by the charity. The Association employees are also employees of CET.

Organisation

The Trustees delegate the Charity's day to day work and implementation of strategy to the Chief Executive who is a full time employee of the Charity and Managing Director of the trading company. There are seven further employees.

Training courses are delivered either by staff from member organisations giving their time free of charge, or by industry professionals contracted to the Association or CET. Secretarial and legal support is provided by Bates Wells.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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 charitable company and the group and of the incoming resources and application of resources, including the 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the Trustees on 30/07/25 and signed on their behalf by:



MELANIE LEWIS

Chair of Trustees

REFERENCES AND ADMINISTRATIVE DETAILS

Association for Cultural Enterprises
Company registered no. 06480726
Registered charity no. 1122763

Registered Office and Principal Trading Office
Unit B7, Durham Dales Centre
Stanhope, Bishop Auckland DL13 2FJ

Solicitor and Company Secretary
Bates Wells
10 Queen Street Place
London EC4R 1BE

Independent Examiner
P W Lamb FCA, Allen Sykes Limited
5 Henson Close, South Church Enterprise Park
Bishop Auckland DL14 6WA

Banker
Unity Trust Bank
Planetary Road
Willenhall WV1 9DG

Trustees
Caroline Brown *(retired April 2024)*
Jo Clarkson *(Treasurer, independent)*
Gabriela Gandolfini
Chris Gilbert *(retired November 2024)*
Matthew Henderson *(independent)*
Melanie Lewis MBE *(Chair, appointed 3 April 2024)*
Zak Mensah
Anthony Misquitta
Kingston Myles
Rod Taylor *(retired November 2024)*
Iain Watson OBE *(independent)*
Laura Wright

Finance and Risk Committee
Jo Clarkson
Adam Lee-Pentelow
Gordon Morrison
Kingston Myles

Cultural Enterprises (Trading) Ltd
Laura Cave
Jo Clarkson
Anthony Misquitta
Kingston Myles

Staff Team

Fi Anderson	Creative Development Manager
Tom Dawson	Director of Digital
Julia Heppell	Membership & Events Coordinator
Charlotte McArdle	Admin Apprentice
Gordon Morrison	Chief Executive
Fionnuala O'Donovan	Head of Events
Derek Smith	Finance Manager
Jo Whitworth	Communications Manager

INDEPENDENT EXAMINER'S REPORT

I report to the trustees on my examination of the financial statements of the Association for Cultural Enterprises ('the charity') for the year ended 31 March 2025.

Responsibilities and Basis of Report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

Independent Examiner's Statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

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

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

Signed: P W Lamb

Dated: 30/7/25

Mr P W Lamb FCA
Independent Examiner
Allen Sykes Limited
5 Henson Close
Bishop Auckland
DL14 6WA

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Including income and expenditure account for the year ending 31 March 2025

	Note	2025 Unrestricted funds £	2025 Total funds £	2024 Total funds £
Income				
Memberships	2	105,918	105,918	81,756
Grants	2	201,643	201,643	201,643
Educational activities	3	202,954	202,954	142,831
Trading activities	4	458,360	458,360	381,154
Investment income	5	6,615	6,615	979
Profit on disposal of fixed assets		-	-	149
Total income		**975,490**	**975,490**	**808,512**
Expenditure				
Trading activities	4	399,851	399,851	423,850
Charitable activities	6	548,944	548,944	528,445
Total expenditure		**948,795**	**948,795**	**952,295**
Taxation on trading activities		-	-	569
Net income/(expenditure) for the year		**26,695**	**26,695**	**(144,352)**
Reconciliation of funds				
Total funds brought forward		192,435	192,435	336,787
Total funds carried forward		**219,130**	**219,130**	**192,435**

All amounts relate to continuing activities of the group. The Statement of Financial Activities includes all gains and losses recognised in the year. Notes to these Financial Statements are shown on pages 41 to 53.

CHARITY AND CONSOLIDATED BALANCE SHEET

For the year ending 31 March 2025

	Note	2025 Group £	2024 Group £	2025 Charity £	2024 Charity £
Fixed assets					
Tangible assets	12	4,610	6,128	4,610	6,128
Investments		-	-	1	1
Total fixed assets		**4,610**	**6,128**	**4,611**	**6,129**
Current assets					
Debtors	13	113,804	92,245	112,398	67,710
Investments		-	100,000	-	100,000
Cash at bank and in hand	19	341,894	126,448	209,363	105,573
Total current assets		**455,698**	**318,693**	**321,761**	**273,283**
Liabilities					
Creditors: amounts falling due within one year	14	241,178	132,386	109,666	89,401
Net current assets		**214,520**	**186,307**	**212,095**	**183,882**
Total net assets		**219,130**	**192,435**	**216,706**	**190,011**
The funds of the charity					
Unrestricted funds	15	219,130	192,435	216,706	190,011
Total funds		**219,130**	**192,435**	**216,706**	**190,011**

The financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006. The Trustees consider that the company is entitled to Exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ('The Act') and members have not required the company to obtain an audit for the year in question in accordance with Section 476 of the Act. The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

Approved by the trustees on: 30TH July 2025

Signed and authorised for issue on their behalf by:

Notes to the Financial Statements are shown on pages 41 to 53.

STATEMENT OF CASH FLOWS

For the year ending 31 March 2025

	2025 Group £	2024 Group £	2025 Charity £	2024 Charity £
Cash flows from operating activities				
Net cash used in operating activities	110,186	(71,618)	282	(62,171)
Income taxes paid on trading activities	-	10,119	-	-
Net cash (outflow)/inflow from operating activities	**110,186**	**(61,499)**	**282**	**(62,171)**
Cash flows from investing activities				
Payments to acquire tangible fixed assets	(1,355)	(5,255)	(1,355)	(5,255)
Receipts to dispose a tangible fixed asset	-	260	-	260
Interest received	6,615	365	4863	-
Net cash used in investing activities	**5,260**	**(4,630)**	**3,508**	**(4,995)**
Net increase/(decrease) in cash and cash equivalents	115,446	(66,129)	3,790	(67,166)
Cash and cash equivalents at beginning of year	226,448	292,577	205,572	272,738
Cash and cash equivalents at end of year	341,894	226,448	209,362	205,572

Notes to these Financial Statements are shown on pages 41 to 53.

NOTES TO FINANCIAL STATEMENTS

For the year ending 31 March 2025

1. Accounting Policies

1.1 Basis of preparation

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) (Charities SORP (FRS 102)) and the Companies Act 2006.

The Association for Cultural Enterprises 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.

The Statement of Financial Activities (SOFA) and Statement of Financial Position consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

1.2 Company status

The charity is a public benefit entity and private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The members of the company are the Trustees named on page 37. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Restricted reserves as at 31 March 2025: £0 (31 March 2024: £0).

1.4 Income

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

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

The charity uses voluntary speakers as well as extra Trustee time and does not recognise this service as a gift in kind.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated equally between the charity and company.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.6 Going concern

In preparing the Annual Report and Accounts, the Trustees have continued to adopt the going concern basis. The Trustees believe the charity will continue to operate for a period of at least 12 months from the date of approval of these financial statements and will continue to meet its liabilities as they fall due for payment. The Trustees have reached this conclusion based on the available reserves as at the end of the year and the likely costs and revenues of the coming year.

Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

1.7 Basis of consolidation

The financial statements consolidate the accounts of the Charity and all of its subsidiary undertakings ('subsidiaries'). The Charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

The deficit for the year in the accounts of the Charity was £33,566 (2024: £104,452).

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Tangible fixed assets

Individual fixed assets costing £250 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

- Computer equipment - straight line over three years.

1.10 Debtors

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

1.11 Cash at bank and in hand

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

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pretax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 Financial instruments

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

1.14 Critical accounting judgements and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgements are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Management does not consider there to be any material accounting estimates or judgements that need disclosure in these financial statements.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2. Memberships and Grants

	2025 £	2024 £
Full memberships	105,918	81,756
Grants (Arts Council England)	201,643	201,643
Total donations and grants	**307,561**	**283,399**

Associate memberships are paid via the trading company.

3. Educational Activities

	2025 £	2024 £
Learning and development	60,686	46,607
Donated gifts and services	9,500	11,000
Cultural Enterprises Academy income	5,233	676
Conference delegate income	127,535	84,548
Total	**202,954**	**142,831**

The charity is grateful to the various organisations who donate their services and facilities either for free or for a reduced charge. An equivalent charge is included within charitable activities.

4. Trading Activities

	2025 £	2024 £
Trading income		
Subsidiary company income	458,360	381,154
Trading expenses		
Subsidiary company expenditure	399851	424,054
Net income from trading activities	58,509	(42,900)

5. Investments

	2025 £	2024 £
Bank interest	6,615	979

6. Charitable Activities

	Governance	Administration & Organisation	Cultural Enterprises Academy	Total
	£	£	£	£
2025				
Direct costs	-	188,611	-	188,611
Support costs	12,705	334,644	12,984	360,333
Total	**12,705**	**523,255**	**12,984**	**548,944**
2024				
Direct costs	-	172,157	-	172,157
Support costs	16,575	337,617	1,947	356,139
Total	**16,575**	**509,774**	**1,947**	**528,296**

7. Direct Costs

	Administration & Organisation	Total
	£	£
2025		
Learning & development	1,360	1,360
Conferences & exhibitions	161,524	161,524
Course costs	7,285	7,285
Educational legal & professional fees	8,442	8,442
Donated gifts & services	10,000	10,000
Total	**188,611**	**188,611**
2024		
Learning & development	3,335	3,335
Membership Coordinator	12,116	12,116
Conferences & exhibitions	139,914	139,914
Course costs	3,191	3,191
Podcasts & digital costs	10,601	10,601
Donated gifts & services	3,000	3,000
Total	**172,157**	**172,157**

8. Support Costs

	Governance	Administration & Organisation	Cultural Enterprises Academy	Total
	£	£	£	£
2025				
Legal & professional fees	805	16,575	-	17,380
Premises costs	-	576	-	576
Course costs	-	-	7,914	7,914
Administrative costs	-	38,577	5,070	43,647
Advertising & marketing	-	29,201	-	29,201
Accountancy fees	-	969	-	969
Independent examination fees	2,400	-	-	2,400
Travel & subsistence	-	30,303	-	30,303
Wages & salaries	-	185,279	-	185,279
Social Security costs	-	20,391	-	20,391
Pension costs	-	8,578	-	8,578
Entertaining	-	178	-	178
Donated gifts & services	9,500	-	-	9,500
Other costs	-	1,144	-	1,144
Depreciation	-	2,873	-	2,873
Profit/loss on disposal	-	-	-	-
Total	**12,705**	**334,644**	**12,984**	**360,333**
2024				
Legal & professional fees	6,245	-	1,924	8,169
Premises costs	-	624	-	624
Insurance	-	5,184	-	5,184
Administrative costs	-	38,718	23	38,741
Advertising & marketing	-	22,739	-	22,739
Accountancy fees	-	1,919	-	1,919
Independent examination fees	2,330	-	-	2,330
Travel & subsistence	-	36,068	-	36,068
Wages & salaries	-	200,962	-	200,962
Social Security costs	-	20,165	-	20,165
Pension costs	-	8,639	-	8,639
Entertaining	-	600	-	600
Donated gifts & services	8,000	-	-	8,000
Depreciation	-	2,148	-	2,148
Profit/loss on disposal	-	(149)	-	(149)
Total	**16,575**	**337,617**	**1,947**	**356,139**

9. Staff Costs

	2025 £	2024 £
Wages & salaries	185,279	200,962
Social Security costs	20,391	20,165
Pension costs	8,578	8,639
Other employee benefits		
Total	214,248	229,766

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

	2025	2024
Administration & organisation	8	9

The number of employees whose remuneration for the year fell within the following bands was:

	2025	2024
£60,000 to £69,999	1	1

All members of staff are considered key management personnel. The total compensation paid to key management personnel is therefore the total staff costs of £214,248.

No remuneration, directly or indirectly, was paid or deemed payable for either period to any Trustee or persons known to be connected with them.

10. Net Income

	2025 £	2024 £
Net income after stated charging:		
Depreciation	2,873	2,148
Independent examination fees	2,400	2,330
Profit & loss on sale of assets	-	149

11. Taxation

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

	2025 Group £	2024 Group £	2025 Charity £	2024 Charity £
Current tax				
UK Corporation Tax on profits for the current period	-	569	-	-

The actual charge arises on the subsidiary's trading profit:

	2025 £	2024 £
Loss before taxation	-	(42,331)
Expected tax charge at 19%	-	(8,043)
Effect of capital allowances & impairments	-	9,162
Effect of losses from earlier years	-	(550)
Total	-	569

12. Tangible Fixed Assets - Group and Charity

	Group Computer Equipment	Group Total	Charity Computer Equipment	Charity Total
	£	£	£	£
Cost				
At 1 April 2024	20,817	20,817	20,817	20,817
Additions	1,355	1,355	1,355	1,355
Disposals	-	-	-	-
At 31 March 2025	22,172	22,172	22,172	22,172
Depreciation				
At 1 April 2024	14,689	14,689	14,689	14,689
Charge for the year	2,873	2,873	2,873	2,873
Disposals	-	-	-	-
At 31 March 2025	17,562	17,562	17,562	17,562
Net book value				
At 31 March 2025	4,610	4,610	4,610	4,610
At 31 March 2024	6,128	6,128	6,128	6,128

	2025 Group	2024 Group	2025 Charity	2024 Charity
	£	£	£	£
Current asset investments				
Short term deposits	-	100,000	-	100,000

Investments in short term deposits have an original maturity date of 12 months.
The average interest rate is 4.85%.

13. Debtors

	2025 Group £	2024 Group £	2025 Charity £	2024 Charity £
Trade debtors	96,105	29,527	45,572	5,859
Amounts owed by Group undertakings	-	-	56,798	36,442
Corporation Tax recoverable	-	-	-	-
Other taxes recoverable	-	12,710	-	-
Other debtors	-	200	-	200
Prepayments & accrued income	17,699	49,808	10,028	25,209
Total	**113,804**	**92,245**	**112,398**	**67,710**

14. Creditors: Amounts Falling Due Within One Year

	2025 Group £	2024 Group £	2025 Charity £	2024 Charity £
Trade creditors	78,610	46,177	17,972	19,419
Other taxation & Social Security	22,090	8,436	8,703	7,867
Other creditors	1,780	1,612	1,780	1,612
Income in advance	85,775	49,400	58,360	35,142
Accruals & deferred income	52,923	26,761	22,851	25,361
Total	**241,178**	**132,386**	**109,666**	**89,401**

15. Summary of Funds

	Brought Forward £	Income £	Expenditure £	Transfers £	Carried Forward £
General Funds	192,435	975,490	948,795	-	219,130
Total	**192,435**	**975,490**	**948,795**	**-**	**219,130**

16. Analysis of Net Assets Between Funds

	Unrestricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Group			
Tangible fixed assets	4,610	4,610	6,128
Current assets	455,699	455,699	318,693
Creditors less than one year	(241,178)	(241,178)	(132,386)
Total	**219,130**	**219,130**	**192,435**
Charity			
Tangible fixed assets	4,611	4,611	6,128
Current assets	321,820	321,820	273,283
Creditors less than one year	(109,725)	(109,725)	(89,401)
Total	**216,706**	**216,706**	**190,010**

17. Related Party Transactions

There are no related party transactions to disclose (2024: nil).

18. Reconciliation of Net Income / (Expenditure) to Net Cashflow from Operating Activities

	2025 Group £	2024 Group £	2025 Charity £	2024 Charity £
Net income / (expenditure) for the year	26,695	(144,352)	26,695	(101,452)
Interest receivable	(6,615)	(979)	(4,863)	(614)
Gain/loss on disposal of fixed assets	-	(149)	-	(149)
Accrued expenses	-	48,071	-	23,611
Depreciation of tangible fixed assets	2,873	2,148	2,873	2,148
(Increase) / decrease in debtors	(21,559)	(19,959)	(44,688)	6,912
(Increase) / decrease in creditors	108,792	42,884	20,265	7,373
Taxation charged	-	569	-	-
Total	**110,186**	**(71,767)**	**282**	**(62,171)**

19. Analysis of Cash and Cash Equivalents

	2025 Group £	2024 Group £	2025 Charity £	2024 Charity £
Cash in hand	341,895	126,448	209,363	105,573
Notice deposits	-	100,000	-	100,000
Total	**341,895**	**226,448**	**209,363**	**205,573**

20. Subsidiaries

These financial statements are separate charity financial statements for Cultural Enterprises (Trading) Limited.

Details of the charity's subsidiaries at 31 March 2025 are as follows:

Name of undertaking	**Registered office**	**Nature of business**
Cultural Enterprises (Trading) Limited Reg. no. 08690077	B7 Castle Gardens, Stanhope Bishop Auckland DL13 2FJ	Professional membership organisation
Class of shares held	**% held direct indirect**	**Capital & reserves**
£1 Ordinary	100	2,425
Profit/(loss) for the year		
-		



ASSOCIATION
for CULTURAL
ENTERPRISES

culturalenterprises.org.uk

THE ASSOCIATION FOR CULTURAL ENTERPRISES

England & Wales - Charity number 1122763

Accounts

ASSOCIATION for CULTURAL ENTERPRISES

ANNUAL REPORT
1 APRIL 2023 - 31 MARCH 2024



WED TUESDAY
ADJ55FKR
A7 31/12/2024 #52
COMPANIES HOUSE
ADI81RWO
A27 18/12/2024 #66
COMPANIES HOUSE

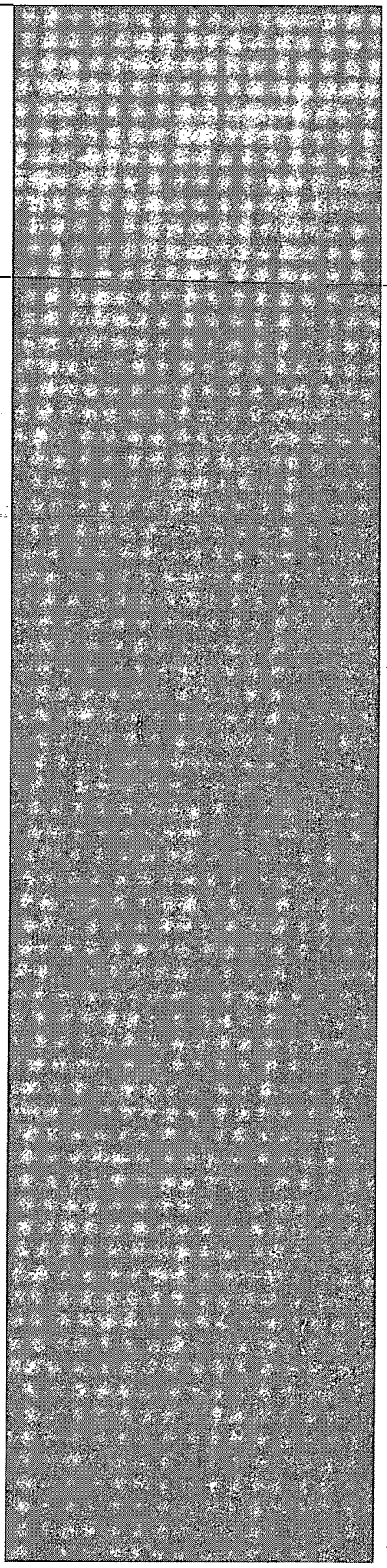
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INTRODUCTION

The Trustees of the Association for Cultural Enterprises present their Annual Report and consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2024, which have also been prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).



OUR VISION, MISSION AND STRATEGIC AIMS

Our vision is to empower the cultural sector to secure a sustainable future.

Our mission is to promote commercial best practice in the cultural sector by harnessing the combined strength of our community's knowledge and experience. We deliver education and build connections across all areas of self-generated income, for everyone at every stage of their career.

To deliver our vision and mission we aim to meet the following strategic aims:

- To become an environmentally sustainable business and champion education in environmental responsibility in the sector.
- To become less reliant on external funding for our core costs whilst continuing to explore all suitable funding sources for project funding.
- To raise our profile across the sector.
- To grow and develop our membership.
- To be recognised as the sector leader in delivering content to improve commercial skills and revenue generation.
- To transform into a data-led and digitally forward organisation.
- To grow as a supportive and progressive employer.

CHAIR'S WELCOME

I'm delighted to introduce you to the Annual Report for the Association for Cultural Enterprises 2023-24. In it you will find an overwhelmingly positive response to the continuing and significant challenges we face within the sector. During the year we experienced membership growth, our largest ever conference, new services and benefits to our members and a fantastic response to our programme. I recommend the report to you, as it certainly makes an uplifting read.

The year was one of significant change within the organisation as we said farewell to our retiring CEO, Jill Fenwick, a hugely positive and impactful advocate for the work of the Association and one of the founders of the organisation as we know it today. In Gordon Morrison we have been fortunate to appoint another leader with a great passion, energy and vision for the organisation. Both CEOs have been supported by a fantastic team who remained steadfast through the transition period and I would like to pass my thanks to all of them.

As the conference closed my tenure as Chair came to an end. As I reflect on my time in post all I can really say is that I have been blessed to work with such a wonderful team and board, and to have spent nine years in the company of our members – people filled with knowledge, creativity, passion and fun. I was delighted to pass on the baton to Melanie Lewis who I know to be a skilled and passionate advocate for the sector and for the work that the Association does within it.

I would like to thank all of my colleagues for their support and hard work and as I hand over to Melanie I look forward to seeing the innovations and successes to come.



CAROLINE BROWN

Chair of Trustees (to March 2024)

As I step into the role of Chair for the Association for Cultural Enterprises, I am both honoured and excited to be part of an organisation that has been pivotal throughout my career, as it has for so many in our sector. The leadership and dedication shown by Jill Fenwick and Caroline Brown have shaped the association into the impactful organisation it is today — one committed to advancing commercial excellence and fostering a vibrant network of leaders. On behalf of the Board, the Association team, and our members, I extend our heartfelt gratitude to Jill and Caroline for their remarkable contributions. We are committed to building on their legacy and driving our mission forward.

This year's Annual Report captures the themes of growth, resilience, and innovation. It is an inspiring read that highlights the strides we've made together as a community. Caroline notes the significant change in leadership of the Association over the last 12 months and this change is also reflected in our reporting. You will see some performance figures demonstrating a downturn to previous years; this is attributed to some decisions we've taken as a Board of Trustees on direction, where to invest, and how to grow.

With our new CEO Gordon Morrison leading an outstanding team, that growth is taking shape at a pace, and the Association is at the forefront of addressing both the challenges and opportunities within our sector. Gordon's vision and the dedication of our entire team and Board of Trustees reflect our shared commitment to advancing the role of cultural enterprises. Over the next 12 months, I encourage you to consider how the Association can best support your ambitions and how we can deliver what you most need.

I look forward to collaborating with each of you as we continue to innovate, grow, and make a lasting impact. I hope to see you at our annual Conference in Liverpool in March 2025, it is set to be a blockbuster evet, where we can connect and look toward an exciting future together.



MELANIE LEWIS

Chair of Trustees (from March 2024)

MEMBERSHIP

The year to March 2024 saw a steady and positive increase in overall membership, ending the year 17% higher with **475 member organisations** - 325 Members and 150 Associates.

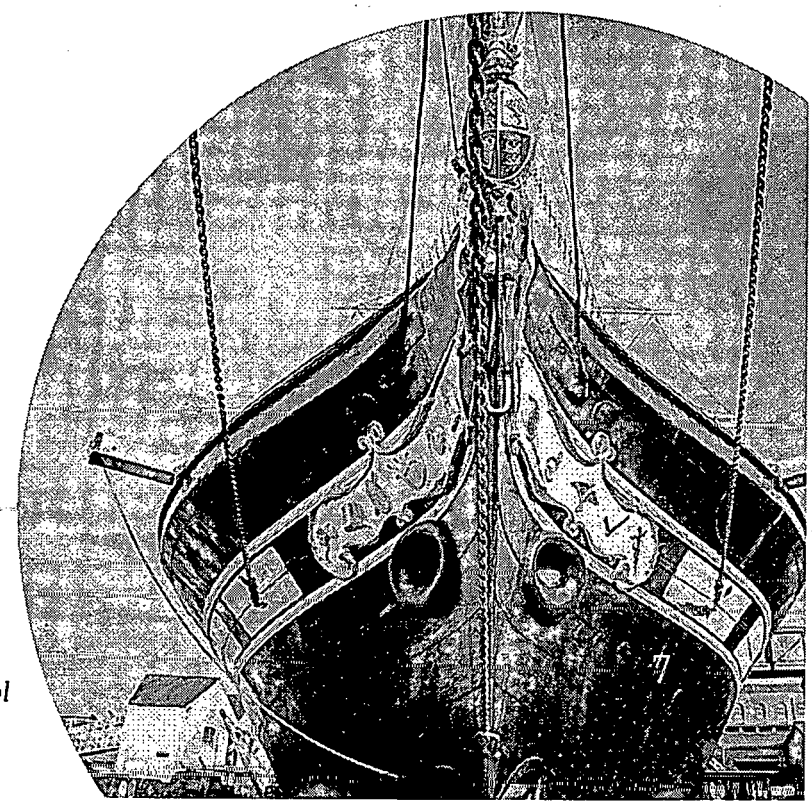
Our membership comprises a diverse range of organisations, from all corners of the UK and beyond, representing different sizes, types, and specialisms. We are also proud to support several organisations throughout the year with membership bursaries, targeted at organisations with turnover below £250k per annum.

We continue to look at creative ways of developing the membership, creating partnerships, and ensuring Cultural Enterprises is a 'must have' membership for all cultural institutions.

What's next

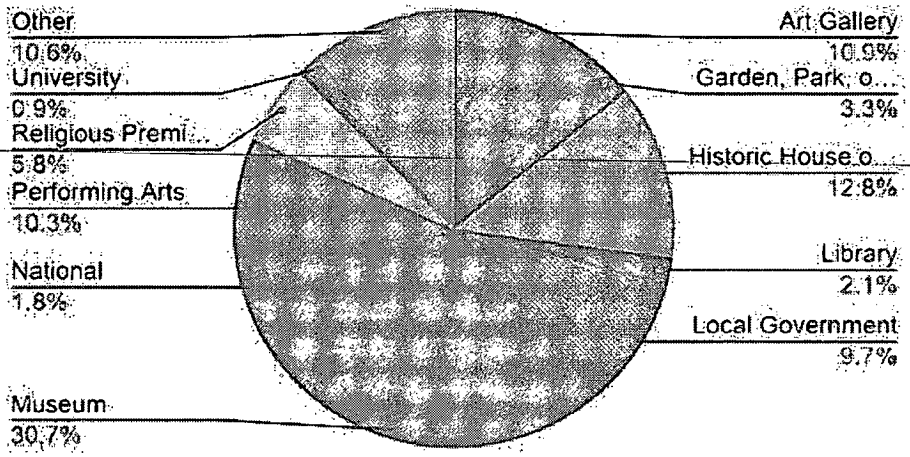
We're continuing to develop our membership offer with the launch of a new Supplier Directory and Exclusive Member Offers. We're currently working on a new and improved Jobs Board, and a Member Forum, providing an additional space to connect with peers and pose questions to the wider community.

See all Members

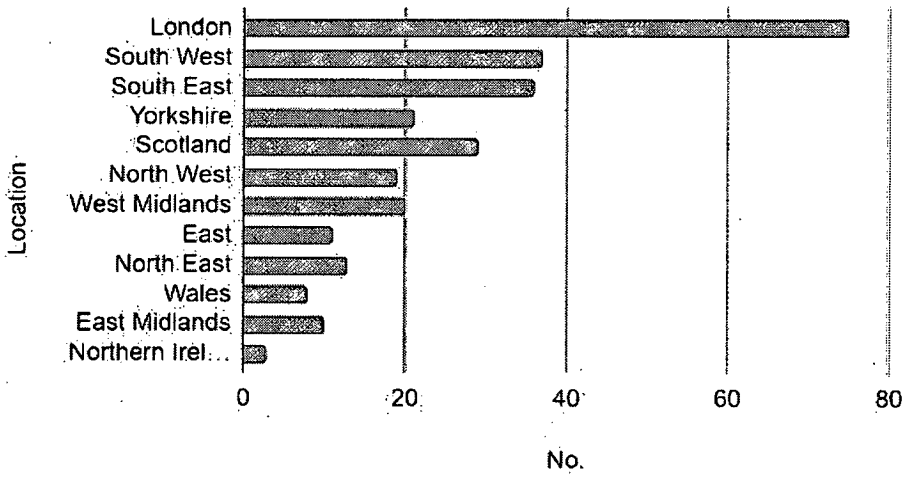


SS Great Britain, Bristol

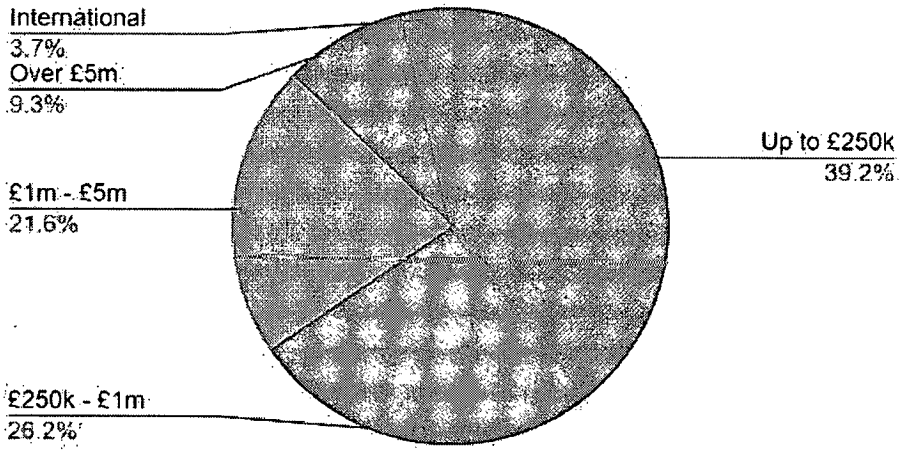
Members by Organisation Type



Members by Location



Members by Annual Turnover



EVENTS

The **Cultural Enterprises Events Programme** delivers valuable expert-led training and peer-to-peer learning across all commercial activities within the sector including retail, ecommerce, visual merchandising, events and venue hire, brand licensing, image sales and picture libraries, performing arts, finance and strategy. Highlights of the 2023-24 programme included:

Behind the Scenes: Performing Arts

- Invaluable access to the commercial teams behind two theatres, Shakespeare's Globe and Little Angel Theatre (including a visit from the Little Angel resident cat!).
- Content covered audiences, marketing campaigns, award-winning retail offers, generating income from tours, and bringing creatives into the core of commercial delivery.

Product Development and Range Planning Masterclass

- Exclusive access to the retail team behind London Transport Museum's product ranges.
- Real peer-to-peer exchange of experience, successes and challenges creating the opportunity to connect and network with other retailers in the cultural community.

ASVA Conference 2023

- Our first partnership event, delivering a new stream of commercially focused content to the ASVA audience, with inspirational voices, case studies and new suppliers from our membership that they would not usually have access to.
- An opportunity for our own members to make new contacts too.

What's Next

We'll continue to deliver inspirational and engaging training events and networking opportunities to support income generation in the cultural sector. We'll deliver our events in a hybrid format and increase our bursary offer, ensuring the events programme is fully accessible to our membership.



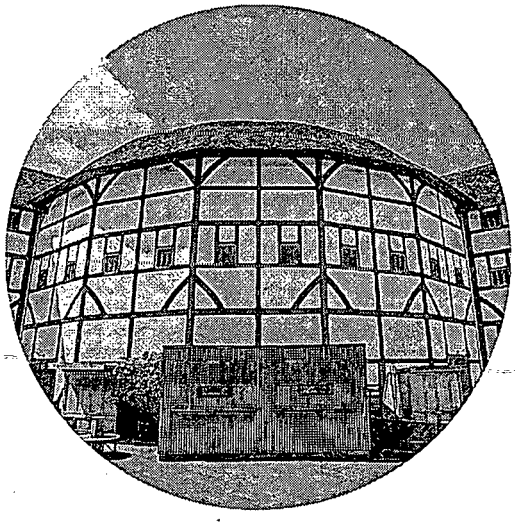




Over 400 organisations attended an event with us in 2023-24



> So much information and so inspirational. Great break out rooms - loved the mix of some people with no experience like me and others having more - great just to hear the differences!





CONFERENCE

The **Cultural Enterprises Conference** is the must attend event for the cultural sector, with voices from across the sector and beyond sharing inspiring case studies and innovative ideas to help our members maximise their existing income streams and identify new ones.

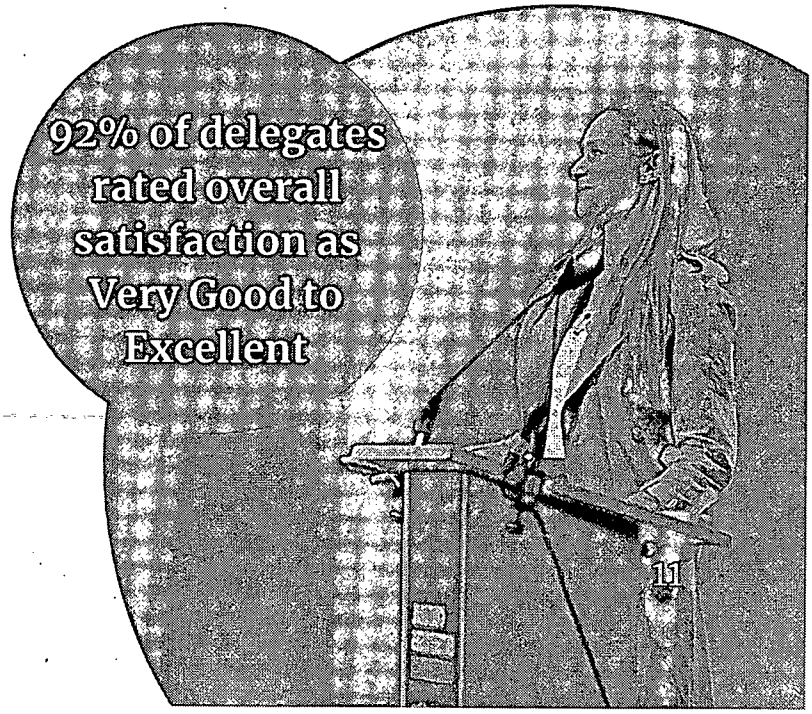
Highlights

- This was our biggest Conference to date with **450 delegates** (35% up on 2023), as well as **45 speakers** and **100 exhibitors** at a world class venue, ICC Wales.
- An inspirational opening session by our international keynote speaker, Ann Morrow Johnson from Disney Imagineering, set a positive and upbeat tone for the two days.
- There was a real buzz throughout the event, with connections being made and conversations touching on everything from strategy and senior leadership to shopfloor challenges and opportunities.
- Delegates cited the programme, quality of speakers, variety of exhibitors, networking opportunities, and in depth conversations as among their highlights.

What's Next

We will continue to develop and enhance the Conference programme, delivering invaluable content for all commercial teams across the sector. We'll ensure our members hear from influential leaders from across the sector and beyond, and provide unmissable networking opportunities to grow the community.

> "Probably the most useful and relevant conference in terms of content that I have ever been to!"



Conference 2025



> A truly inspiring Conference. I'm excited for the future and leaving with many ideas to action over the coming months.
>
> *Christina Pascoe, National Venue Hire Manager, English Heritage*

> So many inspiring talks that reframed how I look at what we do - the uniquely collaborative air of cultural commerce has really shone through. Every year the Conference feels like a meaningful pause on the value of what we do.
>
> *Allison Everett, Buying & Retail Manager, Fruitmarket*





25% new exhibitors

95% plan to return in 2025

> There's a real sense of collaboration and community, not only with delegates but also with like-minded suppliers. It's so refreshing and inspiring.







AWARDS

Celebrating success, innovation and creativity in cultural income generation, the **Cultural Enterprises Awards** provide a platform to showcase commercial best practice, an essential source of inspiration for our members as well as the wider sector.

Highlights

- The 2024 Awards attracted a **record number of entries** (24% increase vs 2023).
- **New categories**, Best Café and Best Ticketed Event, created even more opportunities for commercial teams to engage with the Awards and gain recognition.
- The **judging panel** was drawn from across the sector reflecting a range of experience across all areas of commercial activity, including specialists in retail, catering, events and ecommerce.

What's Next

The Cultural Enterprises Awards are central to our goal of supporting and championing best practice across all areas of cultural income generation. To further this, we will be looking to broaden the scope of categories in 2024-25 - creating even more opportunities to showcase commercial innovation across the sector.

> Reading through all the amazing entries gave me a real sense of the level of creativity and enterprise that is taking place across our sector.
>
> *David Fenton, Head of Retail, Admissions, Publishing & Licensing, Imperial War Museums*

See all Finalists



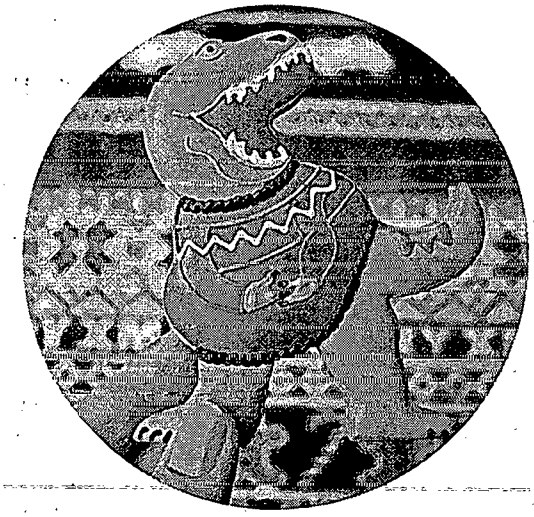
Best Product, Kettle's Yard

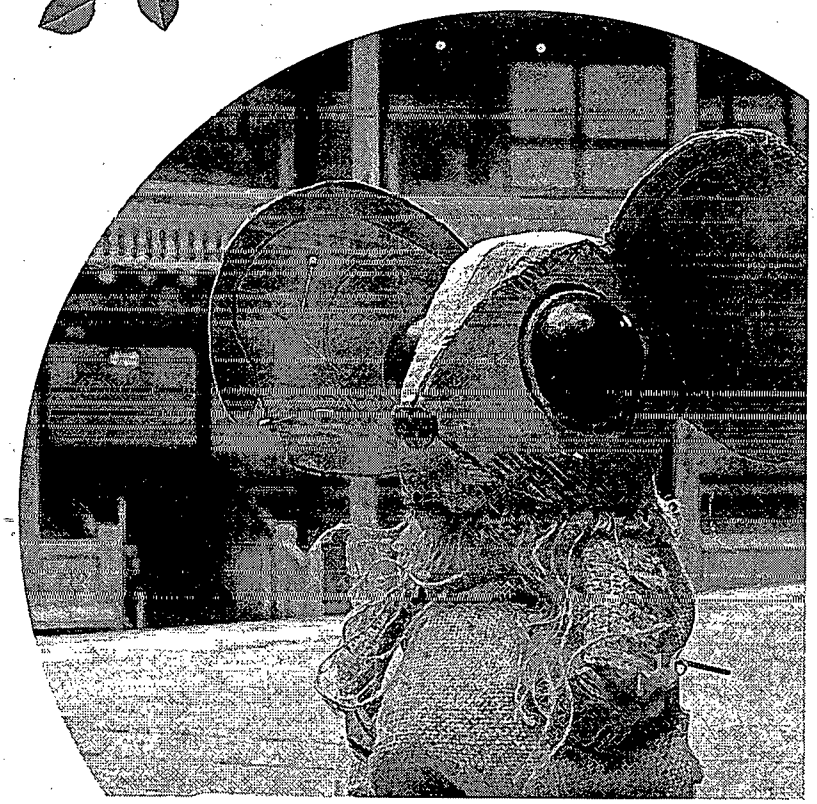






Sustainability was a strong theme, with materials being repurposed to create unique gifts such as 'From the Stage' by Shakespeare's Globe *(below right)* and The Deep's 'Salt Bag to Tote Bag' *(right)*





Clockwise from top: Best Café, South London Gallery; Best Shop, Migration Museum; Creative Commerce Finalist, The Deep; Creative Commerce Winner, Shakespeare's Globe; Best Range, Natural History Museum

SEEDS OF CHANGE

Seeds of Change is our new **£10,000 prize fund** designed to encourage ethical and sustainable practice in the cultural and heritage commercial sector. The prize fund will be awarded annually to one or more of our members to enable them to embark upon an inspiring project with sustainability at its core, that generates commercial income and has the potential to be replicated across the sector.

Highlights

- Three finalists were shortlisted, with the inaugural prize fund being awarded to Edinburgh based gallery **Fruitmarket** for its innovative Future Makers project.
- The prize giving ceremony created an opportunity to host our first exclusive Senior Leaders event, bringing together leaders from across the sector and providing a space for networking and knowledge sharing.
- The project also provided the impetus to create a Sustainability Working Group, made up of professionals operating within the commercial and cultural sector. This group played an invaluable role in helping to design and judge the Seeds of Change prize fund, and now continues to support and offer advice on our sustainable endeavours.

What's Next

We'll be following the progress of the winning project and sharing updates with members, creating the potential for this initiative to be explored and implemented across the sector.

See all Finalists



Seeds of Change Winners Allison Everett, Buying and Retail Manager and Kathleen Glancy, Development Manager, Fruitmarket

Our key aim is to foster greater creativity and dynamism within the cultural sector when it comes to both financial and environmental sustainability. With Seeds of Change we are providing direct, tangible support as well as inspirational ideas for the sector.

Gordon Morrison, CEO, Cultural Enterprises

The Seeds of Change prize fund will actively encourage positive change within the cultural sector, offering Cultural Enterprises members the chance to learn from and develop sustainable outcomes.

Andrea Nicholas, CEO, Green Tourism (Seeds of Change Event Sponsor)

The standard of applications for the first Seeds of Change award has been exceptionally high, reflecting a promising shift towards a more sustainable and environmentally conscious cultural landscape.

Jennifer Leaman, Global Head of Environment and Product Sustainability, Clarks

MUSEUM SHOP SUNDAY

Museum Shop Sunday continues to generate huge enthusiasm from members and the wider sector, creating a focal point to collectively showcase the fantastic retail offer at cultural venues and the vital role it performs. It offers a great platform for cultural organisations of all types to showcase products, reach new audiences and boost sales.

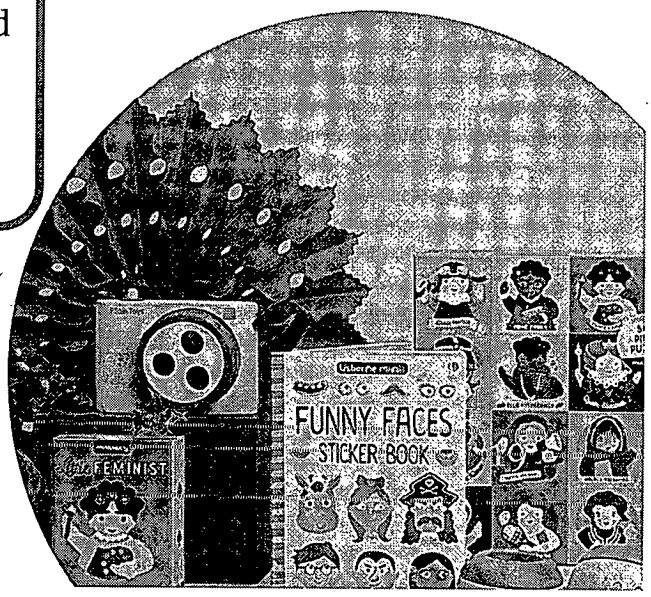
Highlights

- The 2023 campaign was supported by partners across the sector including Arts Council England and the Museums Association, who dubbed it "an important date on the sector's retail calendar".
- Each year we see a greater variety of cultural attractions getting involved, including theatres, libraries, cathedrals, heritage railways, historic houses, gardens and even national parks.
- Social engagement increased with participants providing a wealth of product imagery and stories that were ideal for creating engaging social content.

What's Next

We'll continue to lead the annual Museum Shop Sunday campaign, working closely with our colleagues in the US and sector partners here in the UK to continue to grow participation as well as awareness of our own work and aims.

> We were very pleased to be part of Museum Shop Sunday. We certainly saw an increase in sales and visitors on the day, and the exposure on social media helped us grow our audience too.
>
> *The Silk Museum*



National Portrait Gallery

MUSEUM SHOP SUNDAY

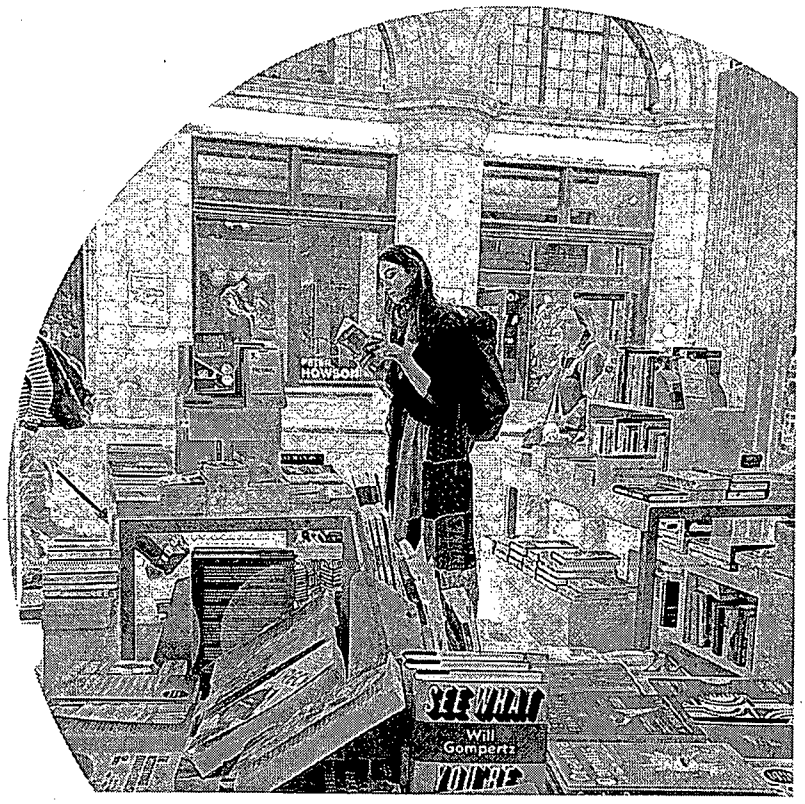
2,100 worldwide participants

190 UK participants

> The atmosphere on the day was a huge success. Sunday was a much stronger day than Saturday, despite no productions, which is unusual. We'll definitely be taking part again next year!
>
> *Sue Carvell, Head of Retail, Royal Opera House*







Clockwise from top: The Courtauld; Fruitmarket; Grimm & Co

MENTORING

The **Cultural Enterprises Mentoring Programme** continues to be a valuable experience for those involved and another completely free membership benefit. Participants attend a full day of online training, including an introduction to mentoring and matching session. Mentors receive an additional full day of training, and mentees a half day of training and advice.

The 2023-24 Cohort

Employer	Job Title	Mentor		Mentee	Job Title	Employer
Black Country Living Museum	Chief Operating Officer	**Paul Crofts**	=	**Lianne Joynson**	Marketing Manager	National Memorial Aboretum
York Minster	Director Visitor Experience & Operations	**Barbara George**	=	**Amanda Stallard**	Development Manager	Army Flying Museum
Royal Opera House	Head of Retail	**Sue Carvell**	=	**Laura Fear**	Volunteer & Shift Coordinator	Wales Millennium Centre
Chiswick House & Gardens Trust	Director	**Xanthe Arvanitakis**	=	**Kirsty Fraser**	Artist Development Manager	Edinburgh Festival Fringe Society
Manchester Art Gallery	Commercial Lead	**Amy Haigh**	=	**Holly Burrows**	Commercial Manager	The Cartoon Museum
Tullie House Museum	Head of Finance & Operations	**Katie Proud**	=	**Olivia Mundy**	Shop Coordinator	Van Gogh House London & Gallery CIC
Ashmolean Museum	Head of Events	**Wendy Ball**	=	**Claire Bates**	Head of Regenerative Tourism	Pembrokeshire Coast National Park

Working closely with my fantastic mentor and checking in regularly with other mentees I've grown exponentially in confidence, which brings with it real pride. It's not often that you're able to stop and pause before moving forward in your career, so thank you to Cultural Enterprises for giving me the opportunity to do so.

Lianne Joynson, Marketing Manager, National Memorial Arboretum

It gives you the space to develop personally and professionally in a safe and supportive way that allows you to be **the best version of yourself** for you, your team and those around you. It's great to have someone outside your day to day bubble to help you work through things, big and small.

Laura Fear, Volunteer & Shift Coordinator, Wales Millenium Centre

For mentees, it's a great way to build your network, gain an ally in the sector and have a confidante who can understand your situation without being 'in' it. For mentors it's an invaluable opportunity to gain experience in working with brilliant people to help them realise their goals.

Amy Haigh, Commercial Lead, Manchester Art Gallery

ACADEMY

The **Cultural Enterprises Academy** offers over 40 units of CPD accredited learning available free of charge to all staff in member organisations - an incredible member benefit worth nearly £2,000 per person.

Enrolments are up 32% in 2023-24 compared to the previous year, with the most popular courses being:

- Retail Essentials: Shop Floor Skills
- Retail Essentials: Visual Merchandising
- Leading Yourself and Others
- How to Ace a P&L

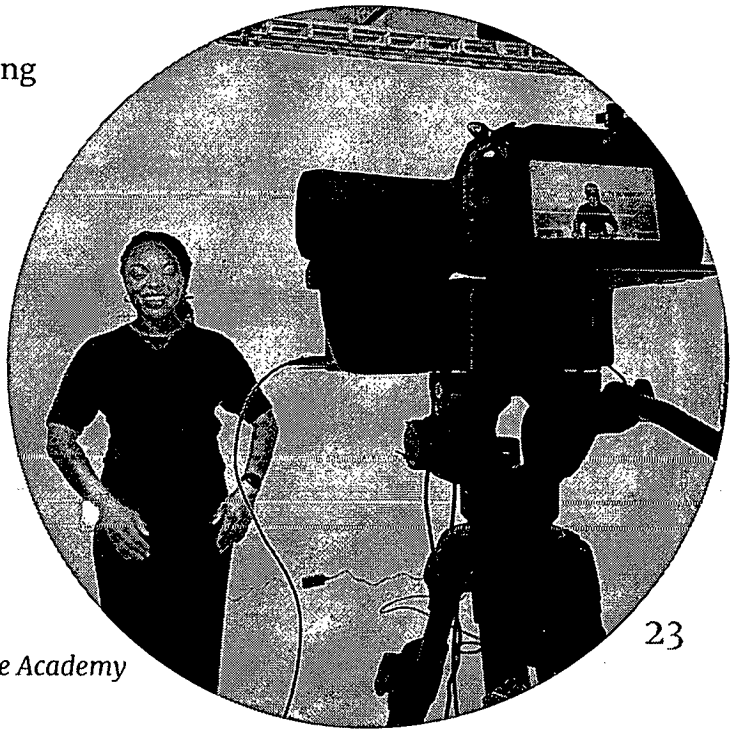
99% of users would recommend the Academy to a colleague

What's next

New courses are in production, and we're excited to be launching the following in 2024:

- Creating a Transformative Visitor Experience
- Value Led Visitor Journey Design
- An Introduction to Mentoring and Coaching
- Finding the Right Ticketing System

Explore courses



Behind the scenes filming for the Academy

ARTS & CULTURE PODCAST

In October 2023 we launched a new podcast designed to raise the Association's profile and highlight our role at the heart of thought leadership and best practice. To capture the broad scope of the conversations to be had, the podcast was christened **Arts & Culture**, and reached just over **1,000 downloads** by March 2024, which is a fantastic start for a brand new podcast.

Highlights

- Visitor Experience at Hampton Court Palace and Young V&A
- Small but Mighty: Sir John Soane's Museum and the Roald Dahl Museum
- Delving into the Funding Crisis - as a thought leader in the sector, this landmark episode was an important breakthrough, featuring a Councillor from the Local Government Association alongside the CEOs of Nottingham Playhouse and Birmingham Museums Trust. We believe it is important to feature a diverse mix of guests, representing a range of seniorities, backgrounds, locations, and types of organisation.

What's Next

We'll continue to tackle the most important subjects affecting the cultural sector, with upcoming episodes focusing on opportunities and challenges in ticketing and commercial marketing.

Arts & Culture is created and hosted by our Digital Director **Tom Dawson,** with thanks to **King & McGaw** for their sponsorship.

Listen now



Tom chats to Amy Akino-Wiittering at Young V&A

LOOKING AHEAD

As CEO I have the privilege of reading through this report and reflecting on the successes that the Association has enjoyed over the last year. It was a year of considerable change at the top. Not only was there a change of CEO halfway through the year, we also found ourselves looking for a new Chair, with Caroline Brown stepping down after nine years of outstanding service to the Association.

I am delighted that we have now appointed our new Chair, Melanie Lewis, Director of Strategy and Business Development at Historic England, who expertly took up the reins in March 2024. Those of you who know Melanie will know of her passion for culture and for the crucial role that commercial activity plays in sustaining the sector. Together with our dedicated and highly skilled Board of Trustees, Melanie is leading the Association superbly at a vital time, and despite the ongoing challenges for the sector, I am looking positively to the year ahead.

I have spent much of my first year in the role as CEO travelling around, engaging with members and building a greater understanding of the needs of both members and the wider sector. As many of you will recall, one of my first major actions upon joining the Association was to conduct a comprehensive membership survey, establishing what our members think about what we do, what services they like, what they use most, and crucially what they want more of from us in the future.

From this work, I can safely say that the overall picture is very clear. At a time of unprecedented cuts to core funding across the sector and ever increasing rising costs, our members are looking for practical support to help them generate more income, be that through the development of new revenue streams or through realising the full potential of existing ones.

Through analysing the data and insights provided by our members in their hundreds in the membership survey, I have identified clear steps that the Association will take to support our members over the next 12 months:

- We will gather more data and insights to share with our members to inform strategic and operational decision making.
- We will facilitate more peer to peer engagement between our members, giving them more opportunities to pick up insights and best practice from each other.
- We will provide yet more practical and meaningful education and training for our members, including the development of bespoke training for the next generation of commercial leaders in the sector.
- We will provide more inspiration and share more best practice, both from within the sector and beyond, expanding our collective horizons and learning from the best across multiple sectors.
- We will provide more added value for our members while keeping our prices down, with new, practical benefits launched to help members improve their offering and maximise their returns. Our commitment is that our membership fees will remain at an affordable level for all, with free bursary memberships available for those with the greatest need.

I am acutely aware of how challenging the next year will be for many operators within our membership. I am, however, very positive that the support the Association can and will provide will make a meaningful difference, supporting you with the tools that you need to not just survive, but to thrive. I look forward to working with you as we undertake this next exciting step in our journey together.

GORDON MORRISON

Chief Executive



TREASURER'S REPORT

For the year ending 31 March 2024

The deficit for the year increased from £97,662 in 2023 to £144,352 in 2024. There were several one-off events which significantly contributed to this outcome.

When setting the budget for the year ended 31 March 2024 the Board committed to releasing £30,000 from the development fund designated reserve to cover the cost of recruiting the new CEO (£20,000) and to fund an EDI project (£10,000). Additionally, the Board took the decision to write off the whole investment in the Thruu ecommerce project (£48,220) as, due to the changed economic environment since it was created, it was no longer deemed to be commercially viable.

After excluding these one-off costs the trading deficit for the year was reduced to £66,132 from the previous year deficit of £97,662. There is confidence that the Association will return to producing a surplus in the year ending 31 March 2025.

Income for the year was £808,363 of which £201,643 was grant income; we are once again grateful to the Arts Council England for their continued support.

Membership income of £81,756 is a 35% increase on the previous year's income of £60,595. Also, Associate Membership (included in trading activities) showed a significant increase of 26% over the previous from £30,069 to £37,899. Both increases were due to a combination of increased rates and membership numbers. This trend continues in the year ending 31 March 2025.

Income from educational activities has increased versus 2023 income by £6,750 due to increases in both in-person and online events throughout the year and also an increase in conference delegate income which was slightly up on 2023 by £2,193. The trade show commercial element of the conference revenue, which is contained within trading activities, increased by over £35,000 compared to the year ended 31 March 2023. The Conference and Trade Show, despite increased costs (£424,054 compared to £294,670 in the year ended 31 March 2023), still produced an increased margin of 10% compared to 2022-23.

Direct costs are broadly in line with last year at £172,157 (2023: £153,264) while support costs, within the Charity, showed a 12% increase on the previous year. There were three areas which made up most of this increase.

Staff costs increased by 11%. This was primarily due to an 8% salary award as well as a brief transition period where our retiring and incoming CEOs were both in our employment. Travel and subsistence costs grew from £18,000 in 2023 to £36,000 in 2023-24 due to increased travel needs. Advertising and marketing expenditure grew from £6,000 in 2022-23 to £23,000 in 2023-24. This was due to the appointment of marketing consultants to aid in promotion of the Association.

With regard to the balance sheet, fixed assets have reduced by £45,225 from £51,353 to £6,128 due to the Thruu ecommerce project write off. Cash balances (including investments) have reduced by £66,129 with other net assets reduced by £40,141 mainly due to creditors increasing by £43,452 compared to 2023; this is a result of timing of expenditure relating to the conference around the year end.

Some expenditure relating to the conference and impairment of the Thruu ecommerce asset were charged to designated funds in year, totalling £97,777.

In order to maintain general funds in accordance with our reserves policy threshold of holding two to three months' worth of operating expenditure (between £140,000 and £215,000), the Board has decided to transfer the remaining designated fund balances into the General Reserve.

Reserves Policy

Reserves are held to fund working capital, to provide resources for future activities, to offset unforeseeable shortfalls in income, and to protect the Association against unplanned adverse events. The Trustees have identified the following key factors in setting the level of reserves:

- the level of volatility in our income
- the level of dependency on the Conference and Trade Show
- our need to develop the organisation's financial resilience and rebuild/augment our activities
- the need to be better prepared for significant, unexpected events that could have substantial detrimental impacts upon the Association.

i. Volatility

The Association needs liquid funds for working capital requirements and to cope with fluctuations in income. To address this, we have taken two to three months of operating expenditure to create a target range for the level of free reserves. Based on current expenditure levels, this means we need between £140,000 and £215,000 in free reserves. Given that we had commenced the year with £177,000 and we experienced a loss in general funds of £46,575, the trustees made the decision to transfer the remaining funds of £62,223 from the designated funds into the general funds.

ii. Annual Conference and Trade Show

The Conference and Trade Show make up a significant amount of our gross unrestricted revenue. We commit to conference venues well in advance and there is a risk of irrecoverable expenditure in the event of unforeseen problems. To offset this risk, the Conference Expenses Fund was created to cover costs associated with future conferences. £10,000 of expenditure relating to the 2024 Conference was charged to this fund leaving a balance of £50,000 (2023: £60,000) which was subsequently transferred into the general fund.

iii. Development plans and increasing support for membership

In order for the Association to maintain effective services for members and the sector, it is important to create a sustainable financial foundation. The Trustees continue to explore ways to generate additional income and help improve organisational resilience. The Association Development Fund remains the main vehicle through which we set aside funds for future growth and development. £87,777 of expenditure relating to the impairment of the Thruu assets was charged to this fund, leaving a balance of £12,223 (2023: £100,000) which was subsequently transferred into the general fund.

OBJECTS AND PUBLIC BENEFIT

The Association for Cultural Enterprises is a charity established to deliver public benefit through the promotion of excellence in cultural trading, which contributes to the resilience and sustainability of cultural institutions across the UK.

In planning and overseeing the Association's activities for the year, the Trustees have given due consideration to the guidance published by the Charity Commission relating to public benefit. The trustees have considered how the charity's activities contribute to our aims and objectives and are satisfied that the Association is delivering benefits to the cultural and heritage sector via its member organisations.

The Association's charitable purposes are part of the charity's objects as stated in its Articles of Association:

1. To provide education and training for all its members and the general public on commerce in the cultural and heritage sector.
2. To promote the voluntary sector for the benefit of the public by assisting voluntary organisations and charities to maximise their revenue by providing a forum for sharing information and ideas on commerce in the cultural sector.

Activities for Achieving Objectives

The Association provides education and training to its members on a wide range of commercial activities (including publishing, licensing, venue hire, film locations, retail and catering) which helps members to maximise self-generated income for their organisations.

The Charity can call upon a considerable pool of expertise via its staff, Trustees, external experts and the general membership. All members are encouraged to take advantage of this expertise via formal training and online tools, as well as networks and contacts facilitated by the Charity's activities.

Formal learning and development opportunities include:

- Masterclasses delivered by expert trainers
- Peer to peer Study Days covering a wide range of topics
- Certified courses delivered through the online Academy
- The annual Conference

Other learning and development opportunities include:

- Networking at events
- Mentoring programme
- Resource library including model contracts, podcast, blog and benchmarking
- Cultural Enterprises Awards.

Two bursary places are available for each online event and one for each on site event throughout the year, covering the cost of the delegate fee. These are limited to one delegate per member organisation. Additional bursaries are available for the annual Conference.

Membership Criteria

Membership is subject to the criteria set out in the Charity's Articles of Association. Both Members and Associates are warmly encouraged to attend events and meetings, but voting is constitutionally allowed only to Member organisations through their nominated representatives.

Membership is open to any cultural organisation that is established for public benefit and registered as a charity, or otherwise run not for profit. Such organisations include museums, galleries, libraries and archives, historic houses and gardens, zoos and aquariums, religious premises, theatres and arts centres.

Associate (non-voting) Membership is open to any UK cultural organisation run for private profit and any commercial companies, firms or individuals that support the Association's work. Non-profit, cultural organisations from outside the UK are also welcome to join as Associate Members.

Fundraising

The Association is funded by the subscriptions of its members, payments for education activities and profits from Cultural Enterprises (Trading) Limited. We are also supported by Arts Council England. We do not undertake any fundraising activity from the general public and as such we are not subscribed to any particular scheme of fundraising regulation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Charity's constitution consists of a Memorandum and Articles of Association. These were subsequently amended and consolidated into a single set of Articles of Association. Cultural Enterprises (Trading) Limited (CET) is a trading subsidiary company of the Charity established by the Trustees in 2013 in order for the Charity to expand its activities and carry them out more profitably with less risk. CET's activities comprise principally the Masterclasses and Conference, with any net operating profits being donated to the Charity under Gift Aid. The results of the company are included within the Charity's consolidated accounts.

Appointment of Trustees

All Trustees are required to have one or more of the skills required to govern, manage and steer the Charity effectively. Prospective Trustees are recruited by the means of advertisement on the Charity's website and email broadcast with candidates being interviewed by a panel of Trustees and expert advisers for suitability.

All Trustees are informed of their legal responsibilities to the Charity and of governance procedures generally. Further training is given to new Trustees on appointment. Following amendments made to the Articles of Association at the 2018 AGM, the Charity may appoint up to two independent Trustees from outside the membership, to its Board.

Key Management Personnel

Alongside the Trustees, all members of staff are considered key management personnel given the current scale of the Charity's operations. This may change if the charity grows and will be reviewed annually.

Setting pay within the Association is a matter for the Finance and Administration Committee. Initial salaries are discussed and agreed between the Chief Executive and the Trustees. An annual review of salaries is undertaken by the Finance and Administration Committee which takes into account performance, market rates for similar positions and the prevailing rate of inflation. The Committee is not bound to increase salaries annually.

There is no bonus scheme or performance related pay mechanism. None of the Trustees receive remuneration for their roles as Trustees of the Association. The staff team is salaried and employed by the charity. The Association employees are also employees of CET.

Organisation

The Trustees delegate the Charity's day to day work and implementation of strategy to the Chief Executive who is a full time employee of the Charity and Managing Director of the trading company. There are six further employees.

Training courses are delivered either by staff from member organisations giving their time free of charge, or by industry professionals contracted to the Association or CET. Accountancy support is provided to both the Association and CET by Sandra Silk Bookkeeping. Secretarial and legal support is provided by Bates Wells.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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 charitable company and the group and of the incoming resources and application of resources, including the 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the Trustees on 14/12/24 and signed on their behalf by:

MELANIE LEWIS
Chair of Trustees

REFERENCES AND ADMINISTRATIVE DETAILS

Association for Cultural Enterprises
Company registered no. 06480726
Registered charity no. 1122763

Registered Office and Principal Trading Office
Unit B7, Durham Dales Centre
Stanhope, Bishop Auckland DL13 2FJ

Solicitor and Company Secretary
Bates Wells
10 Queen Street Place
London EC4R 1BE

Independent Examiner
Allen Sykes
5 Henson Close
Bishop Auckland DL14 6WA

Banker
Unity Trust Bank
Planetary Road
Willenhall WV1 9DG

Finance and Risk Committee
Caroline Brown *(resigned March 2024)*
Jo Clarkson
Jill Fenwick *(resigned September 2023)*
Gordon Morrison *(appointed September 2023)*
Kingston Myles

Trustees

Caroline Brown *(Chair, resigned March 2024)*
Jo Clarkson *(Treasurer, independent)*
Kari Coghill *(resigned March 2024)*
Gabriela Gandolfini
Chris Gilbert
Matthew Henderson
Melanie Lewis *(Chair, appointed March 2024)*
Zak Mensah
Anthony Misquitta
Kingston Myles
Rod Taylor
Iain Watson *(independent)*
Laura Wright

Staff Management Team

Fi Anderson	Creative Development Manager
Tom Dykes	Director of Digital
Desi Evangelides	Business Development Manager *(resigned September 2023)*
Jill Fenwick	Chief Executive *(resigned September 2023)*
Julia Heppell	Administrator
Gordon Morrison	Chief Executive *(appointed September 2023)*
Fionnuala O'Donovan	Head of Events
Lucy Rees-Harris	Membership Manager *(resigned July 2024)*
Derek Smith	Finance Manager
Jo Whitworth	Communications & Media Manager

INDEPENDENT EXAMINER'S REPORT

I report to the trustees on my examination of the financial statements of the Association for Cultural Enterprises ('the charity') for the year ended 31 March 2024.

Responsibilities and Basis of Report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

Independent Examiner's Statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

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

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

Signed: P W Lamb

Dated: 15/12/24

Mr P W Lamb FCA
Independent Examiner
Allen Sykes Limited
5 Henson Close
Bishop Auckland
DL14 6WA

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Including income and expenditure account for the year ending 31 March 2024

	2024		2023
	Unrestricted funds	Total funds	Total funds
	£	£	£
Income:			
Memberships	81,756	81,756	60,595
Grants	201,643	201,643	211,643
Educational activities	142,831	142,831	136,074
Trading activities	381,154	381,154	262,635
Investment income	979	979	2
Total Income	808,363	808,363	670,949
Expenditure on:			
Trading activities	423,850	423,850	304,789
Charitable activities	528,296	528,296	473,941
Total expenditure	952,146	952,146	778,730
Taxation on trading activities	569	569	(10,119)
Net income /(expenditure) for the year	(144,352)	(144,352)	(97,662)
Reconciliation of funds			
Total funds brought forward	336,787	336,787	434,449
Total funds carried forward	192,435	192,435	336,787

All amounts relate to continuing activities of the group. The Statement of Financial Activities includes all gains and losses recognised in the year. The notes on pages 43 to 56 form part of these financial statements.

Annual Report 2023-24

CHARITY AND CONSOLIDATED BALANCE SHEET

For the year ending 31 March 2024

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
Fixed assets				
Tangible assets	6,128	51,353	6,128	3,133
Investments			1	1
	6,128	51,353	6,129	3,134
Current assets				
Debtors	92,245	81,791	67,710	74,008
Investments	100,000		100,000	
Cash at bank and in hand	126,448	292,577	105,573	272,738
	318,693	374,368	273,283	346,746
Liabilities				
Creditors: amounts falling due within one year	132,386	88,934	89,401	58,417
Net current assets	186,307	285,434	183,882	288,329
Total net assets	192,435	336,787	190,011	291,463
The funds of the charity				
Unrestricted funds	192,435	336,787	190,011	291,463
Total funds	192,435	336,787	190,011	291,463

Continued

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006. The Trustees consider that the company is entitled to Exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ('The Act') and members have not required the company to obtain an audit for the year
in question in accordance with section 476 of the Act. The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved buy the Trustees on 14/12/2024

And signed on their behalf by Joanna Clarkson

Miss J Clarkson (Trustee)
Company registered np. 06480726

The notes on pages 43 to 56 form part of these financial statements

STATEMENT OF CASH FLOWS

For the year ending 31 March 2024

	Group	Group	Charity	Charity
	2024	2023	2024	2023
	£	£	£	£
Cash flows from operating activities:				
Net cash used in operating activities	(71,618)	(92,138)	(62,171)	(78,490)
Income taxes paid on trading activities	10,119	(10,119)		
Net cash (outflow)/inflow from operating activities	(61,499)	(102,257)	(62,171)	(78,490)
Cash flows from investing activities:				
Payments to acquire tangible fixed assets	(5,255)	(15,399)	(5,255)	(1,399)
Receipts to dispose a tangible fixed asset	260		260	
Interest received	365	2		2
Net cash used in investing activities	(4,630)	(15,397)	(4,995)	(1,397)
Net increase / (decrease) in cash and cash equivalents	(66,129)	(117,654)	(67,166)	(79,887)
Cash and cash equivalents at beginning of year	292,577	410,231	272,738	352,625
Cash and cash equivalents at end of year	226,448	292,577	205,572	272,738

The notes on pages 43 to 56 form part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

For the year ending 31 March 2024

1. Accounting Policies

1.1 Basis of preparation

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) (Charities SORP (FRS 102)) and the Companies Act 2006.

The Association for Cultural Enterprises 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.

The Statement of Financial Activities (SOFA) and Statement of Financial Position consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

1.2 Company status

The charity is a public benefit entity and private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The members of the company are the Trustees named on page 37. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Restricted reserves as at 31 March 2024: £0 (31 March 2023: £0).

1.4 Income

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

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

The charity uses voluntary speakers as well as extra Trustee time and does not recognise this service as a gift in kind.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated equally between the charity and company.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.6 Going concern

In preparing the Annual Report and Accounts, the Trustees have continued to adopt the going concern basis. The Trustees believe the charity will continue to operate for a period of at least 12 months from the date of approval of these financial statements and will continue to meet its liabilities as they fall due for payment. The Trustees have reached this conclusion based on the available reserves as at the end of the year and the likely costs and revenues of the coming year.

Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

1.7 Basis of consolidation

The financial statements consolidate the accounts of the Charity and all of its subsidiary undertakings ('subsidiaries'). The Charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

The deficit for the year in the accounts of the Charity was £101,452 (2023: £65,627 deficit).

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Tangible fixed assets

Individual fixed assets costing £250 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

- Computer equipment - straight line over three years.

1.10 Debtors

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

1.11 Cash at bank and in hand

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

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pretax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 Financial instruments

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

1.14 Critical accounting judgements and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgements are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Management does not consider there to be any material accounting estimates or judgements that need disclosure in these financial statements.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2. Memberships and Grants

	2024	2023
	£	£
Full memberships	81,756	60,595
Grants (Arts Council England)	201,643	201,643
Conference bursary support	-	10,000
	201,643	211,643
Total donations and grants	283,399	272,238

Associate memberships are paid via the trading company.

3. Educational Activities

	2024	2023
	£	£
Learning and development	46,607	35,965
Donated gifts and services	11,000	16,000
Cultural Enterprises Academy income	676	1,754
Conference delegate income	84,548	82,355
	142,831	136,074

The charity is grateful to the various organisations who donate their services and facilities either for free or for a reduced charge. An equivalent charge is included within charitable activities.

4. Trading Activities

	2024	2023
	£	£
Trading income		
Subsidiary company income	381,154	262,635
	381,154	262,635
Trading expenses		
Subsidiary company expenditure	424,054	294,670
Net income from trading activities	(42,900)	(32,035)

5. Investments

	2024	2023
	£	£
Bank interest	979	2

6. Charitable Activities

2024	Governance	Adminstration and Organisation	Cultural Enterprises Academy	Total
	£	£	£	£
Direct costs		172,157		172,157
Support costs	16,575	337,617	1,947	356,139
Total	16,575	509,774	1,947	528,296
2023	**Governance**	**Adminstration and Organisation**	**Cultural Enterprises Academy**	**Total**
	£	£	£	£
Direct costs		163,264		163,264
Support costs	18,793	287,552	4,332	310,677
Total	18,793	450,816	4,332	473,941

7. Direct Costs

2024	Administration and Organisation	Cultural Enterprises Academy	Total
	£	£	£
Learning and development	3,335		3,335
Membership Coordinator	12,116		12,116
Conferences and exhibitions	139,914		139,914
Course costs	3,191		3,191
Podcasts and digital costs	10,601		10,601
Donated gifts and services	3,000		3,000
Total	172,157	-	172,157
2023	**Administration and Organisation**	**Cultural Enterprises Academy**	**Total**
	£	£	£
Learning and development	14,225		14,225
Membership Coordinator	15,831		15,831
Conferences and exhibitions	88,943		88,943
Legal and professional fees	18,141		18,141
Course costs	18,124		18,124
Donated gifts and services	8,000		8,000
Total	163,264	-	163,264

8. Support Costs

2024	Governance	Administration and Organisation	Cultural Enterprises Academy	Total
	£	£	£	£
Legal and professional fees	6,245		1,924	8,169
Premises costs		624		624
Insurance		5,184		5,184
Adminstrative costs		38,718	23	38,741
Advertising and marketing		22,739		22,739
Accountancy fees		1,919		1,919
Independent examination fees	2,330			2,330
Travel and subsistence		36,068	-	36,068
Wages and salaries		200,962		200,962
Social Security costs		20,165		20,165
Pension costs		8,639		8,639
Entertaining		600		600
Donated gifts and services	8,000			8,000
Depreciation		1,999		1,999
Total	16,575	337,617	1,947	356,139
2023	**Governance**	**Administration and Organisation**	**Cultural Enterprises Academy**	**Total**
	£	£	£	£
Legal and professional fees	8,583		3,002	11,585
Premises costs		768		768
Insurance		4,958		4,958
Adminstrative costs		41,330	1,083	42,413
Advertising and marketing		5,857		5,857
Accountancy fees		5,723		5,723
Independent examination fees	2,210			2,210
Travel and subsistence		17,580	247	17,827
Wages and salaries		181,199		181,199
Social Security costs		16,767		16,767
Pension costs		8,013		8,013
Entertaining		2,812		2,812
Donated gifts and services	8,000			8,000
Depreciation		2,545		2,545
Total	18,793	287,552	4,332	310,677

9. Staff Costs

	2024	2023
	£	£
Wages and salaries	200,962	181,199
Social Security costs	20,165	16,767
Pension costs	8,639	8,013
Other employee benefits		
Total	229,766	205,979

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

	2024	2023
Administration and organisation	9	8

The number of employees whose remuneration for the year fell within the following bands were:

	2024	2023
£60,000 to £69,999	1	1

All members of staff are considered key management personnel. The total compensation paid to key management personnel is therefore the total staff costs of £229,136.

No remuneration, directly or indirectly, was paid or deemed payable for either period to any Trustee or persons known to be connected with them.

10. Net Income

	2024	2023
Net income after stated charging:	£	£
Depreciation	2,148	2,545
Independent examination fees	2,330	2,210
Profit and loss on sale of assets	149	-

11. Taxation

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

	Group	Group	Charity	Charity
Current tax	**2024**	**2023**	**2024**	**2023**
	£	£	£	£
UK Corporation Tax on profits for the current period	569	(10,119)	-	-

The actual charge arises on the subsidiary's trading profit:

	2024	2023
	£	£
Loss before taxation	(42,331)	(42,154)
Expected tax charge at 19%	(8,043)	(8,009)
Effect of capital allowances and impairments	9,162	(2,110)
Effect of losses from earlier years	(550)	
	569	(10,119)

12. Tangible Fixed Assets - Group and Charity

	Group Computer Equipment	Group Total	Charity Computer Equipment	Charity Total
Cost	£	£	£	£
At 1 April 2023	64,281	64,281	16,061	16,061
Additions	5,255	5,255	5,255	5,255
Disposals	(48,719)	(48,719)	(499)	(499)
At 31 March 2024	20,817	20,817	20,817	20,817
Depreciation				
At 1 April 2023	12,928	12,928	12,929	12,929
Charge for the year	2,148	2,148	2,148	2,148
Disposals	(388)	(388)	(388)	(388)
At 31 March 2024	14,689	14,688	14,689	14,689
Net book value				
At 31 March 2024	6,128	6,128	6,128	6,128
At 31 March 2023	51,353	51,353	3,132	3,132

	Group	Group	Charity	Charity
	2024	2023	2024	2023
Current Asset Investments	£	£	£	£
Short term deposits	100,000	-	100,000	-

Investments in short term deposits have an original maturity date of 12 months. The average interest rate is 4.85%.

13. Debtors

	Group	Group	Charity	Charity
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	29,527	43,601	5,859	26,273
Amounts owed by group undertakings			36,442	24,664
Corporation tax recoverable	-	10,119	-	-
Other taxes recoverable	12710	-		-
Other debtors	200	273	200	273
Prepayments and accrued income	49,808	27,798	25,209	22,798
	92,245	81,791	67,710	74,008

14. Creditors: Amounts Falling Due Within One Year

	Group	Group	Charity	Charity
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	46,177	13,662	19,419	11,992
Other taxation and Social Security	8,436	8,282	7,867	7,808
Other creditors	1,612	1,553	1,612	1,553
Income in advance	49,400	42,670	35,142	35,314
Accruals and deferred income	26,761	22,767	25,361	1,750
	132,386	88,934	89,401	58,417

15. Summary of Funds

	Brought Forward	Income	Expenditure	Transfers	Carried Forward
	£	£	£	£	£
General funds	176,787	797,363	843,938	62,223	192,435
Designated funds					
ACE development fund	100,000		87,777	(12,223)	-
Conference expenses fund	60,000		10,000	(50,000)	-
Total	336,787	797,363	941,715	-	192,435

16. Analysis of Net Assets Between Funds

Group	**Unrestricted funds**	**Total funds**	**Total funds**
		2024	**2023**
	£	£	£
Tangible fixed assets	6,128	6,128	51,353
Current assets	318,693	318,693	374,368
Creditors less than one year	(132,386)	(132,386)	(88,934)
Total	192,435	192,435	336,787
Charity	**Unrestricted funds**	**Total funds**	**Total funds**
		2024	**2023**
	£	£	£
Tangible fixed assets	6,128	6,128	3,134
Current assets	273,283	273,283	346,746
Creditors less than one year	(89,401)	(89,401)	(58,417)
Total	190,010	190,010	291,463

17. Related Party Transactions

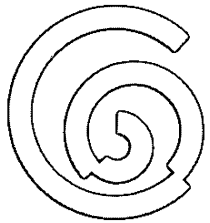
There are no related party transactions to disclose (2023: nil).

18. Reconciliation of Net Income / (Expenditure) to Net Cashflow from Operating Activities

	Group	Group	Charity	Charity
	2024	2023	2024	2023
	£	£	£	£
Net income /(expenditure) for the year	(144,352)	(97,662)	(101,452)	(65,627)
Interest receivable	(979)	(2)	(614)	(2)
Gain/loss on disposal of fixed assets			(149)	
Accrued expenses	48,071		23,611	
Depreciation of tangible fixed assets	2,148	2,545	2,148	2,545
(Increase) / decrease in debtors	(19,959)	22,262	6,912	(19,084)
Increase / (decrease) in creditors	42,884	(9,162)	7,373	3,678
Taxation charged	569	(10,119)		
	(71,618)	(92,138)	(62,171)	(78,490)

19. Analysis of Cash and Cash Equivalents

	Group	Group	Charity	Charity
	2024	2023	2024	2023
	£	£	£	£
Cash in hand	126,448	292,577	105,573	272,738
Notice deposits	100,000	-	100,000	-
	226,448	292,577	205,573	272,738



ASSOCIATION
for CULTURAL
ENTERPRISES

THE ASSOCIATION FOR CULTURAL ENTERPRISES

England & Wales - Charity number 1122763

Accounts

Association for Cultural Enterprises

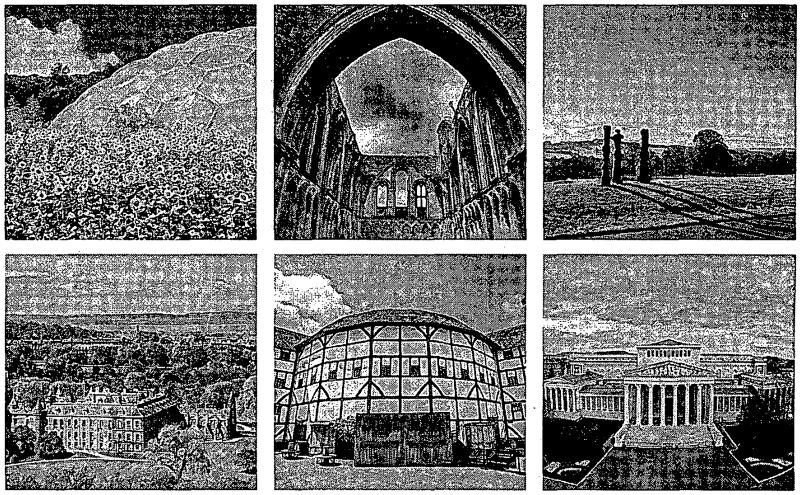
Annual Report

1 April 2022 - 31 March 2023

SATURDAY
A16
ACHZYD76
09/12/2023
COMPANIES HOUSE
#187

culturalenterprises.org.uk

Members pictured clockwise from top left: Eden Project; Glastonbury Abbey; Yorkshire Sculpture Park; Museum of Fine Arts, Budapest; Shakespeare's Globe; Holyrood House.



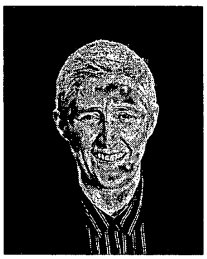
Contents

The Trustees of the Association for Cultural Enterprises present their Annual Report and consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2023, which have also been prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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Welcome



Caroline Brown, Chair

This was a significant year for the Association as we transitioned from a time of change and into a period focused on the future.

Key objectives for the year were to recover our membership numbers, to make a successful application to Arts Council England for continued support, and to recruit a new CEO for the Association following the retirement of Jill Fenwick.

I'm delighted to say that all of these objectives were met - membership numbers recovered to pre-pandemic levels, we were appointed an Arts Council Investment Principles Support Organisation (IPSO) and we successfully recruited our new CEO, Gordon Morrison.

Consequently, we have a sound foundation on which to deliver our objectives - helping cultural organisations achieve commercial sustainability, excellence and resilience.

I would sincerely like to thank the Team and Board for their ongoing hard work and dedication, and to thank you, our members, for your continuing support.

Finally, I would like to take the opportunity to thank Jill for her huge contribution over the years and to welcome Gordon on board.

Best wishes,

Caroline Brown
Chair of Trustees

Jill Fenwick, CEO

It has been the privilege of my professional life to grow and nurture the Association into the respected and progressive organisation it is today.

It has supported and developed so many individuals in the sector and helped them to make a real difference to their employers. We have collectively helped to maintain the health of our wonderful cultural sector, along with the high standards we have come to expect of ourselves.

This is a good time to hand over the Association to another. It is financially resilient, we have a terrific team of staff, membership and engagement are growing.

I firmly believe the only way now is up! I wish my successor Gordon all the very best as he takes Cultural Enterprises on to the next stage of its journey.

Best wishes,

Jill Fenwick
Outgoing CEO



Membership

Membership is central to our purpose and continues to inspire us in creating an excellent, beneficial experience for all.

Our Members represent a diverse range of heritage and cultural venues throughout the UK and beyond. This rich community gives Cultural Enterprises a unique offer - the opportunity to develop and learn through cultural cross pollination. Members are able to network alongside peers outside their usual sector, gaining valuable insights and learning to drive commercial excellence.

As our Members emerge from the post-pandemic climate, it has been encouraging to see a return to more live events. Members continue to show their support for us through their attendance, either as delegates, speakers or hosts.

The programme of events and training that we offer is curated directly from Member feedback. We strive to build a programme that encompasses the needs of members at all stages of their careers. It reflects the varying scales of organisations that we represent, from the largest national names to independent, local venues - all working to sustain culture.

Alongside our membership offer, we have a trusted and loyal cohort of Associate Members who offer goods, services and support to the cultural sector. We value the expertise and knowledge that these Associates bring to our Members. Our annual Conference and Trade Show is a celebration of our two membership communities coming together, where genuine opportunities are created for commercial and cultural growth.



Membership (continued)

The year to March 2023 saw a steady and positive increase in overall membership totals, ending the year on a figure of **402**, comprising **285 Members** and **117 Associates**. This represents an increase of **14.5%** year on year.

This year we took the significant step of streamlining our membership offer by phasing out our old 'Full Membership', replacing it with one improved offer including free access to our online Academy of training courses, alongside our full suite of resources and training.

It was encouraging to see many new Members joining Cultural Enterprises for the first time this year. This growth was achieved through cultivating relationships at events or trade fairs, marketing or word of mouth recommendations.

Retention of these new relationships will be a key focus of our strategy going forward.

Another area of development during the year was the expansion of our membership numbers in the performing arts sector. Through a strategic approach of targeted communications, events and the creation of a new talking forum we have increased our performing arts membership by 88%.

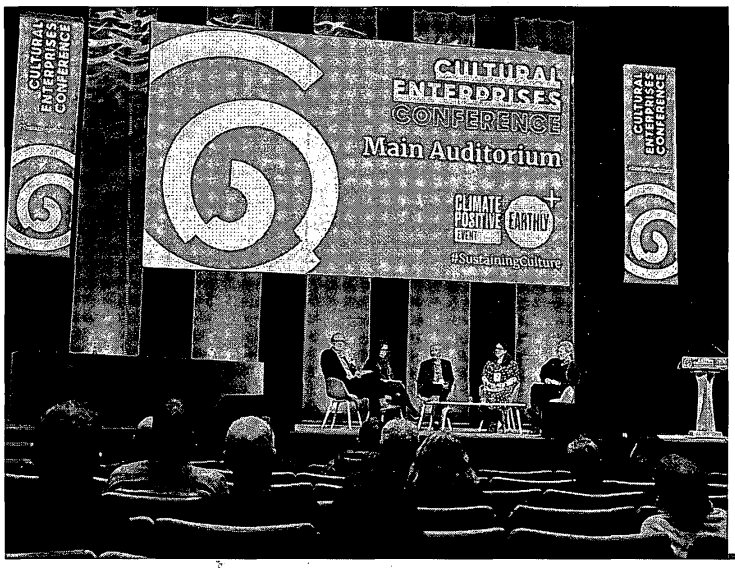
We will continue to look at creative ways we can grow our numbers, develop partnerships and make Cultural Enterprises a 'must have' membership for all cultural institutions.



Cultural Enterprises Conference

"The Conference is one of the best in the sector and really does stimulate the mind to think bigger and look to sector partners for best practice."

- Lucy Chilton, Visitor Experience Manager, Gloucester City Council



The Cultural Enterprises Conference and Trade Show took place this year at Harrogate Convention Centre on 9-10 March 2023.

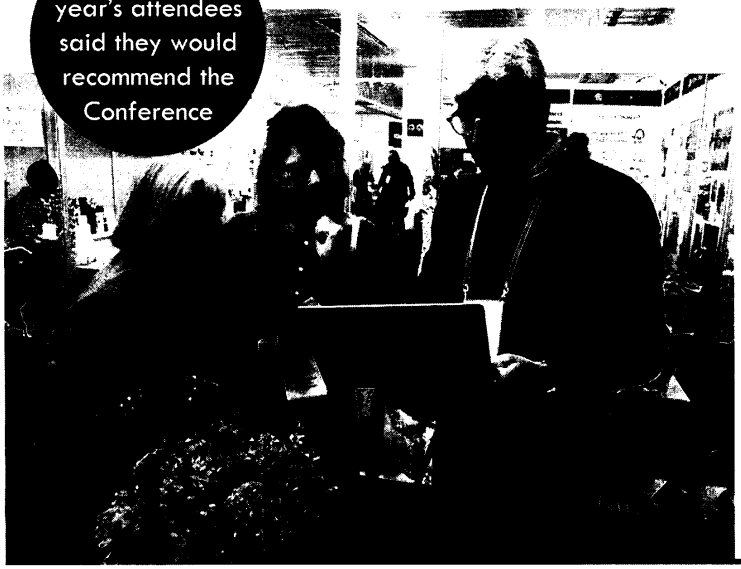
We were delighted to see our delegate numbers return to pre-Covid levels with a 17% increase on 2022 and a 26% increase on exhibitor stands. Our reach across the sector has also grown, with 198 cultural organisations represented across the delegates, a 19% increase on Glasgow 2022.

The Conference is delivered by the Association alongside its trading subsidiary. This year we were able to offer a significant **Bursary Programme**, thanks to the support of the National Lottery Heritage Fund. This gave an opportunity to those that would otherwise face barriers to attending to come along and benefit from the learning opportunities, growing their own knowledge and helping strengthen the resilience of their organisations.

Once again the team delivered a **Climate Positive** event, certified by Earthly, which meant that all aspects of planning and delivery were carefully considered at every stage. We also engaged Earthly to manage our carbon offsetting.

Cultural Enterprises Conference (continued)

90% of this year's attendees said they would recommend the Conference



The Trade Show had a positive atmosphere with new suppliers joining us, along with so many of our valued Associate Members.

We also collaborated with **Design Nation**, showcasing a niche curation of talented designer makers across a variety of artistic disciplines. This collaboration will continue to evolve, and we will look to partner with similar organisations and curate a larger gallery as we move forward.

Our **Trend Installation** was given a bigger focus, providing the opportunity for exhibitors to submit products that interpreted the themes, along with visual mood boards. We focused on two colour stories for retail gifting and a section to showcase kids' trends. This will continue to be a core planned installation within the Trade Show, giving our exhibitors an additional space to showcase their products and adding more visual interest for our delegates.

The Trade Show was promoted on Instagram, increasing our reach by 269% during this period, with the Design Nation collaboration being the top performing post.

We have ambitious plans for 2024. We will continue to grow exhibitor numbers back to pre-Covid levels and to offer an innovative and progressive experience for both exhibitors and delegates, based on learnings from our data and feedback. We are already streamlining the exhibitor experience, and we will continue to curate the show to ensure that we always offer our delegates the best possible range of suppliers to work with.

Cultural Enterprises Conference (continued)



As ever we enjoyed the opportunity to host our delegates and exhibitors at two great networking events.

This year for the first time the **Welcome Drinks** were held within the Trade Show Hall, increasing opportunities for delegates and exhibitors to meet and network. Based on feedback we plan to continue with this format in 2024.

The beautiful Royal Hall was the venue for our **Awards Dinner**, a hugely successful event culminating in a late night disco!

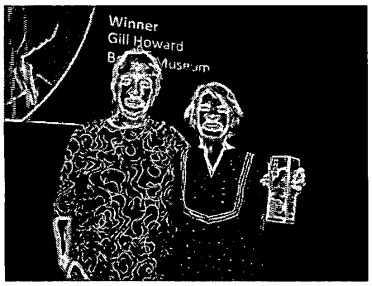
We continue to develop the **Conference Programme** to ensure that we are delivering timely and relevant content across all commercial activities in the sector. This year a wide range of topics were covered including digital, retail, ecommerce, venue hire, leadership, visitor experience and licensing, with clear themes of innovation and environmental sustainability running throughout.

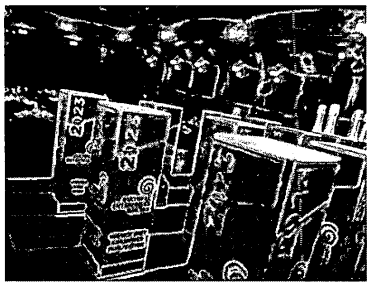
We would like to thank all our speakers for the high quality of their presentations and for being so generous with their time and experience, giving us inspiring talks and engaging panel sessions. Speakers came from a wide range of organisations including (but not limited to): Castle Howard, National Portrait Gallery, Museum of London, Baker Richards, National Theatre, National Trust, English Heritage, Cartoon Museum, Brunel Museum, Naomi Korn Associates, Art House, Royal Opera House, Supercool, Kettle's Yard, Fashion and Textile Museum, St Mary Redcliffe, Japanese American National Museum, and The Lowry.

Cultural Enterprises Awards

"It's a real pleasure and a privilege to judge such inspirational work, and wonderful to see the winners' reactions on the night!"

- Amy Haigh, Commercial Lead, Manchester Art Gallery









Over 140 entries were received for this year's Awards, celebrating creativity, innovation and talent in our sector across products, projects and people.

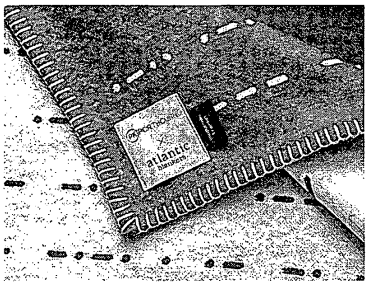
Thank you as always to our esteemed judges, who drew up a shortlist of three finalists in each category. The winners were announced and presented with their trophies at the Conference Gala Dinner in the spectacular surroundings of the Royal Hall Theatre, Harrogate.

The final award this year was renamed the Jill Fenwick Award for Outstanding Contribution, in honour of our outgoing CEO – awarded to Gill Howard, a dedicated volunteer at the Brunel Museum. Conference delegates also voted for their overall favourite, the People's Choice Award, which went to the Migration Museum for their Migrant Makers Market.

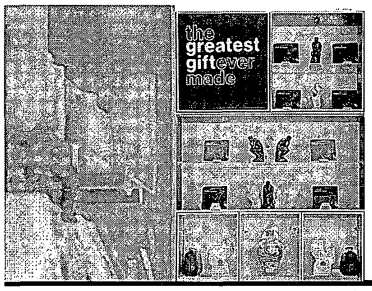
Congratulations to all our Winners and Finalists - richly deserved and a fabulous showcase of the incredible talent and creativity in our sector.

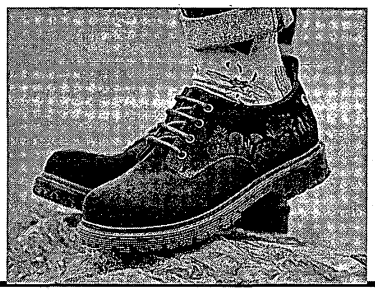
Pictured clockwise from top left: Gill Howard, Brunel Museum with Jill Fenwick; Katy Clinch, Migration Museum; Glasgow Museums

Award Winners 2023









Best Product
Morse Code Blanket
PK Porthcurno

Best Range
National Trust x Sylva Stools
National Trust

Best Publication
Tokyo: Art and Photography
Ashmolean Museum

Best Children's Publication
A History of the World in 25 Cities
British Museum

Creative Commerce Award
Crime Classics Subscription
British Library

Rising Star Award
Alicja Sobczak
Brunel Museum

Sustainability Award
Family Kitchen Shop
Royal Botanic Gardens Kew

Best Licensed Product
National Trust x Moshulu Footwear
National Trust

Best Supplier
Heritage Digital

Best Shop
The Burrell Collection
Glasgow Museums

Best Online Shop
shop.shakespearesglobe.com
Shakespeare's Globe

Jill Fenwick Award for Outstanding Contribution
Gill Howard
Brunel Museum

People's Choice Award
Migrant Makers Market
Migration Museum

Pictured clockwise from top left: Morse Code Blanket, PK Porthcurno; Family Kitchen Shop, Kew; National Trust x Moshulu; The Burrell Collection Shop

Events Programme

"I found it really galvanising to speak to other people who are championing what I do all day. It was amazing to be able to take a day away from my desk and think more widely and strategically."

- Online Masterclass Participant, 2022

From top: Visual Merchandising Masterclass, Thinktank; Talking Shop venue, Marble Hill





In 2022-23 we developed a hybrid Events Programme, with the majority of events taking place online and a small number onsite, responding to a clear desire among members to start meeting in person again.

We continued to deliver Online Masterclasses (expert trainer-led days delivering in-depth learning on a focussed topic) as the Zoom format is so accessible. Onsite events included View from the Top (senior leaders in the sector sharing their knowledge and experience), venue specific events and selected Talking Shops.

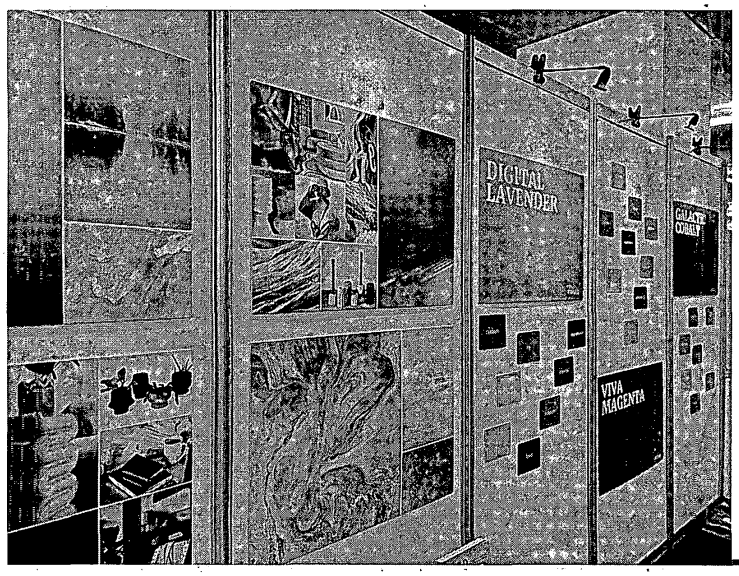
Content ranged from Visitor Experience and Audience Data to Product Development and Venue Hire, covering the breath of commercial activities in the sector.

In 2022-23 we held a total of 25 events, which is less than 2021-22, however engagement increased by 14%, with 693 delegates in total and a consistent overall satisfaction rating of over 96%.

Speakers came from a wide variety of organisations across the sector including Bodleian Libraries, Queer Britain Museum, Battersea Arts Centre, English Heritage, Royal Shakespeare Company, Beamish Museum, Live Theatre Newcastle, Shakespeare North Playhouse, National Museums Liverpool, V&A East, Historic Royal Palaces and London Transport Museum. We have also tapped into the expertise of the wider sector with speakers from BOP Consulting, Complete Works, International Visual Ltd and Indigo Ltd as well as partner organisations including ASVA, ALVA, AVEA, MA and AIM.

As always, we are grateful to all our speakers who give their time freely and share their expertise, and we are most grateful to all delegates for their enthusiastic participation.

Member Resources



Trend Report

Presented at the Conference and brought to life in the Trends Installation, our annual Trend Report looks at the factors that influence consumer behaviour and suggests how to translate the bigger themes and colour stories into product opportunities. The report was made available to members at the Conference and on the website and will remain a key element of our activity in future.

eCommerce Consultancy

The Association launched an ecommerce consultancy service in March 2023. The aim is to provide the opportunity for those working in or supporting the cultural sector to explore how ecommerce solutions could provide a new income stream, or to explore how to improve any existing online shop and product range.

The service is available to both commercial teams and suppliers. Tailored to individual requirements, it will identify opportunities to expand on existing products, as well as new product development and long term range planning, with the ultimate aim of enabling the client to continue their growth independently. We hope to grow this area to support our other strands of commercial development.

Benchmarking

Our annual Benchmarking Report was published in February 2023, featuring analysis of member data for the financial year 2021-22. The purpose of the report is to collate KPIs across a range of commercial areas, providing figures for members to compare their performance against. A huge thank you to the 73 organisations who responded, up from 53 last year.

Find the Trend Report and Benchmarking Report in our Resource Library.

Mentoring

Providing a free matching service for Members, the Mentoring Programme continues to be a valuable membership benefit for six mentees and six mentors.

Participants attend a full day of online training, including an introduction to mentoring and a one-on-one matching session. Mentors are then given a full day of training, and mentees a half day of training and advice.

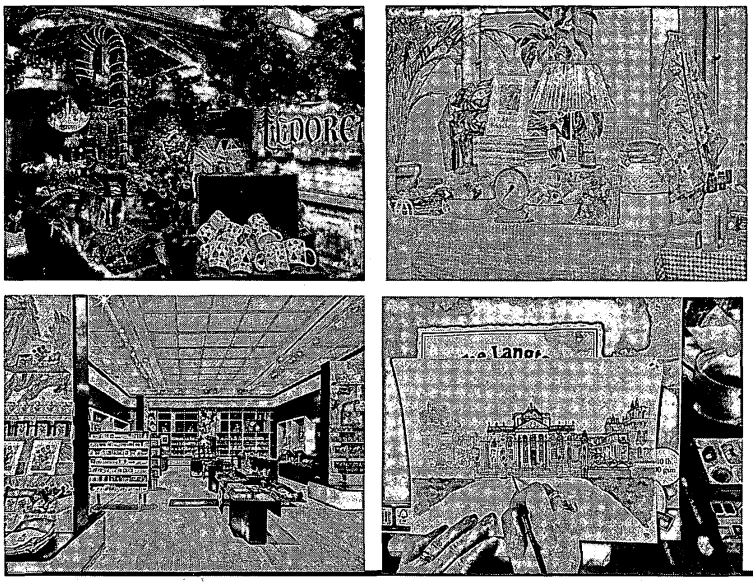
"It's been an enjoyable and rewarding experience to be part of this programme. I've had the pleasure of working with an engaged and brilliant mentee and as a first-time mentor I felt prepared for the journey from the great training provided. I'd definitely recommend taking part."

Hannah Oxley, Head of Retail & eCommerce, Royal Botanic Gardens Kew

The 2022-23 Cohort

Employer	Job Title	Mentors		Mentees	Job Title	Employer
Black Country Living Museum	Chief Operating Officer	Paul Crofts	=	Lianne Joynson	Marketing Manager	National Memorial Arboretum
York Minster	Director Visitor Experience & Operations	Barbara George	=	Amanda Stallard	Development Manager	Army Flying Museum
Royal Opera House	Head of Retail	Sue Carvell	=	Laura Fear	Volunteer and Shift Coordinator	Wales Millennium Centre
Chiswick House and Gardens Trust	Director	Xanthe Arvanitakis	=	Kirsty Fraser	Artist Development Manager	Edinburgh Festival Fringe Society
Manchester Art Gallery	Commercial Lead	Amy Haigh	=	Holly Burrows	Commercial Manager	The Cartoon Museum
Tullie House Museum	Head of Finance & Operations	Katie Proud	=	Olivia Mundy	Shop Co-ordinator	Van Gogh House London and Gallery C.I.C
Ashmolean Museum	Head of Events	Wendy Ball	=	Claire Bates	Head of Regenerative Tourism	Pembrokeshire Coast National Park

Marketing and Communications



Cultural Enterprises communications continue to play a key role in supporting the sector, keeping members informed and connected.

Our regular enews, The Bottom Line, is a well-established source of news, resources and jobs, with over **5,600 subscribers** (up 8% year on year), and consistently high open rates of up to **30%**.

The Cultural Enterprises blog covers the full spectrum of commercial activities, focussing especially on practical advice and creative inspiration. Some of the most popular articles have featured new revenue streams, advice on sustainable working practices and innovative retail ideas. Our members play a huge part in contributing to the blog, making it a rich, varied and practical resource for other members to take ideas from.

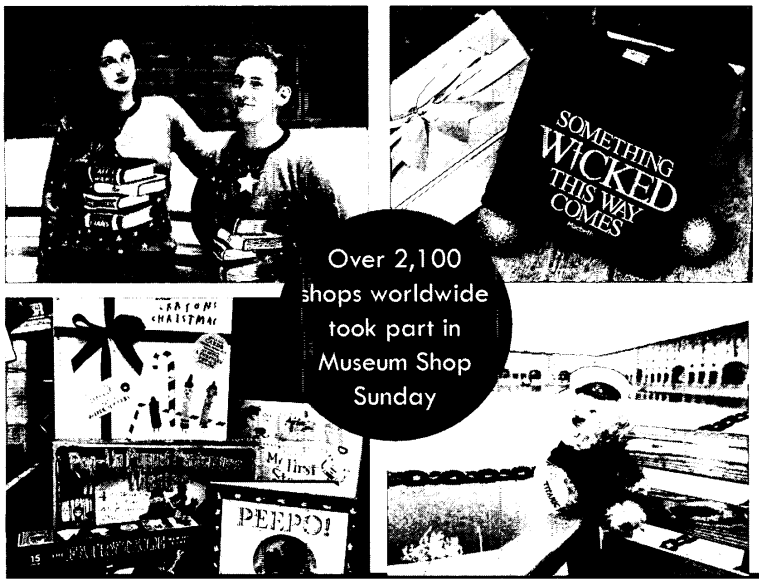
We have seen steady growth on social this year. With regular posting and engaging content our Instagram profile visits have grown by **170%** and our reach by an impressive **683%**. Content focusses on member stories, shops and products but we also welcome posts that cover other areas of commercial activity.

Popular member content clockwise from top left: Lilidorei, Alnwick Garden; Museum of the Home; Crumble & Core; National Gallery Portico Shop

Museum Shop Sunday

"We saw a big spike in online sales as a result of our Museum Shop Sunday offer and loved being part of a celebration of cultural retail on the social channels."

- Laura Pryke, Kettle's Yard



Our annual campaign to highlight cultural retail speaks to our core values and continues to gather momentum in the sector.

Over **2,100** shops worldwide took part on Sunday 27 November 2022, including more than 230 in the UK. The aim is to promote retail in all types of arts, heritage and cultural attractions, and new participants in 2022 included theatres, castles, libraries and national parks.

Museum Shop Sunday is a great opportunity to tell the stories behind products, highlight unique gifts and boost Christmas sales. It ties in perfectly with the demand for unique, design-led and ethically sourced gifts, as well as the desire to support small business and independent designer makers. It also gives participants a platform to highlight their mission and values.

Engagement was high throughout the campaign, with a 55% increase in unique visits to the Cultural Enterprises website and record-breaking email open rates (41%) and click rates (22%).

Instagram was the most successful social channel with fantastic content from participants, increased engagement and a 17% rise in followers.

Pictured clockwise from top left: British Library; Shakespeare's Globe; National Museums Liverpool; Grimm & Co

Chief Executive's Summary



As the new CEO of Cultural Enterprises, it is a genuine pleasure to review this report and celebrate the achievements of the Association over the last year.

Reflecting on our new IPSO status (I'm proud to say that we are one of only 43 organisations to achieve this award), as well as our hugely successful events programme, highly regarded Conference and Trade Show, expanding member resources, prestigious Awards and growing membership, it is very clear that I have taken the reins at a time when the organisation is in fine fettle.

It is therefore only right that I thank my predecessor, Jill Fenwick, for her sterling work over the last 13 years. She leaves a great legacy, one that I am really excited to have the opportunity to continue and build upon.

It is important that we do not rest on our laurels but continue to push ourselves to deliver the support to our members that you expect. Looking ahead, these remain challenging times for the cultural sector, with the ever-increasing costs of doing business, the cost of living crisis, pressures on funding, and ongoing issues with recruitment and overstretched resources.

Given that our principal aim is to promote and embed commercial best practice in the sector, it is incumbent on the Association to play a leading role in helping the sector to overcome these challenges.

As well as our ongoing commitment to providing training and educational support through our highly regarded and well used events programme and online Academy, I'm determined that we will develop and enhance our membership offering to provide further tangible benefits to assist the sector during this challenging period.

Analysing feedback collated this year, it is clear that members want more support to help with decision making, more best practice inspiration, more sector insights, and more networking opportunities to learn and share ideas on a peer to peer basis. My ambition for the organisation is that membership will truly become a business essential tool for the cultural sector. The focus of the Association going forward will be on ensuring we have all the right building blocks in place to provide our members with support tools and membership benefits that help our sector to not just survive, but to thrive.

I'm looking forward to working with and getting to know as many members as possible, and I hope and intend to meet many of you, either at your venues or at Cultural Enterprises events in the months ahead.

All the very best for the rest of the year!

Gordon Morrison, CEO

Treasurer's Report

For the year ending 31 March 2023

Whilst the year showed significant growth in activity from 2021-22, it still proved difficult for trading, producing a deficit of £97,662.

Our events programme showed good growth from the previous year but still remained significantly short of pre-pandemic levels. The 2023 Conference and Trade Show proved to be more successful with delegate numbers and trade stands returning to pre-pandemic levels.

We are grateful to Arts Council England for their continued support. We would also like to acknowledge the £10,000 grant from the National Lottery Heritage Fund which greatly assisted our Conference bursary programme.

Membership income produced a 14% increase over the previous year. This, together with the migration to Membership Plus, bodes well for the future.

Associate membership income showed a healthy increase of 16% over the previous year. There is still however significant progress to be made to reach pre-pandemic levels.

Support costs within the Charity showed a year on year increase of 5%. The primary reason for this was due to an increase in staff travel costs from a very low base in 2021-22. After including the trading company support costs, there was a very small decrease in total support costs overall. Within these costs staffing rose by 3.9%.

On the balance sheet there is an asset valuation of £48,220 relating to the investment in the Thruu ecommerce project. Due to economic circumstances, this project has currently been placed on hold. The Trustees consider that the valuation represents fair value at this time.

Within debtors there are three significant factors. Firstly the £45,000 prepayment in last year's accounts, relating to costs for the 2022 Conference, has crystallised this year. Secondly, there is as significant increase in memberships paid in advance due to a large number of renewals in March 2023. Thirdly, the £10,119 Corporation Tax, which was paid by the trading company last year, will be fully recoverable due to the level of losses incurred by the trading company this year. There are no significant changes in the level of creditors.

Overall, despite the disappointing outcome for the year, the organisation remains in sound financial health , retaining total reserves of £336,787.

Reserves Policy

Reserves are held to fund working capital, to provide resources for future activities, to offset unforeseeable shortfalls in income, and to protect the Association against unplanned adverse events. The Trustees have identified the following key factors in setting the level of reserves:

- The level of volatility in our income;
- the level of dependency on the Conference and Trade Show;
- our need to develop the organisation's financial resilience and rebuild our activities;
- the need to be better prepared for significant, unexpected events that could have substantial detrimental impacts upon the Association.

Treasurer's Report (continued)

For the year ending 31 March 2023

i. Volatility
The Association needs liquid funds for working capital requirements and to cope with fluctuations in income. To address this, we have taken two to three months of operating expenditure to create a target range for the level of free reserves. Based on current expenditure levels, this means we need between £130k and £195k in free reserves. Given that we had commenced the year with £74k and we projected further losses in 2023-24, the Trustees made the decision to transfer funds from the designated funds into the general funds. £200k was therefore released from the Emergency Recovery Fund into General Funds for this purpose.

ii. Conference and Trade Show
The Conference and Trade Show make up a significant amount of our gross unrestricted revenue. We commit to conference venues well in advance and there is a risk of irrecoverable expenditure in the event of unforeseen problems. To offset this risk, the Conference Expenses Fund was created to cover costs associated with future conferences. £60k (2021: £60k) is held for these purposes.

iii. Development plans and increasing support for membership
In order for the Association to maintain effective services for members and the sector, it is important to create a sustainable financial foundation. The Trustees continue to explore ways to generate additional income and help improve organisational resilience. The Association Development Fund remains the main vehicle through which we set aside funds for future growth and development, and there is £100k in this fund (2021: £100k) which will be used to fund or underwrite any future developmental schemes.

iv. Preparing for adverse events
We set aside £200k for an Emergency Recovery Fund at the time of higher reserves in the immediate aftermath of the pandemic. We have found that, while the acute effects of the pandemic have passed, some aspects of our activity have not returned to pre-pandemic levels yet and may continue to look different in this post-pandemic world. This is a significant contributor to the deficit we have seen in 2022-23 which has led to a reduced level of general funds. Therefore, this designated fund has been released back to general funds in 2022-23 in order to support our need to meet our reserves policy requirements. We continue to hold sufficient reserves in other designated funds set out above to allow us to respond to risks and opportunities as they arise.

Objects and Public Benefit

The Association for Cultural Enterprises is a charity established to deliver public benefit through the promotion of excellence in cultural trading, which contributes to the resilience and sustainability of cultural institutions across the UK.

In planning and overseeing the Association's activities for the year, the Trustees have given due consideration to the guidance published by the Charity Commission relating to public benefit. The trustees have considered how the charity's activities contribute to our aims and objectives and are satisfied that the Association is delivering benefits to the cultural and heritage sector via its member organisations.

The Association's charitable purposes are part of the charity's objects as stated in its Articles of Association:

1. To provide education and training for all its members and the general public on commerce in the cultural and heritage sector.
2. To promote the voluntary sector for the benefit of the public by assisting voluntary organisations and charities to maximise their revenue by providing a forum for sharing information and ideas on commerce in the cultural sector.

Activities for Achieving Objectives

The Association provides education and training to its members on a wide range of commercial activities (including publishing, licensing, venue hire, film locations, retail and catering) which helps members to maximise self-generated income for their organisations.

The Charity can call upon a considerable pool of expertise via its staff, Trustees, external experts and the general membership. All members are encouraged to take advantage of this expertise via formal training and online tools, as well as networks and contacts facilitated by the Charity's activities.

Formal learning and development opportunities include:

- Masterclasses delivered by expert trainers
- Peer to peer Study Days covering a wide range of topics
- Certified courses delivered through the online Academy
- The annual Conference. .

Other learning and development opportunities include:

- Networking at events
- Talking Forums
- Resource Library including model contracts, podcasts, blog and Benchmarking reports
- Cultural Enterprises Awards.

Two bursary places are available at each online event and one at each on site event throughout the year, covering the cost of the delegate fee. These are limited to one delegate per member organisation. Additional bursaries are available for the annual Conference.

Objects and Public Benefit
(continued)

Membership Criteria
Membership is subject to the criteria set out in the Charity's Articles of Association. Both Members and Associates are warmly encouraged to attend events and meetings, but voting is constitutionally allowed only to Member organisations through their nominated representatives.

Membership is open to any cultural organisation that is established for public benefit and registered as a charity, or otherwise run not for profit. Such organisations include museums, galleries, libraries and archives, historic buildings and houses, including religious buildings, and historic gardens.

Associate (non-voting)
Membership is open to any UK cultural organisation run for private profit and any commercial companies, firms or individuals that support the Association's work. Non-profit, cultural organisations from outside the UK are also welcome to join as Associates.

Fundraising
The Association is funded by the subscriptions of its members, payments for education activities and profits from Cultural Enterprises (Trading) Limited. We are also supported by Arts Council England. We do not undertake any fundraising activity from the general public and as such we are not subscribed to any particular scheme of fundraising regulation.

Structure, Governance and Management

Constitution
The Charity's constitution consists of a Memorandum and Articles of Association. These were subsequently amended and consolidated into a single set of Articles of Association. Cultural Enterprises (Trading) Limited (CET) is a trading subsidiary company of the Charity established by the Trustees in 2013 in order for the Charity to expand its activities and carry them out more profitably with less risk. CET's activities comprise principally the Masterclasses and Conference, with any net operating profits being donated to the Charity under Gift Aid. The results of the company are included within the Charity's consolidated accounts.

Appointment of Trustees
All Trustees are required to have one or more of the skills required to govern, manage and steer the Charity effectively. Prospective Trustees are recruited by the means of advertisement on the Charity's website and email broadcast with candidates being interviewed by a panel of Trustees and expert advisers for suitability.

All Trustees are informed of their legal responsibilities to the Charity and of governance procedures generally. Further training is given to new Trustees on appointment. Following amendments made to the Articles of Association at the 2018 AGM, the Charity may appoint up to two independent Trustees from outside the membership, to its Board.

Key Management Personnel
Alongside the Trustees, all members of staff are considered key management personnel given the current scale of the Charity's operations. This may change if the charity grows and will be reviewed annually.

Setting pay within the Association is a matter for the Finance and Administration Committee. Initial salaries are discussed and agreed between the Chief Executive and the Trustees. An annual review of salaries is undertaken by the Finance and Administration Committee which takes into account performance, market rates for similar positions and the prevailing rate of inflation. The Committee is not bound to increase salaries annually.

There is no bonus scheme or performance related pay mechanism. None of the Trustees receive remuneration for their roles as Trustees of the Association. The staff team is salaried and employed by the charity. The Association employees are also employees of CET.

Organisation
The Trustees delegate the Charity's day to day work and implementation of strategy to the Chief Executive who is a full time employee of the Charity and Managing Director of the trading company. There are seven further employees.

Training courses are delivered either by staff from member organisations giving their time free of charge, or by industry professionals contracted to the Association or CET. Accountancy support is provided to both the Association and CET by Sandra Silk Bookkeeping. Secretarial and legal support is provided by Bates Wells.

Statement of Trustees' Responsibilities

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

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 charitable company and the group and of the incoming resources and application of resources, including the 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the Trustees on 09/11/23 and signed on their behalf by:



Caroline Brown
Chair, Association for Cultural Enterprises

References and Administrative Details

Association for Cultural Enterprises
Company registered no. 06480726
Registered charity no. 1122763

Registered Office and Principal Trading Office
Unit B7, Durham Dales Centre
Castle Gardens, Stanhope
Bishop Auckland DL13 2FJ

Solicitor and Company Secretary
Bates Wells
London LLP
10 Queen Street Place
London EC4R 1BE

Independent Examiner
Philip Lamb
Allen Sykes
5 Henson Close
South Church Enterprise Park
Bishop Auckland DL14 6WA

Banker
Unity Trust Bank
Planetary Road
Willenhall WV1 9DG

Trustees
Caroline Brown *(Chair)*
Jo Clarkson *(Treasurer)*
Kari Coghill
Gabriela Gandolfini
Chris Gilbert
Matthew Henderson
Zak Mensah
Anthony Misquitta
Kingston Myles
Duncan Smith *(resigned Nov 2022)*
Rod Taylor
Iain Watson *(independent)*
Laura Wright

Finance and Risk Committee
Caroline Brown
Jo Clarkson
Jill Fenwick *(resigned Sep 2023)*
Gordon Morrison *(appointed Sep 2023)*
Kingston Myles

Management Team

Fi Anderson	Creative Development Manager
Tom Dykes	Director of Digital
Desi Evangelides	Business Development Manager *(resigned Sep 2023)*
Jill Fenwick	Chief Executive *(resigned Sep 2023)*
Julia Heppell	Administrator
Gordon Morrison	Chief Executive *(appointed Sep 2023)*
Fionnuala O'Donovan	Head of Events
Lucy Rees-Harris	Membership Manager
Derek Smith	Finance Manager
Jo Whitworth	Communications & Media Manager

Independent Examiner's Report

I report to the trustees on my examination of the financial statements of the Association for Cultural Enterprises ('the charity') for the year ended 31 March 2023.

Responsibilities and Basis of Report
As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

Independent Examiner's Statement
Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or

2. the financial statements do not accord with those records; or

3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or

4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Signed: P W Lamb

Dated: 9/11/2023.

Mr P W Lamb FCA
Independent Examiner
Allen Sykes Limited
5 Henson Close
Bishop Auckland
DL14 6WA

Consolidated Statement of Financial Activities

Including income and expenditure account
For the year ending 31 March 2023

Income from	Note	2023		2022
		Unrestricted funds	Total funds	Total funds
Memberships	2	60,595	60,595	53,044
Grants	2	211,643	211,643	391,848
Educational activities	3	136,074	136,074	12,297
Trading activities	4	262,635	262,635	226,303
Investments	5	2	2	14
Total Income		**670,949**	**670,949**	**683,506**
Expenditure on:				
Trading activities	4	304,789	304,789	279,030
Charitable activities	6	473,941	473,941	391,779
Total expenditure		**778,730**	**778,730**	**670,809**
Taxation on trading activities		(10,119)	(10,119)	10,119
Net income / (expenditure) before other recognised gains and losses		(97,662)	(97,662)	2,578
Reconciliation of funds				
Total funds brought forward		434,449	434,449	431,871
Total funds carried forward		**336,787**	**336,787**	**434,449**

All activities relate to continuing operations.
The notes on pages 28 to 35 form part of these financial statements.

Statement of Financial Position

For the year ending 31 March 2023

	Note	Group 2023	Group 2022	Charity 2023	Charity 2022
Fixed assets	10				
Tangible assets		51,353	38,499	3,133	4,279
Investments				1	1
		51,353	38,499	3,134	4,280
Current assets					
Debtors	11	81,791	93,934	74,008	54,924
Cash at bank & in hand		292,577	410,231	272,738	352,625
		374,368	504,165	346,746	407,549
Creditors					
Amounts falling due within one year	12	88,934	108,215	58,417	54,739
Net current assets		285,434	395,950	288,329	352,810
Net assets		336,787	434,449	291,463	357,090
Charity funds					
Unrestricted funds		336,787	434,449	291,463	357,090
Total funds		336,787	434,449	291,463	357,090

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006. The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ('the Act') and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Trustees on 9/11/2023 and signed on their behalf by: .....
Caroline Brown, Chair, Association for Cultural Enterprises
Company registered no. 06480726.

The notes on pages 28 to 35 form part of these financial statements.

Statement of Cash Flows

For the year ending 31 March 2023

	Note	2023	2022
		£	£
Cash flows from operating activities	17		
Cash (absorbed by)/generated from operations		(92,138)	61,184
Income taxes paid		(10,119)	
Net cash (outflow)/inflow from operating activities		(102,257)	61,184
Investing activities			
Payments to acquire tangible fixed assets		(15,399)	(37,853)
Interest received		2	14
Net cash used in investing activities		(15,397)	(37,839)
Net increase / (decrease) in cash and cash equivalents		(117,654)	23,345
Cash and cash equivalents at beginning of year		410,231	386,886
Cash and cash equivalents at end of year		292,577	410,231

The notes on pages 28 to 35 form part of these financial statements.

Notes to Financial Statements

For the year ending 31 March 2023

1. Accounting Policies

1.1 Basis of preparation

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) (Charities SORP (FRS 102)) and the Companies Act 2006.

The Association for Cultural Enterprises 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.

The Statement of Financial Activities (SOFA) and Statement of Financial Position consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

1.2 Company status

The charity is a public benefit entity and private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The members of the company are the Trustees named on page 23. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Restricted reserves as at 31 March 2023: £0 (31 March 2022: £0).

1.4 Income

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

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

The charity uses voluntary speakers as well as extra Trustee time and does not recognise this service as a gift in kind.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified

Notes to Financial Statements

For the year ending 31 March 2023

by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated equally between the charity and company.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.6 Going concern
In preparing the Annual Report and Accounts, the Trustees have continued to adopt the going concern basis. The Trustees believe the charity will continue to operate for a period of at least 12 months from the date of approval of these financial statements and will continue to meet its liabilities as they fall due for payment. The Trustees have reached this conclusion based on the available reserves as at the end of the year, the likely costs and revenues of the coming year. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

1.7 Basis of consolidation
The financial statements consolidate the accounts of the Charity and all of its subsidiary undertakings ('subsidiaries').

The Charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

The deficit for the year in the accounts of the Charity was £65,627 (2022: £74,781 deficit).

1.8 Interest receivable
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Tangible fixed assets
Individual fixed assets costing £250 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:
• Computer equipment - straight line over three years.

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

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

Notes to Financial Statements

For the year ending 31 March 2023

1.12 Liabilities and provisions
Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pretax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

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

1.14 Critical accounting judgements and key sources of estimation uncertainty
In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgements are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Management do not consider there to be any material accounting estimates or judgements that need disclosure in these financial statements.

1.15 Retirement benefits
Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Notes to Financial Statements

For the year ending 31 March 2023

2. Memberships and Grants

	2023	2022
Full memberships	60,595	53,044
	60,595	53,044
Grants (Arts Council England)	201,643	201,643
Cultural Recovery Grant		190,205
Conference bursary support	10,000	
	211,643	391,848
Total donations & grants	272,238	444,892

3. Educational Activities

	2023	2022
Learning & development	35,965	6,749
Donated gifts & services	16,000	4,000
Cultural Enterprises Academy income	1,754	1,548
Conference delegate income	82,355	-
	136,074	12,297

The charity is grateful to the various organisations who donate their services and facilities either for free or for a reduced charge. An equivalent charge is included within charitable activities.

4. Trading Activities

	2023	2022
Trading Income		
Subsidiary company income	262,635	226,303
Subsidiary grant income	-	190,205
	262,635	416,508
Trading expenses		
Subsidiary company expenditure	294,670	289,149
Net income from trading activities	(32,035)	127,359

5. Investments

	2023	2022
Bank interest	2	14

6. Charitable Activities

	Governance	Adminstration & Organisation	Online Academy	Total 2023	Total 2022
Direct costs		163,264		163,264	96,144
Support costs	18,793	287,552	4,332	310,677	295,635
	18,793	450,816	4,332	473,941	391,779
Total 2022	10,129	248,120	133,530	391,779	

Notes to Financial Statements

For the year ending 31 March 2023

7. Direct Costs

	Administration & Organisation	Online Academy	Total 2023	Total 2022
Learning & development	14,225		14,225	3,147
Membership Manager	15,831		15,831	-
Conferences & exhibitions	88,943		88,943	67,336
Legal & professional fees	18,141		18,141	-
Course costs	18,124		18,124	25,661
Donated gifts & services	8,000		8,000	-
	163,264	-	163,264	96,144

8. Support Costs

	Governance	Administration & Organisation	Online Academy	Total 2023	Total 2022
Legal & professional fees	8,583		3,002	11,585	24,929
Premises costs		768		768	-
Insurance		4,958		4,958	5,716
Adminstrative costs		43,875	1,083	44,958	34,115
Advertising & marketing		5,857		5,857	5,982
Accountancy fees		5,723		5,723	4,785
Independent examination fees	2,210			2,210	2,125
Travel & subsistence		17,580	247	17,827	4,136
Wages & salaries		181,199		181,199	186,116
Social Security costs		16,767		16,767	15,366
Pension costs		8,013		8,013	8,365
Entertaining		2,812		2,812	-
Donated gifts & services	8,000			8,000	4,000
	18,793	287,552	4,332	310,677	295,635
Total 2022	10,129	177,637	107,869	295,635	

Notes to Financial Statements

For the year ending 31 March 2023

9. Staff Costs

	2023	2022
Wages & salaries	181,199	181,867
Social security costs	16,767	15,366
Pension costs	8,013	8,365
Other employee benefits		4,249
	205,979	209,847

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

	2023	2022
Administration & organisation	8	7

The number of employees whose remuneration for the year fell within the following bands were:

	2023	2022
£60,000 to £69,999	1	0

All members of staff are considered key management personnel. The total compensation paid to key management personnel is therefore the total staff costs of £205,979.

No remuneration, directly or indirectly, was paid or deemed payable for either period to any Trustee or persons known to be connected with them.

10. Tangible Fixed Assets - Group & Charity

	Group Computer equipment	Group Total	Charity Computer equipment	Charity Total
Cost				
At 1 April 2022	48,882	48,882	14,662	14,662
Additions	15,399	15,399	1,399	1,399
Disposals		-		-
At 31 March 2023	64,281	64,281	16,061	16,061
Depreciation				
At 1 April 2022	10,383	10,383	10,383	10,383
Charge for the year	2,545	2,545	2,545	2,545
Disposals		-		-
At 31 March 2023	12,928	12,928	12,928	12,928
Net book value				
At 31 March 2023	**51,353**	**51,353**	**3,133**	**3,133**
At 31 March 2022	38,499	38,499	4,279	4,279

11. Debtors

	Group 2023	Group 2022	Charity 2023	Charity 2022
Trade debtors	43,601	15,142	26,273	10,558
Amounts owed by group undertakings			24,664	24,053
Corporation tax recoverable	10,119	-	-	-
Other debtors	273	6,482	273	440
Prepayments & accrued income	27,798	72,310	22,798	19,873
	81,791	93,934	74,008	54,924

Notes to Financial Statements

For the year ending 31 March 2023

12. Creditors: Amounts Falling Due Within One Year

	Group 2023	Group 2022	Charity 2023	Charity 2022
Trade creditors	13,662	49,056	11,992	16,438
Other taxation & social security	8,282	18,152	7,808	8,033
Other creditors	1,553	2,953	1,553	2,953
Income in advance	42,670	35,104	35,314	25,565
Accruals & deferred income	22,767	2,950	1,750	1,750
	88,934	108,215	58,417	54,739

13. Summary of Funds

	Brought Forward	Income	Expenditure	Transfers	Carried Forward
General funds	74,449	670,949	768,611	200,000	176,787
Designated funds					
ACE development fund	100,000				100,000
Conference expenses fund	60,000				60,000
Emergency recovery fund	200,000			(200,000)	-
TOTAL	**434,449**	**670,949**	**768,611**	**-**	**336,787**

14. Analysis of Net Assets Between Funds

Group	Unrestricted funds	Total funds 2023	Total funds 2022
Tangible fixed assets	51,353	51,353	38,499
Current assets	374,368	374,368	504,165
Creditors less than 1 year	(88,934)	(88,934)	(108,215)
	336,787	336,787	434,449

Charity	Unrestricted funds	Total funds 2023	Total funds 2022
Tangible fixed assets	3,134	3,134	4,280
Current assets	346,746	346,746	407,549
Creditors less than 1 year	(58,417)	(58,417)	(54,739)
	291,463	291,463	357,090

15. Related Party Transactions

There have been no transactions undertaken with related parties during the year. Member organisations are not considered to be related parties.

Notes to Financial Statements

For the year ending 31 March 2023

16. Principal Subsidiaries

Cultural Enterprises (Trading) Limited

Subsidiary name	Cultural Enterprises (Trading) Limited
Company registration no.	08690077
Country	United Kingdom
Equity shareholding %	100%
Directors	Laura Cave
	Jo Clarkson
	Jill Fenwick *(resigned 29 September 2023)*
	Anthony Misquitta
	Gordon Morrison *(appointed 8 September 2023)*
	Kingston Myles

The net assets for the year dealt with in the accounts of the subsidiary were £45,325 (2022: £77,360).
The loss for the year of the subsidiary undertaking was £32,035 (2022: £77,359 profit).

17. Cash (Absorbed by)/Generated from Operations

	2023	2022
	£	£
Net income /(expenditure) for the year	(97,662)	2,578
Interest receivable	(2)	(14)
Depreciation of tangible fixed assets	2,545	2,917
(Increase) / decrease in debtors	22,262	104,382
Increase / (decrease) in creditors	(9,162)	(58,798)
Taxation charged	(10,119)	10,119
	(92,138)	61,184

Association for
Cultural Enterprises

Annual Report

1 April 2022 - 31 March 2023

culturalenterprises.org.uk

THE ASSOCIATION FOR CULTURAL ENTERPRISES

England & Wales - Charity number 1122763

Accounts

Annual Report 2021-2022

For the year ending 31 March 2022

Association for Cultural Enterprises

Contents

The Trustees of the Association for Cultural Enterprises present their Annual Report and consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2022, which have also been prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

2 Trustees' Report
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The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).



Harewood House, Leeds

Welcome from the Chair

In the financial year 2021-22, the Association for Cultural Enterprises hosted two conferences - one digital and one in person. This unique occurrence speaks to the disruption we all experienced during the Covid pandemic and related lockdowns.



We had to change what we did, how we did it and when. Inevitably we did more, not less, and experimented with the new whilst trying to reinvigorate the old.

The things that we hold dear as a sector and as an Association are unchanged, perhaps even amplified by our experiences. We believe that the cultural sector offers life enhancing experiences and opportunities and that these should be available to everyone. The Association is here to help our members deliver on these values by building the expertise, skills and support networks that enable our organisations to be financially sustainable - developing businesses that are unique, creative and values driven.

Thanks to the support of Arts Council England's Culture Recovery Fund, we were able to continue our work throughout 2021-22 and we have invested in our team and our infrastructure to ensure we are ready for the next challenges - which are most certainly not in short supply!

I am pleased to report that despite our own challenges as an organisation we are in a good place both operationally and financially to fulfil this purpose for the future.

I would like to thank the management team who have worked tirelessly to support our members in difficult circumstances – they have been agile, dedicated and collegiate throughout. I also extend a warm welcome to our new team members and look forward to seeing you thriving in your roles.

I would also like to thank the Board of Trustees who give their considerable wisdom and expertise freely and who help to steady the organisation in times of turbulence.

Finally, thank you to all of you for your ongoing support. I was delighted to see so many of you in Glasgow, and to see that despite everything you have retained your energy and commitment to protecting our great cultural institutions, both large and small.

I look forward to seeing you at at one of our events soon.

Best wishes

Caroline Brown
Chair, Association for Cultural Enterprises

Membership

Membership continues to be at the heart of Cultural Enterprises. Through our varied and diverse members, we foster a culture of community, where shared experiences and peer to peer support are central to the membership experience.

Our members come from a wide range of backgrounds and represent some of the largest and most recognisable names in culture and heritage as well as smaller, independent organisations. Each member is valued, and their contributions help to enrich the networking experiences we offer. Our members frequently support our training and events by sharing their expertise and knowledge as speakers, blog writers, academy course creators and presenters.

Whilst the pandemic continued to have an inevitable impact on our overall membership numbers, we ended the year with 339 member organisations, comprising 226 Full Members and 113 Associate Members. This has continued to be a challenging time for many organisations' budgets, meaning the value of membership, with its resources and community, is more important than ever.

There has been a positive trend towards Membership Plus, an enhanced package which includes access to all online Academy content, worth over £1,500 of CPD-approved training. Of our 226 Full Members, 92 were Membership Plus which represents a 52% increase in the past 12 months.

As we continue to recover following the pandemic, retention of existing members, reconnection with lapsed members and acquisition of new members will all be vital. We have created a new role of Membership Coordinator to help us grow and strengthen membership and ensure that the Association remains a valued and vital force in the sector.

We are also committed to listening to our members about their needs and responding with curated, topical events, along with more accessible online learning, data-led KPI reports, and regular community events.

Benchmarking

May 2021 saw the publication of our new annual benchmarking scheme. Members were asked to report figures as close to the 2019-2020 financial year as possible. The aim was to collate KPIs across a range of pre-pandemic commercial areas, so we had something to measure against prior to the major disruption of Covid-19. Thank you to the 53 member organisations who responded. The full report can be found in our Resource Library.



Eden Project, Cornwall

Cultural Enterprises Conference

Digital Conference, May 2021

In 2021 we were presented with a major new challenge by the restrictions of the global pandemic – how to adapt our annual Conference and Trade Show to be delivered in an effective online format. With no experience of working digitally on this scale we researched, spoke to external experts, and developed skills across the Cultural Enterprises team that led to us staging an extremely successful and well-received event in May 2021.

The event ran over four days, including one full day dedicated to the Trade Show and three days of educational content. This allowed us to factor in more breaks (important for digital events) and involve as many speakers and panellists as possible.

We made the decision to invest in a digital platform, Swapcard, that we could continue to work with across our Conferences and core events programme in 2021-22 and beyond. This platform was selected for its usability, appearance and flexibility. Without doubt, it was one of the major factors that led to the success of the event.

The great advantage of a digital Conference was the ability to engage with speakers from the UK, Ireland, Europe and the US, delivering a more global perspective of income generation across the cultural sector.

It also meant that members from the more remote areas of the UK, as well as those that might not normally be able to travel due to other commitments and responsibilities, were able to engage with the educational content and networking opportunities that are usually inaccessible for them, creating a more diverse audience.

A slightly more challenging aspect was how we could deliver value to our Associate Members and other exhibitors, most of whom had never used a digital Trade Show platform like this. We created resources including a Help Centre, with direct support from the Cultural Enterprises team, and a webinar on how to make the most of the platform and how to use it well.

While the exhibitor numbers were lower than an onsite event, several Associate Members fed back that it was a successful Trade Show for them.

Overall we enjoyed our greatest number of delegates for any Conference and Trade Show (650) and also our widest spread, with attendees from Finland to the US. We created new memberships and lasting relationships with speakers and delegates which will bolster our network in coming years.

Cultural Enterprises Conference

Glasgow Conference, March 2022

With a huge sense of relief and excitement we made a return to in-person events when we delivered our second major event of the year, the Conference and Trade Show at the SEC Glasgow on 2-3 March 2022.

Thanks to the support we received from Arts Council England's Culture Recovery Fund we were able to underwrite the cost of attendance, with delegates paying less than 50% of the value of a full price two-day ticket. We also offered an increased number of bursary places, enabling as many members as possible to attend at a time when resources are still tight following two years of significant uncertainty.

We were privileged to be able to hold our social events in two of Glasgow's most beautiful venues. A Civic Reception hosted by the Lord Provost of Glasgow took place at The Hunterian Art Gallery, and the Gala Dinner and Awards Ceremony saw over 220 guests enjoying the incredible Kelvingrove after hours.

The broad and impressive seminar programme covered a wide range of topics including retail, ecommerce, leadership, events and venue hire, publishing, catering, filming and photography, and an entire strand dedicated to environmental sustainability in the sector, inspiring new conversations in this area.

Swapcard was used as the event app, providing a library of digital content in place of the traditional printed collateral. The decision was taken not to live stream sessions, both because of costs and in order to keep the focus on delivering a high quality onsite event, however all the sessions were recorded and made available later as a box set, hosted on Swapcard.

A Climate Positive Event

Glasgow 2022 also saw us deliver our first climate positive Conference, certified by Earthly - a valuable exercise in forcing us to think carefully about all aspects of our planning and traditional collateral. We engaged Earthly to manage our carbon offsetting, and significantly reduced our printing, using fully recyclable badge materials, reusing existing resources, and encouraging attendees to travel by public transport.

As a team we are committed to continuing to embed environmental responsibility across our activities and further conversations will be had to discuss the impact of this approach and any changes we may want to make for 2023, as well as implementation across the full events programme in the future.



The Scottish Exhibition Centre, Glasgow

Cultural Enterprises Conference

Trend Reports

As part of our goal to continue to add value for delegates, we commissioned a Trend Report, researched and written by an expert retail consultant. This was very well received, and made available to the full membership following the Conference.

This report will become an annual activity as part of the Conference, with plans to deliver it both as a written report, a visual display and an educational talk at the Conference, as well as explore the potential in commissioning trend reports in other areas of commercial activity such as venue hire.

Conclusion

Both Conferences in 2021-22 delivered inspiring talks, engaging panel sessions, and a lot of food for thought. We were honoured to host speakers from a huge range of organisations such as Black Country Living Museum, The Tank Museum, Royal Botanic Gardens Kew, Beamish Museum, Royal Opera House, Eden Project, English Heritage, Tate, National Museums Northern Ireland, National Trust for Scotland, The Garden Museum, Chester Zoo, Manchester Art Gallery, and from further afield including the US, Belgium and Germany.

We would like to thank all the speakers for the high quality of their presentations and for being so generous with their time and experience.

Many thanks also to the Associate Members who supported the events and helped make them such a success.



Showcase Sessions, Trade Show Hall, Glasgow

"What an inspiring couple of days we've had at the Cultural Enterprises Conference. Fascinating to hear colleagues from across the sector talk so passionately on a broad range of topics, and wonderful to meet so many new people from amazing organisations, all happily sharing experience and ideas."

Gemma McQue
Product Manager
National Trust for Scotland

Cultural Enterprises Awards

Just over 100 entries were received for this year's Awards, celebrating creativity, innovation and talent in our sector across products, projects and people. Two new awards were introduced - the Digital Income Award acknowledging the growth of new digital revenue streams, and the Rising Star Award, recognising up and coming talent in the sector.

Thank you as always to our esteemed judges, who drew up a shortlist of three finalists in each category. The winners were announced and presented with their trophies at the Conference Gala Dinner at Kelvingrove Art Gallery and Museum. Congratulations to all our Finalists and Winners - richly deserved and a fabulous showcase of the incredible talent and creativity in our sector.





The Gala Dinner Awards Ceremony, Kelvingrove

> "What a great night this was, celebrating success in our industry and loving everyone's optimism and ambition for the future."
>
> *Karen O'Connor*
> *Director of Commercial Enterprises*
> *National Museums Liverpool*

Award Winners 2022

Best Product
Fabric Pouch
The Art House

Best Range
Vintage Textiles
Museum of the Home

Best Publication
Hold Still: A Portrait of Our Nation in 2020
National Portrait Gallery

Best Children's Publication
Alfred's Adventure in the Children's City
Kettle's Yard

Creative Commerce Award
Hidden Spaces Tour
Historic Royal Palaces

Rising Star Award
Matthew Henderson
Product Development Manager
Beamish Museum

Green Award
PK Porthcurno

Best Licensed Product
National Trust Papers II
National Trust

Best Supplier Initiative
Supporting Artisan Makers
Just Trade

Best Shop
The Botanics Shop
Royal Botanic Garden Edinburgh

Best Online Shop
shop.birminghammuseums.org.uk
Birmingham Museums

Digital Income Award
Gharma Sunnu - Listen at Home
The Gurkha Museum Trust

Outstanding Contribution Award
Patrick Trembath
Gardener and Groundsman
PK Porthcurno



Matthew Henderson, Beamish Museum, and Cultural Enterprises Trustee, Rising Star and Overall Winner as voted by Conference delegates.



Patrick (Paddy) Trembath, PK Porthcurno, Winner: Outstanding Contribution Award.

Events Programme

As 2021 had become our Year of Digital, and taking into consideration the continuing impact of the pandemic on the sector, we planned the 2021-22 events programme around digital content, with just two onsite events – the AGM and Glasgow Conference and Trade Show.

The programme was designed to align with the three pillars underpinning all the Association's activities this year - Consolidation, Creativity and Renewal. Digital events were comprised of the following distinct formats:

- **Masterclasses:** expert trainer-led days delivering in-depth learning on a specific topic
- **Culture Exchange:** panel sessions focussing on peer-to-peer exchange of knowledge, experience and case studies
- **View from the Top:** our leading event each year, planned as five one-hour webinars
- **Talking Forums:** we continued to run eight retail focussed Regional Talking Shops, as well as developing our Talking eCommerce and Talking Venues communities.

While commercial activities such as events, venue hire and catering were still restricted by government policies we focussed on the topics that could have the most impact for venues, such as retail, Christmas planning and ecommerce.

During the second half of the year it became clear the sector was seeing growing challenges with staffing and resources which led us to prioritise the planning and delivery of the Conference and Trade Show in March 2022.

In 2021-22 we held 44 events in total, engaging 609 delegates. 96% of all event attendees rated the content of the event as 'Good' or 'Very Good' (our top categories).

Our speakers came from a wide variety of organisations across the sector including Bletchley Park, The British Library, National Museums Liverpool, University of Edinburgh, Shopify, The Revels Office, National Gallery, Historic Royal Palaces, National Gallery of Ireland and Birmingham Museums Trust.

As always, we are grateful to all our speakers who give their time freely and share their expertise and we are most grateful to all delegates for their enthusiastic participation.

It is an ongoing journey to ensure that the programme delivers a consistently high level of quality and relevant content, and we welcome any thoughts from our membership.

> "Thank you for an incredibly useful and informative masterclass. I really valued the shared insight and experience, and it was lovely to speak to the other delegates in the breakout rooms – it's comforting to know that we all have shared challenges."
>
> *Gemma Rainer*
> *Events Manager*
> *National Horse Racing Museum*

Cultural Enterprises Academy

March 2022 saw the culmination of the Academy project, which started publishing courses in early 2019. We're pleased to say we have reached our target of 40 pieces of unique content commissioned and filmed as the financial year came to a close.

With these complete, we now have a library of 42 pieces of content (see Appendix 1 for the full list). This totals over £1,500 worth of educational content, included for free with Membership Plus, representing great value for money.

None of this would have been possible without Lucy Rees-Harris, our Academy Programme Manager. Lucy brilliantly fielded all the topics and challenging subject matter experts threw at her, all while increasing the production quality and sticking to tight deadlines. Sales of jaffa cakes in the Gateshead area near the studio will plummet drastically!

The breadth and depth of subjects covered has been a rewarding challenge, and will be one of the lasting legacies of the project. As an organisation aiming to be representative of the sector and the people who work in it, it was important we explored further afield than 'safe' and popular subjects such as retail.

A key achievement was the successful application to the Certified Professional Development organisation for official CPD certification, proving the veracity and quality of our content and offering participants a clear outcome for their study.

CPD CERTIFIED
The CPD Certification Service

What's next?

We will be integrating the Academy with our wider content plan for events and membership. We will retain the Academy name and branding, but all existing and new online content will be rearranged under one 'resources' banner, improving user experience and navigation. We want to make it easier for members to find the content they are looking for, regardless of media.

Our aim is to build on the library of resources we have, add to them, and provide even more in-depth resources for cultural entrepreneurs across a range of disciplines.



Cultural Enterprises Academy

Top 10 Most Enrolled Courses 2019-2022

	Course Title	Unique Enrolments
1	Retail Essentials: Visual Merchandising	403
2	Coaching and Mentoring	169
3	Retail Essentials: Shop Floor Skills	138
4	Retail Essentials: Buying	102
5	Successful Visitor Experiences	88
6	Hiring Diverse Teams	84
7	How to be a Visitor Experience Genius	83
8	Retail Essentials: Finance	76
9	eCommerce Essentials	55
10	Maximising Commercial Income	47

Key Figures, May 2019 - April 2022

Subject Matter Experts

Consultants	54%
Members	46%

Subject Matter Experts

Female	69%
Male	31%

CPD Accredited

Yes	85%
No*	15%

Course Presenters

Writer	63%
Actor	37%

*Unaccredited content includes early unstructured courses where there is no testing element, such as Hiring Diverse Teams, and the Podcast series.

Mentoring

Providing a free matching service for members, the Mentoring Programme continues to be a valuable membership benefit. Building on the success of the first year, in 2021-22 we added an additional half day of training for the mentees. This came after feedback from both mentors and mentees that the latter would benefit from some more guidance on how to get the most out of the experience, with a focus on creating professional and personal goals.

The 2021-22 cohort

Job Title	Employer	Mentor		Mentee	Employer	Job Title
Head of Retail	Abbey Road Studios	Catherine Smith	=	Panagiota Kotoula	Ministry of Stories	Retail Manager
Head of Visitor Experience	Royal Yacht Britannia Enterprises	Robert Gill	=	Georgina Lewis	Migration Museum Project	Head of Development
Head of Merchandising and Retail	National Trust for Scotland	Caroline Reid	=	Kate Grindal	Cadw - Welsh Heritage	Retail Manager
Director of Operations and Visitor Services	Institute of Contemporary Arts	Tom Campbell	=	Michele Doyle	Everyman and Playhouse Theatres	Operational Duty Manager
Head of Retail and Commercial Events	Southbank Centre	Amanda Pearlman	=	Christina Wood	Natural History Museum	Event Sales Manager
Head of Commercial Operations	The Tank Museum	Simon Prager	=	Maud Steigler	Royal Opera House	Retail Operations Coordinator

"I've found the programme very rewarding, leaving each session motivated and inspired. My mentor has made me feel more confident within my work and the knowledge I've gained will be invaluable in the future."

Alice Escott, Mentee 2020
Shop Supervisor, Exeter Cathedral

"I've found it immensely rewarding being part of this programme. The training was superbly delivered but the biggest reason it's been so good is the enjoyment and satisfaction I get from speaking regularly with my mentee."

Steve Gardam, Mentor 2020
Director, Roald Dahl Museum

Marketing and Communications

Cultural Enterprises communications continue to play a key role in supporting the sector, keeping members informed and connected. The communications strategy has three strands – promoting upcoming events; sharing news and resources; and growing awareness of the organisation.

Our regular enewsletter, The Bottom Line, is a well-established source of news, resources and job opportunities, with over 5,200 subscribers and consistently high open rates of up to 30%. Around half our subscribers are non-members, making it an effective outreach tool for growing awareness within the sector.

The Cultural Enterprises blog covers the full spectrum of commercial activities, focussing especially on practical advice and creative inspiration. Some of the most popular articles have featured new revenue streams, advice on sustainable working practices and innovative retail ideas. Our members play a huge part in contributing to the blog, making it a rich, varied and practical resource.

On the Cultural Enterprises website the What's On page is a focus for upcoming events and campaigns. There is also now a Topics and Resources hub making it easier for users to browse all resources on a given subject in one place – including online Academy courses, upcoming events, podcasts, blog articles and more. There are currently 11 topics covering all areas of commercial activity as well as digital skills, sustainability and personal development.

Our social following continues to grow steadily, with a focus on Twitter as an avenue for job advertising, upcoming events and sector news. A strategy for other channels will be developed going forward.





Popular blogs: The Botanics Shop at Royal Botanic Garden Edinburgh (opposite); and the Escape Room at the Museum of the Order of St John (above).

Museum Shop Sunday

Museum Shop Sunday took place on **Sunday 28 November 2021**. In just five years this annual event has seen enormous growth, and now involves over **1,800** cultural shops worldwide. Over **230** shops took part in the UK in 2021, a **64%** increase on 2019.

The aim of Museum Shop Sunday is to raise the profile of retail in all types of non-profit cultural attractions (not just museums!). Participants in 2021 included BALTIC Centre for Contemporary Art, Bodleian Libraries, Dartmoor National Park, English Heritage, Royal Botanic Garden Edinburgh, SS Great Britain, Southbank Centre, The Art House and Yorkshire Sculpture Park.

A significant number of non-member organisations also took part, showing how well-established Museum Shop Sunday has become within the wider sector.

Museum Shop Sunday is a perfect opportunity to tell the stories behind products, highlight unique gifts and boost Christmas sales. It ties in perfectly with demand for unique, design-led and ethically sourced gifts, as well as the desire to support small business and independent designer makers. #GiftBetter and #ShopLocal were added to our list of campaign hashtags.

MUSEUM SHOP SUNDAY

Instore events included tastings, product launches, book signings, arts and craft demonstrations, live music, craft fairs, and a Christmas hamper with locally sourced products. Online promotions also ran throughout the weekend.

The Museum Shop Sunday What's On pages were by far the most popular pages on the Cultural Enterprises website throughout November. All events and promotions were listed, including links to participants' online shops, and the pages were promoted via the Museum Shop Sunday socials. It was encouraging to see so many visitors to these pages, all eager to do their Christmas shopping at cultural attractions!

The Museum Shop Sunday social following grew by over 30% in 2021, and there was a positive buzz around the hashtag #MuseumShopSunday throughout the weekend.

Overall we are really pleased with the growth in engagement and will continue to build on this in 2022.

> "The international movement Museum Shop Sunday, spearheaded in the UK by the Association for Cultural Enterprises, is such a great sector wide feel good promotion of all our beautiful heritage shops ... Our cultural enterprise sector rocks!"
>
> *Rebecca Hossain*
> *Director of Commercial and Operations*
> *Sir John Soane's Museum*

The Year Ahead

The Association continued to deliver useful content both in person and digitally throughout 2021-22, maintaining its role as Sector Support Organisation and community hub.

March 2022 saw the conclusion of stage 1 of the Online Academy. We will continue to add to this suite of 40+ units, all CPD accredited, of which we are immensely proud. Do dive in and learn in depth about all aspects of income generation. It is free to all Full Member Plus organisations and their teams.

This year also saw the research and development phase of Thruu, an exciting new ecommerce platform for the sector, ready for market testing to a state of launch readiness which we plan when the financial climate is more encouraging.

Fi Anderson joined our small team as Product Development Manager and is already someone we don't know how we managed without. At the same time Lucy Rees-Harris became our very first Membership Coordinator and we are very excited that Lucy will help the membership grow in coming years, as well as caring for our existing members of the community.

Most importantly we managed the difficult balancing act of staying financially afloat whilst still delivering for our members through yet another difficult year.

Looking ahead to 2022-23 it remains a tricky time for all of us. Those who rely on funding have been nervously awaiting the outcome of Arts Council England support this autumn. Some have lost that funding and, whilst there will be transition arrangements, they will be forced to make tough decisions.

Hopefully, if we can all be as enterprising as possible, we can all come through. That is our mantra as an Association for the next year. This too will pass and we **will** come through.

I'll see you in 12 months on the other side.

Jill Fenwick
Chief Executive
Association for Cultural Enterprises



Finance Report

For the year ending 31 March 2022

2021-22 again proved to be a difficult trading year for the Association, as it was for much of the cultural sector. Despite these circumstances, the Association has produced a pre-tax surplus of £12,697 over the course of the year.

We are again extremely grateful to Arts Council England for their continued support by way of a second grant from the Culture Recovery fund in the sum of £186k which helped to offset the impacts of the pandemic on our activities.

For the second year running our events programme was severely curtailed due to the pandemic. This again had a significant impact on our financial performance. We were however able to host two Conferences during the year, one digital and one in person, which both contributed to our outcome, although the Glasgow Conference and Trade Show in March 2022 understandably did not perform at the level of pre-pandemic events.

This year for the first time we have recognised the educational value of the Conference to the Charity. We have provided for a charge for this benefit from the trading company to the Charity of £56,114. This charge will be maintained in future years.

Membership income grew significantly during the year. Overall, full membership income rose by 19% to £53,044. Our traditional full membership showed a slight year on year decrease, but this was due to many members recognising the advantages of switching to our new membership plus option which increased by 145%. Associate membership grew, from a small base due to the pandemic, by 48% to £25,890.

Staff costs have risen by 23% to £319,269. This was mainly due to the creation of the new Product Development and eCommerce Manager posts.

Debtors have reduced from £198k in 2021 to £93k in 2022. In 2021 we were holding significant prepayments for the digital and Glasgow conferences. These amounts crystallised in 2021-22. Going forward, we still hold £45k of prepaid expenditure relating to the twice cancelled Harrogate conference. This will be released in 2022-23.

Creditors have also reduced , from £156k to £98k. The main cause of this reduction was the remaining balance of £71k of 2020 Harrogate Conference refunds being made during the year.

Despite a second year of extremely difficult circumstances, the Association has again ended the year with a satisfactory outcome and continues to operate with a sound financial foundation.

As a result of the surplus, funds carried forward total £434,449 (2021: £431,871). Of these, £360,000 have been designated for specific purposes.

Reserves Policy

Reserves are held to fund working capital, to provide resources for future activities, to offset unforeseeable shortfalls in income, and to protect the Association against unplanned adverse events. The Trustees have identified the following key factors in setting the level of reserves:

- the level of volatility in our income
- the level of dependency on the Conference and Trade Show
- our need to develop the organisation's financial resilience and rebuild our activities
- the need to be better prepared for significant, unexpected events that could have substantial detrimental impacts upon the Association.

Finance Report

For the year ending 31 March 2022

i. Volatility

The Association needs liquid funds for working capital requirements and to cope with fluctuations in income. To address this, we have taken two to three months of operating expenditure to create a target range for the level of free reserves. Based on current expenditure levels, this means we need between £109k and £164k in free reserves. The current value of free reserves is £74k (2021: £72k), which falls below the target range at this stage, however the Trustees are not concerned at this stage due to the levels of other designated reserves currently held and anticipate that we will be able to reach the appropriate level of free reserves in the near future.

ii. Annual Conference and Trade Show

The Conference and Trade Show make up a significant amount of our gross unrestricted revenue. We commit to conference venues well in advance and there is a risk of irrecoverable expenditure in the event of unforeseen problems. To offset this risk, the Conference Expenses Fund was created to cover costs associated with future conferences. £60k (2021: £60k) is held for these purposes.

iii. Development plans and increasing support for membership

In order for the Association to maintain effective services for members and the sector, it is important to create a sustainable financial foundation. The Trustees continue to explore ways to generate additional income and help improve organisational resilience. The Association Development Fund remains the main vehicle through which we set aside funds for future growth and development, and there is £100k in this fund (2021: £100k) which will be used to fund or underwrite any future developmental schemes.

iv. Preparing for adverse events

The pandemic has had unprecedented impacts on the Association, our members and the sector in general. We twice had to cancel the annual conference, we experienced entirely unpredicted reductions in core income, educational activity and membership numbers, and our subsidiary trading company (Cultural Enterprises Trading Ltd, CET) suffered accounting losses and cashflow difficulties.

We were fortunate to have Arts Council England's support via the Culture Recovery Fund, which bolstered our financial position and allowed CET to return to profit. Without this the Association may have struggled to survive through this extended period of global uncertainty.

It is almost impossible to quantify the likelihood that such an enormous adverse event will occur again, or to assess the possible impact. However, the experience of the current global crisis has led the Trustees to conclude that the Association needs a more robust Reserves Policy which sets aside meaningful sums which are explicitly held to safeguard against unforeseeable, high impact and damaging events.

We have therefore created the Emergency Recovery Fund (ERF) through which we will set aside funds for the long term to provide reassurance for Trustees and members that the organisation will have the means to offset the effects of unanticipated, large scale future shocks and remain a going concern. These funds are not set aside for particular activities but will be deployed as necessary by the Trustees in the event of a major event necessitating the release of funds.

Finance Report

For the year ending 31 March 2022

Due to the small surplus in this year, we have not added any further to this fund so the balance remains at £200k. The Trustees will continue to monitor the risks and operating environment in order to ascertain the appropriate level for this fund.

Risk Management

The Trustees have assessed the major risks to which the Charity and the group is exposed. We maintain a risk map and risk register in support of this activity that identifies risks as green, amber or red depending upon their severity and probability.

Red risks are those identified as having a high likelihood and high impact. The two red risks in our register as at the end of 2022 were:

- Failure to secure future funding for 2023-26 from Arts Council England;
- Failure to maintain and grow membership numbers.

Mitigations for both risks have been identified and implemented.

Going Concern

In preparing the Annual Report and Accounts, the Trustees have continued to adopt the going concern basis. The Trustees believe the charity will continue to operate for a period of at least 12 months from the date of approval of these financial statements and will continue to meet its liabilities as they fall due for payment. The Trustees have reached this conclusion based on the available reserves as at the end of the year, the likely costs and revenues of the coming year. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Objects and Public Benefit

The Association for Cultural Enterprises is a charity established to deliver public benefit through the promotion of excellence in cultural trading, which contributes to the resilience and sustainability of cultural institutions.

In planning and overseeing the Association's activities for the year, the Trustees have given due consideration to the guidance published by the Charity Commission relating to public benefit. The trustees have considered how the charity's activities contribute to our aims and objectives and are satisfied that the Association is delivering benefits to the cultural and heritage sector via its member organisations.

The Association's charitable purposes are part of the charity's objects as stated in its Articles of Association:

1. To provide education and training for all of its members and the general public on commerce in the cultural and heritage sector; and

2. To promote the voluntary sector for the benefit of the public by assisting voluntary organisations and charities to maximise their revenue by providing a forum for sharing information and ideas on commerce in the cultural sector.

Activities for Achieving Objectives

The Association provides education and training to its members on a wide range of commercial activities (including publishing, licensing, venue hire, film locations, retail and catering) which helps members to maximise self-generated income for their organisations.

The Charity can call upon a considerable pool of expertise via its staff, Trustees, external experts and the general membership. All members are encouraged to take advantage of this expertise via formal training and online tools, as well as networks and contacts facilitated by the Charity's activities.

Formal learning and development opportunities include:

- Masterclasses delivered by expert trainers
- Peer to peer Study Days covering a wide range of topics
- Certified courses delivered through the online Academy
- The annual Conference .

Other learning and development opportunities include:

- The LinkedIn group which helps share best practice
- Networking opportunities at events
- Online resources such as Culture Shop
- Talking Forums
- The Cultural Enterprises Awards.

Three bursary places are available at each training event throughout the year, covering the cost of the delegate fee. These are limited to one delegate per member organisation. Additional bursaries are available for the annual Conference.

Objects and Public Benefit

Membership Criteria

Membership is subject to the criteria set out in the Charity's Articles of Association. Both Full and Associate Members are warmly encouraged to attend events and meetings, but voting is constitutionally allowed only to full member organisations through their nominated representatives.

Full membership is open to any cultural organisation that is established for public benefit and registered as a charity, or otherwise run not for profit. Such organisations include museums, galleries, libraries and archives, historic buildings and houses, including religious buildings, and historic gardens.

Associate (non-voting) Membership is open to any UK cultural organisation run for private profit and any commercial companies, firms or individuals that support the Association's work. Non-profit, cultural organisations from outside the UK are also welcome to join as Associate Members.

Fundraising

The Association is funded by the subscriptions of its members, payments for education activities and profits from Cultural Enterprises (Trading) Limited. We are also supported by Arts Council England. We do not undertake any fundraising activity from the general public and as such we are not subscribed to any particular scheme of fundraising regulation.

Structure, Governance and Management

Constitution

The Charity's constitution originally consisted of a Memorandum and Articles of Association adopted at incorporation. These were subsequently amended and consolidated into a single set of Articles of Association. Cultural Enterprises (Trading) Limited (CET) is a trading subsidiary company of the Charity established by the Trustees in 2013 in order for the Charity to expand its activities and carry them out more profitably with less risk. CET's activities comprise principally the Masterclasses and Conference, with any net operating profits being donated to the Charity under Gift Aid. The results of the company are included within the Charity's consolidated accounts.

Appointment of Trustees

All Trustees are required to have one or more of the skills required to govern, manage and steer the Charity effectively. These skills include finance, retail, publishing, licensing, picture libraries, catering, film locations, venue hire, events management and general management expertise. Prospective Trustees are recruited by the means of advertisement on the Charity's website and email broadcast with candidates being interviewed by a panel of Trustees and expert advisers for suitability. All Trustees are informed of their legal responsibilities to the Charity and of governance procedures generally. Further training is given to new Trustees on appointment. Following amendments made to the Articles of Association at the 2018 AGM, the Charity may appoint up to two independent Trustees from outside the membership, to its Board.

Key Management Personnel

Alongside the Trustees, all members of staff are considered key management personnel given the current scale of the Charity's operations. This may change if the charity grows and will be reviewed annually. Setting pay within the Associaton is a matter for the Finance and Administration Committee. Initial salaries are discussed and agreed between the Chief Executive and the Trustees. An annual review of salaries is undertaken by the Finance and Administration Committee which takes into account performance, market rates for similar positions and the prevailing rate of inflation. The Committee are not bound to increase salaries annually. There is no bonus scheme or performance related pay mechanism. None of the Trustees receive remuneration for their roles as Trustees of the Association. Jill Fenwick and the other employees that make up the key management personnel of the Associaton are salaried staff, employed by the charity. The Association employees are also employees of CET.

Organisation

The Trustees delegate the Charity's day to day work and implementation of strategy to the Chief Executive, Jill Fenwick, who is a full time employee of the Charity and Managing Director of the trading company. There are seven further employees, including two staff taken on specifically to create, roll out and manage the Cultural Enterprises Academy. Training courses are delivered either by staff from member organisations giving their time free of charge, or by industry professionals contracted to the Association or CET. Accountancy support is provided to both the Association and CET by Sandra Silk Bookkeeping. Secretarial and legal support is provided by Bates Wells.

Statement of Trustees' Reponsibilities

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

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 charitable company and the group and of the incoming resources and application of resources, including the 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any

material departures disclosed and explained in the financial statements;

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the Trustees on 22/11/22 and signed on their behalf by:

Caroline Brown
Chair, Association for Cultural Enterprises

References and Administrative Details

Association for Cultural Enterprises
Company registered no. 06480726
Registered charity no. 1122763

Registered Office and Principal Trading Office
Unit B7, Durham Dales Centre
Castle Gardens, Stanhope
Bishop Auckland DL13 2FJ

Solicitor and Company Secretary
Bates Wells
London LLP
10 Queen Street Place
London EC4R 1BE

Independent Examiner
Philip Lamb
Allen Sykes
5 Henson Close
South Church Enterprise Park
Bishop Auckland DL14 6WA

Banker
Unity Trust Bank
Planetary Road
Willenhall WV1 9DG

Trustees
C Brown (*Chair*)
J Clarkson (*Treasurer, appointed Nov 2021*)
K S Coghill
G Gandolfini *(appointed Nov 2021)*
C P Gilbert (*independent*)
M Henderson *(appointed Nov 2021)*
Z Mensah
A Misquitta
J M Molloy *(resigned May 2021)*
K Myles *(appointed Nov 2021)*
D J Smith
R Taylor
I Watson (*independent*)
L Wright

Finance and Administration Committee
C Brown
J Clarkson
J Fenwick
K Myles

Management Team

F Anderson	Product Development Manager
T Dykes	Director of Digital
D Evangelides	Business Development Manager
J Fenwick	Chief Executive
J Heppell	Administrator
F O'Donovan	Head of Events
L Rees-Harris	Membership Coordinator
D Smith	Finance Manager
J Whitworth	Communications & Media Manager

Independent Examiner's Report

I report to the trustees on my examination of the financial statements of the Association for Cultural Enterprises ('the charity') for the year ended 31 March 2022.

Responsibilities and Basis of Report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

Independent Examiner's Statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or

2. the financial statements do not accord with those records; or

3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or

4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Signed: Dated:

Mr P W Lamb FCA
Independent Examiner
Allen Sykes Limited
5 Henson Close
Bishop Auckland
DL14 6WA

Consolidated Statement of Financial Activities

For the year ending 31 March 2022

	Note	Unrestricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Income from:				
Memberships	2	53,044	53,044	44,557
Grants	2	391,848	391,848	401,137
Educational activities	3	12,297	12,297	11,985
Trading activities	4	226,303	226,303	29,630
Investments	5	14	14	96
Total income		**683,506**	**683,506**	**487,405**
Expenditure on:				
Trading activities	4	279,030	279,030	93,958
Charitable activities	6	391,779	391,779	286,415
Total expenditure		**670,809**	**670,809**	**385,373**
Net income /(expenditure) before other recognised gains and losses		12,697	12,697	102,032
Taxation on trading activities		10,119	10,119	-
		2,578	**2,578**	**102,032**
Total funds brought forward		431,871	431,871	366,731
Total funds carried forward		**434,449**	**434,449**	**329,839**

All activities relate to continuing operations.
The notes on pages 28 to 37 form part of these financial statements.

Statement of Financial Position

For the year ending 31 March 2022

	Note	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Fixed assets					
Tangible assets	10	38,499	3,563	4,279	3,563
Investments				1	1
Total		**38,499**	**3,563**	**4,280**	**3,564**
Current assets					
Debtors	11	93,934	198,316	54,924	138,414
Cash at bank and in hand		410,231	386,886	352,625	357,723
Total		**504,165**	**585,202**	**407,549**	**496,137**
Creditors					
Amounts falling due within one year	12	108,215	156,894	54,739	67,830
Net current assets		395,950	428,308	352,810	428,307
Net assets		434,449	431,871	357,090	431,871
Charity funds					
Unrestricted funds		434,449	431,871	357,090	431,871
Total funds		**434,449**	**431,871**	**357,090**	**431,871**

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006. The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ('the Act') and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Trustees on ..... and signed on their behalf by:.....

Caroline Brown, Chair, Association for Cultural Enterprises

Company registered no. 06480726. The notes on pages 28 to 37 form part of these financial statements.

Statement of Cash Flows

For the year ending 31 March 2022

	Note	2022 £	2021 £
Cash flow from operating activities	17	61,184	(126,620)
Cash flows from investing activities			
Payments to acquire tangible fixed assets		(37,853)	(1,408)
Receipts from sales of tangible fixed assets		-	942
Interest received		14	96
Net cash flow from investing activities		**(37,839)**	**(370)**
Net increase / (decrease) in cash and cash equivalents		23,345	(126,990)
Cash and cash equivalents at beginning of year		**386,886**	**513,876**
Cash and cash equivalents at end of year		**410,231**	**386,886**

The notes on pages 28 to 37 form part of these financial statements.

Notes to Financial Statements

For the year ending 31 March 2022

1. Accounting Policies

1.1 Basis of preparation

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) (Charities SORP (FRS 102)) and the Companies Act 2006.

The Association for Cultural Enterprises 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.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 26. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Restricted reserves as at 31 March 2022: £0 (31 March 2021: £0).

1.4 Income

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

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. The charity utilises voluntary speakers as well as extra Trustee time and does not recognise this service as a gift in kind.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs,

Notes to Financial Statements

including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated equally between the charity and company.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.6 Going concern

In preparing the Annual Report and Accounts, the Trustees have continued to adopt the going concern basis. The Trustees believe the charity will continue to operate for a period of at least 12 months from the date of approval of these financial statements and will continue to meet its liabilities as they fall due for payment. The Trustees have reached this conclusion based on the available reserves as at the end of the year, the likely costs and revenues of the coming year. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

1.7 Basis of consolidation

The financial statements consolidate the accounts of the Charity and all of its subsidiary undertakings ('subsidiaries').

The Charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

The deficit for the year in the accounts of the Charity was £124,781 (2021: £34,107 surplus).

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Tangible fixed assets

Individual fixed assets costing £250 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

- Computer equipment - straight line over 3 years.

1.10 Debtors

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

1.11 Cash at bank and in hand

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

Notes to Financial Statements

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pretax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 Financial instruments

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

1.14 Critical accounting judgements and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgements are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Management do not consider there to be any material accounting estimates or judgements that need disclosure in these financial statements.

2. Memberships and Grants

	2022 £	2021 £
Full memberships	**53,044**	**44,557**
Grants (Arts Council England)	201,643	201,643
Culture Recovery Fund	190,205	137,982
Covid Business Grant	-	10,000
Job Retention Scheme	-	51,512
Total grants	**391,848**	**401,137**
Total memberships and grants	**444,892**	**445,694**

Note: Administration of the Associate Membership scheme passed to Cultural Enterprises (Trading) Ltd from 1 April 2020. Income from Associate Membership fees is included in the Trading Income figures in Note 4.

3. Educational Activities

	2022 £	2021 £
Learning and development	6,749	4,952
Donated gifts and services	4,000	5,000
Cultural Enterprises Academy	1,548	2,033
Total	**12,297**	**11,985**

The charity is grateful to the various organisations who donate their services and facilities either for free or for a reduced charge. An equivalent charge is included within charitable activities.

Notes to Financial Statements

4. Trading Activities

	2022 £	2021 £
Trading income		
Subsidiary company income	226,303	29,630
Subsidiary grant income	190,205	137,982
Total	**416,508**	**167,612**
Trading expenses		
Subsidiary company expenditure	279,030	98,958
Net income from trading activities	**137,478**	**68,654**

5. Investments

	2022 £	2021 £
Bank interest	**14**	**96**

6. Charitable activities

	Governance £	Administration & Organisation £	Online Academy £	Total 2022 £	Total 2021 £
Direct costs	-	70,483	25,661	96,144	31,209
Support costs	10,129	177,637	107,869	295,635	255,206
Total	**10,129**	**248,120**	**133,530**	**391,779**	**286,415**
Total 2021	**9,374**	**133,073**	**143,968**		

Notes to Financial Statements

7. Charitable activities: direct costs

	Administration & Organisation £	Online Academy £	Total 2022 £	Total 2021 £
Learning and development	3,147	-	3,147	3,397
Conferences and exhibitions	67,336	-	67,336	-
Development costs	-	-	-	-
Training day costs	-	-	-	-
Course costs	-	25,661	25,661	27,812
Donated gifts and services	-	-	-	-
Total	**70,483**	**25,661**	**96,144**	**31,209**

8. Charitable activities: support costs

	Governance £	Administration & Organisation £	Online Academy £	Total 2022 £	Total 2021 £
Legal and professional fees	4,004	-	20,925	24,929	27,260
Insurance	-	5,716	-	5,716	303
Administrative costs	-	33,082	1,033	34,115	31,738
Advertising and marketing	-	3,822	2,160	5,982	6,501
Accountancy fees	-	4,785	-	4,785	5,397
Independent examination fees	2,125	-	-	2,125	2,113
Travel and subsistence	-	4,064	72	4,136	676
Wages and salaries	-	102,437	83,679	186,116	156,718
Social security costs	-	15,366	-	15,366	12,283
Pension costs	-	8,365	-	8,365	7,217
Donated gifts and services	4,000	-	-	4,000	5,000
Total	**10,129**	**177,637**	**107,869**	**295,635**	**255,206**
Total 2021	**9,374**	**129,676**	**116,156**		

Notes to Financial Statements

9. Staff Costs

	2022 £	2021 £
Wages and salaries	181,867	156,718
Social security costs	15,366	12,283
Pension costs	8,365	7,217
Other employee benefits	4,249	-
Total	**209,847**	**176,218**

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

	2022	2021
Administration and organisation	7	6

No employee received remuneration amounting to more than £60,000 in either year.
No remuneration, directly or indirectly, was paid or deemed payable for either period to any Trustee or persons known to be connected with them.
All members of staff are considered key management personnel. The total compensation paid to key management personnel is therefore the total staff costs.

Notes to Financial Statements

10. Tangible fixed assets: Group and Charity

	Group Computer Equipment £	Group Total £	Charity Computer Equipment £	Charity Total £
Cost				
At 1 April 2021	11,029	11,029	11,029	11,029
Additions	37,853	37,853	3,633	3,633
Disposals	-	-	-	-
At 31 March 2022	**48,882**	**48,882**	**14,662**	**14,662**
Depreciation				
At 1 April 2021	7,466	7,466	7,466	7,466
Charge for the year	2,917	2,917	2,917	2,917
Disposals	-	-	-	-
At 31 March 2022	**10,383**	**10,383**	**10,383**	**10,383**
Net book value				
At 31 March 2022	**38,499**	**38,499**	**4,279**	**4,279**
At 31 March 2021	3,563	3,563	3,563	3,563

11. Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade debtors	15,142	34,103	10,558	30,177
Amounts owed by group undertakings	-	-	24,053	102,828
Other debtors	6,482	31,755	440	-
Prepayments and accrued income	72,310	132,458	19,873	5,409
Total	**93,934**	**198,316**	**54,924**	**138,414**

Notes to Financial Statements

12. Creditors: amounts falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade creditors	49,056	7,990	16,438	6,721
Other taxation and social security	18,152	5,973	8,033	5,973
Other creditors	2,953	2,564	2,953	2,564
Income in advance	35,104	132,006	25,565	49,176
Accruals and deferred income	2,950	8,361	1,750	3,396
Total	**108,215**	**156,894**	**54,739**	**67,830**

13. Summary of funds

	Brought forward £	Income £	Expenditure £	Transfers £	Carried forward £
General funds	71,871	683,506	680,928	-	74,449
Designated funds					
ACE development fund	100,000	-	-	-	100,000
Conference expenses fund	60,000	-	-	-	60,000
Emergency recovery fund	200,000	-	-	-	200,000
Total	**431,871**	**683,506**	**680,928**	**-**	**434,449**

Notes to Financial Statements

14. Analysis of net assets between funds

Group	Unrestricted funds £	Total funds 2022 £	Total funds 2021 £
Tangible fixed assets	38,499	38,499	3,563
Current assets	504,165	504,165	585,202
Creditors less than one year	(108,215)	(108,215)	(156,894)
Total	**434,449**	**434,449**	**431,871**

Charity	Unrestricted funds £	Total funds 2022 £	Total funds 2021 £
Tangible fixed assets	4,280	4,280	4,280
Current assets	407,549	407,549	407,549
Creditors less than one year	(54,739)	(54,739)	(54,739)
Total	**357,090**	**357,090**	**357,090**

15. Related Party Transactions

There have been no transactions undertaken with related parties during the year. Member organisations are not considered to be related parties.

Notes to Financial Statements

16. Principal Subsidiaries

Cultural Enterprises (Trading) Limited

Subsidiary name	Cultural Enterprises (Trading) Limited	
Company registration no.	08690077	
Country	United Kingdom	
Equity shareholding %	100%	
Directors	Laura Cave	Jo Clarkson *(appointed 12 December 2021)*
	Jill Fenwick	Chris Gilbert *(resigned 21 October 2021)*
	Anthony Misquitta	Julie Molloy *(resigned 20 May 2021)*
		Kingston Myles *(appointed 12 December 2021)*

The net assets for the year dealt within the accounts of the subsidiary was £77,360 (2021:£1). The profit/(loss) for the year of the subsidiary undertakings was £77,359 (2021:£68,654).

17. Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2022 £	2021 £
Net income /(expenditure) for the year	2,578	102,032
Interest receivable	(14)	(96)
Depreciation of tangible fixed assets	2,917	3,848
(Increase) / decrease in debtors	104,382	(221,844)
Increase / (decrease) in creditors	-58,798	-10,560
Taxation charged	10,119	-
Total	**61,184**	**(126,620)**

Appendix 1: Academy Content

Subject	Title	Course Creator	Organisation
Catering	Catering Essentials: Introduction to Catering	Sandra Reid	Fare Consulting
	Catering Essentials: The Next Steps	Sandra Reid	Fare Consulting
	Catering Essentials: Finance	Tonic	Tonic
	Catering Essentials: Catering Models	Tonic	Tonic
Events	Essentials: Events and Venue Hire	Amy Haigh	Manchester Art Gallery
	Hosting Weddings in Cultural Venues	Eleanor Harris	iXperience
	Filming and Photography	Jennifer Leatherby	Imperial War Museums
	Ticketed Events and Experiences	Lucy Woodbridge	Imperial War Museums
Legal	Negotiating Contracts	Anthony Misquitta	V&A
	Essentials: Copyright	Naomi Korn	Naomi Korn
Leadership	Hiring Diverse Teams	Gabriela Gandolfini	Royal Opera House *(at time of recording)*
	Leading Yourself and Others	Mark Hughes	mch Positive Impact
	Coaching and Mentoring	Gabriela Gandolfini	Royal Opera House *(at time of recording)*
Licensing	Essentials: Licensing	Saskia Boersma	London Fire Brigade
	Advanced: Licensing	Saskia Boersma	London Fire Brigade
Publishing	Introduction to Publishing	Rory Hill	Snape Maltings
Ticketing	Essentials: Ticketing	Francesca di Nuzzo	Baker Richards
Visitor Experience	Developing Guided Tours	Rachel Mackay	Historic Royal Palaces
	Top 10 Tips: Visitor Experience	Rachel Mackay	Historic Royal Palaces
	Creating a Compelling Visitor Experience (two courses)	Bala McAlinn	Complete Works

Appendix 1: Academy Content

Subject	Title	Course Creator	Organisation
Retail	Visual Merchandising and Consumer Psychology	Katy Trodd	Consultant
	Bespoke Product Development	Laura Pryke	Kettle's Yard
	PR for Cultural Retail	Hilary Frohlich	Neat PR
	Essentials: eCommerce	Emma Forward	Consultant
	Advanced: eCommerce	Emma Forward	Consultant
	Advanced: Visual Merchandising	Maxine Groucutt	Consultant
	Retail Essentials: Shop Floor Skills	Perry Bushell	Museum of Freemasonry
	Retail Essentials: Visual Merchandising	Perry Bushell	Museum of Freemasonry
	Retail Essentials: Finance	Perry Bushell	Museum of Freemasonry
	Retail Essentials: Buying	Perry Bushell	Museum of Freemasonry
Strategy	Creating a Commercial Digital Strategy	Tara Parashar	Consultant
	Sustainable and Good Environmental Practice	Louise Kirby	The Deep
	Brand and Storytelling	Theresa White	Consultant
	Maximising Commercial Income	David Reece	Baker Richards
	How to Write a P&L	Eleanor Harris	iXperience
	Ten Steps to Successful Membership	Martin Barden	Consultant
	Crowdfunding	Jo Breeze	Consultant
Podcast	Cultural Enterprises Podcast Series 3	Various	Various
	Cultural Enterprises Podcast Series 2	Various	Various
	Cultural Enterprises Podcast Series 1	Various	Various

ASSOCIATION for CULTURAL ENTERPRISES

culturalenterprises.org.uk
Registered charity no. 1122763

Supported using public funding by
ARTS COUNCIL ENGLAND

THE ASSOCIATION FOR CULTURAL ENTERPRISES

England & Wales - Charity number 1122763

Accounts

Annual Report

2020–2021

For the year ending 31 March 2021

ASSOCIATION for CULTURAL ENTERPRISES

Supported using public funding by
ARTS COUNCIL ENGLAND

Contents

The Trustees of the Association for Cultural Enterprises present their Annual Report and consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2021, which has also been prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

03-23	Trustees' Report
25	Statement of Trustees' Responsibilities
26	References and Administrative Details
27-28	Independent Examiner's Report
29	Consolidated Statement of Financial Activities
30	Statement of Financial Position
31-38	Notes to Financial Statements

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Welcome from the Chair

As the financial year started, we were entering the first Covid-19 lockdown and we knew we were in for a remarkable and challenging year. Just how big and how enduring those challenges would prove to be, for both the Association and its members, was beyond anybody's comprehension at the time.

The Association moved its programme exclusively online, accelerating our move to create digital content that had started with the development of the Online Academy. Many of our digital events were free and focused on subjects and themes that could support our members through a period of crisis.

As with many of our members, we had, at times, to furlough the team and were forced to reduce our output.

However, we were determined not to lose the Conference for a second year and the team set about researching and planning a fully digital event. This proved popular with the members and we were able to deliver a strong programme with compelling content and good engagement with delegates. The team managed to maintain a sense of interaction and community despite our physical separation.

So whilst we 'lost' the Harrogate Conference we gained a huge amount of knowledge about what and how we can deliver online.

We were grateful for the continued support we got from Arts Council England as one of their Support Sector Organisations this year. During Covid, we were recipients of additional funding as part of the Culture Recovery Fund 1 and 2. I am most grateful to them for their unstinting support during the crisis and the value they put on the work we do to support our members and cultural enterprise in general.

As always, our members were a huge source of inspiration throughout and I am grateful to those of you who have shared your time and knowledge to help us to sustain the sector during such a challenging year.

The Association team have been extraordinary – resourceful, adaptable and focused on our members and their needs. On behalf of the board, I would like to thank them for their exceptional efforts this year.

Our sector has been buffeted and bruised but has also been brilliantly resilient and creative. However, aside from the trauma of the pandemic itself, we are facing continued difficulties including long-term shortages and cost increases that will affect our businesses. As such, we are committed to work with you to adapt and innovate and to share all of our collective knowledge and energy to rebuild and renew our cultural economy.

Welcome from the Chair

Digital will remain a core part of our offer with most of our content continuing online this year. However, our community thrives on informal and social interactions as well as skills development and knowledge sharing and we will develop a hybrid events and training model over time.

Whilst digital will become part of our DNA, we will also be planning to operate 'IRL' and as such, we plan to be in Glasgow in March 2022 and I very much hope to see you there.

With very best wishes,

Caroline



Membership Report

Membership is the core of our community. It is through our membership that we deliver public benefit by promoting excellence in cultural income generation, and we are grateful to all our members for their support, enthusiasm and expertise.

Our membership comprises cultural organisations of all types and sizes in the UK and also in Europe, including museums, galleries, historic houses and gardens, wildlife parks, libraries, cathedrals, theatres and performing arts venues. The willingness to share information and expertise is the hallmark of the Association's membership offer and we are fortunate to have many loyal and long-standing members who are active as delegates, speakers and providers of host venues.

Early in 2020 we introduced a new tier of membership – Full Membership Plus – with the additional benefit of unlimited access to online training in the Cultural Enterprises Academy. Like all membership benefits, this applies to all staff in the member organisation and therefore represents fantastic value for money.

We ended the year with a total of 389 members, consisting of 293 Full Members (including 64 Full Members Plus), and 96 Associate Members. This total is significantly down year on year due to the financial uncertainty many organisations have been experiencing during the pandemic. Plans are being put in place to support and recoup as many members as possible over the next year, with a varied programme of events, online training and digital resources, as well as benefits such as free job advertising and the new Mentoring Programme.

The Association has recently migrated to a new database with an accessible self-service platform, giving members better visibility of their membership with the ability to renew online and spread the cost with monthly direct debit.

Conference and Trade Show

The annual Cultural Enterprises Conference and Trade Show is delivered by the Association's trading subsidiary company, to further our charitable purpose.

Once again, as a result of the continuing Covid-19 pandemic, the rescheduled 2020 Conference and Trade Show, planned for Harrogate, had to be cancelled. We transitioned to a digital Conference & Trade Show which was held in May 2021 and will be reported in the 2021-22 Annual Report.



The 2021 Cultural Enterprises Conference and Trade Show was due to take place at the Harrogate Convention Centre

Cultural Enterprises Awards

In 2020 we introduced several new Awards categories to recognise and celebrate the creativity and innovation which has sustained our sector through the pandemic.

To streamline the Awards entry and judging process, we invested in a digital award management platform, AwardStage, which has made the whole process easier and more efficient for both entrants and the judges who so generously volunteer their time and expertise. We also designed new trophies this year made from sustainably sourced, laser printed Sapele wood.

There were 79 entries across seven categories, from 49 organisations both large and small, showcasing an inventive and eclectic range of initiatives and services. The winners were announced in a virtual awards ceremony during the Cultural Enterprises Digital Conference in May 2021. Congratulations and well-deserved thanks go to all our winners, judges and everyone who submitted entries.

The Association thanks the judges for their time and diligence: -

Best Shop, Best Online Shop and Best Supplier Initiative categories:

Catherine McGoldrick
Retail Manager, National Museums Northern Ireland
Liza Leonard
Visitor Engagement Manager: Reception and Retail, John Rylands Library
Matthew Henderson
Product Development Manager, Beamish, the Living Museum of the North
Matthew Williams
General Manager, Glasgow University Heritage Retail

Creative Commerce, Green Award and Outstanding Contribution categories:

Amy Senogles
Head of Retail, Catering and Venue Hire, Salford Museum & Art Gallery
Kate Grindal
Retail Manager, Cadw
Louisa Stott
Head of Retail, the Shakespeare Birthplace Trust
Lycia Lobo
Commercial Director, English Heritage

The **Best Covid Product** category was judged by membership vote during the Cultural Enterprises Conference.

Congratulations and well-deserved thanks also go to everyone who submitted entries and we look forward to the Awards in 2022!

Cultural Enterprises Awards Winners

Best Covid Product



Royal Armouries

Creative Commerce Award



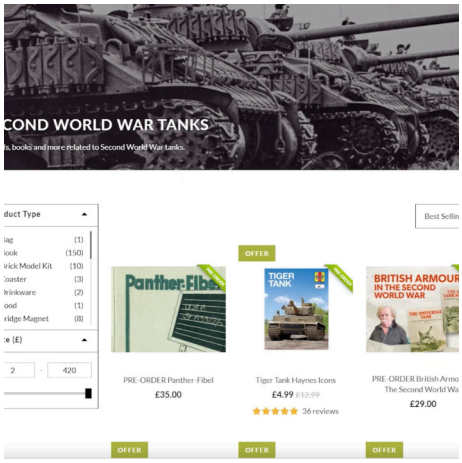
Birmingham Museums Trust

Best Shop



Shop at Freemasons' Hall

Best Online Shop



The Tank Museum

Green Award



People's History Museum

Best Supplier Initiative



Hole In My Pocket

Outstanding Contribution



Simon Woolley, Beamish

Events Programme

With the onset of the Covid-19 pandemic, and subsequent national lockdown, we had to quickly adapt our events programme to ensure we were addressing relevant content at any given time, and transition to delivering our events programme through a digital medium for the first time.

Across the first half of the year, we focussed our resources on providing free to access webinars to the whole sector, looking at topics that were impacting the sector while being able to respond to changing government policies, various stages of lockdown, reopening and secondary closures.

We developed two distinct webinar programmes:

- **Members' Question Time:** giving our members the opportunity to hear from, and put questions to, our Trustees and other influential sector leaders on their changing operational strategies during the pandemic
- **Roadmap to Reopening:** content focussed on supporting the sector coming out of the first lockdown with panel discussions focussing on activities, plans and government policies including catering, sustainability, eCommerce, retail and tourism

Heading into the second half of 2020-21 we started to reintroduce some of our core content, while still delivering events digitally. We narrowed the topics down to the subjects we knew were of most value to the sector:

- Events and venue hire coming out of lockdown
- Developing a strategy to rebuild retail operations
- How cultural organisations could maximise self-generated income with consideration for pandemic restrictions
- Creating strategy for eCommerce

It is an ongoing journey to ensure that the programme delivers a consistently high level of quality and relevance. We welcome input and ideas from all in the membership community and are keen to hear from any members with ideas and suggestions.

In 2020-21 we held 27 events in total, engaging 2,174 delegates. 93% of all event attendees rated the content of the event as 'Good' or 'Very Good' (our top categories).

This year our speakers came from a wide variety of organisations across the sector including representatives from National Theatre, Edinburgh Zoo, Historic Royal Palaces, Painshill Park Trust, Arts Council England, Tate, V&A as well as consultants to the sector and our colleagues in the tourism sector ALVA, ASVA and AVEA.

As always, we are grateful to all our speakers who give their time freely and share their expertise and we are most grateful to all delegates for their enthusiastic participation.

Event Calendar 2020–21

Members' Question Time

2 Apr	Jill Fenwick	Managing Director, Association for Cultural Enterprises
16 Apr	Anthony Misquitta	General Counsel, The V&A
30 Apr	Julie Molloy	Managing Director, National Gallery Company
7 May	Lycia Lobo	Commercial Director, English Heritage
14 May	Iain Watson	Director, Tyne & Wear Archives & Museums
28 May	Rod Taylor	COO, The Royal Armouries
9 Jun	Tim Reeve	COO, The V&A
6 Nov	Tim Reeve: 5 months on	COO, The V&A

Road Map to Reopening

5 Jun	Tourism	Panel: AVEA, ALVA, ASVA
12 Jun	eCommerce	Panel: Tate, Digital Culture Network, Historic Environment Scotland
19 Jun	Keeping Staff Safe	Panel: Airfield Estate, Royal Zoological Society of Scotland, Painshill
26 Jun	Sustainability	Panel: Best Years, Peabody Essex Museum, National Theatre
10 Jul	Mental Health	Panel: Mental Health First Aid, C&I Wellbeing, Tara Maitrī
24 Jul	Contract Catering	Duncan Ackery, Tonic London
29 Jul	Trading Subsidiaries	Panel: British Library, Bates Wells
11 Sep	Contract Catering	Panel: The V&A, Tonic London, Benugo, Fare Consulting
25 Sep	Retail	Panel: Historic Royal Palaces, Sainsbury Centre, Chester Zoo
7 Oct	Commercialisation	Panel: Capture, PICSEL
16 Nov	Tourism: 5 months on	Panel: AVEA, ALVA, ASVA

Other Events

22 Sep	Culture Sprint	Working with your Audience
6 Oct	Culture Sprint	Working with your Team
15 Oct	Masterclass	Navigating Events in the 'New Normal'
20 Oct	Culture Sprint	Working with your Assets
3 Nov	Culture Sprint	Working with Digital
5 Nov	AGM	
9/10 Nov	Masterclass	Maximising Commercial Income
18 Nov	Webinar	Mental Health in the Workplace
24 Feb	Masterclass	Rebuilding Retail
3 Mar	Masterclass	eCommerce
11 Mar	Culture Exchange	Front of House Toolkit: Crowd Management
16 Mar	Culture Exchange	Front of House Toolkit: Dealing with Conflict

Talking Forums

Talking Shops

We began the Virtual Talking Shop programme in February 2021. It was a turning point as from it we recognised that we could continue to keep in touch with our members and others in the sector and they would prove to be an increasingly important touchpoint throughout the year.

This ongoing communication allowed us to gain some insight on the concerns of our members throughout the year. The focus of all the meetings was broadly a review of how venues and teams were coping with the continued closure, and what plans are being developed for reopening. In addition, there was a consistent theme with the regard to look at their online business and, at the very least, to start selling some product online if possible.

Finally, we heard that many venues have restructured and there was a lot of uncertainty and concern about this. It seems that many roles are being combined and therefore individuals are getting a broader remit.

It was exciting to add in new meetings with a Wales Regional TS, chaired by Kate Grindal of Cadw and an all-Ireland TS, chaired by Catherine McGoldrick of NMNI. The reception for these meetings was excellent and all appreciated the opportunity to talk to each other and share experiences.

Focus was different for these groups as the timing of reopening was different from England and Scotland. It was also interesting to hear of the challenges relating to Brexit from the Irish group.

Finally, in October, we also introduced the inaugural virtual National Talking Shop. An opportunity for all regions to come together and hear from the regional chairs talking about their regions and share their experiences of the pandemic year.

Talking eCommerce / Venues

As the year progressed, and with many of our regular Talking Shop members having to consider for the first time, or develop existing, eCommerce offerings, we saw an opportunity to broaden our Talking Shops into subject specific forums.

eCommerce was an obvious first step as many organisations had to get to grips with one of the few activities that could still generate income during lockdowns, and to date we have been able to address a variety of questions around photography, reaching the audience, re-platforming, epos and more.

Following our Masterclass on events in October we recognised that events and venue hire colleagues were feeling isolated as they worked from home and government guidance for this area of the sector was in short supply.

Establishing both groups as sector-wide supportive communities, bringing together peers with similar challenges and a forum in which to share best practice and creative ideas, have proven to be popular and valuable resources for our members.

Cultural Enterprises Academy

The Cultural Enterprises Academy, our online learning and training resource, has continued to go from strength to strength, with nine new courses going live during 2020-21.

We have increased the breadth of subjects covered, introducing topics on eCommerce, ticketing, and events.

New courses going live:

- **Negotiating Contracts** by Anthony Misquitta, General Counsel, V&A
- **Maximising Commercial Income** by David Reece, Deputy CEO, Baker Richards
- **eCommerce Essentials** by Emma Forward, eCommerce consultant
- **Advanced eCommerce** by Emma Forward, eCommerce consultant
- **Copyright Essentials** by Naomi Korn Associates
- **Ticketing Essentials** by Francesca di Nuzzo, consultant, Baker Richards
- **Ticketed Events and Experiences** by Lucy Woodbridge, Head of Commercial Events, Experiences, and Catering, Imperial War Museums
- **Developing Your Brand** by Teresa White, brand consultant
- **Top 10 Tips: Visitor Experience** by Rachel Mackay, Manager at Kew Palace, Historic Royal Palaces

A significant step for the Academy was achieved in April 2021 with continued professional development (CPD) accreditation for all our courses. The Digital Communications Officer worked with the well-established and respected CPD Certification Service to review all existing courses, as well as establish a process for processing future training.

CPD MEMBER
The CPD Certification Service

This gives our courses an independent stamp of approval, ensuring confidence in the quality and consistency of our educational content.

The Covid-19 pandemic presented both challenges and opportunities for the Academy. With our members closing for months at a time, and making considerable staff redundancies, it was difficult to commission scripts from people who were often single-handedly keeping businesses or departments running. We therefore looked to the freelance community to create scripts, as reflected in our subject matter experts in the list above.

We had to stop production for several months with our filming studio in Gateshead closed. This reduced the number of courses we could produce in 2020, however we used the time to commission more scripts to be completed in 2021.

A corollary of furlough did see a lot of organisations with staff having the time to engage in training and learning online, so we saw a large uptake in Academy engagement during the first and second lockdowns in the UK, as seen in figure 1.

Cultural Enterprises Academy

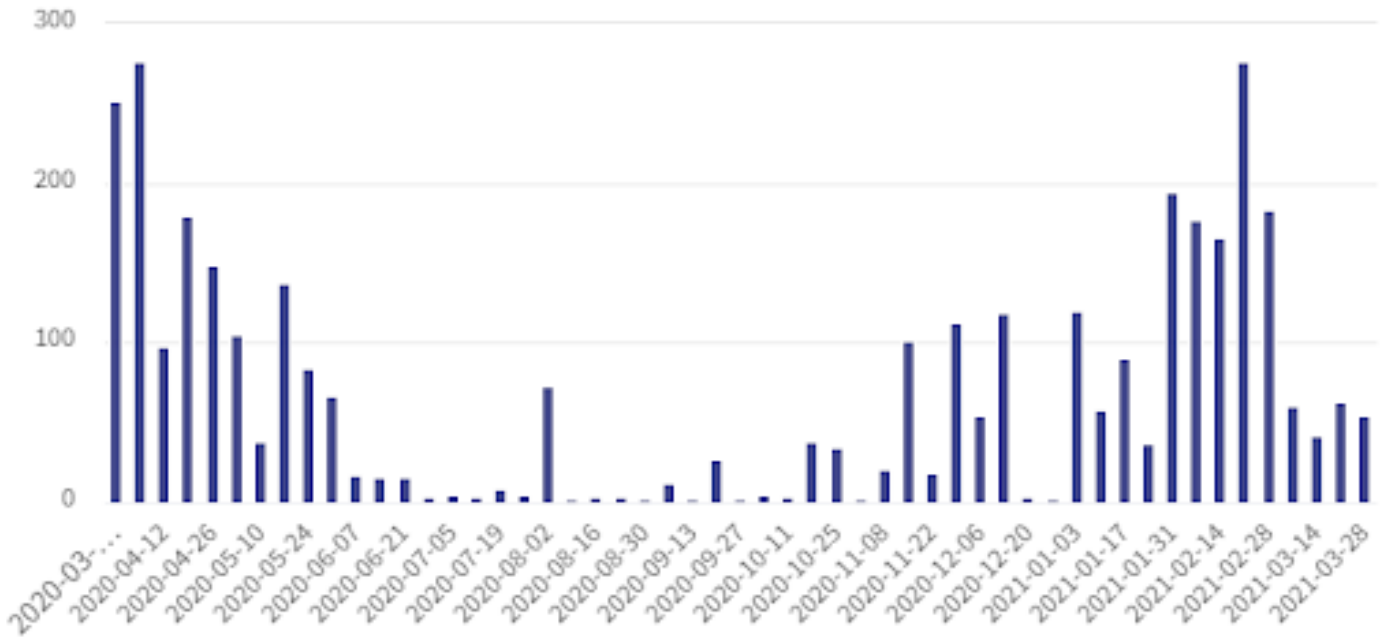


Figure 1: Enrolments 2020-21

The period April 2020 to March 2021 saw 520 unique students sign up to courses, with 546 enrolments completing at least 25% of a course. Compared with 2019-20 this is up 209% and 142% respectively.

The most popular courses for the year were Retail Essentials: Visual Merchandising (131 enrolments), Retail Essentials: Shop Floor Skills (69), and Coaching and Mentoring (48). The average score out of 5 for the year is 4.8, showing how well the courses have been received.

The Association is on target to provide 40 learning modules by spring 2022.



Ticketing Essentials – Francesca Di Nuzzo, Consultant, Baker Richards

Mentoring Programme

The 2020-21 year saw the launch of our pilot Cultural Enterprises Mentoring Programme, which was delivered considerably under budget.

The aim was to train mentors from senior positions in the sector to develop their communication skills and emotional intelligence; to in turn mentor someone from another organisation, help them identify their professional or personal goals.

We engaged a specialist consultant to work with the Director of Digital on a bespoke application process, matching, and training programme, all free of charge to members.

The programme was open to individuals from Full Member organisations, and we funded places for seven mentees and seven mentors. An Introduction and Matching Day occurred on 15 October, followed by a Mentor Training Day on 22 October. The matching process meant a whole afternoon was dedicated to the seven mentees and seven mentors having individual one-to-one sessions so they could test rapport. The matching process was therefore guided by their participation and feedback, rather than just written applications.

The 2020-21 cohort:

Job Title	Employer	Mentor		Mentee	Employer	Job Title
Retail Buying and Merchandising Manager	Museum of London	Rita Rooney	=	Kate Kendall	Barbican Centre	Retail Merchandiser
Head of Visitor Experience	Royal Opera House	Gabriela Gandolfini	=	Danielle Sargent	St George's Chapel, Windsor Castle	Retail Buyer/ Manager
Director	The Roald Dahl Museum	Steve Gardam	=	Alice Escott	Exeter Cathedral	Shop Supervisor
Director	Painshill Park Trust	Paul Griffiths	=	Katrine Moller	South London Gallery	Senior Reception and Sales Supervisor
Head of Marketing	National Gallery Company	Kalwinder Bhogal	=	Judy Chance	Museum Manager	The British Golf Museum
Head of Retail & Product Development	Shakespeare's Globe	Meghan Cole	=	Rebecca Toyne	Royal Museums Greenwich	Senior Gift Buyer
Head of Exhibitions and Events	Mall Galleries / FBA	Amy Huntington	=	Emma Wickham	Head of Operations	Lighthouse

Check-ins were planned throughout the year, and results measured through feedback forms. We are looking forward to getting both groups together again in November 2021 to officially end the formal element of the programme. It will be fascinating to hear people's goals and what they got out of the relationship; and indeed whether any of them will continue to meet.

Marketing and Communications

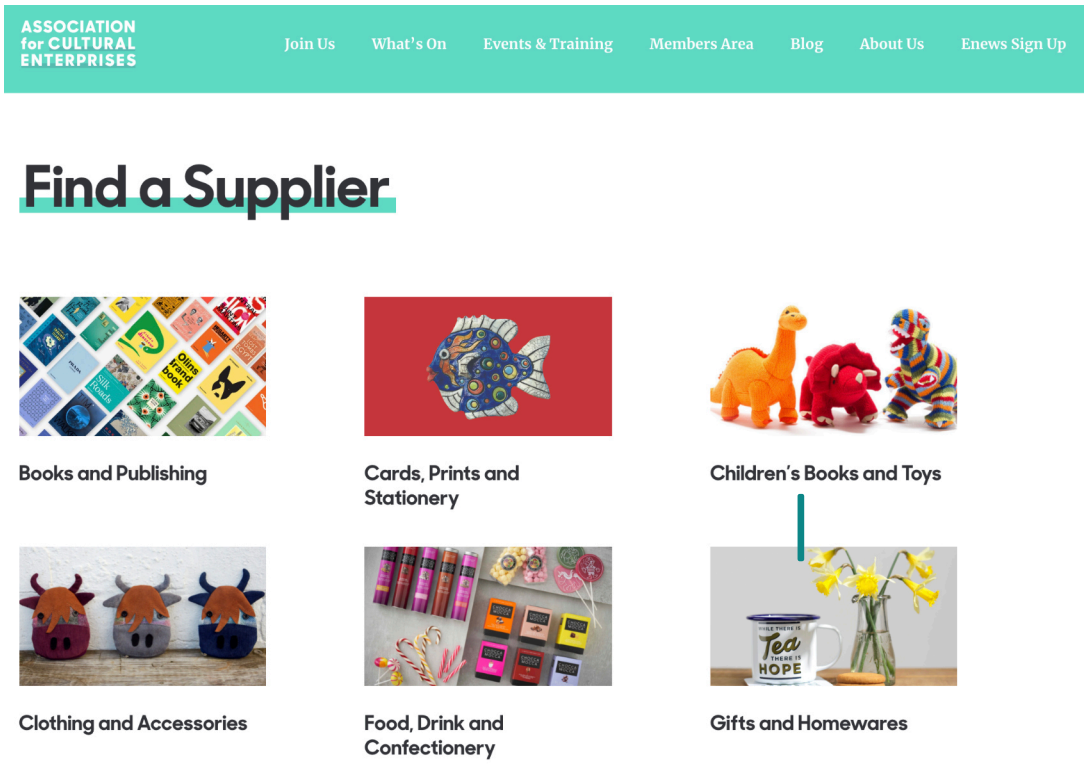
Our communications have played a key role in supporting the sector this year, keeping members informed and connected in a year of unprecedented challenges.

Our goal was to facilitate the sharing of information and experience especially during lockdown and reopening. A Covid-19 Advice and Support hub was created on the website containing links to government advice, reopening guidelines and legal advice as well as a set of resources to support members at risk of redundancy. E-news and blog articles focussed on topics with a clear and practical application, sharing best practice and experience.

Creative income generation was another great source of inspiration during lockdown and the blog also featured a number of case studies from members who had found creative new ways to generate revenue.

Our digital events programme has been promoted through emails, social media and with the help of our partner networks including ASVA, AVEA, the Museum Development Network and Arts Council England. We also created a What's On page on our website as a one stop shop for all upcoming events and activities, which has had over 5,000 unique page views to date.

As the 2020 Trade Show did not take place, we created a Virtual Trade Show on the website to showcase Associate Members' products and services. The response was fantastic, with 80 exhibitors across a range of categories, and over 4,000 unique page views. The Virtual Trade Show pages have now been developed into a permanent Find a Supplier directory, providing a shop window for Associate Members and a useful resource for Full Members.



Museum Shop Sunday

Museum Shop Sunday took place on 29 November 2020, creating a fantastic buzz on social media with over 120 organisations involved in the UK, and more than 1,600 worldwide – a 14% year on year increase.

As a digital event this time around, many venues used Museum Shop Sunday as an opportunity to drive online sales or even launch a new online shop, while others used it as a platform to promote their shop and tell the stories behind their products in preparation for reopening. Press coverage including articles in Time Out, The Guardian, Blooloop, The Art Newspaper and Experience UK.

We created a social media strategy for members to use, including customisable templates, and we also hosted a social media workshop webinar, which was extremely well received and is still available on the website for use with other campaigns as well as Museum Shop Sunday.



The Year Ahead

The Association, just like all our fabulous members, adapted to the challenges of 2020 with resilience and determination.

We moved to delivery of information and education via a purely digital route – naming 2021 our 'Year of Digital' both internally and to our members. It turned out to be a fortuitous plan. Covid-19 dominated all our lives throughout the year and continues to have a disruptive effect even now. We look forward to 2021-22 being a year of adaptation and transition to this new world in which we find ourselves.

So many of our colleagues have observed that they don't want to simply go back to 'how it was before' but rather to build on the positive lessons learned during the pandemic and to become optimistic, less risk averse as a sector and to employ their creativity and dynamism to find new ways of doing old things and new ways of doing new things.

Cultural Enterprises is your community, your support in good and bad times and we hope, your friend. So, let's all shake off the past year, regroup and head not back, but TO the future.



Finance Report

For The Year Ended 31 March 2021

We ended 2021 with total funds to carry forward of £432k (2020: £330k) which is an increase of £102k in the year.

Despite this positive result, 2020-21 was a difficult year for the Association as it was for many organisations across the cultural sector. Membership numbers fell, our activities were significantly curtailed due to the pandemic and for the second year running we had to cancel our Conference and Trade Show. We are extremely grateful, therefore, to Arts Council England for their continued support and the welcome award of £138k from the first round of the Culture Recovery Fund (CRF). We also received Covid-related grant support via the Job Retention Scheme (£51k) and Durham County Council (£10k).

These sums helped make up for the loss of income from events and memberships, and allowed our subsidiary company, Cultural Enterprises (Trading) Ltd, to offset the losses of last year and return to a profitable position of £68k (2020: £68k loss).

Compared to pre-pandemic levels, operating costs fell significantly with direct costs 58% lower than the year before as a consequence of our lower level of activity. Support costs also decreased by 12% compared to 2020, with the main saving (£26k) coming from travel costs affected by lockdown restrictions.

Debtors increased considerably from £60k at the end of 2020 to £198k at the end of 2021. The primary reason for this was prepayments for the Digital Conference subsequently held in May 2021, and the Glasgow conference scheduled for 2022.

By contrast, creditors decreased significantly from £253k at the end of 2020 to £157k at the end of 2021. This was largely due to refunds being made for the twice cancelled Harrogate Conference and Trade Show. As at March 2020 we were holding £210k of members' funds having been forced to cancel the Conference at very short notice due to the emerging Coronavirus situation. A year later this sum had reduced to £71k, and since the end of the financial year all requested refunds have now been processed. We are very grateful to those members who have chosen to waive their refund and donate their payments to the Association.

Despite a year of unprecedented circumstances, the Association has been fortunate to end the year with a good financial foundation which we will use to provide further help to the sector as it recovers from the impact of the pandemic. Since the end of 2021 we have also had the very welcome announcement of a further award in the second phase of the CRF which will underpin our continued recovery. This will be accounted for in the 2021-22 financial year.

Of the funds carried forward, £360k (2020: £243k) has been designated for specific purposes. Details of changes to designations can be found in the Reserves Policy section below.

Reserves Policy

Reserves are held to fund working capital, to provide resources for future activities, to offset unforeseeable shortfalls in income, and to protect the Association against unplanned adverse events. The Trustees have identified the following key factors in setting the level of reserves:

- **the level of volatility in our income**
- **the level of dependency on the annual Conference and Trade Show**
- **our need to develop the organisation's financial resilience and rebuild our activities**
- **the need to be better prepared for significant, unexpected events that could have substantial detrimental impacts upon the Association**

i. Volatility

The Association needs liquid funds for working capital requirements and to cope with fluctuations in income. To address this, we have taken two to three months of operating expenditure to create a target range for the level of free reserves. On this basis, we would aim to keep between £64k and £96k in free reserves. The current value of free reserves is £72k (2020: £87k), which is within the target range.

ii. Annual Conference and Trade Show

The Conference and Trade Show make up a significant amount of our gross unrestricted revenue. We commit to conference venues well in advance and there is a risk of irrecoverable expenditure in the event of unforeseen problems. To offset this risk, the Conference Expenses Fund was created to cover costs associated with future conferences. Following experience in 2020 and 2021, we have been able to assess the impact of irrecoverable costs and lost income associated with cancelled events. On this basis, we are confident that we can reduce the funds set aside for this to £60k (2020: £120k) based on the likely net cost to the Association of a cancellation.

iii. Development plans and increasing support for membership

One of the most significant outcomes of the pandemic has been the growth in the use of online business tools for communication, learning and commerce. With such technology becoming increasingly mainstreamed, the Association has integrated digital platforms into our core activities and membership offer. As such the Trustees believe it is no longer necessary to maintain a separate Academy Fund for the online training academy. The fund has therefore been undesignated and the £23k that was brought forward in that fund has been returned to general reserves.

In order for the Association to maintain effective services for members and the sector, it is important to create a sustainable financial foundation. With the reduction in core income associated with the pandemic, the Trustees are exploring ways to generate additional income and help improve organisational resilience. The Association Development Fund remains the main vehicle through which we set aside funds for

future growth and development, and there is £100k in this fund (2020: £100k) which will be used to fund or underwrite any future developmental schemes.

iv. Preparing for adverse events

The Coronavirus pandemic has had unprecedented impacts on the Association, our members and the sector in general. We twice had to cancel the annual conference, we experienced entirely unpredicted reductions in core income, educational activity and membership numbers, and our subsidiary trading company (CET) suffered accounting losses and cashflow difficulties.

We were fortunate to have Arts Council England's support via the Cultural Recovery Fund, which bolstered our financial position and allowed CET to return to profit. Without this the Association may have struggled to survive through this extended period of global uncertainty.

It is almost impossible to quantify the likelihood that such an enormous adverse event will occur again, or to assess the possible impact. However, the experience of the current global crisis has led the Trustees to conclude that the Association needs a more robust Reserves Policy which sets aside meaningful sums which are explicitly held to safeguard against unforeseeable, high-impact and damaging events. We have, therefore, created the Emergency Recovery Fund (ERF) through which we will set aside funds for the long term to provide reassurance for Trustees and members that the organisation will have the means to offset the effects of unanticipated, large scale future shocks and remain a going concern. These funds are not set aside for particular activities but will be deployed as necessary by the Trustees in the event of a major event necessitating the release of funds.

Based on a global pandemic whose effects last for at least two years, we have set a high target for the ERF of £0.5m although we do not expect to be able to reach this level for some years. In the current year we have set aside £200k of funds in the ERF.

Risk Management

The Trustees have assessed the major risks to which the Charity and the group is exposed to (in so far as we are able to assess these given the high levels of uncertainty associated with the Coronavirus pandemic). We maintain a risk map and risk register in support of this activity that identifies risks as green, amber or red depending upon their severity and probability. 'Red' risks are those identified as having a high likelihood and high impact.

Other than the unpredictable risks of further effects from Covid-19 restrictions, the two 'red' risks in our risk register as at the end of 2021 were:

- **Failure to deliver business plan and budget targets for the 2021/22 year; and**
- **The potential impact of moving to the new CRM system**

Mitigations for both risks have been identified and implemented.

Going Concern

In preparing the annual report and accounts, the Trustees have continued to adopt the going concern basis. The Trustees believe the charity will continue to operate for a period of at least twelve months from the date of approval of these financial statements and will continue to meet its liabilities as they fall due for payment. The Trustees have reached this conclusion based on the available reserves as at the end of the year, the likely costs and revenues of the coming year, and on the additional support received after the balance sheet date in 2021-22, including a second, significant Arts Council England Culture Recovery Fund grant.

Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Objects and Public Benefit

The Association for Cultural Enterprises is a charity established to deliver public benefit through the promotion of excellence in cultural trading, which contributes to the resilience and sustainability of cultural institutions.

In planning and overseeing the Association's activities for the year, the Trustees have given due consideration to the guidance published by the Charity Commission relating to public benefit. The trustees have considered how the charity's activities contribute to our aims and objectives and are satisfied that the Association is delivering benefits to the cultural and heritage sector via its member organisations.

The Association's charitable purposes are part of the charity's objects as stated in its Articles of Association:

1. **To provide education and training for all of its members and the general public on commerce in the cultural and heritage sector; and**

2. **To promote the voluntary sector for the benefit of the public by assisting voluntary organisations and charities to maximise their revenue by providing a forum for sharing information and ideas on commerce in the cultural sector.**

Activities for Achieving Objectives

The Association provides education and training to its members on a wide range of commercial activities (including publishing, licensing, venue hire, film locations, retail and catering) which helps members to maximise self-generated income for their organisations. The Charity can call upon a considerable pool of expertise via its staff, Trustees, external experts and the general membership. All members are encouraged to take advantage of this expertise via formal training and online tools, as well as networks and contacts facilitated by the Charity's activities.

Formal learning and development opportunities include:

- **Masterclasses delivered by expert trainers**
- **Peer to peer Study Days covering a wide range of topics**
- **Certified courses delivered through the online Cultural Enterprises Academy**
- **The annual Conference which includes workshops, seminars and plenary sessions**

Other learning and development opportunities include:

- **The LinkedIn group which facilitates dialogue and helps share best practice**
- **Networking opportunities at the annual Conference, AGM and other training events**
- **Online resources such as Culture Shop**
- **Regional Talking Shops which offer local learning and networking opportunities**
- **The Cultural Enterprises Awards which raise awareness of the quality of cultural retail**

Three bursary places are available at each training event throughout the year, covering the cost of the delegate fee. These are limited to one delegate per member organisation. Additional bursaries are available for the annual Conference and Trade Show.

Objects and Public Benefit

Membership Criteria

Membership is subject to the criteria set out in the Charity's Articles of Association. Both Full Members and Associates are warmly encouraged to attend events and meetings, but voting is constitutionally allowed only to full member organisations through their nominated representatives.

Full membership is open to any cultural organisation that is established for public benefit and registered as a charity, or otherwise run not for profit. Such organisations include museums, galleries, libraries and archives, historic buildings and houses, including religious buildings, and historic gardens.

Associate (non-voting) Membership is open to any UK cultural organisation run for private profit and any commercial companies, firms or individuals that support the Association's work. Non-profit, cultural organisations from outside the UK are also welcome to join as Associate Members.

Fundraising

The Association is funded by the subscriptions of its members, payments for education activities and profits from Cultural Enterprises (Trading) Limited. We are also supported by Arts Council England. We do not undertake any fundraising activity from the general public and as such we are not subscribed to any particular scheme of fundraising regulation.

Structure, Governance & Management

Constitution

The Charity's constitution originally consisted of a Memorandum and Articles of Association adopted at incorporation. These were subsequently amended and consolidated into a single set of Articles of Association. Cultural Enterprises (Trading) Limited (CET) is a trading subsidiary company of the Charity established by the Trustees in 2013 in order for the Charity to expand its activities and carry them out more profitably with less risk. CET's activities comprise principally the Masterclasses and Conference, with any net operating profits being donated to the Charity under Gift Aid. The results of the company are included within the Charity's consolidated accounts.

Appointment of Trustees

All Trustees are required to have one or more of the skills required to govern, manage and steer the Charity effectively. These skills include finance, retail, publishing, licensing, picture libraries, catering, film locations, venue hire, events management and general management expertise. Prospective Trustees are recruited by the means of advertisement on the Charity's website and email broadcast with candidates being interviewed by a panel of Trustees and expert advisers for suitability. All Trustees are informed of their legal responsibilities to the Charity and of governance procedures generally. Further training is given to new Trustees on appointment. Following amendments made to the Articles of Association at the 2018 AGM, the Charity may appoint up to two independent Trustees from outside the membership, to its Board.

Key Management Personnel

Alongside the Trustees, all members of staff are considered key management personnel given the current scale of the Charity's operations. This may change if the charity grows and will be reviewed annually. Setting pay within the Associaton is a matter for the Finance and Administration Committee. Initial salaries are discussed and agreed between the Chief Executive and the Trustees. An annual review of salaries is undertaken by the Finance and Administration Committee which takes into account performance, market rates for similar positions and the prevailing rate of inflation. The Committee are not bound to increase salaries annually. There is no bonus scheme or performance related pay mechanism. None of the Trustees receive remuneration for their roles as Trustees of the Association. Jill Fenwick and the other employees that make up the key management personnel of the Associaton are salaried staff, employed by the charity. The Association employees are also employees of CET.

Organisation

The Trustees delegate the Charity's day-to-day work and implementation of strategy to the Chief Executive, Jill Fenwick, who is a full time employee of the Charity and Managing Director of the trading company. There are seven further employees, including two staff taken on specifically to create, roll out and manage the Cultural Enterprises Academy. Training courses are delivered either by staff from member organisations giving their time free of charge, or by industry professionals contracted to the Association or CET. Accountancy support is provided to both the Association and CET by Sandra Silk Bookkeeping. Secretarial and legal support is provided by Bates Wells.

Statement of Trustees' Responsibilities

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

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 charitable company and the group and of the incoming resources and application of resources, including the 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the Trustees on 03/11/21 and signed on their behalf by:



Caroline Brown
Chair of The Association for Cultural Enterprises

References and Administrative Details

Association for Cultural Enterprises

Company registered no. 06480726
Registered charity no. 1122763

Trustees

C Brown (Chair) | M Bailey (resigned 5/5/20) | K S Coghill | G Gandolfini (appointed 3/8/21) | C P Gilbert* | M Henderson (appointed 3/8/21) | Z Mensah | A Misquitta | J M Molloy (resigned 20/05/21) | K Myles (appointed 3/8/21) | D J Smith | R Taylor | I Watson | L Wright

** Independent trustee*

Finance & Administration Committee

C Brown | J Fenwick | C P Gilbert | J M Molloy (Chair)

Management Team

Managing Director – J Fenwick | **Director of Digital & Communications** – T Dykes | **Communications & Media Manager** – J Whitworth | **Events Manager** – F O'Donovan | **Finance Manager** – D Smith | **Business Development Support Manager** – D Evangelides | **Digital Communications Officer** – T Harris | **Administrator** – J Heppell

Registered Office & Principal Trading Office

Unit B14
Durham Dales Centre Castle Gardens
Stanhope
Bishop Auckland
DL13 2FJ

Solicitor

Bates Wells
London LLP
10 Queen Street Place
London
EC4R 1BE

Banker

HSBC plc
165 Fleet Street
London
EC4A 4DY

Independent Examiner

Philip Lamb
Allen Sykes
5 Henson Close
South Church Enterprise Park
Bishop Auckland
County Durham
DL14 6WA

Company Secretary

Bates Wells

Independent Examiner's Report

Independent examiner's report to the Trustees of The Association for Cultural Enterprises

I report to the trustees on my examination of the financial statements of The Association for Cultural Enterprises ('the charity') for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

Independent Examiner's Statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or

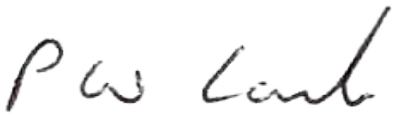
2. the financial statements do not accord with those records; or

3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or

4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Independent Examiner's Report

Signed:  Dated: 08/11/21

Mr P W Lamb FCA
Independent Examiner
Allen Sykes Limited
5 Henson Close
South Church Enterprise Park
Bishop Auckland
County Durham
DL14 6WA

Consolidated Statement of Financial Activities

For The Year Ended 31 March 2021

	Note	Unrestricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Income from:				
Memberships	2	44,557	44,557	100,128
Grants	2	401,137	401,137	198,000
Educational activities	3	11,985	11,985	97,104
Trading activities	4	29,630	29,630	65,654
Investments	5	96	96	347
Total Income		**487,405**	**487,405**	**461,233**
Expenditure on:				
Trading activities	4	98,958	98,958	133,579
Charitable activites	6	286,415	286,415	364,546
Total expenditure		**385,373**	**385,373**	**498,125**
Net income / (expenditure) before other recognised gains and losses		102,032	102,032	(36,892)

Reconciliation of funds:	Unrestricted Funds 2021	Total Funds 2021	Total Funds 2020
Total funds brought forward	329839	329,839	366,731
Total funds carried forward	**431871**	**431,871**	**329,839**

All activities relate to continuing operations.
The notes on pages 31 to 38 form part of these financial statements.

Statement of Financial Position

As At 31 March 2021

	Note	**Group 2021**	Group 2020	**Charity 2021**	Charity 2020
Fixed assets					
Tangible assets	10	3,563	6,945	3,563	6,945
Investments				1	1
		3,563	6,945	3,564	6,946
Current assets					
Debtors	11	198,316	62,758	138,414	27,172
Cash at bank and at hand		386,886	513,877	357,723	380,764
		585,202	576,635	496,137	407,936
Creditors: amounts falling due within one year	12	156,894	253,741	67,830	17,118
Net current assets		428,308	322,894	428,307	390,818
Net assets		431,871	329,839	431,871	397,764
Charity Funds					
Unrestricted funds	13	431,871	329,839	431,871	397,764
Total funds		431,871	329,839	431,871	397,764

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

The Trustees consider that the company is entitled to exemption from the requirement to have anaudit under the provisions of section 477 of the Companies Act 2006 ('the Act') and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Trustees on 03/11/21 and signed on their behalf, by:



Caroline Brown

Chair of The Association for Cultural Enterprises
Company registered no. 06480726

The notes on pages 31 to 38 form part of these financial statements.

1. Accounting Policies

1.1 Basis of preparation

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) (Charities SORP (FRS 102)) and the Companies Act 2006.

The Association for Cultural Enterprises 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.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 26. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Restricted reserves as at 31st March 2021 £0 (31st March 2020: £0)

1.4 Income

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

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. The charity utilises voluntary speakers as well as extra Trustee time and does not recognise this service as a gift in kind.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified

by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated equally between the charity and company.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.6 Going concern

In preparing the annual report and accounts, the Trustees have continued to adopt the going concern basis. The Trustees believe the charity will continue to operate for a period of at least twelve months from the date of approval of these financial statements and will continue to meet its liabilities as they fall due for payment. The Trustees have reached this conclusion based on the available reserves as at the end of the year, the likely costs and revenues, and on the additional support received after the balance sheet date in 2021/22, including a second, significant Arts Council England Culture Recovery Fund grant.

1.7 Basis of consolidation

The financial statements consolidate the accounts of the Charity and all of its subsidiary undertakings ('subsidiaries').

The Charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

The surplus for the year in the accounts of the Charity was £34,107 (2020: £31,033 surplus).

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Tangible fixed assets

Individual fixed assets costing £250 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:
Computer equipment - straight line over 3 years

1.10 Debtors

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

1.11 Cash at bank and in hand

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

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pretax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 Financial instruments

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

1.14 Critical accounting judgements and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgements are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Management do not consider there to be any material accounting estimates or judgements that need disclosure in these financial statements.

2. Memberships and Grants

	2021 £	2020 £
Full memberships	44,557	60,865
Associate memberships		39,263
	44,557	100,128
Grants (Arts Council England)	201,643	198,000
Culture Recovery Grant	137,982	-
Covid Business Grant	10,000	-
Job Retention Scheme	51,512	-
	401,137	198,000
Total memberships and grants	445,694	298,128

Note: Administration of the Associate Membership scheme passed to Cultural Enterprises (Trading) Ltd from 1 April 2020. Income of £17,505 from Associate Membership fees is included in the Trading Income figures in Note 4.

3. Educational Activities

	2021 £	2020 £
Learning and development	4,952	66,212
Donated gifts and services	5,000	29,550
Cultural Enterprises Academy income	2,033	1,342
	11,985	97,104

The charity is grateful to the various organisations who donate their services and facilities for free or for reduced charge. An equivalent charge is included within charitable activities.

4. Trading Activities

	2021 £	2020 £
Trading Income		
Subsidiary company income	29,630	65,654
Subsidiary grant income	137,982	-
	167,612	65,654
Trading Expenses		
Subsidiary company expenditure	98,958	133,579
Net income from trading activities	68,654	(67,925)

5. Investments

	2021 £	2020 £
Bank interest	96	347

6. Charitable Activities

	Governance £	Administration and Organisation £	Cultural Enterprises Academy £	**Total 2021**	Total 2020 £
Direct costs	-	3,397	27,812	**31,209**	74,352
Support costs	9,374	129,676	116,156	**255,206**	290,194
	9,374	133,073	143,968	**286,415**	364,546
Total 2020	12,861	216,128	135,557	**364,546**	

7. Charitable Activities – Direct Costs

	Administration and Organisation	Cultural Enterprises Academy	**Total 2021**	Total 2020
	£	£		£
Learning and Development	3,397	-	3,397	37,632
Conferences and Exhibitions	-	-	-	-
Development Costs	-	-	-	-
Training Day costs	-	-	-	-
Course costs	-	27,812	27,812	14,670
Donated Gifts & services	-	-	-	22,050
	3,397	27,812	31,209	74,352

8. Charitable Activities – Allocation of Support Costs

	Governance	Administration and Organisation	Cultural Enterprises Academy	**Total 2021**	Total 2020
	£	£	£		£
Legal and professional fees	2,261	-	24,999	**27,260**	20,828
Insurance	-	303	-	**303**	863
Administrative costs	-	26,469	5,269	**31,738**	49,427
Advertising and marketing	-	4,177	2,324	**6,501**	5,227
Accountancy fees	-	5,397	-	**5,397**	9,010
Independent examination fees	2,113	-	-	**2,113**	2,113
Travel & subsistence	-	475	201	**676**	26,584
Wages & salaries	-	73,355	83,363	**156,718**	148,872
Social Security costs	-	12,283	-	**12,283**	12,578
Pension costs	-	7,217	-	**7,217**	7,192
Donated Gifts and services	5,000	-	-	**5,000**	7,500
	9,374	129,676	116,156	**255,206**	290,194
Total 2020	12,861	156,446	120,887	**290,194**	

9. Staff Costs

	2021	2020
	£	£
Wages and salaries	156,718	148,872
Social security costs	12,283	12,578
Pension costs	7,217	7,192
	176,218	168,642

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

	2021	2020
Administration and organisation	6	6

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

No remuneration, directly or indirectly, was paid or deemed payable for either period to any Trustee or persons known to be connected with them.

All members of staff are considered key management personnel. The total compensation paid to key management personnel is therefore the total staff costs.

10. Tangible Fixed Assets – Group and Charity

	Computer equipment	Total
	£	£
Cost		
At 1 April 2019	12,705	12,705
Additions	1,408	1,408
Disposals	(3,084)	(3,084)
At 31 March 2020	11,029	11,029
Depreciation		
At 1 April 2019	5,760	5,760
Charge for the year	3,848	3,848
Disposals	(2,142)	(2,142)
At 31 March 2020	7,466	7,466
Net book value		
At 31 March 2021	3,563	3,563
At 31 March 2020	6,945	6,945

11. Debtors

	Group 2021	Group 2020	**Charity 2021**	Charity 2020
Trade debtors	34,103	8,902	30,177	4,212
Amounts owed by group undertakings			102,828	16,541
Other debtors	31,755			
Prepayments and accrued income	132,458	53,856	5,409	6,419
	198,316	62,758	138,414	27,172

12. Creditors: Amounts Falling Due Within One Year

	Group 2021 £	Group 2020 £	**Charity 2021** £	Charity 2020 £
Income in advance	132,006	212,179	49,176	
Trade creditors	7,990	20,414	6,721	8,265
Other taxation and social security	5,973	15,890	5,973	4,795
Other creditors	2,564	2,308	2,564	2,308
Accruals and deferred income	8,361	2,950	3,396	1,750
	156,894	253,741	67,830	17,118

13. Summary of Funds

	Brought Forward £	Income £	Expenditure £	Transfers £	Carried Forward £
General funds	87,098	487,405	385,373	(117,259)	71,871
Designated funds:					
– Association Development Fund	100,000				100,000
– Conference Expenses Fund	120,000			(60,000)	60,000
Academy Fund	22,741			(22,741)	-
Emergency Recovery Fund				200,000	200,000
Total	**329,839**	**487,405**	**385,373**	-	**431,871**

14. Analysis of Net Assets Between Funds

Group	Unrestricted funds	Total funds 2021	Total funds 2020
Tangible fixed assets	3,563	3,563	6,945
Current assets	585,202	585,202	576,635
Creditors less than 1 year	(156,894)	(156,894)	(253,741)
	431,871	431,871	329,839

Charity	Unrestricted funds	Total funds 2021	Total funds 2020
Tangible fixed assets	3,564	3,564	6,946
Current assets	496,137	496,137	407,936
Creditors less than 1 year	(67,830)	(67,830)	(17,118)
	431,871	431,871	397,764

15. Related Party Transactions

There have been no transactions undertaken with related parties during the year. Member organisations are not considered to be related parties.

16. Events after Reporting Period

We are again extremely grateful to the Culture Recovery Fund for a further award of £186,038.

17. Principal Subsidiaries

Cultural Enterprises (Trading) Limited

Subsidiary name	Cultural Enterprises (Trading) Limited
Company registration number	08690077
Country	United Kingdom
Equity shareholding %	100%
Directors	Julie Molloy (resigned 20 May 2021)
	Jill Fenwick
	Anthony Misquitta
	Chris Gilbert
	Laura Cave (appointed 12 August 2020)

The net assets for the year dealt within the accounts of the subsidiary was £1 (2020:£-67,924). The profit/(loss) for the year of the subsidiary undertakings was £68,654 (2020:£-67,925).



Annual Report

2020–21

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