

Charity no. 1122964

# **Luton Cultural Services Trust**

## **Annual Report and Financial Statements**

**For the year ended 31 March 2025**

**LUTON CULTURAL SERVICES TRUST  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2025**

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### **Report of the Board of Trustees for the year ended 31 March 2025**

The Trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2025 which are also 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 Memorandum and 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) (effective 1 January 2019).

### **Chair's Report and Strategic Report**

This year we continue our journey towards greater resilience, as well as growing and deepening our relationships with the communities we serve. Our visitor numbers have increased from 251,361 in 2023/4 to 272,465 which we are really proud to share. Hat Factory Arts Centre audiences have grown dramatically from 75,815 to 98,532 this year as demand for our arts and entertainment programme increases. Audience numbers remain good at Wardown House Museum and Gallery, growing through local outreach initiatives and partnerships with Desi Fest, Inspire FM Pakistani and Kashmiri cultural festival in the park and increased community led activities taking place in the museum. Stockwood visits remain steady. We have had a number of unexpected closures here for Radio 1 big weekend and urgent repairs to the Mossman Museum Roof, and also the need for site recovery after Illuminated. Despite this, we had record numbers of people attending our affordable family light show Illuminated this year.

We continue to review our operations and customer experience at all of our sites to inform future plans. What is important on this journey towards greater resilience is that we plan for affordability and flexibility. This year we have continued to face additional financial pressures around cost of living, increased staffing and building costs. Despite increased visitor numbers, our overheads continue to rise faster than the income we can generate. We have been working closely with our major partner and funders Luton Borough Council and Luton Rising and I am delighted to say we now have a new five-year funding agreement with Luton Rising which includes additional funding in recognition of the needs of the organisation and our value to communities across Luton. We are hugely grateful to Luton Rising and Luton Council for their ongoing investment and for their demonstrable commitment to the role culture and creativity plays in transforming lives.

I am also thankful to our other regular funders Arts Council England and the Architectural Heritage Fund who provide three-year funding for project delivery. With Arts Council England we are very proud to be part of ACE National Portfolio for the exemplary museum activity at Wardown House Museum and for the delivery of our Talent Alumni and Progression programme in the Hat District. I am particularly heartened to see how our schools offer across Luton is linking

with our support for a local talent pipeline and our new creative industry business network based in and around the Hat District. We are delighted this year to welcome two nationally renowned organisations joining us in the Hat district creative workspace, Clore leadership and Making Music and we look forward to working together.

Our board has grown this year too, we welcomed six new trustees including three Luton Councillors. I am proud that we have continued to increase the diversity of our board with 53% women, 38% global majority members as we endeavor to better represent the community we serve. We were very sad to lose trustee Nick Gibson who died in May and has left a lasting legacy with the Trust as one of the inaugural trustees.

We are very thankful to the Culture Trust team of staff, casual workers and volunteers who continue to work together to successfully deliver our business plan. The leadership shown by our Executive team has been key to navigating the challenges and the opportunities that have come our way. But most importantly I wish to thank both our existing and our many new customers for supporting us. We are very grateful to everyone who connects with culture through our Trust.

Andrea Stark Chair  
of Trustees

## **Our Purposes and Activities**

The objects of the Charity are as follows:

- (a) The Charity has been established for the benefit of the public primarily for the community and visitors to Luton and the wider area of the East of England, for not limited to the following objects.
- (b) The advancement and support of education, culture, arts, heritage and history including the provision of museums, galleries, learning and information centres, archives and other related services; and/or
- (c) The provision or assistance in the provision of facilities for recreation or other leisure time occupation in the interest of social welfare such facilities being provided to the public at large save that special facilities may be provided to persons who by reason of their youth, age, infirmity or disability, poverty or social or economic circumstances may have need of special facilities or services; and/or
- (d) Such other charitable purposes beneficial to the public consistent with the objects above as the Directors shall in their absolute discretion determine.

## **How our activities deliver public benefit**

The Trustees confirm that they have had regard to the Charity Commission's guidance on Public Benefit.

The Trustees believe that they meet the two key principles of public benefit as defined by law, being:

- There must be an identifiable benefit or benefits.
- Benefit must be to the public, or a section of the public.

The following examples demonstrate how we deliver to these two key principles of public benefit:

Our mission is to connect communities through culture. In doing, this year we enabled 272,847 engagements with culture. With support from Luton Borough Council and funding from Luton Rising, Arts Council England and the Architectural Heritage Fund we are able to ensure we remove social and poverty barriers by providing free access to museums and heritage sites for all. We opened Museums free to enter for 353 days of the year and further enabled inclusion by offering 87 free-to-access high quality arts and cultural events and exhibitions for all. We also ensured programmed 157 accessibly priced family cultural events and performances and engaged 10,403 young people and worked with 76 Luton Schools. We work in collaboration with our community and partners and through our commitment to Equity Inclusion and Diversity 35% of our arts programme was delivered by diverse artists. We are custodian and carer of publicly owned Heritage Museums, collections and heritage sites. We deliver accredited Museum services and collection care with specialist curatorial expertise and free public access. We invest in the running and operation of Luton's heritage sites annually contributing to their upkeep and ensuring free public access to safe and inspiring venues. We are a major cultural charity in the region and contribute to the creative economy by supporting 111 people in cultural jobs and employment and engaging 736 people in creative industry support networks to grow their skills and talents.

We operate from Stockwood Discovery Centre, Wardown House Museum & Gallery, the Hat Factory Arts Centre and connected to this, the Hat District creative

cluster (Hat House and Hat Works). All sites have heritage importance with Grade II listed buildings, or they are based within conservation areas.

#### **Hat Factory Arts Centre & Hat District:**

The Hat Factory Arts Centre is one of the region's leading arts venues featuring live music, club nights, theatre, dance, films, comedy, festivals, workshops, talks, networks and events. The Venue comprises a 105-seat studio theatre, a basement bar and venue with capacity for 80, flat floor music venue accommodating 230, creative workspaces, meeting rooms, café and offices. We focus on fresh, new and relevant stories from both established and emerging touring companies who are making high quality work in the UK, and we specifically target young and diverse audiences to engage and co-curate our programmes. Complementing our own programming, we welcome local and regional promoters to the venue; broadening our music offer and at the same time supporting young promoters and their businesses. Commercial and partnership programming has been a growing area of business this year to increase our box office income and secondary sales in the café/bar. The Hat Factory Arts Centre is part of a three-site creative cluster in the heart of Luton including Hat House and Hat Works. Hat House is a five-story former factory now fully occupied with creative industry tenants. Hat Works is a creative workspace for emerging and developing creatives at affordable and pay as you go rates. Here we offer training and development, exhibitions and community exchange partnerships.

- In 2024-25 we welcomed 98,532 visits to the Hat Factory and Hat District venues

#### **Stockwood Discovery Centre:**

Stockwood Discovery Centre is a Historic Museum, gardens and visitor centre with sustainability at its core offering free access to wellbeing walks, woodland and walled gardens. The historic courtyard Museum tells local stories through collections and the more modern Mossman Gallery provides stories of life, travel and transportation. Here we promote discovery, togetherness and wellbeing and present a platform for learning about energy, movement, transportation and life's-journeys through museum objects, cultural activities, healthy walks and creative events. Stockwood Discovery Centre is located in the Georgian Grade II listed stable block and walled garden of the former Stockwood House in Luton. It includes interactive displays exploring local history from prehistoric times to the present, a temporary exhibitions programme, an award-winning carriage display, a visitor centre with a shop and café, an outdoor children's discovery area and world, sensory, medicinal and wildlife gardens.

Stockwood Discovery Centre encompasses within its strong horticultural offer historic greenhouses, beautifully designed formal gardens and an array of specialist plants, shrubs and trees. The garden is Grade II listed and has the best collection of public art in England by acclaimed artist Ian Hamilton Finlay. The site is free to access and is very popular with people of all ages throughout the year.

- In 2024-25 we welcomed 121,329 visits to Stockwood Discovery Centre. Our year-round free to access programme was included.

#### **Wardown House Museum & Gallery:**

Wardown Museum & Gallery is an enthralling Museum set in a historic Victorian manor house in Wardown Park offering free exhibitions of locally relevant and

nationally important collections, co-curated with our one-mile community and Museum Maker volunteers to reflect contemporary Luton including the biggest hat & headwear collection outside London. Situated in the beautiful landscaped Wardown Park on the outskirts of Luton town centre, entry is free, and the House provides inspiring, eclectic and beautifully curated collections for people of all ages. Here we co-curate local stories about travel, exploration, migration, family, fashion and the home and provide a platform for sharing objects, family stories and histories. Wardown House gives visitors an insight into a family home during the Victorian period as the original use of each room is communicated through the collections including the Billiard Room, Smoking Room, Library and Kitchen. With an exemplary hat collection, local and social historical collections, the displays chart the development of Luton and celebrate its diverse communities. We bring this right up to date by co-curating local stories around migration, travel, exploration and home representative of our diverse neighbouring cultures. The Museum also provides a gallery space for emerging and contemporary artists as we seek to find new creative ways to engage with the local community.

- In 2024-25 we welcomed 44,647 visits to Wardown House Museum & Gallery.

### **Cultural Activity and Public Programmes**

Within these heritage site clusters we present year-round cultural activity and public programmes including Arts Events, Museums and Heritage Activities, Free Public Exhibitions, Schools skills and learning opportunities and **Creative Industry support and Careers Networks**

### **Arts Events**

- **Live Arts Events:** We provide arts and cultural entertainment, events, performances, theatre, comedy and live music throughout the year, mainly at the Hat Factory Arts Centre. At the Hat Factory this year, our visitor numbers have grown significantly alongside our programme by building up more Friday and Saturday night performances, musicians, comedians and dance. We had more sellout events including: Milton Jones, Henning Wehn, Kane Brown, Russell Kane, Tez Ilyas, Aurie Styla and Josh Widdicombe. Our diverse programme includes global majority artists such as Daliso Chapunda and Kane Brown and local promoters and creatives Yvonne Michelle, Jazzcotech and Luton Soul Club. In addition to our arts programme at the Hat Factory we also provided events and partnership events for all ages. Below is a selection of our arts activity delivered this year;
- **Family Arts activities:** The Summer Stockwood Family Garden Party this year's programme included 2 film screenings, 8 ticketed and 2 free performances including circus, silent disco and acrobatics alongside three days of free activity. Febfest is now a much-loved family regular. With a programme that runs across all sites this year, it features performances and workshops, scratch works from local early-career creatives and a two-day delegates programme. The performance programme included aerial work, international companies from Nigeria, and interactive dance. We also introduced a smaller version of the 'free-to-access' imagination station at Wardown Museum called 'The Wonder Hour' which sold out.
- **Fringe to the Radio One Big Weekend (24-26 May 2024).** To complement the Radio One big weekend at Stockwood Park in May 2024, we hosted a fringe type live music programme. With local promoters we presented a club night featuring Radio One DJs, a secret gig with *Everything Everything*, an evening of Vinyl Soul all in collaboration. The club night was a sell-out however the secret gig had lower than expected audience numbers. There was an embargo on

announcing the act until 48 hours before, which hindered our ability to promote effectively. We complimented the Radio One evening programme by hosting watch-a-long parties in our basement vaults targeting neuro-divergent audiences, providing a safe and comfortable space to be involved. At Stockwood Discovery centre, we were closed to the public during this event but supported the crew and team over this period.

- **The Chaos That Has Been and Will No Doubt Return (July 2024).** We continue to platform local talent and this year we were delighted to host the Chalkline Theatre – a Luton based company and alumni of New Generation Youth Theatre who are based at the Hat Factory. Chalkline premiered their show in July before heading to Edinburgh Fringe. The show is a semi-autobiographical piece written by artistic director Sam Edmunds about his teenage years growing up in Luton. Having supported the creation of the piece with production time it was fantastic to see it receive the recognition deserved, shining a light on Luton.
- **‘Game On The Evolution of Video Games’ Interactive (July –August 2024).** We commissioned the creation of an interactive gaming exhibition which ran for 6 weeks at Stockwood Discovery Centre attracting 10,000 visits. It was incredibly well received with several sell out sessions. Part exhibition and part event, this engaged adults and children in the sharing of games. It included gaming history from the rudimentary Magnavox Odyssey and Pac-Man to the sophistication of the PlayStation and Mobile Gaming demonstrating changes in technology and engagement. As a result of the success, we re-introduced the event for the October half term.
- **PRIDE in Luton festival (July 2024).** PRIDE in Luton Festival returned to the Hat District for its 3<sup>rd</sup> year. With an estimated 6500 people through the district on the Saturday, it was a full-on celebration of inclusivity and diversity. We had over 3500 people into The Hat Factory Arts Centre across the day. New elements this year included a teenage rave in The Fabulous Hatter complete with teenage DJ hosts. The festival was followed by a sellout after party in the venue. We also continued to open The Fabulous Hatter regularly through July on a Friday night exclusively for the LGBTIQ+ Community and their allies as a safe space for social interactions and meet-ups.
- **Outdoor Theatre (August 2024).** We presented a free outdoor performance of Sonia Sabri- Princess and the Peacock outside Wardown House Museum that focused on Classical Indian Dance. This event specifically targeted our Pakistani and Bangladeshi communities, many of whom had not previously engaged with the museum. This event attracted 192 people over 3 performances.
- **Bute Street Film Festival (August 2024).** Bute Street Film Festival delivered their third festival at the Hat Factory at the start of August to close our summer season of programme at The Arts Centre. This was their first year officially as a BIFA Qualifying festival and the programme was the largest to date with a line-up of international, national and local film screenings, live music, art, panel discussions, workshops in Hollywood Prosthetics, and industry talks.
- **Equinox Mini-Festival (September 2024).** Accompanying our launch of a Heritage Pop-Up Urban Room in the basement of Hat House, as part of our Architectural Heritage Fund HD+ programme, we hosted the Autumn edition of a bi-annual arts-in-heritage festival. Bringing together international and local artists and multiple disciplines, the festival series, run by local creatives, explores the possibilities of engaging with and animating local cultural and historical heritage sites with contemporary art, craft and music.
- **Black History Month (October 2024).** We marked Black History Month for the third year with a multi-disciplinary programme including music, children and family events, comedy, film and panel discussions including the ever popular ‘Being Black in Luton’ this year led in collaboration with Heritage Associates. We presented nationally acclaimed music tribute The Marley Experience, half terms family drumming workshops, and BAFTA award



winning comedian Michael Odewale's debut show. In October a three-year MOU was signed between the Trust and Heritage Associates. This new MOU marks strategic changes we have planned together to embed social and cultural change, widen access to opportunities and celebrate creative and cultural talent particularly in young people from Luton's black community.

- **The Kings Polar Bear (Dec 2024):** Our in-house co-produced show this year with Full House Theatre previewed in Luton before embarking on a short UK tour taking in venues in Manchester, Birmingham, London and Eastleigh returning to Luton in December as our Christmas Show The Kings Polar Bear became the highest grossing show at The Hat Factory.
- **Illuminated (December 2024):** Our annual winter light celebration set against the backdrop of listed gardens at Stockwood Discovery Centre welcomed a record number of visits this year (9,278 people). Volunteers support visitors on a self-guided tour through the illuminated pathways with mini- performances and happenings to illuminate the historic site. For the first time, 14 schools were engaged in creating content which supported our audience development.

#### **Museums & Heritage Activity**

- **Luton 50 objects (30 May – 20 Oct 2025):** This exhibition was co-curated by writer and journalist Sarfraz Manzoor across the Wardown House Museum galleries. Members of the public were invited to submit objects they felt represented Luton, and Sarfraz Manzoor, as our guest curator selected some for an exhibition. 60 local people had their objects included. These objects were integrated into the Museum. The labels were written to reflect the lenders story and the colour of the labels was distinctive so that the items are easy to identify. The people who have loaned objects have great pride in the fact that their item is part of an exhibition. There were two guided tours per month organized midweek and on Sundays. Sarfraz Manzoor and our Project Manager were interviewed for a feature which appeared on the BBC News.
- **Artist in residence at Wardown House Museum:** Local Calligraphy artist Abu Yahya. Abu was located in the drawing room in Wardown Museum where people have actively engaged with him to either talk to him as an artist or have a go at Arabic Calligraphy. There has been interest from the Pakistani community who have expressed delight in seeing an artist of Pakistani origin in the venue and working in a medium that they can relate to.
- **Online access to collections:** We have launched the Wardown House Museum 360 online. VR enables people to visit our museum to tour it virtually. This resource contains information about specific collections and artwork that is displayed around the museum. This digital resource can be used in collaboration with Arts Award for schools, which consists of a booklet of questions to answer about the museum. Once completed, the children turn these in to be marked by us and we submit the results. The children can then earn a certificate to congratulate them for completing the award. This year, children from Hadrian Academy completed the award and earned their certificate.
- **My Museum project with Full House Theatre:** This partnership project explores a new route through Wardown House Museum. Full House are working on creating a pop-up performance which they will showcase in 3 schools and in the community. The pop-up performance will be used as a platform for the community to engage in conversations about what they would like to see at Wardown. This is a 2-year project. This year we organised a team visit to the V&A which included members of front of house, Facilities and Curatorial teams. There was a performance by Khayal Theatre Company again aimed at our local mile community which focuses on stories about Eid.

- **Guinea specialist sewing machines:** We have a number of 19th-century guinea sewing machines which are used to sew straw plait into hats and milliners tell us that they are much better than contemporary machines. With the help of an external grant, we have turned seven of our uncatalogued machines back into working order and we have lent them out to milliners. We believe that this project will make a significant contribution towards taking straw hat-making off Heritage Crafts' 'critically endangered' list and move it to 'endangered'. The milliners have now undertaken training with industry specialist Lucy Barlow to hone their skill and ensure they are able to incorporate their machines into their work. The outcome will be evident in film, TV, fashion, magazines and universities. We will be monitoring!
- **Music in the Museum:** We have diversified our Music offer by introducing artists from the Global Majority Community and presented nine events across the year. Aprils Music in the Museum' Sinfonia Verdi Ensemble regularly sells out. We welcomed Padmanaban Jayaraman: East Meets West' and in June we presented a performance by Balladeste. Zero Klassikal in September was the first of our classical music performances. We also worked with Zeroklassikal; Ramadan Tales, a story-telling performance by Khayaal theatre company which sold out for two performances.
- **Community-led events:** We are building local connections and activity programmes in the community as part of our outreach programme for Wardown Museum. These activities are targeting audiences from our Global Majority community who have not previously engaged with the museum. They include Serenity Mindfulness and wellbeing workshops have now, after outreach, come into the Museum. This group is women specifically from the South Asian Community. In partnership with artist Shemiza Rashid we have also developed a new Book Club. We have also started a textile project in partnership with the Centre for Youth and Community Development (CYCD) which is engaging members from the Pakistani and Bangladeshi community on a calico dress making project. We built our presence by attending **Desi Fest** a Festival held in Wardown Park over the 2 days. We also developed a pop-up exhibition in Wardown Museum to add to the Inspire FM Pakistani and Kashmiri cultural festival in the park.
- **Stockwood Nature Trail:** This is a free trail around the gardens at SDC. Children need to find all the posts where they can read a fact about animals at Stockwood and do a brass rubbing. The facts will change throughout the year and the posts can move to keep the trail fresh and can be done multiple times by the same families. We are working with the Wildlife Trust to ensure the biodiversity of the site, and this year for the first time we have taken part in 'No-mow-May' and we plan to leaving certain parts of the lawn to grow into a meadow to encourage wildflowers and wildlife.
- **Volunteer Museum Makers:** We have 1066 Museum Maker volunteers registered with us. Museum Makers take up specific challenges (such as engaging in museums exhibitions, collections and events) and others support customer welcome services at the Hat Factory, Stockwood and Wardown. We have also successfully recruited more young people and from the 27 new volunteers signed up in the last recruitment event, 12 people identified to be from the Global Majority.
- **Community research in the museum:** We continue to support Hatters Heritage, Luton Heritage Forum and the Regiment Museums with advice and support in their research and collections development initiatives. We continue to host the Hatters Heritage volunteer group research the history of Luton Town FC within the Luton News Archive. They are updating their website and actively working towards the proposed creation of a new Luton Town FC Museum space, within the new stadium on Power Court. We also continue to support the volunteers of the Bedfordshire and Hertfordshire Regiment Museum, to deliver learning sessions at Wardown House.

- **Heritage Open Days and Hat District + (September 2024):** We launched HD+ publicly on 7<sup>th</sup> September 2024 as part of Heritage Open Days. A pop-up Heritage Urban Room was set up in the basement of Hat House. Here we initiated long-table discussions with local businesses, creatives and neighbors around aspiration, heritage need and use. We commissioned three new artworks (lenticulars) which show a before and after image as one for public display in the windows to animate the Streetscape. They create an illusion that changes as people walk past it.

#### Free Public Exhibitions

- **Ishq (November 2024 – March 2025):** We curated a Calligraphy and art exhibition which explores the theme of love and devotion by local artist Abu Yahya. Abu Yahya was our resident artist who engaged with the local community as part of the public facing strand of his residency. Over 150 people engaged meaningfully in the practice of calligraphy during the residency. We saw an increase of home educated children and their parents from a South Asian community.
- **The Artful Voices (23-27 July 2024):** We partnered with The Mary Seacole Housing Association to offer support in the curation of 'The Artful Voices' exhibition raising awareness about anti-violence and celebrating young talent in response to The Knife Angel coming to Luton.
- **Mindful Making with Clay (11 – 26 July 2024):** With Lugus Ceramics and Mind BLMK. We enabled an 8-week Mindful Making with Ceramics course at Mind's Luton Wellbeing Centre. We hosted a launch event and showcased the final artworks from this course in a window display in the Hat Factory so the participants and their families could come to the venue and see the work on display.
- **A Hat Journey Around The World (8 July – 29 August 2024):** In partnership with the Morley College - Twelve pieces of headwear ranging from a modern interpretation of a Chinese Opera headdress to a headpiece inspired by Afternoon Tea to one based on an Indonesian blangkon hat were on display. The displays are part of a programme of regularly changing displays at Hat Works to provide our community with additional free-of-charge access to hat collection and insight into Luton's continued importance to the UK hat industry.
- **Accidental Archivist at 33 Exhibition (6-14 September 2024):** We hosted an exhibition of work created from the archive of Luton's iconic arts centre '33', led by historian and musician Paul Jolly. This was part of Heritage Open Days and was met with great response from audiences. The exhibition was designed so that visitors could contribute to recording of an audio and video archive, helping to collect more grassroots stories from local residents.
- **HATS: Innovation & Creation (18 September – 14 November 2024):** In partnership with the British Hat Guild we exhibited 18 hats that push boundaries by top UK milliners, including Stephen Jones OBE and Philip Treacy OBE. The exhibition was in Hat Works and we hosted two events at the Hat Factory. A rare screening of 'The Millinery Lesson' highlights the outstanding and influential millinery and teaching career of Marie O'Regan and a panel discussion on innovation between a number of the milliners in the exhibition, including Stephen Jones OBE. This enables us to reach practitioners from across the country working in the industry for which Luton is known and who still rely on Luton's suppliers and manufacturers today.
- **Sculpture at Stockwood (September 2024):** 90 hare and tortoise sculptures were curated across Stockwood Discovery center for the Farewell event of the Keech Hospice's Hare and Tortoise trail Earlier in the year we took part in the town wide initiative across the summer by hosting several statues on the trail across our sites including in the porte-cochere at Wardown House Museum.

- **The Ghana Society (25 November – 5 December 2024):** We supported Cllr Maria Lovell to facilitate their annual exhibition; a selected collection of Kente cloth from Ghana mostly from the Kente Town of Bonwire in the Ashanti region of Ghana. The Trade Minister of the High Commission of Ghana in the United Kingdom attended the launch.
- **A Brim Full of Culture (11 November – 6 December 2024):** The Hat District has been animated this year with a public art commission by Priya Ramkinsoon called inspired by Black Global Fashion. Priya is an advocate for inclusivity and cultural diversity, working to ensure that underrepresented voices are heard within the creative community. We also commissioned two Factory Associates to deliver public events inspired and in response to the themes of the public artwork: Black Culture through the lens of global fashion. These included hair braiding, building a brand, weaving, Paper Dolls and Watercolour sessions. 'A Brim Full of Culture' was installed in the Hat Factory Café Windows curating items from the community combined with QR codes that allowed digital content of the stories behind the items.

### Schools, Skills and Learning Opportunities

- **Town-wide schools' outreach:** We deliver a town-wide programme of outreach and site-based activity with schools and education providers. We see continued engagement from schools who book with us every term or every year, such as Tennyson Road, Surrey Street and Hillborough Infant/Junior. We have had many schools return for annual repeat workshops, such as our participation in hosting the Schools Linking Network at Stockwood. We worked with Secondary Schools too, including Icknield High school where we created a bespoke workshops based around theatre, drama and themed through Oliver Twist which is held at the historic context of Wardown Museum. We have welcomed new schools to participate in our work such as Foxdell Primary School in Dallow. In 2024-5 we worked with 76 schools across the year engaging 10, school pupils in activities.
- **Schools' enrichment days:** We worked with The Chiltern Academy and Denbigh High school at Wardown House Museum as part of the school's enrichment week based around the history of Luton. For example, Luton's hat industry and how it built up the town by introducing migration and factory expansion; they also were able to use an object from our collection called a 'straw splitter' to prepare straw as Victorian children would have done. The Herts and Beds regiment volunteers talked to the children about the history of Luton's military connections and the children also learnt some archiving techniques from Hatters Heritage, which are a group of volunteers who regularly work at Wardown House. Years 7, 8 and 9 were able to have a hands-on look at the history of their town. Other projects we delivered this year include;
- **SMASH Summer school:** In partnership with the University of Bedfordshire we hosted a camp for two days at Stockwood Discovery Centre and the Hat Factory. We worked with hat maker Rohan Clarke for a second year, as he delivered workshops around designing trainers for the children at Stockwood. We also delivered based workshop at the Hat Factory, where children completed a lino print activity to design Olympic medals, to match the university's theme of the Paris Olympic games.
- **Create Day:** In partnership with the Royal Opera House, we enabled multiple schools (Ferrars Academy, Whipperley Academy, St. Joseph's Primary, Surrey Street Primary, Icknield Primary, Lady Zia Wernher, Bushmead Primary and Beechwood Primary) to come together over 3 days to participate in dance workshops, poetry, puppetry and creative activities.

- **Schools & Continual Professional Development:** We welcomed Arts and Design Teachers from the Chiltern Academy Schools to the Hat Factory to learn about the subject of Public art, commissioning artists and community engagement. Through a day of presentations, discussions, workshops and planning the team worked through a commissioning plan for a series of public artworks for their schools that connected through the values of the Chiltern Learning Trust and inspired by the Knife Angel sculpture visit to Luton.
- **Traineeship:** We are offering a new annual traineeship, funded initially through Arts Council England Talent, Alumni and Progression. Our recruitment process targeted young Lutonians (18-34) who are aiming to enter careers in the creative sector as well as individuals who are looking for an opportunity for a career change into the sector. Recruitment greatly benefitted from holding drop-in surgeries and partnerships with DWP (Job Centre Plus) job-seekers, the University of Bedfordshire's career's advice and Luton Borough Council's Education and Skills department. Our successful trainee worked across the organization on events, activities and learned about back-office functions too. She learned about graphic design and copywriting and had the opportunity to work in Museums and be part of the planning for Illuminate at Stockwood.
- **Work experience:** We provided work experience for 6 students this year including two Year 10 work experience placements from Putteridge High School and Queen Elizabeth School. The students engaged with different activities, such as aiding in delivering school sessions, creating resources, restocking resources, curating gallery space, front of house work. We have received positive feedback on these placements from students, teachers and parents.
- **Internships and researchers:** We have 1 PhD researcher and 2 student interns from local colleges in work placement internships this year. The year-long internship is for young people with neurodivergence issues who have not thrived in mainstream schools. One of the student's focuses was on the landscaping aspect of the gardens and the other's focus was on growing vegetables from seed.

#### **Creative Industry Support and Careers Networks**

- **Hat District Creative Tenants.** This year we are delighted to welcome three new tenants to spaces in the Hat District. **CLORE leadership** who offer national training, leadership development and research for cultural leaders moved their Head Quarters from London into Hat House on 1<sup>st</sup> July 2024. **The Shaw Trust** moved in in September 2024 onto a whole floor of Hat House offering education opportunities to former offenders. **Music 24** moved back into the Hat Factory Arts Centre on the 3<sup>rd</sup> Floor for 3 years - they provide music therapy and specialize in wellbeing and workshops. These tenants contribute to the building of a creative industry ecology in the Hat District
- **Industry talks.** We delivered industry talks to the University of Bedfordshire students which offered an overview of opportunities available to existing students and graduates within the Culture Trust and the Hat District. We discussed employment, exhibiting, casual staff jobs, workspace, hot-desking and volunteering opportunities, start-up programmes, traineeship as well as promoting access through the Creative Industry Network.
- **Youth Film Programme.** Bute Street Festival in collaboration with Youth Network and Festival Formula, returned to deliver our Youth Film Programmers Course for the fourth consecutive year starting after February half term. This project is aimed at young people ages 16 - 22 who are interested in film and festival organisation. Over the course of 8 weeks, it gives the group the opportunity to learn producing, camera skills and presenting skills whilst learning more about independent cinema. The second part of the project will put the power into the hands of the young people, with support from our youth leaders,

to create their own showcase of independent films to share with family and friends at the end of the course.

- **Employability fairs, events, promotions.** We have started this year to attend employability and careers events. This has included a careers event for Year 10 at Denbigh High School in April and an annual Reach Society Employability event in May, held at Chiltern Academy. This enabled the Trust to speak to around 40 young people about careers and spread awareness of what the Culture Trust offers. We attended the **Luton 6th Form College Careers Fair** in June and had the opportunity to engage with 25 students and several members of staff about Creative Industry and opportunities offered by the Culture Trust. We have worked with the Head of School of Arts and Creative Industries and its faculty to organise an event during the **Freshers Week** aimed at boosting student engagement with the Creative Industry Network and Volunteering programmes and our venues.
- **Creative Industry Network.** We launched a new initiative in May 2024 to promote training, spaces and digital and physical network for creatives in Luton. The launch was attended by local and regional cultural organisations, local government, Luton Alumni and creative practitioners. Hosted the Culture Trust Chair – Andrea Stark the panel discussion with a John Newbiggin and Hillary Carthy led to a lively discussion. The launch included performances by local artists – Lavz (who performed at the Radio One Big Weekend festival) and DJ/producer Karmakaio.
- **Network events in Hat District.** Planned to commence in July, networking events for the creative sector will look to bring together experts, creatives and the incoming start up cohort for knowledge exchange, networking and showcases. This regular event, held on 2nd Wednesday of the month aims to bring together best practices from established event series (assisted networking, guest speakers, and opportunity to showcase creative ideas).
- **Creative Industry Start-up programme** - pioneers launched on 20 September 2024 with a social media and e-mail campaign advertising the recruitment, including a programme of in-person and online drop-in sessions designed to help candidates enhance their application pitch packs. We successfully recruited 10 new pioneers onto this programme starting in spring 2025.
- **Hat District Community Drop-ins:** Weekly Drop-ins launched in late October, animating Hat Works serving as a platform for local institutions and organizations to promote their offer. We are promoting "make Hat Works your lunchtime office" thus strengthening the local offer and promotion of the Hat District as the best connected creative micro-cluster in the UK. The Drop ins are organised around themes such as working with heritage; funding and how to scale up. So far, we have attracted over 70 creatives industry attendees and 10 organisations.

## **Financial Review**

During the year, turnover increased by 19% to £3.6m (2023/24, £3m) due to increase in project funding and trading income. The principal funding sources of income to the Trust itself is grants of £2.1m (2023/24, £2.1m) for arts and culture. We also generate income from ticketed events, donations and rents/hire of spaces.

The total resources expended increased by 6.3% to £3.8m (2023/24, £3.5m) predominantly due to higher costs of sales and operating costs. Net resources expended in year therefore totalled £184k (2023/24 £526k).

The defined benefit pension deficit was Nil at the balance sheet date (2023/24 £nil) in accordance with the actuarial valuation report for FRS 102 purposes, and it remains in a position of surplus which is not required to be recognised on the balance sheet under FRS17. The overall actuarial gains from the pension scheme were £257k (2023/24 £263k). This has produced a consolidated net liabilities position of £16.9m (2023/24 £18.9m)

## **Pricing Policy**

Our pricing policy reflects our strategy of enabling free access to Museums at Wardown House Museum and Gallery and Stockwood Discovery Centre. We also provide an annual programme of free and subsidised arts and cultural activities and events where ticketed event prices range from £5 to £20 in the Hat Factory Arts Centre. All of our museum exhibitions, collections and public art commissions are accessed freely.

## **Investment Powers and Policy**

The Trustees, having regard to the liquidity requirements of running the business, keep available funds in interest-bearing deposit accounts and seek to achieve a rate on deposit which matches or exceeds inflation as measured by the retail prices index. Due to the increasing interest rates the trust was able to produce a modest amount of investment income in the year although the ability to generate a higher return was depressed due to the reduced cash balances.

### **Reserves Policy and Going Concern**

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned emergency expenditure or reductions in funding. The Trustees note that at the year-end, a total of £5.001m (2023/24 £4.895m) is held in the general fund reserves, which includes fixed assets and investment properties, and £189k (2023/24 £222k) as restricted funds. The restricted funds are not available for general purposes at the end of the reporting period and the general funds are held in fixed assets properties and can only be realised through the disposal of these assets.

The Trustees consider that the ideal level of reserves as at 31<sup>st</sup> March 2025 would be £600,000, representing two months operational expenditure. The Trust has fallen below the level identified in the reserves policy during the period. The plans include a gradual restoration of the Trust reserves.

In accordance with their responsibilities, the Trustees have considered and concluded upon the appropriateness of the going concern basis, which has been used in the preparation of these financial statements. In making this going concern assessment, the Trustees have had regard to the matters highlighted in Note 1 section b in the accounts. After considering the uncertainties described in the note, the Trustees have a reasonable expectation that the charitable company will have sufficient resources to continue in operational existence for the foreseeable future. For these reasons, the Trust has continued to adopt the going concern basis in preparing the financial statements.

### **Plans for Future Periods**

**In line with our business plan we shall continue to deliver the strands set out under the four cultural strategies. The following shall be priorities for the next year:**

#### **Creative and Cultural Strategy**

- **Arts Audience and Ticket Sales Growth:** We will ensure high quality, diverse, inspiring and impactful engagement in arts, culture, creativity and skills with a focus on families, young people, artists and creative industries. Commercially our focus shall be to encouraging audience progression and repeat use and increased our donations, ticket sales and volunteering. This shall be through increased partnership working and also increased marketing activity, we are advertising for a new Head of Marketing to boost promotions and sales processes and functions.
- **NPO and Audience Development:** We have applied for an extension to our delivery to grow the partnerships and potential of our diverse programme at Wardown House Museum & Gallery which is gaining traction, trust and new audiences. We are tracking this through the Audience Agency surveys to ensure we understand our audiences and their needs and that our visitors mirror the community we serve. We will continue to understand our Audience more and work towards a new Audience Development Strategy for the Trust.



## Organisational Resilience Strategy

- **Team capacity and resources:** We shall better match our team resources with the needs of the organization and improve recruitment. We also have a new Head of HR starting to review and improve staff recruitment and retention in our operational and trading teams, reduce our dependency on casual staff and to also ensure we fill key posts in a timely manner. We shall continue to work with staff and Unions to implement changes to our Terms and Conditions to enable a more efficient and affordable workforce going forwards. We shall also seek to review the effectiveness of our team structure in meeting the needs of our business, community and services. This will be in response to a detailed Customer Services and Operational Review
- **Customer Services and Operational Review:** We have launched a new project called Re-connect in 2025, funded through Resilience funding from the National Lottery Heritage Fund. The project reviews our customer services and operations at our three sites and invites users and non-users to 'inviting views' events across the summer. Delivering the activity programmes and operational review will support our long-term financial sustainability as we tailor our offer, refine our operation and grow use and volunteer support. Financial resilience through this review will enable us to ensure that the heritage importance of these sites is not only maintained but also celebrated through activities, free public events and promotions. We shall be looking to implement a new operating model that meets customer needs and which is efficient and affordable.
- **Funding and partnerships:** We will review and update our Management Agreement document which follows this year's revised funding Agreement with Luton Rising. We will continue to strengthen our relationship with the Council through the delivery of Luton 2040. We will ensure that our unique partnership with Luton Rising and Luton Council enables us to maximize investment in culture with additional funding and fundraising. We have applied for extension year funding from Arts Council England until 2028. We plan to apply for further funding to improve the resilience of our organization, cashflow and an operating reserve.

## Enterprise Growth and Marketing Strategy

- **Review of Opening hours and use of facilities:** Through a customer and operational review we will examine usage patterns and demand for our services and programmes. We will specifically look at our opening hours and patterns of use, income and trading. Research into patterns of use, opening ours and operating systems shall be undertaken alongside public and stakeholder views. This review will balance free access provision with our commercial service growth. We shall invite views from non-users to see if we are maximizing the potential of these sites. This will enable us to attract more people to our sites, encourage secondary spend and enable us to deliver a more cost-effective operation.
- **Hat District+:** With support from the Architectural Heritage fund we plan to undertake a viability study into expanding the Hat District cluster provision, subject to demand and need and availability of underused Heritage buildings. Being part of the National Heritage Development Trust group enables us to access grants and support to save more heritage buildings in the Hat District. We are working on ensuring a partnership approach to this place-making initiative that will support Luton 2040 and the Town Centre Delivery Framework.

- **Hire of facilities:** We shall continue to ensure our facilities are maximised in terms of programmes, partnerships and hires. Building on the success of Hat House we need to ensure that Hat Works is fully let and includes anchor tenants to support our incomes and vibrancy of the cluster. We shall seek funding to repair and refit Hat House basement to make it fit for purpose and use to meet the demand we are building from artists and heritage practitioners in the community seeking project space. We shall also review other available spaces at Stockwood and Wardown to maximise usage and new regular incomes.

#### **Museum Heritage and Place Strategy**

- **Sustainable Stockwood Capital Improvements:** In 2025/6 we are continuing our strategic focus on Stockwood Discovery Centre and the communities that live within one mile of the site. We recognise that the site and Museum are tired and in need of investment. We shall continue our 'Sustainable Stockwood' capital project plans achieving RIBA stage II. We are commissioning artists, dancers and horticulturists to creatively engage new audiences, volunteers, school children and their families into a series of cultural site-based activities.
- **Museum & Collections.** A priority for us in 2025/6 is to continue the work we started in year to review our museums policies to ensure Museum Accreditation requirements. Early in the coming year we will have a new Museums database, with staff training and this shall be followed by an audit of our collection. We will be working also with the Council on museum store provision and planning for the long-term. Currently we are working with the Council (who provide the stores) to improve provision. This includes a decant of items from Cutenhoe road to new temporary storage which will provide better conditions and access. We will continue to work with the Council on long-term Museum Store Solutions.

## Reference and Administrative Details

**Charity number:** 1122964

**Company number:** 06373488 (England and Wales)

**Registered Office:** The Hat Factory Arts Centre 65-67 Bute Street Luton LU1 2EY

### Our Advisers

**Auditors:** Moore Kingston Smith LLP  
9 Appold Street  
London EC2A 2AP

**Bankers:** Co-operative Bank plc  
2 Alma Street  
Luton LU1 2PL

**Solicitors:** Freeths LLP  
Routeco Office Park  
Davy Avenue  
Knowlhill  
Milton Keynes MK5 8HJ

## Directors and Trustees

The Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Mr N Gibson (Resigned 14 May 2024)  
Ms Andrea Stark (Chair)  
Mr Safeer Ahmed  
Ms Joanne Prior  
Mr Bilal Hussain  
Mr Sufian Sadiq  
Mr Robert Smalley  
Mr Andrew Strange  
Dr Carlota Larrea  
Ms Julma Begum  
Ms Nadine Cotton (appointed 11 July 2024)  
Ms Julia Luddington (appointed 11 July 2024)  
Mr Nigel Marshall (appointed 11 July 2024)  
Mr Pritesh Mistry (appointed 11 July 2024)  
Ms Amy Nicholls (appointed 11 July 2024,  
resigned 27 May 2025)  
Mrs Charmaine Isles (appointed 11 July 2024)  
Ms Tahmina Saleem (appointed 5 June 2025)

## Key Management Personnel

Ms Marie Kirbyshaw	Chief Executive
Mr Ashley Bishop	Director of Customer Experience
Ms Jo Hawkins	Director of Finance & Resources
Ms Gillian McKay	Interim Finance Director (Resigned 31 March 2025)

## **Structure, Governance and Management**

### **Governing document**

Luton Cultural Services Trust is a registered charity and a company limited by guarantee. Its governing document is the Memorandum and Articles of Association. The Board of Trustees comprises the Directors of the company.

Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantors at 31 March 2025 was 15.

### **Appointment of Trustees**

As stated above, the Board of Trustees are also Directors of the Company. Directors are recruited through public advertisement, contacts of the current Board members and through business contacts of the charity. They are assessed for suitability using a skills and interests matrix and are interviewed by the Chair and Chief Executive. In normal circumstances one third of the Directors retire at each Annual General Meeting and are eligible for reappointment.

### **Trustee induction and training**

Trustees have an induction programme comprising governance, the Trust vision and priorities, analysis of the charity's business plan, activity programme, staffing and resources. They also take part in a programme of visits to operational sites of the Trust where they learn more about our operation and meet staff and volunteers. Trustees are able to undertake training specific to their role and an annual strategy workshop to review progress and consider future plans. Trustees attend look and see visits and participate in an in-depth away-day each year with the Chief Executive and Leadership Team to experience best practice, meet counterparts nationally, to learn about new approaches and to review and to expand on experiences and grow knowledge in areas relevant to the business plan.

### **Organisation**

The organisation was established under a Memorandum of Association which established the objects and powers of the organisation and is governed under its Articles of Association. The Trustees who have served during the period and those appointed before the date of this report are listed on page 10. No member of the Board or sub-committees receives any remuneration for their services as Trustees. The Board meets four times a year with additional extraordinary meetings if required. Sub-committees report quarterly to the Board and comprise the Finance sub-committee and Human Resources sub-committee. The Nominations Committee and task and finish groups are established to consider relevant issues from time to time and report back to the Board. The Leadership (which comprises the Chief Executive and the senior staff reporting to the Chief Executive) meet every month to monitor performance, activity and operations and to review finances, policy and practice. The organisation is a charitable company limited by guarantee, incorporated on 17 September 2007 and registered as a charity on 27 February 2008.

### **Related Parties and Co-operation with other Organisations**

Any connection between a trustee and senior manager of the charity with a production company, contracted actor, performer or exhibitor must be disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party. Details of related party transactions are shown in note nineteen to the accounts.

Luton Cultural Services Trust is a member of the Museums Association, The Association of Independent Museums and The English Civic Museums Network. The Trust takes part in networking, advice, funding and strategic planning with Arts Council England, Heritage Lottery, Museums Association, Historic England, South East Midlands Local Enterprise Partnership and the Museums East of England Group.

### **Pay policy for senior staff**

The directors consist of the Board of directors, who are the Trust's Trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All directors give their time freely and no director received remuneration in the year. Details of directors' expenses are disclosed in note 7 to the accounts.

The Trust adopts the NJC for Local Government pay scales for all staff, including the Chief Executive and leadership team. All posts are evaluated to align with the Local Authority job evaluation scheme to ensure fairness across the Trust and parity with similar Local Authority jobs. Staff pensions are provided through the Local Government Pension Scheme.

### **Risk management**

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to evaluate and manage these risks. The Trust's risk register is reviewed on a regular basis by the Leadership team, Finance Sub-committee, HR Sub-committee and at each Board meeting.

The key risk faced by the charity remains the impact of reductions from its major funder(s), the increase in costs resulting from high inflation and the impact of reduced income resulting from lower footfall due to the challenges in the economic environment. As a cultural charity, the Trust is able to take advantage of opportunities in the wider cultural environment and actively apply for funds from other funders such as the National Lottery, Trusts and Foundations to go alongside core funding from Arts Council England (NPO) and the annual donation from Luton Rising.

The Company's operations expose it to limited financial risks that include employee costs, price risk, credit risk, liquidity risk and interest rate risk. Given the size of the Company, the Directors have delegated the responsibility of monitoring financial risk to a sub-committee of the Board. The policies set by the Finance sub-committee are implemented by the Company's finance department.

**Employee Costs Risk:** The Trust spends 56% (2023/24 59%) of its budget on staff salaries and on-costs. There is a risk that these costs will rise in line with inflation and above that included in our medium-term financial plans. The Trust salary pay scales and annual pay award are in line with the National Local Government Green book terms and conditions, which are subject to the government's public sector pay constraints.

**Price Risk:** The Company has exposure to commodity prices particularly for utility costs, building maintenance and office costs. Strong working relationships with its principal suppliers and framework agreements have aided the Trust to alleviate part of this risk.

**Credit Risk:** The Company has limited exposure to credit risks. Most of its fees and charges are not subject to credit and those that are, are short term. Credit checks are not normally carried out on customers.

**Liquidity Risk:** The Trust is primarily funded through grants and donations which are usually received in advance of expenditure.

**Interest Rate and Cash Flow Risk:** The Charity has £1,218k of borrowing and therefore exposure to interest rate risks. The Trust has fixed the interest rate for these loans for five years in order to reduce the interest rate risk.

**Statement of responsibilities of the Trustees of Luton Cultural Services Trust in respect of the Trustees' annual report and the financial statements:** The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law they have are required to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the group's excess of income over expenditure for that period. In preparing each of the group and charitable company financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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; and
- assess the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

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

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

#### **Volunteer support**

Luton Cultural Services Trust benefits from the time dedicated by volunteers, including Trustees. These donated services have not been evaluated for inclusion in the financial statements. Volunteers support the Trust by working in venues, fundraising, helping with events, documentation and curatorial work.

#### **LCST Trading Ltd**

Funds are contributed to the charity through its subsidiary, LCST Trading Limited and in 2024-25, arose from the sale of merchandise at our various locations, room hire, events management, weddings, café and bar sales. LCST Trading had income of £815k (2023/24 £691k) and there was a trading surplus of £96k (2023/24 £98k) therefore a donation of that surplus was made to the Trust.



Our key performance indicators are summarised in the table below (number of customers engaging with the Trust's activities during 2024/25 as compared to the previous year): For activities, please refer to the activities outlined in the Chair's report.

Service	2023-24 Actual - (k)	2024-25 (k)									
		Q1 Target	Q1 Output	Q2 Target	Q2 Output	Q3 Target	Q3 Output	Q4 Target	Q4 Output	Full Year Target	Full Year Output
Arts* (Hat Factory Arts Centre & Hat District)	75,815	20,587	24,703	20,587	24,017	20,587	28,083	20,587	21,729	82,347	98,532
Museums** (Stockwood Discovery Centre and Wardown Museum and Gallery)	166,056	44,125	44,491	44,125	64,404	44,125	31,015	44,125	26,066	176,500	165,976
Offsite/outreach (Schools, events and projects)	9,490	1,000	1,617	3,500	4,151	2,900	1,305	2,600	884	10,000	7,957
<b>Total</b>	<b>251,361</b>	<b>65, 712</b>	<b>70,811</b>	<b>68,212</b>	<b>92572</b>	<b>67,612</b>	<b>60,403</b>	<b>67,312</b>	<b>48,679</b>	<b>268,847</b>	<b>272,465</b>

#### Auditors

A resolution to re-appoint Moore Kingston Smith LLP as the charity's auditors was proposed at the AGM meeting held on 18 September 2025.

Approved by the Board of Trustees on 18 September 2025 and signed on its behalf by



Andrea Stark  
Chair of Trustees

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LUTON CULTURAL SERVICES TRUST

### Opinion

We have audited the financial statements of Luton Cultural Services Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

### In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained in the annual report. Our opinion on the financial statements does not cover the other

information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

**Use of our report**

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

Date 3 October 2025

*Moore Kingston Smith LLP.*

James Saunders (Senior Statutory Auditor)  
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor 9 Appold St  
London EC2A 2AP

**Luton Cultural Services Trust**  
**Consolidated Statement of Financial Activities**  
**(including an income and expenditure account)**  
**For the year ended 31 March 2025**

	<b>Note</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2025 £</b>	<b>Total Funds 2024 £</b>
<b>Income from:</b>					
Donations and legacies	3	1,659,925	466,397	2,126,322	2,111,912
Charitable activities	2	633,754	-	633,754	209,865
Other trading activities	11	817,357	-	817,357	692,326
Investments	4	3,955	-	3,955	2,159
<b>Total Incoming Resources</b>		<b>3,114,991</b>	<b>466,397</b>	<b>3,581,388</b>	<b>3,016,262</b>
<b>Expenditure on:</b>					
Raising funds	11	721,152	-	721,152	594,160
Charitable activities	5	2,552,028	491,979	3,044,007	2,948,238
Other costs	5	-	-	-	-
<b>Total Resources Expended</b>		<b>3,273,180</b>	<b>491,979</b>	<b>3,765,159</b>	<b>3,542,398</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>(158,189)</b>	<b>(25,582)</b>	<b>(183,771)</b>	<b>(526,136)</b>
Transfers between funds	17	7,199	(7,199)	-	-
<b>Net income/(expenditure)</b>		<b>(150,990)</b>	<b>(32,781)</b>	<b>(183,771)</b>	<b>(526,136)</b>
<b>Other gains/(losses)</b>					
Investment property impairment	10	-	-	-	(386,262)
Realised loss on investment property		-	-	-	(48,121)
Actuarial gains/(losses) on defined benefit pension scheme	18	257,000	-	257,000	263,000
<b>Net movement in funds</b>		<b>106,010</b>	<b>(32,781)</b>	<b>73,229</b>	<b>(697,519)</b>
<b>Total funds brought forward</b>		<b>4,895,537</b>	<b>222,308</b>	<b>5,117,845</b>	<b>5,815,363</b>
<b>Total funds carried forward</b>		<b>5,001,547</b>	<b>189,527</b>	<b>5,191,074</b>	<b>5,117,845</b>

**Luton Cultural Services Trust**  
**Consolidated Statement of Financial Activities**  
**For the year ended 31 March 2024**

	<b>Note</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2024 £</b>
<b>Income from:</b>				
Donations and legacies	3	1,663,886	448,026	<b>2,111,912</b>
Charitable activities	2	209,865	-	<b>209,865</b>
Other trading activities	11	692,326	-	<b>692,326</b>
Investments	4	2,159	-	<b>2,159</b>
<b>Total Incoming Resources</b>		<b>2,568,236</b>	<b>448,026</b>	<b>3,016,262</b>
<b>Expenditure on:</b>				
Raising funds	11	594,160	-	<b>594,160</b>
Charitable activities	5	2,609,331	338,907	<b>2,948,238</b>
Other	5	-	-	<b>-</b>
<b>Total Resources Expended</b>		<b>3,203,491</b>	<b>338,907</b>	<b>3,542,398</b>
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(635,255)</b>	<b>109,119</b>	<b>(526,136)</b>
<b>Transfers between funds</b>	17	<b>(984)</b>	<b>984</b>	<b>-</b>
<b>Net income/(expenditure)</b>		<b>(636,239)</b>	<b>110,103</b>	<b>(526,136)</b>
Investment property impairment	10	(386,262)	-	<b>(386,262)</b>
Realised loss on investment property		(48,121)	-	<b>(48,121)</b>
Actuarial gains on defined benefit pension scheme	18	263,000	-	<b>263,000</b>
<b>Net movement in funds</b>		<b>(807,622)</b>	<b>110,103</b>	<b>(697,519)</b>
<b>Total funds brought forward</b>		<b>5,703,159</b>	<b>112,204</b>	<b>5,815,363</b>
<b>Total funds carried forward</b>		<b>4,895,537</b>	<b>222,307</b>	<b>5,117,845</b>



**Luton Cultural Services Trust**  
**Consolidated Balance Sheet**  
**As at 31 March 2025**

	Note	The Group 2025 £	2024 £	The Charity 2025 £	2024 £
<b>Fixed assets</b>					
Tangible fixed assets	9	4,391,764	4,523,237	4,391,764	4,506,062
Investment property	10	1,805,499	1,799,999	1,805,499	1,799,999
		<u>6,197,263</u>	<u>6,323,236</u>	<u>6,197,263</u>	<u>6,306,061</u>
<b>Current assets</b>					
Stock	12	43,827	27,461	-	-
Debtors	13	354,198	206,454	207,849	217,255
Cash at bank and in hand		183,547	656,820	92,101	364,553
		<u>581,572</u>	<u>890,735</u>	<u>299,950</u>	<u>581,808</u>
<b>Creditors: Amounts falling due within one year</b>	14	(490,734)	(716,776)	(552,277)	(655,861)
<b>Net current assets/(liabilities)</b>		<b>90,838</b>	<b>173,959</b>	<b>(252,327)</b>	<b>(74,053)</b>
<b>Creditors: amounts due after one year</b>	15	(1,097,027)	(1,379,350)	(1,097,026)	(1,379,350)
<b>Net assets excluding pension scheme liabilities</b>		<b>5,191,074</b>	<b>5,117,845</b>	<b>4,847,910</b>	<b>4,852,658</b>
Defined benefit pension scheme asset		-	-	-	-
<b>Net assets including pension scheme liabilities</b>		<u><b>5,191,074</b></u>	<u><b>5,117,845</b></u>	<u><b>4,847,910</b></u>	<u><b>4,852,658</b></u>
<b>Funds</b>					
Restricted funds	17	189,527	222,308	189,527	222,308
Unrestricted funds					
General funds	17	5,001,547	4,895,537	4,658,383	4,630,350
Pension reserve	17	-	-	-	-
<b>Total funds</b>		<u><b>5,191,074</b></u>	<u><b>5,117,845</b></u>	<u><b>4,847,910</b></u>	<u><b>4,852,658</b></u>

These accounts were approved and authorised for issues by the Board on 18-09-25 and signed on their behalf by:



Andrea Stark  
Chairman

**Luton Cultural Services Trust**  
**Consolidated Statement of Cash Flows**  
**For the year ended 31 March 2025**

	Note	2025 £	2024 £
<b>Net cash flow from operating activities</b>	(a)	<b>(123,129)</b>	<b>33,177</b>
<b>Cash flows from investing activities</b>			
Interest received		3,955	2,159
Interest element of finance lease repayments		-	(3,697)
Interest element of loan		(64,004)	(67,565)
Proceeds from sale of land		-	733,119
Expenditure on fixed assets (including investment property)		<u>(24,945)</u>	<u>(41,871)</u>
Net cash used in investing activities		<b>(84,994)</b>	<b>622,145</b>
<b>Cash flows from financing activities</b>			
Repayment of capital element of finance leases		(23,992)	(36,575)
Bank loan drawn down		(241,158)	(37,468)
Capital element of balloon payment		<u>-</u>	<u>(6,579)</u>
		<b>(265,150)</b>	<b>(80,622)</b>
<b>Net cash inflow/(outflow)</b>	(b)	<b>(473,273)</b>	<b>574,700</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>656,820</b>	<b>82,120</b>
<b>Cash and cash equivalents at the end of the year</b>		<u><b>183,547</b></u>	<u><b>656,820</b></u>

**Notes to the cash flow statement**

**a) Reconciliation of outgoing resources to net cash flow from operating activities**

	2025 £	2024 £
Net outgoing resources before other gains/(losses)	(183,771)	(526,136)
Loss on disposal of fixed assets	-	-
Defined Benefit Scheme movements	257,000	263,000
Increase in stock	(16,366)	(13,341)
Increase in debtors	(147,744)	(21,855)
Decrease in creditors	(243,216)	106,211
Depreciation	150,919	156,195
Interest paid on finance leases	-	3,697
Interest paid on loans	64,004	67,565
Interest received	(3,955)	(2,159)
<b>Net cash flow from operating activities</b>	<u><b>(123,129)</b></u>	<u><b>33,177</b></u>

**Analysis of changes in net debt**

	At 31 March 2024	Cashflows	At 31 March 2025
Cash and cash equivalents	656,820	(473,273)	183,547
Loans falling due before and after one year	(1,458,819)	241,159	(1,217,660)
Finance lease obligations	(23,992)	23,992	-
<b>Total net debt</b>	<u><b>(825,991)</b></u>	<u><b>(208,122)</b></u>	<u><b>(1,034,113)</b></u>

**Luton Cultural Services Trust**  
**Year end 31 March 2025**  
**Notes to the accounts**

**1. Accounting policies**

**a) Basis of preparation**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity is a public benefit entity for the purposes of FRS 102 and therefore the consolidated financial statements have been prepared in accordance with the 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 (The FRS 102 Charity SORP) including Update Bulletin 2, the Companies Act 2006 and the Charities Act 2011.

The results of the subsidiary entities are consolidated on a line by line basis. A summary of the results of the subsidiary entities is shown in Note 11. The functional currency of the charity and its subsidiaries is sterling; amounts are rounded to the nearest pound.

Luton Cultural Services Trust has taken advantage of the exemption in section 408 of the Companies Act 2006 from disclosing its individual statement of financial activities. The Charity only deficit (net movement in funds) was £21,916 (2024: deficit of £815,032 ).

The group accounts consolidate the accounts of Luton Cultural Services Trust and its subsidiary undertaking, LCST Trading Limited, made up to 31 March 2025. The acquisition method of accounting has been adopted.

**Going concern**

- b)** In accordance with their responsibilities the Directors have considered and concluded upon the appropriateness of the going concern basis, which has been used in the preparation of these financial statements. In making this going concern assessment, the directors have had regard to the following matters:

- Budgets and cash flows to March 2025
- Relationships with the bank

The directors are confident that sufficient funding will be made available to the company in the 12 month period following the approval of these financial statements. The LLAL and Arts Council revenue funding has been confirmed and this provides £1.98m secured income for the Trust in 2025/26.

During COVID-19, an overdraft facility of £100k was put in place to help the Trust manage cash-flow and this remains in place until February 2026. It is anticipated that the facility may still be required beyond this period and so an extension will be sought. The Trust is active in seeking opportunities to fundraise and to date has been very successful.

After making these enquiries, and considering the factors described above, the Directors have a reasonable expectation that the charitable company will have sufficient resources to continue in operational existence for the foreseeable future. For these reasons, the charitable company has continued to adopt the going concern basis in preparing the financial statements.

**c) Income**

Total incoming resources as shown in the Statement of Financial Activities is the total income of the group. All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income, the receipt is probable, and the amount can be measured reliably. The following specific policies are applied to particular categories of income:

**Luton Cultural Services Trust**  
**Year end 31 March 2025**  
**Notes to the accounts**

**ci) Voluntary income**

Voluntary income is included in the Statement of Financial Activities when receivable.

**cii) Grants receivable**

Revenue grants are credited to the Statement of Financial Activities when the Charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable that the income will be received and the amount can be measured reliably.

**d) Allocation of costs**

Central salary costs are apportioned on the basis of staff time attributable to each activity. Overhead costs are allocated to activities on a headcount basis.

**e) Costs of charitable activities**

The costs of each category of charitable activity are the costs directly attributable to that activity and allocated central costs.

**f) Governance costs**

Governance costs include all costs of compliance with constitutional and statutory requirements, including legal and audit fees and the costs of meetings.

**g) Depreciation**

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Long leasehold property improvements	10 - 50 years
Plant & equipment	5 - 10 years
Office furniture and equipment	5 years
Computer software	3 years

Items of equipment are capitalised where the purchase price exceeds £5,000. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Freehold property has been capitalised and included in fixed assets at cost. Depreciation has not been provided after taking into account the value of the land, the residual value of the property and the estimated useful life of the asset. The property is reviewed annually for any potential impairment.

**h) Stock**

Stock is valued at the lower of cost and net realisable value.

**i) Restricted funds**

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of management and support costs.

**j) Unrestricted funds**

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes. In accordance with FRS102, a pension reserve is included within unrestricted funds representing the defined benefit pension scheme. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

**Luton Cultural Services Trust**  
**Year end 31 March 2025**  
**Notes to the accounts**

**k) Resources expended**

Resources expended are recognised in the period in which they are incurred and include attributable VAT which cannot be recovered.

**l) Costs of generating funds**

The costs of generating funds relate to the costs incurred by the group and charitable company in raising funds for its charitable work.

**m) Pension costs**

The pension liabilities and assets are recorded in line with FRS102 and relate to the defined benefit scheme set out in note 18. A valuation for accounting purposes is undertaken by an independent actuary. The value of benefits accrued and the net interest costs is used to determine the pension charge in the SOFA. The change in value of assets and liabilities, changes in benefits and changes in actuarial assumptions are recognised in the SOFA within "actuarial gains/(losses) on defined benefit pension scheme".

**n) Investment property**

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost, and subsequent to development works will be adjusted to their fair value at period ends.

**o) Accounting estimates and key judgements**

In the application of the company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

**i. Useful economic life of tangible assets**

The annual depreciation charge for fixed assets is sensitive to changes in the estimated useful economic lives of the assets. The useful economic lives are reassessed annually. These are amended where necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying value of assets and note 1g for the useful economic lives.

**p) Accounting estimates and key judgements**

**ii. Valuation of investment property**

The carrying value of the investment properties at 31 March 2025 is based on a valuation carried out in 2024 by an independent valuer who has the necessary skills and proficiency to undertake the valuation in a competent manner. The valuation was made on an open market basis and in determining the market value the valuer has drawn upon comparable market transactions in the local area. The valuation has been prepared in accordance with the Royal Institution of Chartered Surveyors (RICS) Valuation - Global Standards 2017. The trustees continue to keep the market value of the property under regular review.

**Luton Cultural Services Trust**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2025**

**2 Income from charitable activities**

	<b>2025 Unrestricted £</b>	<b>2025 Restricted £</b>	<b>2025 Total £</b>	<b>2024 Total £</b>
Education/ Learning activities	14,494	-	<b>14,494</b>	15,848
Arts & Museum related income	339,534	-	<b>339,534</b>	164,961
Other income	279,726	-	<b>279,726</b>	29,056
<b>Total</b>	<b>633,754</b>	<b>-</b>	<b>633,754</b>	<b>209,865</b>

**3 Donations and Legacies**

	<b>2025 Unrestricted £</b>	<b>2025 Restricted £</b>	<b>2025 Total £</b>	<b>2024 Total £</b>
London Luton Airport (Luton Rising)	1,654,000	-	<b>1,654,000</b>	1,654,000
Museum Development Fund and Royal Opera House Bridge	-	2,002	<b>2,002</b>	66,166
Arts Council England - NPO museums	-	332,638	<b>332,638</b>	332,638
Luton Matters	-	37,500	<b>37,500</b>	22,500
Reconnect Project (NLHF)	-	88,757	<b>88,757</b>	
Other grants	-	5,500	<b>5,500</b>	26,722
Visitor donations	5,925	-	<b>5,925</b>	9,886
	<b>1,659,925</b>	<b>466,397</b>	<b>2,126,322</b>	<b>2,111,912</b>

**4 Investment income**

	<b>2025 Unrestricted £</b>	<b>2025 Restricted £</b>	<b>2025 Total £</b>	<b>2024 Total £</b>
Bank interest	3,955	-	<b>3,955</b>	2,159
	<b>3,955</b>	<b>-</b>	<b>3,955</b>	<b>2,159</b>

**Luton Cultural Services Trust**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2025**

**5 Total resources expended**

	Learning and Skills costs £	Arts costs £	Museum costs £	Raising funds £	Cross-trust projects £	Governance costs £	Support costs £	2025 Total £	2024 £
Staff costs	71,059	275,615	393,339	364,686	222,965	-	525,019	1,852,683	1,816,426
Pension adjustment (Note 7)	-	-	-	-	-	-	257,000	257,000	263,000
Premises costs	-	108,110	193,276	-	-	-	(15,343)	286,043	345,923
Equipment costs	-	6,080	70,139	-	-	-	20,180	96,399	77,817
Office Costs	2,597	11,232	7,858	-	34,825	-	23,616	80,128	114,452
Events, exhibitions & programmes	1,963	223,495	2,155	-	177,706	-	11,923	417,242	211,153
Marketing and Publicity	-	-	-	-	21,395	-	47,062	68,457	65,687
Legal & Professional Fees	-	-	-	-	-	63,680	10,336	74,016	43,362
Cost of sales	-	-	-	356,731	-	-	-	356,731	325,183
Depreciation charge	-	-	-	-	-	-	150,919	150,919	156,195
Bad debts	-	-	-	(265)	-	-	2,620	2,355	-
Other costs	-	-	-	-	17,950	-	13,255	31,205	31,950
Interest payable	-	-	-	-	-	-	64,004	64,004	67,565
Bank charges	-	-	-	-	-	-	10,150	10,150	10,291
Unallocated Non reclaimable VAT	-	-	-	-	-	-	17,827	17,827	13,394
<b>Total resources expended</b>	<b>75,619</b>	<b>624,532</b>	<b>666,767</b>	<b>721,152</b>	<b>474,841</b>	<b>63,680</b>	<b>1,138,568</b>	<b>3,765,159</b>	<b>3,542,398</b>
Support Costs	49,362	407,677	435,247	-	309,963	(63,680)	(1,138,568)	-	-
<b>Total resources expended</b>	<b>124,981</b>	<b>1,032,209</b>	<b>1,102,014</b>	<b>721,152</b>	<b>784,804</b>	<b>-</b>	<b>-</b>	<b>3,765,159</b>	<b>3,542,398</b>

**Luton Cultural Services Trust**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2025**

**6 Net incoming resources for the year**

This is stated after charging:

	2025	2024
	£	£
Depreciation	150,919	156,195
Trustees' indemnity insurance	1,002	255
Auditor's remuneration		
- Audit fee for current year	23,075	25,100

One trustee was reimbursed £1,002 for expenses (2024: One £842).

**7 Staff costs and numbers**

Staff costs were as follows:

	2025	2024
	£	£
Salaries and wages	1,398,133	1,397,171
Social security costs	139,997	134,745
Pension contributions	133,389	132,499
Other pension costs	257,000	263,000
Casual staff	174,309	152,011
Redundancy and termination costs	6,855	-
	<b>2,109,683</b>	<b>2,079,426</b>

The Trustees received £nil remuneration in the year (2024: £nil). The trustees received reimbursement for expenses totalling £1002 (2024: £842). 1 employees received emoluments in the range £60,001 - £70,000 (2024: none). No employee received emoluments in the range £70,001 - £80,000 in the period (2024: 1). 1 employee received emoluments in the range of £90,001 - £100,000 (2024: none). No employee received emoluments in the range £110,001 - £120,000 in the period (2024: 1) The total remuneration for the key management personnel and the Chief Executive totalled £246,151 (2024: £223,469 ). Total employer pension contributions for key management personnel were £19,216 (2024: £18,286).

The average number of employees (full-time equivalent) during the period was as follows:

	2025	2024
	No.	No.
Chief Executive, finance and administration	8	8
Marketing ,business development and trading	8	7
Education/ Learning activities	2	2
Museums	15	15
Arts	3	3
Operations	4	4
Casual staff	5	5
	<b>45</b>	<b>44</b>
<b>Average total headcount</b>	<b>47</b>	<b>46</b>

**8 Taxation**

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary LCST Trading Ltd donates available profits to the charity.



**Luton Cultural Services Trust**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2025**

**11 Subsidiary Undertaking**

The charitable company owns the whole of the issued ordinary share capital of LCST Trading Limited, a company registered in England and Wales (Company Number 06474682). The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. A summary of the results of the subsidiary is shown below:

	2025 £	2024 £
<b>External Income</b>	815,577	692,326
Cost of sales	(556,262)	(325,183)
<b>Gross profit</b>	259,315	367,143
<b>Administrative expenses</b>	(164,890)	(268,788)
<b>Operating profit</b>	94,425	98,355
Interest receivable and similar income	1,780	-
<b>Charitable distribution to Luton Cultural Services Trust</b>	(96,205)	(98,355)
<b>Retained profit for the year</b>	-	-
<b>Accumulated profit</b>	-	-
<b>The Balance Sheet comprised:</b>		
<b>Fixed assets</b>	-	-
<b>Current assets</b>	411,499	460,807
<b>Current liabilities</b>	(68,334)	(213,847)
<b>Creditors due after more than one year</b>	-	-
	<b>343,165</b>	<b>246,960</b>

**12 Stock**

	<b>Group</b>		<b>Charity</b>	
	2025	2024	-	2024
	£	£	£	£
Merchandise and Bar stock	43,827	27,461	-	-

**Luton Cultural Services Trust**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2025**

**9 Tangible Fixed Assets Group and Company**

**Group and Charity**

	<b>Freehold property £</b>	<b>Long leasehold property £</b>	<b>Office furniture &amp; equipment £</b>	<b>Plant &amp; equipment £</b>	<b>Total £</b>
<b>Cost</b>					
At 1 April 2024	2,374,631	2,705,292	209,686	844,514	6,134,123
Additions	-	-	3,204	16,241	19,445
Disposals	-	-	-	-	-
At 31 March 2025	<b>2,374,631</b>	<b>2,705,292</b>	<b>212,890</b>	<b>860,755</b>	<b>6,153,568</b>
<b>Depreciation</b>					
At 1 April 2024	-	726,453	174,968	709,464	1,610,885
Charge for the year	-	86,858	8,030	56,031	150,919
At 31 March 2025	-	<b>813,311</b>	<b>182,998</b>	<b>765,495</b>	<b>1,761,804</b>
<b>Net Book Value</b>					
At 31 March 2025	<b>2,374,631</b>	<b>1,891,981</b>	<b>29,892</b>	<b>95,260</b>	<b>4,391,764</b>
At 1 April 2024	<b>2,374,631</b>	<b>1,978,839</b>	<b>34,718</b>	<b>135,050</b>	<b>4,523,238</b>

**10 Investments**

The Group continues to develop its investment properties and will undertake an annual revaluation on completion.

	<b>2025 £</b>	<b>2024 £</b>
Market value at 1 April	1,799,999	2,967,501
Capital additions at cost	5,500	-
Disposal in the year	-	(781,240)
Impairment during the year	-	(386,262)
Market value at 1 April	<b>1,805,499</b>	<b>1,799,999</b>

The Charity has one investment property, Hat House, which was externally valued in March 2024. The Board of Trustees is satisfied that the current carrying value of the property represents the fair value at 31st March 2025. The valuation has been prepared in accordance with the Royal Institution of Chartered Surveyors (RICS) Valuation - Global Standards 2022.

**Luton Cultural Services Trust**  
**Notes to the Financial Statements**  
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**13 Debtors**

	<b>Group</b>		<b>Charity</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Debtors and prepayments	254,192	206,454	107,854	65,382
VAT	100,006	-	99,995	-
Amount due from subsidiary	-	-	-	151,873
	<b>354,198</b>	<b>206,454</b>	<b>207,849</b>	<b>217,255</b>

**14 Creditors: amounts due within 1 year**

	<b>Group</b>		<b>Charity</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	156,356	228,377	137,126	215,945
VAT	-	181,642	-	181,653
Accruals and deferred income	176,979	164,758	127,875	116,162
Social security costs	36,765	38,538	36,765	38,640
Finance leases due within 1 year	-	23,992	-	23,992
Bank loan within 1 year	120,634	79,469	120,634	79,469
Amount due to subsidiary	-	-	129,877	-
	<b>490,734</b>	<b>716,776</b>	<b>552,277</b>	<b>655,861</b>

Accruals and Deferred income line includes £22,595 of income which has been deferred to the 2024/25 Financial year.

**15 Creditors: amounts due after 1 year**

	<b>Group</b>		<b>Charity</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loan	1,097,027	1,379,350	1,097,027	1,379,350
	<b>1,097,027</b>	<b>1,379,350</b>	<b>1,097,027</b>	<b>1,379,350</b>

The bank loan was taken out in September 2019 and is repayable in instalments by September 2044. Interest of £ 47,662 (2024: £54,009) was charged during the year. There is a first legal charge on the freehold property of 32 Guildford Street over the bank loan.

A CIBL loan was taken out in February 2021 and is repayable in instalments by February 2027. Interest of £ 16,342 (2024:13,555) was charged during the year. Interest will be charged at 6.5% in subsequent years. The loan is not secured. There was a capital repayment holiday until July 2024.

**Luton Cultural Services Trust**  
**Notes to the Financial Statements**  
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**16 Analysis of group net assets between funds**

	Fixed Assets	Pension scheme liability	Current asset/(liability)	Long term creditors	Net assets at 31 March 2025
	£	£	£	£	£
Restricted funds	504,304	-	(314,777)	-	189,527
Pension reserve	-	-	-	-	-
General funds	5,692,959	-	405,615	(1,097,027)	5,001,547
<b>Total funds</b>	<b>6,197,263</b>	<b>-</b>	<b>90,838</b>	<b>(1,097,027)</b>	<b>5,191,074</b>

	Fixed Assets	Pension scheme liability	Current asset/(liability)	Long term creditors	Net assets at 31 March 2024
	£	£	£	£	£
Restricted funds	537,085	-	(314,777)	-	222,308
Pension reserve	-	-	-	-	-
General funds	5,779,572	-	495,315	(1,379,350)	4,895,537
<b>Total funds</b>	<b>6,316,657</b>	<b>-</b>	<b>180,538</b>	<b>(1,379,350)</b>	<b>5,117,845</b>

**Luton Cultural Services Trust**  
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**17 Movements in funds**

	At 1st April 2024	Incoming resources	Outgoing resources	Gain/(loss)	Transfers	At 31st March 2025
<b>Restricted funds:</b>						
Arts Council England - NPO museums	149,169	332,638	(359,348)	-	-	122,459
Sch for Social Heritage Income	5,725				(5,725)	-
Luton Matters	18,629	37,500	(55,572)	-	-	557
Other Grants	48,785	7,502	(65,847)	-	(1,474)	(11,034)
Reconnect Project	-	88,757	(11,212)	-	-	77,545
<b>Total restricted funds</b>	<b>222,308</b>	<b>466,397</b>	<b>(491,979)</b>	<b>-</b>	<b>(7,199)</b>	<b>189,527</b>
<b>Unrestricted funds:</b>						
General funds	4,895,537	3,114,991	(3,016,180)	-	7,199	5,001,547
Pension reserve	-	-	(257,000)	257,000	-	-
<b>Total unrestricted funds</b>	<b>4,895,537</b>	<b>3,114,991</b>	<b>(3,273,180)</b>	<b>257,000</b>	<b>7,199</b>	<b>5,001,547</b>
<b>Total funds</b>	<b>5,117,845</b>	<b>3,581,388</b>	<b>(3,765,159)</b>	<b>257,000</b>	<b>-</b>	<b>5,191,074</b>

**Purposes of restricted funds**

The charity's funds comprise amounts restricted to specific activities and not yet spent.

**Luton Matters Programme - The Steel Trust**

The Steel Trust awarded Luton Cultural Services Trust funding of £97,000 over three years to create a programme of new commissions of public art and an associated programme of community engagement activities. The programme runs from 2023-2026.

**Reconnect Project - National Lottery Heritage Fund**

During the year The National Lottery Heritage Fund awarded Luton Cultural Services Trust £177,513 to engage local communities through creative and innovative activities to support a refreshed customer-centric welcome for the Trust's heritage sites across Luton.

**Architectural Heritage Fund - Hat District Plus Programme**

Included within 'Other Grants' is a grant from The Architectural Heritage Fund awarded to Luton Cultural Services Trust providing three years funding as part of the Heritage Development Programme which focusses on transforming heritage assets into foundations for economic, social and cultural resurgence. The total grant amount is £210,000 which is paid over three years from 2024 - 2027. Expenditure is claimed following each £35000 spend. A timing difference between spend and receiving the grant has resulted in an overspend being shown which was re-imbursed in June 2025.

**Luton Cultural Services Trust**  
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**17 Movements in funds (continued)**

**NPO Museum-Arts Council England**

The Arts Council England awarded Luton Culture National Portfolio Organisation status on 1st April 2019. Luton Culture's museums have now become a leader in their area with a collective responsibility to protect and develop the national arts and culture. The grant income is the continuation of the programme of funding and investment to help deliver ACE's strategic objectives.

**18 Pension scheme**

Luton Cultural Services Trust contributes to the Bedfordshire Pension Fund, a defined benefit pension scheme, to secure present and future pensions for its staff. For staff, employer contributions were 10% of pensionable salary from 1 April 2024 to 31 March 2025 (10% - 2024). Employee contributions were between 5.5% and 12.5% of pensionable salary dependent on salary.

The assets of the Scheme are held as part of the Bedfordshire Pension Fund. The valuation of the scheme is based on the most recent triennial funding valuation, updated by the scheme actuaries in May 2022, based on the provisions of FRS102. Investments have been valued, for this purpose, at fair value. The results of the next review will be available later in 2025.

The principal assumptions used by the actuary to calculate the Scheme liabilities under FRS102 were as follows:

	<b>2025</b> <b>%pa</b>	<b>2024</b> <b>%pa</b>
Pension Increase rate	2.95	2.85
Rate of increase in salaries	3.95	3.85
Discount Rate	5.85	4.95

The demographic assumptions that are consistent with those used for the most recent Fund valuation, which was carried out as at 31 March 2022, except for an update of the CMI projection model. The impact of this is a small increase to female life expectancies and improvement in the balance sheet position. The core model places no weight on the exceptional mortality experienced during 2020 and 2021 as a result of the Covid pandemic, but places some reliance on mortality data that has been observed during 2022 and 2023. Specifically a weighting of 25% is applied to mortality in 2022 and 15% in 2023.

A building block approach is adopted in determining the expected rate of return on the scheme's assets. Historic markets are studied and assets with high volatility are assumed to generate higher returns consistent with widely accepted capital market principles. Each different asset class is given a different expected rate of return. The overall rate of return is then derived by aggregating the expected return for each asset class over the actual asset allocation of the scheme at year end.

	<b>2025</b>	<b>2024</b>
Equities	0%	61%
Bonds	19%	18%
Property	16%	15%
Cash	3%	6%

**Amounts recognised in the SOFA**

	<b>2025</b> <b>£</b>	<b>2024</b> <b>£</b>
Current service cost	(233,000)	(236,000)
Employer Contributions	-	-
Income interest on plan assets	-	-
Interest costs on defined benefit obligation	3,000	2,000
Administration expenses	(27,000)	(29,000)
	<u>(257,000)</u>	<u>(263,000)</u>

**Luton Cultural Services Trust**  
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<b>Remeasurements:</b>		
Changes in financial assumptions	2,517,000	511,000
Change in demographic assumptions	42,000	201,000
Experience gain/(loss) on defined benefit obligation	38,000	(70,000)
Other actuarial gains/(losses) on assets	-	-
Liabilities assumed / (extinguished) on settlements	-	-
Settlement prices received / (paid)	-	-
Return on assets excluding amount included in net interest	(389,000)	2,063,000
Surplus restriction per FRS102	6,150,000	(2,179,000)
	<b>8,358,000</b>	<b>526,000</b>
<b>Employer contributions</b>	133,000	131,000
<b>Total amounts recognised in the SOFA</b>	<b>257,000</b>	<b>263,000</b>
<b>Amounts recognised in the balance sheet</b>	<b>£</b>	<b>£</b>
Fair value of scheme assets	25,191,000	24,855,000
Present value of funded obligations	(16,957,000)	(18,995,000)
Surplus restriction per FRS102	(8,234,000)	(5,860,000)
<b>Net (liability) recognised in the balance sheet</b>	<b>-</b>	<b>-</b>
<b>Changes in fair value of scheme assets</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>Scheme assets at start of period</b>	<b>24,855,000</b>	<b>21,952,000</b>
Interest income on plan assets	1,219,000	1,049,000
Return on assets excluding amount included in net interest	(389,000)	2,063,000
Other actuarial gains/(losses)	-	-
Administration expenses	(27,000)	(29,000)
Contributions by employer	133,000	131,000
Contributions by scheme participants	94,000	86,000
Benefits paid	(694,000)	(397,000)
Settlement prices received / (paid)	-	-
<b>Scheme assets at end of period</b>	<b>25,191,000</b>	<b>24,855,000</b>
<b>Changes in present value of scheme liabilities</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>Scheme liabilities at start of period</b>	<b>18,995,000</b>	<b>18,816,000</b>
Current service cost	233,000	236,000
Interest costs on defined benefit obligation	926,000	896,000
Changes in financial assumptions	(2,517,000)	(511,000)
Contributions by scheme participants	94,000	86,000
Actuarial (gain) / losses	(38,000)	70,000
Changes in demographic assumptions	(42,000)	(201,000)
Liabilities assumed / (extinguished) on settlements	-	-
Past service costs	-	-
Benefits paid	(694,000)	(397,000)
<b>Scheme liabilities at end of period</b>	<b>16,957,000</b>	<b>18,995,000</b>

**Luton Cultural Services Trust**  
**Notes to the Financial Statements**  
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**18 Pension scheme (continued)**

**History of defined benefit scheme**

	2025 £	2024 £	2023 £	2022 £
Fair value of scheme assets	25,191,000	24,855,000	21,952,000	22,226,000
Present value of scheme liabilities	(16,957,000)	(18,995,000)	(18,816,000)	(29,577,000)
<b>Net defined benefit liability</b>	<b>8,234,000</b>	<b>5,860,000</b>	<b>3,136,000</b>	<b>(7,351,000)</b>
Experience gains/(losses) on scheme assets	389,000	2,063,000	(799,000)	3,156,000
Experience gains/(losses) on scheme liabilities	(38,000)	(70,000)	(1,586,000)	211,000

The estimated contribution for 2025/26 is £132,000.

**19 Related parties**

During the year the Trust had the following transactions with these related parties.

<b>Luton Borough Council</b>	<b>LCST</b>	<b>LCST Trading</b>
	<b>£</b>	<b>£</b>
LBC Spent in year	-	24,189
Owed at year end	-	2,093
LBC invoiced the Trust in the year	<b>145,908</b>	<b>22,458</b>
Owed at year end	39,043	-
<b>Luton Rising</b>	<b>LCST</b>	<b>LCST Trading</b>
	<b>£</b>	<b>£</b>
Donation from Luton	1,654,000	-
Owed at year end	-	-
Luton Rising invoiced the Trust in the year	-	-
Owed at year end	-	-

There is a least one trustee of Luton Cultural Services Trust who has influence within each of these organisations.

**20 Capital commitments**

Contractual commitments for professional fees and to refurbish the Hat District properties at the year end were £Nil (2024: £Nil).

**21 Operating leases**

Non-cancellable operating lease rentals payable in the year were £nil (2024: £nil). There are no contractual commitments for non-cancellable lease rentals at the year end.