ABSOLUTELY CULTURED LIMITED

England & Wales · Charity number 1162199

Details

Other names	HULL UK CITY OF CULTURE 2017 LIMITED, HULL2017
Status	Registered
Legal form	Charitable company
Company number	09106231
Registered	2015-06-15
Register	View on the Charity Commission register

Contact

Address	64 Humber Street Hull HU1 1TU
Phone	01482 692285
Email	info@absolutelycultured.co.uk
Website	www.absolutelycultured.co.uk

Activities

Objects: The charity's objects ('Objects') are specifically restricted to the following:(1) To advance the education of the general public in the arts and the artistic and cultural heritage of the City of Hull and the Humber Region including the East Riding of Yorkshire, North East Lincolnshire and North Lincolnshire and in particular the arts of performance, music, drama, poetry reading, sculpture, painting, handicrafts and all other associated arts;(2) To advance the arts in particular the arts of performance, music, drama, poetry reading, sculpture, painting, handicrafts and all other associated arts, by encouraging public participation in the said arts and by the presentation of concert, performances, exhibitions and festivals provided that the promotion of such festivals and events is undertaken solely for the Public Benefit; (3) To promote the arts and heritage for the benefit of the public within the City of Hull in particular but not exclusively by supporting and representing the arts and heritage sector through promotion representation and development (4) To further such other charitable purposes beneficial to the community consistent with objects (1) (2) and (3) above as the Trustees shall in their absolute discretion determine.

Activities: Absolutely Cultured is an arts organisation delivering a visual arts programme & curating of exhibitions, performance & events. With a strong public engagement programme having a positive impact on the city and a talent development & learning programme which gives access to cultural education & career opportunities in the arts.

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Classification

- **How:** Provides Services
- **What:** Arts/culture/heritage/science
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** WITHIN THE CITY OF HULL
- Kingston Upon Hull City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£389,484	£627,210	-	-
2024-03-31	£488,336	£785,183	-	-
2023-03-31	£549,172	£994,545	£1,222,638	15
2022-03-31	£910,779	£1,161,538	£1,668,011	17
2021-03-31	£777,250	£943,505	£1,918,770	14

Trustees

Name	Role	Appointed
Qaisar Mahmood	Chair	2024-06-28
Andrew Scott Falconer		2026-02-25
April Samantha Daniel		2024-03-07
Councillor Robert James Louis Pritchard		2025-02-27
Kate Genever		2023-11-23
Kerry Smith		2023-11-23
Richard Lewis		2019-09-23

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ABSOLUTELY CULTURED LIMITED

England & Wales - Charity number 1162199

Accounts

Smailes Goldie
CHARTERED ACCOUNTANTS

COMPANY REGISTRATION NUMBER:9106231
CHARITY REGISTRATION NUMBER: 1162199

Absolutely Cultured Limited
(A company limited by guarantee)

Annual Report and Financial Statements

31 March 2025

SD-0221393-1-6

ICAEW CHARTERED ACCOUNTANTS

building better together.

Absolutely Cultured Limited

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Absolutely Cultured Limited

Reference and Administrative Details

Trustees	B.P. Norman R. Lewis K Genever K. Smith A. Daniel P. White Q. Mahmood R. Pritchard
Charity Registration Number	1162199
Company Registration Number	09106231
Registered Office	Humber Street Gallery 64 Humber Street Hull HU1 1TU
Independent Examiner	Smailes Goldie Chartered Accountants Regent's Court Hull HU2 8BA
Solicitors	Rollits 58 High Street Hull HU1 1QE
Bankers	National Westminster Bank plc Hull Branch 34 King Edward Street Hull HU1 3SS

Absolutely Cultured Limited

Trustees' Report

REPORT OF THE TRUSTEES

The Trustees are pleased to present their annual 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 director's 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 (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

CHARITABLE OBJECTS

The Board oversaw an update to the Charity's Articles of Association, and as a result of Trustees' agreement after the November 2024 Board meeting, the geographical scope of the Charity's activities has been broadened. The charity's objects ('Objects') are now specifically limited to the following:

(1) To advance the education of the general public in the arts and the artistic and cultural heritage of the City of Hull and the Humber Region including the East Riding of Yorkshire, North East Lincolnshire and North Lincolnshire and in particular the arts of performance, music, drama, poetry reading, sculpture, painting, handicrafts and all other associated arts;

(2) To advance the arts in particular the arts of performance, music, drama, poetry reading, sculpture, painting, handicrafts and all other associated arts, by encouraging public participation in the said arts and by the presentation of concert, performances, exhibitions and festivals provided that the promotion of such festivals and events is undertaken solely for the Public Benefit;

(3) To promote the arts and heritage for the benefit of the public within the City of Hull in particular but not exclusively by supporting and representing the arts and heritage sector through promotion representation and development;

(4) To further such other charitable purposes beneficial to the community consistent with objects (1) (2) and (3) above as the Trustees shall in their absolute discretion determine.

Our Purpose

Absolutely Cultured exists to create opportunity and space for amazing creative experiences to happen, for everyone.

Operating from our venue in Humber Street, in Hull's city-centre, as well as in places and spaces across the city and in Hull's communities, we combine Arts Programming, Community Engagement & Learning, and Artist Development to deliver a programme of activity that is accessible, engaging, and fun and aims to increase opportunities for all to engage with arts and culture. Whilst our core focus is contemporary visual art, we work across artforms and sectors to deliver projects that matter and provide creative opportunities for Hull's people as well as those from further afield visiting the city. Working through a partnership and consultation-based approach, we are driven by Place Shaping and Social Impact.

Our vision and purpose continues to reflect our future plans to focus on Contemporary Visual Art, our city-centre venue, community engagement and development for artists.

Strategic Aims 2024/2025

To deliver our purpose in line with our charitable objects over the course of 2024/25, we adopted five strategic aims:

Absolutely Cultured Limited

Trustees' Report

Aim 1: In conversation with artists and communities, we programme world-class visual art, which creates opportunities and enables change.

Our aim is to work with artists, partner organisations, schools and community groups to create a programme that empowers them to create the change they want. Our inspiring, ambitious and accessible programme asks important questions while building confidence and creativity in artists, audiences and communities

Aim 2: Develop a well-recognised brand which is loved by the people we want to engage. It will tell our evolving story and demonstrate our value and impact.

With our reinvigorated vision and mission, we have ambitious plans to realise the benefits a thriving contemporary visual arts sector can bring to Hull and its communities. We believe our renewed focus combined with a track record in quality, relatable visual art programming, learning and engagement, can deliver real impact for local people and for Hull. How we engage with our communities (who the work is for) and with partners, stakeholders and funders (who can enable the work to happen), will have a critically important role in our success.

Aim 3: . Improve our agility and responsiveness with appropriate governance, skills, tools, resources and practices.

The challenges faced by the sector and Hull means arts organisations need to innovate, collaborate and demonstrate their value more than ever before, in order to thrive. Being responsive and dynamic has never been more important. As we evolved from City of Culture, we have actively and continually adjusted our business model in response to the needs of Hull and its communities and to the changing external environment. As we embark on a new business plan and with a reduced staffing team, we need to ensure we are equipped to deliver to the highest standards, to measure and demonstrate our performance and that our processes and governance practices allow us to be agile and responsive to opportunities and risks.

Aim 4: Be a financially resilient organisation with annual programme and associated costs fully funded.

Be a financially resilient organisation with a sustainable income and cost model. Our focus now becomes consolidated around our future role in the city. The organisation has continually responded to this changing situation, scaling back and adapting our business model over the years going from a planned £3.3m annual turnover to a much more modest £500K.

Aim 5: . Be an environmentally aware and responsive organisation, with a programme, building and behaviours that supports positive change.

Our venue is environmentally sustainable. We have established which environmental monitoring tools will work best for us and implemented and embedded these to support evaluation and change. Staff are aware of environmental responsibility, not be wasteful and to consider our practice. We are also a member of Hull's 'Oh Yes Net Zero' emissions campaign.

STRATEGIC REPORT

Board of Trustees

The Board of Trustees is responsible for the strategic direction of the charity. The Trustees delegate authority for all day-to-day management of the company affairs to the Leadership Team. Both Board and the Executive Leaders are committed to maintaining constructive dialogue with other key stakeholders, engaging regularly.

Absolutely Cultured Limited

Trustees' Report

The Trustee's primary responsibility is to promote the long-term success of the company ensuring it delivers against its charitable objects and delivers the best public benefit possible. The Trustees, along with the Executive Leadership Team, annually review the budget, income generation strategies and programme plan, monitoring the implementation and performance of these throughout the year. There are considerations to external factors such as the economic and political conditions in relation to the arts in general, competition for grants from trusts and foundations and the global pandemic impacting on our audience's ability to access activity. They take the reputation of the company seriously, which is not limited to operating and financial performance, and have committed to diversity and inclusivity across Absolutely Cultured's workforce, own Board membership and the artists we engage with. Within recruitment practices, we actively promote inclusivity through offering applicants the opportunity to apply via recorded application, to propose alternative working arrangements such as job share.

Aim 1. In conversation with artists and communities, we programme world-class visual art, which creates opportunities and enables change.

A key aim (aim 1) over the duration of this period was to deliver a pioneering, bold, visual arts focused programme across three strands of Arts Programming, Community Engagement & Learning, and Artist Development.

Exhibitions and related programming:

The year-round exhibition programme attracted 20,668 visitors to our gallery spaces across 10 exhibitions. This does represent a reduction from the total figure of 23-24 which was 25,723. However, visitors to the venue overall were 49,498 which is consistent with 51,415 in 23-24. An average of 25% of visitors were new to the gallery compared to a target of 15%. 48% of audiences rated their experience as excellent and 43% as good, meaning 91% rated their experience as good or above.

A public programme of events accompanied each exhibition. These events, designed to enhance audience engagement with the themes of our exhibition programme, came in the form of Artist Talks, Thursday Lates, response commissions, workshops and panel discussions.

Below is an outline of the programme:

'Byland's Super Saga' by Jack Pell ran between 03.05.24-07.07.24 in Space 1

Byland's Super Saga was the first institutional solo show by Hull born artist Jack Pell. The exhibition drew upon the magic of everyday life across history and is born out of Pell's personal experience growing up in Hull as a working-class person and all the vibrant complexities that come with that.

Th exhibition launched to strong public interest, welcoming 280 visitors in its first week and attracting a total of 1,744 visitors overall. Positively, of the visitors who provided feedback, 100% rated their experience as good or excellent.

The artist reported that exhibiting at HSG had been a pivotal moment in his professional development: *"I believe that within six months I've developed my practice to an extent that would usually take me years. The experience has been invaluable and has pushed me into a more professional way of working. Having this exhibition to show other curators and funders also increases my chances of securing more projects like this."*

This feedback strongly affirms the importance of our work in supporting and nurturing artists at an early stage of their career who have a connection to Hull.

- OPEN HOUSE – Paola Estrella (May 16) 10 attendees.
- Thursday Lates – Simon Mary Vincent (June 13). Simon Mary Vincent was commissioned to compose a new piece of music and sound art that responded to Jack Pell's Byland's Super Saga. The performance was attended by 25 people.
- In Conversation: Jack Pell and Rich & Lou Duffy-Howard (June 27) There were some natural synergies between the work of these three artists - Rich & Lou Duffy Howard delivered a project called Open Bridges in 2017, when all 13 of the bridges over the River Hull were raised, swung or closed simultaneously to allow a flotilla of vessels to make their way to the Humber to a backing of an especially-composed live music score. Together, the three artists talked about the influence and inspiration of waterways, estuaries and the coast had on their artistic practice. Attended by x12 audience members. The trio are also exploring ways in which they can collaborate in future.
- Exhibition tours (May 9, June 27) led by Humber Street Gallery staff.
- OPEN HOUSE – David Cleary (June 12) 5 attendees.

'Setting Off', in partnership with Artlink, ran in Space 2 between 22.05.24 and 02.06.24. X95 visitors.

The University of Hull's 'South Holderness' ran in Space 2 between 08.06.24 and 16.06.24 x301 visitors.

The University of Hull's 'Perusing a Climate Resilient Hull' showcase ran in Space 2 between 19.06.24 and 30.06.24 x142 visitors.

- Photography Workshops (April-May) Photographer Ruby Deverell led x5 photography sessions aimed at 8-16 year olds with an interest in photography, with session content connected to the documentary and social history style of the exhibition. Sessions covered: an introduction to photography and cameras; personal projects and narrative; the use of disposable cameras and medium format portraits; an HU3 photowalk; sequencing, connecting with exhibitions and writing about your own work. A total of x27 participants.
- Stories of Storage – Walking Tour (April 6) The Aimless Archive, aka artist Thomas Robinson, led a group of participants on a walking tour, taking photographs, notes and sharing thoughts along Hessle Road, HU3, which featured heavily in the exhibition. A total of x9 participants.
- Image Handover (April) At the conclusion of You and Me in HU3, eight large format images that had been on display outside Gipsyville Library to engage residents were handed to the Library to go on permanent display.
- Saturday Sessions (April 13, May 10, June 15, audience of x90). In partnerships with the University of Hull's Music Department, three Saturday Sessions were curated by musician and recent University of Hull music graduate Joshua Craig and took place in the HSG cafe space.
- OPEN HOUSE – Sky Dair (April 19). 10 participants. OPEN HOUSE is a series of workshops delivered at Humber Street Gallery by a range of national artists, curators, and producers. Each session takes a unique creative approach to developing new ways of thinking of oneself as an artist and or cultural producer.

Q2: 'Live Like Legends' ran between 19.07.24 and 22.09.24 across Space 1 and Space 2

From 19 July to 15 September, we presented Live Like Legends, an exhibition celebrating 40 years of Street Culture. We commissioned a group of artists to curate the show, building on the work of several generations of graffiti writers and bringing together a collective visual expression that spanned past to present.

The exhibition attracted 8,975 visitors during its run. Of those who provided feedback, 60% rated their experience as 'Excellent', and a further 35% rated it as 'Good'.

In total, we worked with over 30 artists across a wide range of creative disciplines and career stages. Although this was a significant undertaking, it enabled us to platform and support many of the artists who have helped shape Hull's rich street art scene - an increasingly important part of the city's contemporary cultural heritage.

Artist feedback included:

"Just thanks really! It was fun and painless, and actually how I hope more connections in the future will be. I've had really bad interactions with galleries in the past—bad enough to put me off working with them—but this project bucked that trend and has helped heal that negative outlook. Many thanks again."

"It allowed me the space to look at my larger body of work over the past 30 years. This was a really valuable experience and helped me to see patterns and developments in my own practice."

"It's been really positive—a great learning curve and a major plus for my CV and my creative practice."

OPEN HOUSE: Ashley Holmes (July 11) x 8 participants.

- Exhibition tours (July 31, September 11) led by Humber Street Gallery staff.
- Film screening – Style Wars & Heartlands (August 1). The seminal film about street art, Style Wars has been influential to many of the Live Like Legends artists and was accompanied by rarely seen local graffiti documentary Heartlands, which features several of the artists. The event attracted x30 audience members.
- Thursday Lates - Trinity Warriors and DJ sets (August 15). Derby-based Trinity Warriors were commissioned to respond, via break dancing, to Live Like Legends, along with x2 Hull-based female DJs Ruby Clarke & DJ Priya and hip-hop DJ Phil Cooper), attracting an audience of x30.
- Workshops - Humber Street Gallery was the venue for several workshops funded by the Live Like Legend team's own Project Grant funding, which also saw work and activity at other sites, including public spaces and venues Brew, Ground and Hull Central Library. Workshops at Humber Street Gallery included Make Art with Lonny POP and Pinky (August 20 & 21, x50 participants) and Another Part of the Puzzle with PARIS (September 13, x20 participants). Leeds Beckett MA student and artist William Vinegrad, on placement at Humber Street Gallery, delivered x4 street art related workshops: Stencils (August 21, x50 participants), Spray Painting (August 28, x30 participants), Collaborative Mural (September 4, x10 participants) and Wheat Pasting (September 11, x7 participants).
- Audio Described tour of Live Like Legends (August 21)
- In Conversation - Paris, Pinky, Mike Sprout, chaired by Leanne Cloudsdale (August 22, x30 audience members)
- In Conversation: Live Like Legends (September 12). This conversation around places and cities after dark took place with former Hacienda DJ Dave Haslam, former Hull resident and author/writer Lucy Nichol and former Withernsea resident and author Adam Farrar, and an audience of x34.

Q3: Richie Culver ran in Space 1 between 04.10.24 and 13.10.24.

Jade Blood residency outcome ran in Space 1 between 16.10.24 and 20.10.24

Absolutely Cultured Limited

Trustees' Report

'I'm Sorry' by Annabel McCourt ran in Space 2 between 25.10.24 and 23.02.25

INTER_CHANGE ran in Space 1 between 25.10.24 and 26.01.25

During Q3, I Am Sorry by Annabel McCourt launched in Space 2. McCourt invited visitors to step inside the safe, contemplative space of *I'm Sorry*. The installation revealed raw moments of private reflection, guilt-free confessions, and intimate rituals of power and meditation. Audiences were encouraged to undertake a personal pilgrimage through *I'm Sorry*, engaging in a journey of introspection and transformation, free from judgement, before returning to everyday life. *I'm Sorry* by Annabel McCourt was presented as a touring exhibition from Barnsley Civic.

Opening on 25 October 2024, the exhibition welcomed over 400 visitors in its first week. Of the visitors who completed feedback forms, 60% rated their overall experience as 'Excellent' and 40% as 'Good'. All respondents (100%) strongly agreed that the exhibition made an important contribution to the cultural life of the area and that it was thought-provoking. It is important to note, however, that only 10 feedback forms were completed, highlighting the need to strengthen audience feedback collection.

In Space 1, the 2023–24 INTER_CHANGE cohort launched their collaboratively curated and produced exhibition, Though the Leaves Are Many, also opening on 25 October 2024. This exhibition marked the culmination of the year-long development programme and attracted over 650 visitors in its first week. Among those who completed feedback forms, 58% rated the exhibition as 'Excellent' and 42% as 'Good'. As with I Am Sorry, 100% of respondents agreed that the exhibition offered an important addition to the cultural life of the local area—central to the aims of the INTER_CHANGE programme. However, only 28 sets of data were collected, indicating the ongoing need to gather feedback from a broader section of the audience.

- Richie Culver & Industrial Coast - An Evening of Electronic Sounds (October 3) x250 visitors. Industrial Coast is an independent label & event promoter based in Middlesbrough that, in its live events, showcases some of the best international techno and noise music.
- Unthinkable Film Festival – workshops for filmmakers and mentoring sessions (October 3-5) x40 participants.
- Jade Blood Residency Outcome: Celebration Event (October 17) x20
- 'I'm Sorry' Poetry, Spoken Word, Zine and Print Workshops (October and November) with Vicky Foster and Layla Jabbari. Weekly sessions for x6 weeks. Poet and writer Vicky Foster and illustrator and printmaker Layla Jabbari led x3 workshops each with young people from The Warren. These were drop-in sessions and, over the course of the six workshops, 120 young people participated. Vicky led poetry workshops which saw young people create pieces of work based around the themes of the exhibition and the nature of apologies. In three following workshops, and using the poetry that had been created, Layla Jabbari delivered print-making workshops to create work that would be used to illustrate a subsequent zine, and one of the workshops was a zine making session. Work from these workshops was curated by Vicky, Layla and the young people themselves, for inclusion in a zine.
- Sean Azzopardi: 'I'm Sorry - Return To Sender' x3 drop-in print activity sessions at Humber Street Gallery in October and November. Illustrator and printmaker Sean Azzopardi was commissioned to create a participatory response to 'I'm Sorry'. Participants were invited to write an apology on a form, post it in a letterbox anonymously and, in return, receive an envelope containing a letterpress print of another apology. In three sessions involving x30 participants, Sean also demonstrated letterpress techniques. The Return To Sender activity remained in situ for the duration of the exhibition and a zine was created with the collated content.

- Thursday Lates: I'm Sorry – Annabel McCourt In Conversation with Michelle Dee and Michelle Dee performance (November 14). Artist Michelle Dee was commissioned to develop and deliver a new event commission for our Thursday Lates strand, and to chair an In Conversation event with artist Annabel McCourt on the same evening. The commission was a performative essay/piece of writing inspired by the exhibition, and the performance of that piece of writing, which was titled Who's Sorry Now? This event attracted x15 visitors.
- Thursday Lates: Mark Slater & the University of Hull - Hidden Sound (part of the Hull Jazz Festival programme, November 21) Taking place against the backdrop of Annabel McCourt's I'm Sorry, this event – a combination of experimental sound art, music and projections, attracted an audience of x40.
- I'm Sorry zine and spoken word showcase (January 16). A celebration of another zine that was created after Vicky and Layla's workshops. This included performances and readings by x12 of the young people themselves – the majority of whom were performing in public for the first time, in front of an invited audience of family and friends.

Q4: Climate Public Response: 'In Therapy With North Sea' by Solmaz Farhang ran between 14.02.25 and 18.05.25 in Space 1

Q4 saw us launch In Therapy with North Sea by Solmaz Farhang. Visitors to the exhibition were 3140. Solmaz was selected through an open call seeking bold, visionary proposals for a new visual art commission exploring the challenges of living and working on the Yorkshire coastline, at the interface between land and sea. The exhibition demonstrates Humber Street Gallery's commitment to addressing universal themes through the lens of local concerns. It explores coastal erosion along the Holderness coast, climate change, and the intertwined themes of community strength, loss, and hope in the face of environmental uncertainty.100% of respondents have fed back that the exhibition exceeded their expectations and rated their overall experience as excellent.

INTER_CHANGE: Supported studios took place in Space 2 between 10.03.25 and 04.05.25.

- SCREENING ROOMS #1: We gather and dream of new congregations (January 9). Our Screening Rooms was made possible as a result of additional funding from BFI's Pitch Pot Fund. Screening Rooms was hosted at Humber Street Gallery in Hull, between January 2025 – March 2025, exhibiting a programme of artist-made films from the Global Majority and curated in ongoing conversation with The New Black Film Collective. Screening Rooms was devised as a significant addition to the cultural offer in Hull for film screenings that were relevant to Global Majority audiences and to address the gap that exists in the access to viewing artist-made films, especially those made by artists from the Global Majority. x30 audience members attended.
- OPEN HOUSE: Ryan Boultbee (January 15) x10 participants.
- INTER_CHANGE Workshop - Harry Newman Charm-Making (January 19) x13 participants attended.
- SCREENING ROOMS #2: Dahomey + short film (February 20) x10 audience members.
- OPEN HOUSE: The Herd (February 26) x10
- Exhibition Tour: In Therapy with North Sea (March 5). Led by Humber Street Gallery staff.
- OPEN HOUSE: Roy Claire Potter (March 6) x5 participants.
- SCREENING ROOMS #3: Wayfinder + short film (March 20) x15 audience members attended.
- OPEN HOUSE: Charlotte Dawson (March 27) x10 participants.

Absolutely Cultured Limited

Trustees' Report

Community Engagement & Learning:

We continued to deliver a year-round programme of art, learning and engagement in our satellite creative centre Gipsyville, based at Gipsyville Library.

The programme aims to increase cultural engagement, confidence and connections with city-centre and Hull's cultural offer, with the long-term goal of making the centre self-sustaining. Conversations have taken place with residents, Hull CVS and Library staff regarding forming a constituted group, most likely a CIC.

We delivered x49 coffee and chat sessions, 11 creative workshops, x24 cultural lunches (with guest speakers) x6 visits to cultural events, including at Humber Street Gallery, and a Christmas Celebration, reaching 1,371 residents. Artist Rosie Ireson led x6 Saturday art workshops for families at Gipsyville Library. To coincide with his exhibition at Humber Street Gallery, artist Jack Pell delivered a workshop at Gipsyville Library in June attended by x14 residents. Residents have now moved to running their own art and craft workshops in the library on Saturdays, a 'knit and natter' group has formed and takes place weekly on Mondays, and the centre has benefitted from Hull City Council's Warm Spaces initiative, which allows them to offer hot food to residents on Fridays. x107 residents took place in the Christmas Celebration event at the end of November.

- **Partnership with Artlink – Setting Off and performance of Mammy Wata.** We partnered with Artlink to work with communities and deliver a programme of creative workshops coordinated by Siddi Majubah. The Warren's SHOUT group of LGBTQIA+ young people worked with ceramicist Jen Holtridge of Quite Contrary Pottery to produce ceramic sculptures inspired by emotional support. Welcome House, which gives a welcome to asylum seekers, saw a group work with artists, Richard Lees, Maria Lofthouse, Jane Stow and Wendy Bennett to create a textile 'seascape hanging' and model boat to represent the journeys people have taken. The group also worked with printer Fraser Briggs to screen print shirts for their football teams and celebrate their shared love of sport. Hull Afro Caribbean Men's Group worked with David Okwesia to produce a radio/podcast play and music around the African Mammy Wata stories reflecting on the hazards of the journeys many have taken to come to Hull. This group performed the play in Space 2 at Humber Street Gallery on in May. Open Doors, which gives advice and support to asylum seekers, saw groups working with artist Glynis Neslen and others on drawing, painting and photography. The group, which often included children, has produced touching and powerful images of people and places left behind, along with expressions of hope and strength for the future. All of this work was exhibited at Humber Street Gallery over x5 days in May.

- **Arty Bods.** x10 Arty Bods sessions took place in Q1. Arty Bods is a programme of art workshops for young people aged 5-11 and, where possible, content is based around current exhibitions, and workshops take place within our exhibition spaces. In April and May these sessions took place on Saturday mornings and in June switched to Sundays in response to parent/carer feedback. Mid-week school summer holiday sessions were planned for Q2, to follow the end of the Sunday workshops in this quarter, again in response to parent/carer feedback. In Q2 x9 Arty Bods 'Summer Camp' sessions took place mid-week during the school summer holidays, led by artist Lucy Brooke.

- **Gig Buddies.** Gig Buddies Hull and East Yorkshire match people with learning disabilities with gig buddies to go to live music and events together and also received funding to develop a band comprising musicians with learning disabilities and community musicians. We hosted x10 rehearsals for this band, which has 8-10 members, in 2024-25.

- **Tales & Scales Productions** – In Q2 We provided a home for a Disability Pride Month event by this open mic poetry and performance night that celebrates disabled, neurodivergent and queer artists curated by artist Emily Oetegenn, attended by x18 audience members as well as x12 performers.

- **Creative Brief Arts Award students visited Humber Street Gallery** on x4 'go see' visits, with x30 students from Stockwell Primary School and x30 students from Mersey Primary School in Q3. The students were all working towards their Explore Arts Award and were able to meet HSG staff members who also did a Q&A session with students.
- **Live Like Legends community outreach project.** We supported a group of Live Like Legends street artists and graffiti artists in their application for an Arts Council England Project Grant and also provided in-kind support in the application with marketing, monitoring and evaluation and some venue support. The gallery space was also the venue for several workshops funded by the LLL team's own Project Grant funding, which saw work and activity at other sites, including public spaces and venues Brew, Ground and Hull Central Library.
- **Schools, Colleges and Universities.** In order to establish what young people need we have hosted 3 different school visits, with a total of 65 school staff and students attending tours and talks. We have also attended careers open days at Wilberforce College, a Freshers Fair at Hull College and participated on an expert panel discussion about careers in the arts. Skills exchange sessions happened between University of Hull students and networking events hosted at the gallery.

Artist in residence:

Jade Blood completed their artist residency working with a diverse group of sixth form students at Wilberforce College, culminating in an exhibition in Q3.

Lens Lab commenced an artist in residence project at Welcome House working with asylum seekers and refugees, with a view to documenting activities centred around Welcome House, including football team Acorn FC and a recently formed Photoclub; two activities that provide support and friendship for those seeking refuge here in the UK, whilst navigating the complexities of the refugee and asylum process. The work, which will include a number of portraits of asylum seekers and refugees, alongside their personal stories, will be exhibited at Humber Street Gallery in 2025-26.

Throughout this journey, participants have been taught skills in photography and gone on a series of photowalks. Work created on these walks will be curated (by Lens Lab's Benedict Phillips) for inclusion in the exhibition, alongside portraits and other images taken by Lens Lab's Jonathan Turner, alongside participants' own stories and experiences of life as refugees and asylum seekers.

In Q4, conversations commenced with artist Anna Farley regarding being artist-in-residence with the Friends of Alderman Kneeshaw Park, Bilton Grange in 2025-26.

Artist Development:

INTER_CHANGE, is an artist professional development initiative which evolved from 2 previous programmes Hull Independent Producer's Initiative (originating in 2016) and Fruit Factory Network (a programme for visual artists which originated in 2018). This year, in its fifth year as Inter_Change, a core cohort of 5 creative practitioners at the early stages of their career participated. The cohort benefited from support including mentoring, peer to peer sessions and exchange visits with other creatives and organisations in the North of England. The programme culminated with an exhibition in Autumn 2024/25. We also delivered 13 Masterclasses, open to the public on the professional skills needed to pursue a career in the arts.

During this year, we reflected the past 5 years of INTER_CHANGE delivery and made the decision to change what our primary artist-support offer looks like. In place of INTER_CHANGE, Fruit Factory Guild is a support network for artists, curators, cultural practitioners and creative thinkers who support each other and are supported by Humber Street Gallery.

Members come from all stages of their careers and work across many disciplines. They are united by a common interest in learning, development, and community.

Fruit Factory Guild members benefit from a year-round offer of activity responsively programmed by Humber Street Gallery. Members have access to peer-to-peer support, crit circles, workshops, talks, performances, visits, and other opportunities.

What membership benefits look like:

Free access to our OPEN House series of workshops

Free access to selected talks, events and screenings

Members Go-See trips outside of Hull

One-to-one advisory session with visiting artists and curators, as well as HSG staff

Opportunity to apply for the inaugural members exhibition in 2026

Regular mail-outs listing current and upcoming opportunities

Member's profile on our website

10% off purchases in our Cafe-Bar and shop

Aim 2. Develop a well-recognised brand which is loved by the people we want to engage. It will tell our evolving story and demonstrate our value and impact.

A key aim (aim 2) was to grow and diversify audiences and customers we attract and engage, making the most of our brand to grow our reputation.

A robust audience development and marketing plan was implemented. There was a clear correlation between the type of programming in the venue and audience visits which cannot be explained by seasonal trends alone. Exhibitions like 'Bootleg Shreg and Friends' seeing 4 times the number of attendees targeted and 'You, me and HU3' seeing almost 8 times the targeted number of visits. Exhibition planning is informed by audience feedback.

Plans to review the Brand were put on hold during this period due to the organisational review and new business model development. Plans were also subject to a potential venue change. A decision was made to remain in Humber Street Gallery.

Aim 3: Improve our agility and responsiveness with appropriate governance, skills, tools, resources and practices.

Be a team and organisation with fit for purpose governance, skills, knowledge, tools, resources and practices.

The main piece of work under this aim was to develop a new business model which is reflective of the organisation's new priorities as a contemporary visual art organisation based in a city-centre venue and at a financial level that is reflective of the realistic income opportunity. This work was completed and approved by the board in Quarter 4 of the previous financial year, with changes to staffing completed by June 2024. A board sub-group was also implemented in this period to investigate alternative options with a view to reducing our fixed costs in relation to operations and identifying an aleternative venue arragement that meets our needs going forward. The outcome of this sub-group was to remain in the current premises.

Following the outcome from the NPO decision and in response to the challenging funding landscape, Absolutely Cultured has been reshaping and re-invigorating its purpose, developing a lower cost business model, and reviewing our venue needs. Whilst challenging, this is also a great opportunity to focus its activities on the visual arts and deepen its work with communities. The work will continue to contribute to the cultural ecology of Hull through strengthening the role that contemporary visual art can have for Hull's communities and artists as well as the economic benefits a centrally located, high quality CVA offer can bring.

A new chair was appointed and we are actively recruiting new trustees to the board to strengthen the skill sets.Our NPO funding agreement by ACE has been extended for one year and there have been significant staffing changes within the organisation. We are currently recruiting for a new finance manager and CEO.

Aim 4:Be a financially resilient organisation with annual programme and associated costs fully funded.

A key aim for this reporting period was to be a financially resilient organisation with a sustainable income and cost model.

Income - Fundraising

During this reporting period we significantly stepped up our fundraising activity, submitting applications to most major arts funders as well as a broad range of trusts and foundations. We produced strong, well-aligned proposals that reflected funder priorities, but competition across the sector was unprecedented. Many funders reported success rates of below 5 per cent, and several received applications valued at hundreds of times the funding available. Feedback also suggested that our reserves position may have made us a lower priority for support, with some funders choosing to target organisations in more immediate financial difficulty. While our reserves have provided short-term stability, they are not a long-term solution, and securing external investment remains essential for sustaining and growing our work.

The fundraising strategy developed in the previous year began to be implemented during this reporting period. It provides a clear framework for income generation in a challenging funding environment and aligns with our broader business model development. Income will take time to build, and reserves will continue to be used strategically to support this transition. If the strategy is successfully delivered, we expect to be operating at an annual budget level of £400K to £500K by March 2027.

This was Absolutely Cultured's second year as an Arts Council England National Portfolio Organisation (NPO). Our application to extend NPO funding to March 2027 was successful, securing continued support for the delivery of a city-centre contemporary visual arts offer.

The financial landscape remains difficult and fast-changing. Our business model continues to evolve in response, and Trustees have agreed to invest reserves strategically to match-fund programme development and support income generation.

Hull City Council continued to sponsor Absolutely Cultured during this period, contributing to the delivery of the activities and outcomes agreed with Arts Council England.

Income - Commercial

The café was brought in-house in the previous year, and throughout this reporting period we have invested significant time and attention into understanding how it can operate more successfully and contribute to the long-term financial sustainability of the organisation. While earlier work indicated that the café alone cannot sustain the charity at scale, it is clear that it plays an important role in attracting people into the building. As a low-barrier entry point, the café helps make a contemporary visual arts venue feel more welcoming and accessible, supporting audience development and strengthening the overall visitor experience.

It is also recognised that Humber Street has several thriving hospitality businesses, and that Absolutely Cultured must continue to develop its own offer in line with this wider context. There is strong potential to better align the café with our artistic identity, improve the customer experience, and maximise the advantage of our location to draw in new audiences.

Alongside this, we are continuing to explore additional commercial opportunities and to consider how we make the most of our biggest asset: our venue. This includes reviewing hire potential, testing new income-generating activity, and identifying ways for the building to support a more diverse and resilient income base.

As the hospitality sector continues to face challenges, it remains essential that we broaden our commercial thinking and develop opportunities that are not solely reliant on a traditional food and beverage offer.

Cost

A key part of the financial resilience aim was to develop a lower cost model for the organisation which allows us to deliver our priorities but in a more focused and cost-efficient way. The annual budget is expected to be a deficit of around £162 for Financial Year 2025/26 compared to £238 in 2024/25. 2024/25 carries some additional committed costs due to our current venue as well as transition costs such as branding and planned capital work. Changes have been made to the staffing structure and further cost savings are planned from the operational budget (rent and building costs).

Aim 5: Be an environmentally aware and responsive organisation, with a programme, building and behaviours that supports positive change.

Contribute to Hull's target to net zero by 2030. Reduce our own impact on the environment, whilst using our programming, relationships and assets to increase awareness.

This year, we reaffirmed our commitment to supporting the city's ambition to achieve net zero by 2030 and to reducing our own environmental impact. While2024/ 2025 was primarily a year of groundwork, we took important steps to embed sustainability into our operations and future planning. We have begun reviewing our energy use, explored opportunities to reduce waste, and engaged with local partners to identify collaborative approaches to raising environmental awareness. Looking ahead, we will develop a formal sustainability policy and use our programming and assets to inspire positive change within our community. Our focus remains on turning these foundations into measurable action in the coming year.

In Q4, we presented *In Therapy with North Sea* by Solmaz Farhang, an exhibition developed through our open climate call-out in partnership with the University of Hull's Energy and Environment Institute. The brief invited artists to propose work responding to the urgent theme of coastal erosion, prompting creative reflections on our shifting coastline and the environmental forces shaping it.

Looking Ahead

A New Business Model

The new vision and purpose going into 2025/2026 is below:

Vision: A world-class visual arts venue recognised for its excellence, which inspires change and creates opportunity with, by and for artists and Hull's communities.

Mission: Empowering artists and Hull's communities to develop creatively, to enable change and to access opportunity through contemporary visual art.

Operating from our venue in Humber Street, in Hull's City Centre, we deliver a high-quality visual arts programme involving renowned exhibitions, community engagement and talent development.

Absolutely Cultured (AC) with its increased focus on CVA, has an exciting and flexible offer that fits well with the cultural mix in Hull. It can achieve in time a successful and sustainable mixed economy model. However, it should be stressed that the sustainability of AC is by no means certain and will rely on us remaining adaptable and responsive to opportunities that arise. Public funding for arts and culture is under threat and the value of art in places like Hull is being questioned as budgets are under pressure and priorities heightened. Our focus remains on continuing to deliver real value, within the financial and resourcing constraints we face. In addition to grant funding, cross sector partnerships that can stimulate innovative ways of responding to local challenges and opportunities, bringing in funding that otherwise wouldn't be accessed, is key to developing this opportunity. We will work constructively with partners at local, regional, national, and international levels.

We will focus on our commitments to support the delivery of the ACE Lets Create Strategy, embodying the Investment Principles, delivering against Hull's soon to be revised Cultural Strategy, as well as delivering against the aims and outcomes set out in strategies of those funders who we align well with.

2025/26 Activity Plans

- Exhibitions: Continue to programme between 3-4 core commissions.
- Artist Residency in a school or community setting.
- Creative interventions by 2 artists exhibiting to take place in a community setting to both provide opportunities for the artists and community members to explore the content of the exhibitions in a new way.
- Weekly coffee and chat sessions in Gipsyville or another community setting aiming to develop cultural engagement and confidence within those communities.
- 10 Masterclasses on professional practice.
- Inter_Change artist development programme with culminating showcase of new commissions planned for 25/26 (5 participants).
- Pilot a mid-career development programme (2 participants).
- Year-round programme of learning, engagement and skills for all ages with partners at the forefront of innovative practice (5 workshops, 10 early years sessions, 10 older children's sessions).
- Open space dynamic programming (potential partnerships with University of Hull, Unthinkable film festival, Richie Culver).

Current External Landscape

The environment in which we operate is uncertain and whilst, as a relatively young organisation, we have had some unique challenges in our history, we are far from unique in being impacted by this. A strength our own history presents is that we are an adaptable organisation that has shown it can navigate change and be resilient.

For cultural organisations to thrive, being tapped into the needs and priorities of place is essential for continuation and growth. Public funding for the arts is shrinking, trusts and foundation funding is more competitive than ever before. Whilst funding and political uncertainty will undoubtedly impact the cultural sector, the role of arts and creative organisations in cities and places and in how the country presents itself to the world has never been more important. At a local level, levelling up funding is being earmarked for skills and capacity development to drive economic growth.

8 organisations in Hull successfully became NPO's for the period 2023-26. 4 of which are new to the portfolio but had previously received ACE funding through other funding streams. Absolutely Cultured Ltd being one of the new organisations to join this round. Two other organisations in the city are no longer part of the portfolio. Overall funding into Hull via the NPO funding stream increased by over £1m compared to the last round. These changes enable opportunities for collaboration and partnership working across the various artforms and locations of the organisations in the city. There is clear opportunity for a more collaborative approach across sectors and across creative sectors particularly. Following the outcome of the NPO decisions, AC initiated conversations with several other Hull-based arts/culture organisations and has strengthened opportunity for collaboration with Artlink and Back to Ours in particular.

The local authority has developed a new Cultural Strategy by working with the Hull and East Riding Cultural Compact (now called HEY Creative) and Local Economic Partnership. There is a growing interest in developing deeper cultural partnerships with North Lincolnshire organisations with investment such as the Cultural Development Fund boosting activity especially around Grimsby and Scunthorpe.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Absolutely Cultured Ltd is a company limited by guarantee whose business is governed by a Board of Trustees. The company gained charitable status on 15 June 2015. The Board of Trustees comprises individuals who together are responsible for the governance of the charity. The company was originally formed to deliver Hull's year as the UK City of Culture in 2017 and, in September 2017, it was announced that the organisation which was set up to deliver 365 days of transformative culture, was to continue, with a much reduced and redefined remit which will form part of the city's legacy.

To reflect this change, the company changed its name from Hull UK City of Culture 2017 Limited to Absolutely Cultured Limited, on 24 May 2018.

The Board currently consists of seven Trustees and is chaired by Qaisar Mahmood. The full list of Trustees is set out in the reference details below. The FFGP committee has three trustees on it.

The full Board of Trustees met eight times in the period on the dates as listed. Four Main Board meetings and three extraordinary meetings and a meeting to receive a presentation on the Business Plan. This is higher than typical and is reflective of the organisation change process which took place during this period:

Trustees' Report

Board Meeting Dates from 1 April 2024 - 31 March 2025

- 16 May 2024
- 28 August 2024
- 26 September 2024 (Extraordinary)
- 07 October 2024 (Trustee Only)
- 18 October 2024 (Trustee Only)
- 28 November 2024
- 05 February 2025 (Board Away Day)
- 06 March 2025

All full Board meetings take place in person, however, to allow accessibility for all Trustees, those who cannot attend in person are able to join remotely with the chair ensuring they are able to fully participate in the meeting as if there in person.

The Trustees act on advice and information from the Executive Leadership which is responsible for the day-to-day management of the charity.

Recruitment, Appointment and Training of Trustees

The charity continues to refresh the Board and this year saw the recruitment of 3 new Trustees.

Six Trustees stepped down during this period. K Harker, L Clarkson, J Wynn-Hague, P White, M Lorch and D Sinclair. L Pitcher (Chair) announced that he would be steppingdown by June 2024. We sincerely thank all for their contributions during their time on the board.

The seven newly appointed trustees bring a range of experience and perspectives to the organisation. In particular, they strengthen art sector and creative programming skills and knowledge including community co-production, public relations and education sector. There is increased understanding of fundraising on the board, though income generation more broadly is an area we will look to enhance further going forward. The new Chair Qaisar Mahmood joined the board in June and enhances the boards expertise on diversity, inclusion and community engagement and has got in depth governance and charity experience.

The Board appointed Ben Norman as senior independent director in November 2019.

Board Diversity

Our commitment to diversity is based on the belief that everyone should have access to high quality creative opportunities and that different experiences and perspectives bring not just richness and relevance but are often what makes art produced in the UK exceptional. The Board is committed to shifting the power of who designs and makes decisions about cultural provision. Based in Hull, which is the 4th most deprived local authority in England, and where a high proportion of the population has low arts engagement, our goal is to increase representation across the board and leadership of people with lived experience of exclusion, in particular experience of socio-economic deprivation and the barriers this creates.

Absolutely Cultured Limited

Trustees' Report

Portfolio Responsibilities

The seven Trustees of Absolutely Cultured bring specialisms and experience from all areas of business and the arts which they use to support the company's activity and in line with a smaller scale company. There is a Fundraising, Finance, Governance and People (FFGP) sub-group which consists of threeTrustees and is chaired by Richard Lewis. Their remit is to provide a forum for the Executive Leadership team to discuss matters of strategic and significant importance to the charity before presentation to the main Board. The committee monitors progress against the fundraising strategy, reviews the annual budget, receives the audit report, appoints financial service providers, oversees financial control, and reviews HR policies and pay. This committee has been repurposed to strengthen oversight of our income generation activities and replaces the former Finance and General Purposes Committee (F&GP).

Related parties and co-operation with other organisations

The Trustees are not remunerated and receive no other benefit from their work with the charity. Any connection between a Trustee or senior manager of the charity with business partners, sponsors or suppliers is disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party.

Trustees to have held office during the year and up to the date of this report:

	Appointed	Resigned	Main board meetings attended	Finance committee meetings attended
B.P. Norman	17/07/2018	-	5 of 5	3 of 4
R. Lewis	13/08/2019	-	1 of 5	4 of 4
Dr K. Harker	14/01/2021	06/03/2025	4 of 5	N/A
L. Pitcher (Chair)	08/07/2021	28/06/2024	0 of 1	1 of 1
L. Clarkson	23/02/2023	29/07/2024	0 of 1	N/A
K. Wynne-Hague	14/09/2023	27/02/2025	3 of 4	N/A
K. Smith	23/11/2023	-	4 of 5	N/A
K. Genever	23/11/2023	-	5 of 5	N/A
P. White	07/03/2023	30/11/2025	4 of 5	N/A
A. Daniel	07/03/2023	-	3 of 5	N/A
M. Lorch	23/11/2023	27/03/2025	2 of 5	N/A
Q. Mahmood (Chair)	28/06/2024	-	3 of 4	2 of 3
D. Sinclair	28/06/2024	08/01/2025	0 of 3	N/A
R. Pritchard	27/02/2025	-	1 of 1	N/A

Group Structure

The group consists of Absolutely Cultured Ltd and Absolutely Cultured (Enterprises) Ltd which is a wholly owned subsidiary of the charity and a separately registered company. Absolutely Cultured (Enterprises) Ltd carries out non-charitable trading activities to raise funds for the work of the charity and was incorporated on 14 August 2015.

Separate consolidated financial statements incorporating the results of the charity and the subsidiary have been prepared.

The Executive Leadership structure at 31.03.25

Marianne Lewsley-Stier: Creative Director

During this reporting period, the company was led on a day-to-day basis by an Executive Leadership Team. The team shared Executive Leadership responsibilities whilst also leading on areas of specialism. Janine Crombie (Development Director), Joanne Norman (Finance & Operations Director) and Marianne Lewsley-Stier (Creative Director). During this period, the Executive Leadership Team worked with the Board of Trustees to undertake a period of organisational change. Alternative business models were explored that would ensure the longer-term sustainability of the organisation, in response to the challenging economic climate. The Board of Trustees accepted the Executive Team's recommendation to move to a reduced staffing structure. Part of this recommendation was to move to a single leadership model following a consultation process further to an Extraordinary Board meeting in February 2024. Janine Crombie and Joanne Norman announced they would not express an interest and would be stepping away from their roles. After a recruitment process, Marianne Lewsley-Stier was appointed as the sole leader of the organisation with the change being implemented in April 2024.

Pay and remuneration of the Executive Leadership personnel is initially set by the Board of Trustees with reference to the company pay scales, market conditions and sector salaries. In line with our Pay Policy, where the Trustees agree an organisation wide pay award, all staff are eligible to receive this, with further individual pay rises assessed against performance management criteria.

Employees

There is an understanding of the importance of the company's employees to the longer-term success of the Charity.

In line with the previous year, the Trustees took a strategic view of pay and reward in this reporting period, acknowledging that economic factors were continuing to be very challenging and considered various options to support its employees. Taking into consideration the charity's financial position, a decision was made to award all staff a quarterly cash payment above the annual organisation pay award to support them with the rapidly rising inflation.

We continue to offer flexible working to our non-venue team, allowing staff members to work a mix of in the office and home working in response to staff requests. Staff report this flexibility ensures a good work life balance is maintained and improves their productivity.

The company regularly communicates with its employees through team meetings, team wide e-mails and one to ones. Trustees are invited to team meetings to foster open relationships with employees. An annual employee survey is undertaken to allow for honest feedback about their experience working at Absolutely Cultured. These surveys are shared and reviewed by the Board and Executive Leadership team. Staff engagement is high with most employees completing the latest survey.

Staff training is important to support both the continual skills development of our team to deliver our programme of activities and to give them the skills to further develop their careers externally (Aim 3). We develop training plans through staff appraisals and implement a training plan each year.

Our Buildings and Operations

We operate from premises in Humber Street, Hull where we present our visual art exhibition programme, supporting programme and commercial activities including a café and bar and small shop. We have robust health and safety measures in place ensuring staff and customers have a safe environment to work and visit. Maintenance is regularly undertaken to ensure equipment is running effectively and have systems in place to ensure operations run smoothly.

All activity undertakes a robust risk assessment with controls and risk measures put in place to ensure public and staff safety.

Funding Partners

As a charitable company, funding partners are significant stakeholders. Relationships with these Partners are held at all levels across both the company and the funding partner's organisation.

Regular meetings are held with the main funders to ensure they are fully conversant with the planned programme of creative events, impact on grant funding and impact on the community at large.

The company's major stakeholder is Arts Council England, and, as part of our NPO funding agreement with them, they are invited as an observer to the company Board meetings once a year and to be involved in processes around organisational development and change.

Funding from trusts and foundations, whilst competitive, will be an important source of income for us. We continue to aim to secure funding partnerships with the larger trusts and foundations who align strongly with our purpose. In addition, we will aim to secure funding from a wide range of small-medium sized funders in order to deliver our aims.

The National Lottery Heritage Fund (NLHF) has supported a number of AC projects. We plan to continue to seek support from NLHF where projects are identified as having strong alignment.

Hull City Council (HCC) are an important partner for AC, from a funding as well as sector development and delivery perspective. We will continue to work together to deliver our agreement with them, to deliver cultural activity which responds to the needs of Hull in the best way possible and supports the delivery of the Cultural Strategy (a new strategy is currently in development).

Public and Community at Large

The Company objectives are charitable by their very nature, being that Absolutely Cultured Limited is established as a Charitable Company. All activity is directed towards being of public benefit and most of the activity is free to access or pay what you can for all.

Local Context:

Hull has seen a significant economic decline since the 1970s due to the loss, contraction and reconfiguration of the city's industrial and maritime functions resulting in high levels of unemployment and deprivation. The city is the fourth most deprived local authority in the country according to the 2019 English Index of Multiple Deprivation and 45% of Hull neighbourhoods are in the 10% most deprived in England. Health inequalities are dramatically evident even between neighbouring communities with life expectancy over 10 years less in some parts of Hull than other wards within the city boundary.

Significant public and private sector investment has gone into the city in recent years, to improve resilience to climate change, to improve Hull's connectivity, including our highways capacity and digital capabilities, into our university, our schools, the city centre public realm, our leisure and culture. Despite typically low engagement in the arts by Hull residents, 95% said they participated in at least one cultural activity during Hull's city of culture 2017 tenure and whilst maintaining this level of engagement in the years since with a much-reduced sector capacity and funding landscape, evidence across the sector is that the appetite for cultural engagement is still there.

Trustees recognise the positive health and wellbeing benefits of engaging with arts and culture, the important role creative engagement plays in children's educational attainment and life prospects and the role of a healthy cultural offer on the economic prospects of a place. As part of the reshaping of the organisation, AC will explore how contemporary visual art projects in particular can unleash the potential of the people of Hull and help to respond to some of these challenges.

Suppliers

The Trustees appreciate the importance of Absolutely Cultured suppliers in delivering the long-term plans of the company. We work with many local independent creative practitioners and are invested in supporting them to continue to work in the sector. Many rely on timely payment of invoices to live.

The company pays its suppliers via twice monthly payments to ensure all invoices are paid within a maximum of 30 days from when they are received.

Environmental Sustainability

Trustees understand the role of arts and culture in making use of all its assets to increase awareness and advocate for change on environmental issues as well as delivering on our own moral and social responsibility as an organisation to ensure our output doesn't have a negative impact on the environment. Hull with its proximity to water is particularly vulnerable to climate change yet the Humber region has the highest carbon emissions in the country. AC aims to be environmentally conscious in all its strategic and operational outputs. The Trustees realise that this is an area where we need to invest and improve within the constraints of our funding environment.

We are a member of the Gallery Climate Coalition an international community of arts organisations working to reduce our sector's environmental impacts. Through our membership we are able to access Best Practice tools and work collectively towards zero waste and a reduction in the sectors CO2 emissions. Lauren Wilson is our internal Green Champion and is currently working with the wider team to draw up a plan on how we can make simple but effective adjustments to our venue, exhibitions and artist agreements to reduce our impact on the environment. We continue to use and submit data to Julie's Bicycle to measure our energy usage, this will aid the Trustees in setting realistic KPI's to be agreed and implemented over the medium and long term and will form part of the regular reporting to the Board.

We also have changed our electricity supplier in July and have moved to a fully green supplier called Opus.

We are a partner in Hull's Oh Yes Net Zero campaign where we have pledged to contribute to the Hull and Humber region leading the way on becoming net zero. We have a vegan and vegetarian offer in our café venue and have signed up to a sustainable palm oil pledge. We buy local where possible and moved to a paperless finance system. We reuse and recycle materials for exhibitions. We actively programme work made by artists who tackle environmental themes and have a history of co-creating and commissioning work which raises awareness about the relevance and importance of climate action for Hull in particular.

We have had a Display Energy Certification Review undertaken to benchmark our current environmental impact and have been assessed at a B (35) which is a good standard. Improvements suggested would have relatively small impact to improve this but high cost to the charity.

The Trustees have further ambitions to reduce the company's carbon footprint by reducing its use of energy and mains water, reducing waste going to landfill, and to implement environmentally sustainable activities such as ensuring we power down when the building is not occupied, increasing our buy local activity to reduce transport impacts, creating a green roof to reduce heating costs and moving to a brown water collection system to reduce mains water usage.

Going Concern

As Trustees, we are required to review and comment whether the charity is a going concern and to the effect have looked at the organisation's cash flow, budgets to March 2027 and level of unrestricted reserves. We have taken advantage of the grants that were made available to us by the national and local governments and taken some tough decisions regarding use of charitable funds.

With a prudent approach, we consider the extent of the charity reserves, without any additional income from grants or trading activities, to be sufficient to cover all operating costs of the charity until at least March 2027 and therefore we consider that the financial statements be prepared on the going concern basis of accounting.

Financial Performance

The Trustees agreed the strategic plan and budget at the start of this reporting period with an agreement to underwrite a deficit up to £344,142 from our unrestricted reserves reflecting the strategic decision to utilise unrestricted reserves to support ongoing projects as match funding, evolve towards a revised business model that is reflective of the likely lower funding opportunity and to strategically utilise reserves in support of our objects and to provide for our beneficiaries reducing the reserves to a level more appropriate for a smaller charity.

Total income for the year, including donations in kind and investment income was £389,484. This was applied towards the planning and delivery of the year across all activity areas. In total this expenditure amounted to £627,210.

The above resulted in an excess of expenditure over income for the year of £237,726.

When deducted from the accumulated surplus from prior periods, there remains unrestricted funds of £688,065.

Like many arts organisations, we are reliant on grant funding as a significant funding source and continue to face the challenge of accessing such funding from the main funders. Longer-term, the organisation must diversify its income sources to reduce reliance on grant funding which continues to be competitive. Following the pandemic, many trusts and foundations are experiencing increased demand at a time of increased overall need and have adjusted their criteria for funding with a greater emphasis on impact for communities and supporting areas of high deprivation.

We have currently secured £200,000 ACE NPO funding per annum over four years (April 2023-March 2028). This is due to a recently announced one-year extension by ACE, to the agreed three-year period. Absolutely Cultured made a sucessful application for this exension. In addition, we have secured £35,000 in sponsorship from Hull City Council.

The Board have agreed strategic use of the unrestricted reserves this year to meet the current commitments, to develop a programme of activities that can become financially sustainable through funding partnerships and to invest in income generation.

We have developed a fundraising strategy which takes into consideration the economic climate and changes to the grant funding landscape. It also responds to the changes to AC's business model and refocusing of purpose. Success of the fundraising strategy is dependent on programme plans being aligned with the aims of identified potential funding partners. Commercial income potential is being explored further as we aim to increase income through new commercial opportunities.

The funding landscape continues to be very challenging. We are responding to this with continuous review and development of the programme of activity to ensure our work is of the highest standard and has the greatest public benefit possible. Further cost reduction will be considered if necessary.

Principal Risks and Uncertainties

The principal risk to the organisation is its financial sustainability, the funding landscape is extremely challenging, and many of the alternative earned income streams that arts organisations are reliant on are also under strain. The pressure on budgets through the recent rapidly rising inflation has added to this uncertainty. In response, the organisation has reduced core and staffing costs to a level reflective of the challenges faced and these will remain under review with plans for further adjustments where needed.

The Management of Risk

The Trustees recognise their duty to identify and review risks to which the Charity is exposed and to ensure appropriate controls are in place to give assurance against error and fraud. The company has well managed appropriate management and governance procedures with a systematic programme of review in place. Each public facing activity undertaken by the company requires an event plan to be undertaken whereby all risks including health & safety and safeguarding are assessed and appropriate plans put in place.

A comprehensive risk register is maintained and updated to reflect live risks, with risks owned and managed by the relevant person. Risks and their mitigating actions are monitored and reviewed by the Executive Leadership and quarterly at the Finance & General Purpose meeting with main risks reported to the full Board meeting of Trustees quarterly. A copy of the full risk register is also shared with the company's key funders. Dialogue with our main funding partners is ongoing in relation to risk.

Policies on Reserves

The charity's policy was updated to reflect current best practice and statutory guidance and approved at the full Board meeting on 16 May 2024. In a year of economic uncertainty and stretched public finances, we have maintained a prudent reserves policy to safeguard the charity's stability. Our reserves provide resilience, enabling us to navigate challenging conditions while continuing to serve our community. We monitor reserves carefully to balance financial security with investment in charitable activities. We remain focused on long term sustainability, even in difficult times, while positioning the organisation to respond to future opportunities.

The policy looks at: -

- How the NPO outcome at a lower level than planned for impacts the planned programme over the next three years.

- The implications of the current funding landscape and the charity's ability to raise grant funding to the levels required in the short term to fund ongoing activities.
- The charities' strategic objective to retain NPO status in the 2027 round with a robust growth model and the resources needed to sustain and develop the organisation over the next three years to achieve this.
- The implication of the current NPO programme extension to 4 years with no uplift in funding.
- The capital investment required to support the strategic plans including investing in space and equipment to deliver activities, environmental improvements to existing spaces and staff training and development.
- What costs have been committed and would need to be honoured if the charity failed to achieve match funding income targets. This includes salary and redundancy costs, contracts for services and general running costs including exit costs.

The trusteed agreed to underwrite a dunding deficit of up to £344,142 in the financial year to March 2025. This deficit included £140,000 of transition costs as the charity restructures the staffing team and potentially relcoated to new premises to reduce and address ongoing operating costs. Actual deficit achieved in the year was £237,726. This represents the trustees' commitment to match fund applications for funding from the charity's reserves.

The trustees have agreed to strategically utilise the reserve as part of the funding mix over the duration of the current NPO period, reducing the overall unrestricted reserves to a level consistent with an organisation of this size and ambition.

Designated reserve to cover any contractual liabilities £38,400.

The trustees recognise that the current anticipated level of unrestricted general reserves held in the charity are forecast to be higher than the policy requires in the financial year 24/25. This is primarily due to our addressing the current financial restrictions and adjusting the business plan accordingly. During the first half of 2025/26 the organisation will see changes in the staff team and premises costs reducued for 2025/26 onwards which will be more costs effective and appropriate for the delivery model going forward. Whilst the current forecasts indicate a continued reliance on reserves, this will be addressed through regular and robust reviews of forecasts with adjustments being made to ensure we achieve the aim of operating a balance budget by April 2027.

Designated Reserves Calculation

Designated Reserves Calculation	**£**
Investment to research, develop and test ideas	Nil
Investment in income generation	30,000
Capital projects fund /Venue move	20,000
Staffing Transition Costs	60,000
Brand development and new website	20,000
IT Infrastructure & Digital Capacity	10,000
Staff Training and Development Fund	8,500
Enhanced parental leave pay fund	15,341
Financial Contractual Liabilities	38,400
Forecast Programme Funding Deficit April 25 – March 26	161,896
Forecast Programme Funding Deficit April 26 – March 27	90,455
Total Designated Reserve 31/3/25	**454,592**

Absolutely Cultured Limited

Trustees' Report

Public Benefit

The Trustees are of the opinion that the nature of the Charity's activities and the geographical area over which it operates are such that it fulfils the public benefit criteria as specified by the Charity Commission. Further, the Trustees confirm that they have complied with the duty in Paragraph 17(5) the Charities Act 2011 with regard to following guidance published by the Charity Commission in connection with public benefits.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name: Absolutely Cultured Limited

Charity Reg No:1162199

Company Reg No:09106231

Registered Office:64-65 Humber Street, Hull, HU1 1TU

Contact Details: Tel: 01482 304454

Email: info@absolutelycultured.co.uk

Website: www.absolutelycultured.co.uk

Bankers: National Westminster Bank plc, 34 King Edward Street Hull, HU1 3SS

Auditors: Smailes Goldie, Regent's Court, Princess Street, Hull HU2 8BA

Solicitors: Rollits, Citadel House, 58 High Street, Hull, HU1 1QE

Statement as to Disclosure of Information to Auditors

So far as the Trustees (in their capacity as directors of the charitable company) are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware and each Trustee has taken all the steps that he or she ought to have taken as a Trustee in order to make him/herself aware of any audit information and to establish that the charitable company's auditors are aware of that information.

Statement of trustees' responsibilities

The trustees (who are also the directors of Absolutely Cultured Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the parent charitable company and the group and of the incoming resources and application of resources, including its income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

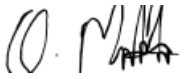
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the parent charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the parent charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the parent charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The annual report was approved by the trustees of the charity on 29 Jan 2026 and signed on its behalf by:



.....
Q. Mahmood
Trustee

Absolutely Cultured Limited

Independent Examiner's Report to the trustees of Absolutely Cultured Limited ('the Group')

I report to the charity trustees on my examination of the consolidated accounts of the Group comprising the Absolutely Cultured Limited and its subsidiary undertakings for the year ended 31 March 2025.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

.....
S.T. Bramall Bsc., FCA
Smailes Goldie
Chartered Accountants
the Institute of Chartered Accountants in England and Wales
Regent's Court
Hull
HU2 8BA

29 Jan 2026
Date:.....

Absolutely Cultured Limited

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

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Income and Endowments from:					
Donations and legacies	2	2,652	201,400	204,052	291,020
Other trading activities	3	124,315	-	124,315	133,060
Investment income	4	22,827	-	22,827	16,229
Other income		38,290	-	38,290	48,027
Total income		188,084	201,400	389,484	488,336
Expenditure on:					
Raising Funds					
Raising funds	5	(30,315)	-	(30,315)	(32,946)
Charitable activities	***6***				
Partnerships & Developments		(85,270)	(45,158)	(130,428)	(102,448)
Marketing and Communications		(19,379)	(10,263)	(29,642)	(79,248)
Programme and Delivery		(290,846)	(145,979)	(436,825)	(570,541)
Total expenditure		(425,810)	(201,400)	(627,210)	(785,183)
Net expenditure		(237,726)	-	(237,726)	(296,847)
Net movement in funds		(237,726)	-	(237,726)	(296,847)
Reconciliation of funds					
Total funds brought forward		925,791	-	925,791	1,222,638
Total funds carried forward	18	688,065	-	688,065	925,791

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

The comparative Statement of Financial Activities for 2024 is shown in note 11.

Absolutely Cultured Limited

(Registration number: 09106231)
Consolidated Balance Sheet as at 31 March 2025

	Note	Unrestricted fund	Restricted fund	2025 £	2024 £
Fixed assets					
Tangible assets	12	7,204	-	7,204	7,237
Current assets					
Stocks	14	5,801	-	5,801	4,175
Debtors	15	30,428	-	30,428	59,662
Cash at bank and in hand		746,670	2,475	749,145	932,177
		782,899	2,475	785,374	996,014
Creditors: Amounts falling due within one year	16	(102,038)	(2,475)	(104,513)	(77,460)
Net current assets		680,861	-	680,861	918,554
Net assets		688,065	-	688,065	925,791
Funds					
Restricted funds		-	-	-	-
Designated Funds		454,592	-	454,592	599,319
General Funds		233,473	-	233,473	326,472
Total funds	18	688,065	-	688,065	925,791

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2025. The trustees have not required the charitable company to obtain an audit of its financial statements for the year ended 31st March 2025 in accordance with Section 476 of the Companies Act 2006.

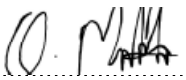
The directors acknowledge their responsibilities for:

(a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The financial statements on pages 27 to 43 were approved by the trustees, and authorised for issue on 29 Jan 2026 and signed on their behalf by:



Q. Mahmood
Trustee

Absolutely Cultured Limited

(Registration number: 09106231)
Balance Sheet as at 31 March 2025

	Note	Unrestricted fund £	Restricted fund £	2025 £	2024 £
Fixed assets					
Tangible assets	12	5,253	-	5,253	2,403
Investments		1	-	1	1
		5,254	-	5,254	2,404
Current assets					
Debtors	15	76,275	-	76,275	150,063
Cash at bank and in hand		700,056	2,475	702,531	833,361
		776,331	2,475	778,806	983,424
Creditors: Amounts falling due within one year	16	(93,866)	(2,475)	(96,341)	(64,872)
Net current assets		682,465	-	682,465	918,552
Net assets		687,719	-	687,719	920,956
Funds of the charity:					
Restricted funds		-	-	-	-
Designated Funds		454,592	-	454,592	599,319
General Funds		233,127	-	233,127	321,637
Total funds	18	687,719	-	687,719	920,956

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2025. The trustees have not required the charitable company to obtain an audit of its financial statements for the year ended 31st March 2025 in accordance with Section 476 of the Companies Act 2006. The directors acknowledge their responsibilities for:

(a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The financial statements on pages 27 to 43 were approved by the trustees, and authorised for issue on 29 Jan 2026 and signed on their behalf by:

.....
Q. Mahmood
Trustee

The notes on pages 30 to 43 form an integral part of these financial statements.

1 Accounting policies

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

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

Basis of preparation
The financial statements have been prepared under the historical cost convention.

Basis of consolidation
The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 March 2025.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a loss after tax for the financial year of £233,237 (2024 - loss of £352,744).

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

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

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

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

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

Going concern

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

The current economic conditions present difficulties to all organisations in the arts sector in terms of raising funds from either government-funded bodies or private enterprise. In response to such conditions the charity has prepared budgets and cashflow forecasts to 31 January 27 and these show it has adequate resources to pay its debts as they fall due. Further ongoing assessment is made by the trustees on a monthly basis.

It is the charity's intention to use its unrestricted reserves to fund its charitable objects and on this basis the Board considers that the group has a reasonable expectation of being able to continue in operational existence to at least the period of the budgets and cashflow forecasts of 31 January 27, with informal assessments ongoing on a monthly basis, and that there are no material uncertainties that have not been considered or stress tested that lead to significant doubt about the group's ability to continue as a going concern. Therefore, the Board have continued to adopt the going concern basis of accounting in preparing these financial statements.

Significant judgements and key sources of estimation uncertainty

In the application of the charity'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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

No significant judgements or key estimates were made on preparing these financial statements.

Income and endowments

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

Donations and legacies

Donations represent grant and sponsorship monies receivable by the group where the donor does not receive any significant benefits other than the knowledge that the charitable company must apply the monies to further its charitable objectives.

Donations in kind are donate professional services and donated facilities to the charitable company. They are recognised on the basis of the value of the gift to the charitable company which is the amount the charitable company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount in then recognised in expenditure in the period of receipt. However, the lack of a market comparative price for the contribution made by volunteers means that it is not possible to measure their value reliably. Accordingly, the contribution of general volunteers is not included in the charitable company's accounts.

Grants receivable

Income from government and other grants, whether capital or revenue, is recognised when the charity or its subsidiary has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Gift aid

The charitable company is in receipt of distributions from its subsidiary undertaking under the Gift Aid scheme.

Other trading activities

Income from the sale of goods is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of income can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the charity or its subsidiaries and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually at the point of sale.

Investment income

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

Expenditure

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

Allocation of costs

Costs directly associated with the planning, promotion and delivery of the programme of cultural events are classified as direct charitable expenses. Costs relating to its strategic management are classified as governance costs. All remaining costs are classified as support costs. Support costs are allocated across income streams according to the ratio of direct costs.

Raising funds

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

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

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

Governance costs

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

Tangible fixed assets

Tangible fixed assets are stated at cost. Depreciation is provided on all tangible fixed assets, at rates calculated to write off all tangible fixed assets over their estimated useful lives using the following rates:

Property Alterations	33% p.a. on cost/remaining lease term if less
Furniture, fittings and equipment	25% p.a. on cost
Computer equipment	33% p.a. on cost

Business combinations

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

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

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

Debtors and creditors receivable/payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities allocated to the appropriate heading.

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

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2025 £	Total 2024 £
Donations and legacies;				
Donations from companies, trusts and similar proceeds	2,652	-	2,652	2,920
Grants, including capital grants;				
Grants from other charities	-	201,400	201,400	288,100
	2,652	201,400	204,052	291,020

	2025			2024		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Arts Council England	-	200,000	200,000	-	200,000	200,000
Esmee Fairburn	-	-	-	6,600	66,000	72,600
Heritage Lottery Fund	-	-	-	-	15,000	15,000
Coastal North	-	1,400	1,400	-	500	500
	-	201,400	201,400	6,600	281,500	288,100

3 Income from other trading activities

	Total 2025 £	Total 2024 £
Trading Income;		
Humber Street Gallery - bar and catering	84,315	93,060
Sponsorship income	40,000	40,000
	124,315	133,060

4 Investment income

	Unrestricted funds General £	Total 2025 £	Total 2024 £
Interest receivable and similar income;			
Interest receivable on bank deposits	22,827	22,827	16,229

5 Expenditure on raising funds

a) Costs of trading activities

	Note	Total 2025 £	Total 2024 £
Humber Street Gallery - bar and catering		30,315	32,946
		30,315	32,946

6 Expenditure on charitable activities

	Direct costs £	Support costs (see note 7) £	2025 £	2024 £
Partnerships and Development	45,158	85,270	130,428	102,448
Marketing and Communications	10,263	19,379	29,642	79,248
Programme and Delivery	151,241	285,584	436,825	570,541
	206,662	390,233	596,895	752,237

7 Analysis of governance and support costs

	Staffing costs £	Governance £	IT, travel and communications £	Other admin costs £	2025 £	2024 £
Partnerships & Development	41,944	9,288	3,685	30,353	85,270	39,394
Marketing & Communications	9,533	2,111	838	6,897	19,379	21,348
Programme & Delivery	139,180	30,857	12,240	103,307	285,584	228,403
	190,657	42,256	16,763	140,557	390,233	289,145

Governance costs

	2025 £	2024 £
Independent examiners fees	8,200	7,520
Other accountancy costs	17,617	3,303
Trustees remuneration and other expenses	490	394
Legal & other professional fees	15,949	8,313
	42,256	19,530

8 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2025 £	2024 £
Independent Examination fees	8,200	7,520
Depreciation of fixed assets	1,618	16,031

9 Trustees remuneration and expenses

During the year travel and subsistence expenses totalling £423 (2024: £394) were reimbursed to two trustees (2024: two trustees).

10 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
Staff costs during the year were:		
Staff salaries	285,751	395,992
Employer's NICs	21,401	29,166
Pension scheme contributions	13,920	17,201
Temporary Staff	6,901	7,250
	327,973	449,609

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

	2025 No	2024 No
Administration	2	2
Partnerships and development	2	4
Programming and delivery	11	6
	15	12

During the year, the group made redundancy and/or termination payments which totalled £14,324 (2024 - £Nil).

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

The key management of the charity comprise the trustees and senior management team, as set out in the Trustees Report. The total employee benefits of the key management personnel of the group were £94,412 (2024 - £146,763).

11 Comparatives for the statement of financial activities

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and Endowments from:				
Donations and legacies	2	9,520	281,500	291,020
Other trading activities	3	133,060	-	133,060
Investment income	4	16,229	-	16,229
Other income		48,027	-	48,027
Total income		206,836	281,500	488,336
Expenditure on:				
Charitable activities				
Raising funds	5	(32,946)	-	(32,946)
Partnerships & Developments	6	(69,798)	(32,650)	(102,448)
Marketing and Communications		(57,976)	(21,272)	(79,248)
Programme and Delivery		(342,963)	(227,578)	(570,541)
Total expenditure		(503,683)	(281,500)	(785,183)
Net expenditure		(296,847)	-	(296,847)
Net movement in funds		(296,847)	-	(296,847)
Reconciliation of funds				
Total funds brought forward		1,222,638	-	1,222,638
Total funds carried forward	18	925,791	-	925,791

12 Tangible fixed assets

Group

	Land and buildings £	Computer equipment £	Furniture and equipment £	Total £
Cost				
At 1 April 2024	255,700	70,444	43,647	369,791
Additions	-	3,368	1,100	4,468
Disposals	-	(495)	-	(495)
At 31 March 2025	255,700	73,317	44,747	373,764
Depreciation				
At 1 April 2024	255,700	63,495	43,359	362,554
Charge for the year	-	4,271	230	4,501
Eliminated on disposals	-	(495)	-	(495)
At 31 March 2025	255,700	67,271	43,589	366,560
Net book value				
At 31 March 2025	-	6,046	1,158	7,204
At 31 March 2024	-	6,949	288	7,237

Charity

	Land and buildings £	Computer equipment £	Furniture and equipment £	Total £
Cost				
At 1 April 2024	255,700	36,243	40,434	332,377
Additions	-	3,368	1,100	4,468
Disposals	-	(495)	-	(495)
At 31 March 2025	255,700	39,116	41,534	336,350
Depreciation				
At 1 April 2024	255,700	34,128	40,146	329,974
Charge for the year	-	1,388	230	1,618
Eliminated on disposals	-	(495)	-	(495)
At 31 March 2025	255,700	35,021	40,376	331,097
Net book value				
At 31 March 2025	-	4,095	1,158	5,253
At 31 March 2024	-	2,115	288	2,403

13 Fixed asset investments

Charity

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total 2025 £
Cost		
At 1 April 2024	1	1
At 31 March 2025	1	1

Subsidiaries

At the balance sheet date the company owned 100% of the ordinary share capital of Absolutely Cultured (Enterprises) Limited, a registered company:09734156 incorporated in England. The subsidiary was established on 14th August 2015 to generate commercial revenue to support the activities of the parent charity.

14 Stock

	Group	
	2025 £	2024 £
Stocks	5,801	4,175

15 Debtors

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Trade debtors	3,118	2,287	2,000	500
Other debtors	1,092	2,216	-	-
VAT recoverable	6,691	-	12,250	-
Prepayments	19,527	55,159	19,244	54,859
Due from group undertakings	-	-	42,781	94,704
	30,428	59,662	76,275	150,063

16 Creditors: amounts falling due within one year

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Trade creditors	46,686	17,723	44,236	15,785
Other taxation and social security	8,357	13,291	8,357	10,556
Other creditors	30,000	2,782	30,000	2,782
Generation Hull	2,475	7,695	2,475	7,695
Producer Exchange	-	356	-	356
Accruals and deferred income	16,995	35,613	11,273	27,698
	104,513	77,460	96,341	64,872

17 Obligations under leases and hire purchase contracts

The total value of future minimum lease payments was as follows:

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Within one year	641	32,000	641	32,000
In two to five years	2,244	-	2,244	-
	2,885	32,000	2,885	32,000

18 Funds

Group

	Balance at 1 April 2024	Incoming resources	Resources expended	Balance at 31 March 2025
	£	£	£	£
Unrestricted funds				
General				
Unrestricted fund	326,472	188,084	(281,083)	233,473
Designated				
Designated fund	599,319	-	(144,727)	454,592
Total unrestricted funds	925,791	188,084	(425,810)	688,065
Restricted funds				
Restricted fund	-	201,400	(201,400)	-
Total funds	925,791	389,484	(627,210)	688,065

Absolutely Cultured Limited

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

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
General					
Unrestricted fund	1,222,638	206,836	(503,683)	(599,319)	326,472
Designated					
Designated fund	-	-	-	599,319	599,319
Total unrestricted funds	1,222,638	206,836	(503,683)	-	925,791
Restricted funds					
Restricted fund	-	281,500	(281,500)	-	-
Total funds	1,222,638	488,336	(785,183)	-	925,791

Charity

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Balance at 31 March 2025 £
Unrestricted funds				
General				
Unrestricted Fund	321,637	87,728	(176,238)	233,127
Designated				
Designated Fund	599,319	-	(144,727)	454,592
Total unrestricted funds	920,956	87,728	(320,965)	687,719
Restricted funds				
Arts Council England	-	200,000	(200,000)	-
Coastal North	-	1,400	(1,400)	-
Total restricted funds	-	201,400	(201,400)	-
Total funds	920,956	289,128	(522,365)	687,719

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
General					
Unrestricted Fund	1,213,696	78,064	(370,804)	(599,319)	321,637
Designated					
Designated Fund	-	-	-	599,319	599,319
Total unrestricted funds	1,213,696	78,064	(370,804)	-	920,956
Restricted funds					
Arts Council England	-	200,000	(200,000)	-	-
Esmee Fairburn	-	72,600	(72,600)	-	-
Coastal North	-	500	(500)	-	-
Heritage Lottery Fund	-	15,000	(15,000)	-	-
Total restricted funds	-	288,100	(288,100)	-	-
Total funds	1,213,696	366,164	(658,904)	-	920,956

Designated Fund
The trustees have designated various amounts totalling £599,319. Further details are set out in the trustees' report on page 23.

19 Related party transactions

There were no related party transactions in the current or previous year.

20 Security

The company's bankers hold a debenture dated 9th February 2015 over the assets of the company.

ABSOLUTELY CULTURED LIMITED

England & Wales - Charity number 1162199

Accounts

Smailes Goldie
CHARTERED ACCOUNTANTS

Registered Number: 9106231
Charity Registration Number: 1162199

Absolutely Cultured Limited

(A company limited by guarantee)

Annual Report and Financial Statements

31 March 2024

SD-0216601-1-6

ICAEW CHARTERED ACCOUNTANTS

building better together.

Absolutely Cultured Limited

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Absolutely Cultured Limited

Reference and Administrative Details

Trustees	B.P. Norman R. Lewis Dr K. Harker L Clarkson K. Wynne-Hague M. Lorch K. Smith A. Daniel P. White Q. Mahmood D. Sinclair
Charity Registration Number	1162199
Company Registration Number	09106231
Registered Office	Humber Street Gallery 64 Humber Street Hull HU1 1TU
Independent Examiner	Smailes Goldie Chartered Accountants Regent's Court Princess Street Hull East Yorkshire HU2 8BA
Solicitors	Rollits 58 High Street Hull HU1 1QE
Bankers	National Westminster Bank plc Hull Branch 34 King Edward Street Hull HU1 3SS

Absolutely Cultured Limited

Trustees' Report

REPORT OF THE TRUSTEES

The Trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2024 which are also prepared to meet the requirements for a director's 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 (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

CHARITABLE OBJECTS

The charity's objects ('Objects') are specifically restricted to the following:

1. To advance the education of the general public in the arts and the artistic and cultural heritage of the City of Hull and in particular the arts of performance, music, drama, poetry reading, sculpture, painting, handicrafts, and all other associated arts;
2. To advance the arts in particular the arts of performance, music, drama, poetry reading, sculpture, painting, handicrafts and all other associated arts, by encouraging public participation in the said arts and by the presentation of concert, performances, exhibitions and festivals provided that the promotion of such festivals and events is undertaken solely for the Public Benefit;
3. To promote the arts and heritage for the benefit of the public within the City of Hull in particular but not exclusively by supporting and representing the arts and heritage sector through promotion representation and development;
4. To further such other charitable purposes beneficial to the community consistent with objects (1) (2) and (3) above as the Trustees shall in their absolute discretion determine.

SIGNIFICANT ACTIVITY

Our Purpose

To deliver our charitable objects as listed above, Absolutely Cultured's purpose is focused on

'Creating opportunities and space for amazing creative experiences to happen, for everyone'

Operating from our venue in Humber Street, in Hull's city-centre, as well as in places and spaces across the city and in Hull's communities, we combine Arts Programming, Community Engagement & Learning, and Artist Development to deliver a programme of activity that is accessible, engaging, and fun and aims to increase opportunities for all to engage with and understand arts and culture. Whilst our core focus is contemporary visual art, we work across art forms and sectors to deliver projects that matter and provide creative opportunities for Hull's people as well as those from further afield visiting the city. Working through a partnership and consultation-based approach, we are driven by Place Shaping and Social Impact.

STRATEGIC AIMS 2023/2024

To deliver our purpose in line with our charitable objects over the course of 2023/24, we adopted the following five strategic aims:

Aim 1: Deliver a pioneering, bold, visual arts focused programme across our three strands of Arts Programming, Community Engagement & Learning, and Artist Development.

Aim 2: Grow and diversify audiences and customers we attract and engage, making the most of our brand to grow our reputation.

Aim 3: Be a team and organisation with fit for purpose governance, skills, knowledge, tools, resources, and practices.

Aim 4: Be a financially resilient organisation with a sustainable income and cost model.

Aim 5: Contribute to Hull's target to net zero by 2030. Reduce our own impact on the environment, whilst using our programming, relationships, and assets to increase awareness.

Through carefully curating a programme which is relevant to and resonates with audience in Hull we managed to grow and diversify our audiences and present a bold and pioneering programme. We made great progress in Aims 1,2 and 3 presenting a bold and pioneering programme across our strands, that attracted a wide range of audiences and increased footfall to our venue and engaged with diverse communities, while creating an agile and responsive team to deal with the requirements of a flexible business model. Below is a detailed look at how we made progress against our aims.

Aim 1. Programme

Our programme was focused on delivering pioneering, bold, visual arts focused activities across three strands of Arts Programming, Community Engagement & Learning, and Artist Development.

Exhibitions and exhibition related programming: Year-round visual arts Programme at HSG, in outdoor and unused spaces and in our Creative Satellite Centre(s), developing visual arts audiences including attracting new visitors and deepening engagement for existing audiences.

To enhance engagement with the exhibition programme every exhibition is supported by a series of Artist talks, workshops and a new commission that responds to the themes explored in the exhibition. This enables audiences to engage with the topic of the exhibition more deeply and provides a series of access points to the programme. Curator tours and the sessions led by Critical Fish were aimed to create confidence in first time visual arts audiences to talk and engage with contemporary visual arts programme and to encourage return visitors. Thursday lates were an opportunity for interdisciplinary explorations for artists to engage with the topic of the exhibition and to create links between different disciplines and visual arts. The outcomes challenged perceptions and created new inspiring collaborations.

Below is an outline of the programme:

Q1: 'Baa's House' by Hetain Patel and exhibition 2 'The Winner Breaks First' by Luke Beech showed in Space 1 and Space 2 respectively between 12.04.23 and 18.06.23 at Humber Street Gallery. Together they attracted 977 visitors which was a slow start to our season. Hetain's show celebrated family relations, resilience and the diversity and value immigrant communities bring to Britain. 'Winner Breaks First' was Luke's first institutional solo show and a great progression for Luke from our talent development programme to this milestone.

Engagement Programme consisted of:

- Baa's House: Artist Talk with Hetain Patel (online, May 3) Artist Hetain Patel delivered an online artist talk discussing his latest body of work created for the exhibition.
- An Evening with Critical Fish (May 10) Gallery hosted by Critical Fish to reflect and unpick themes present in our current exhibition programme. The evening had a focus on looking/experiencing, exploring/sharing, questions, conversation, and writing.

- Thursday Lates – SALAAM (June 8) Artist Michael Barnes-Wynters responded to Hetain Patel's exhibition *Baa's House,* with the preparation, cooking and offering of a designed dhal with chapatti for all attendees, aided by collaborator Emma Diamond, and providing attendees with a physical print titled *Curry Empire*.
- Thursday Lates: BAIZE MOI (April 20) Created by Gareth Chambers and performed by Joe Grey Adams, choreographed solo dance piece BAIZE MOI responded to the exhibition with an exploration of the sexual personae of masculine working-class archetypes prominent in pop culture.
- 'The Winner Breaks First': A queer foraging tour (May 7 & June 4) Artist Luke Beech and experienced forager Isaac Marsh took participants on an outdoor exploration with Hull's Queer Foraging Club, sharing knowledge about the uses of local flora and funga and how this fed into the exhibition.
- An Evening with Critical Fish (May 10) Critical Fish worked with participants to reflect and unpick themes present in Winner Breaks First, with a focus on looking/experiencing, exploring/sharing, questions, conversation, and writing.
- Winner Breaks First: In Conversation (May 11) Artist Luke Beech was in conversation with fellow artist Dom Heffer and composer Simon-Mary Vincent, to discuss emergent themes from Winner Breaks First and the nature of collaboration.

Q2: 'Bootleg Shreg and Friends' by Bruce Asbestos, was our family friendly summer show, with a bright colourful display of interactive inflatables and an imaginative character based on Bruce's idea of championing the quirky and more marginal heroes. The show ran between 13.07.23 and 01.10.23 at Humber Street Gallery across both our spaces and was aimed at young children and families. The exhibition attracted 7,085 people which exceeded our total annual visitor target of 7,000.

- Thursday Lates: Horrible House (August 17) Horrible House was a night of DJs, "open" house music and a bring-your-own DIY catwalk extravaganza. A call-out went out via our online channels inviting music-makers to submit original house tracks to be played on the night.
- Lunchtime Tours (Augst 31 and September 28) informal tours of the exhibition explore pop culture, the use of recognisable cultural characters, and the use of visual language in Bruce Asbestos' work.
- Artist Talk (online, September 21) Bruce Asbestos delivered an online talk discussing the body of work created for BOOTLEG SHREG & FRIENDS.
- Workshop Area an area for creative interaction with the exhibition was made for the public to build their own bootleg shreg out of plasticine. By the end of the exhibition, we had over 600 unique little sculptures made.

Q3: 'Perches and Flyways' by Jen Holtridge and Juneau Projects in Space 1 and Inter_Change Showcase in Space 2, ran between 16.10.23 and 21.01.24. The 'Perches and Flyways' exhibition, explored changing environments and bird species and was the culmination of 6 workshops delivered in collaboration with Artlink Hull which provides disabled communities opportunity to explore creative processes and improve wellbeing. In Space 2, the INTER_CHANGE Showcase celebrated work that has been produced by artists who have been supported as part of our INTER_CHANGE artist development programme over the period Spring 2022-Autumn 2023. 4,750 visitors attended the exhibitions.

- Thursday Lates: Dean Wilson (October 26) Poet Dean Wilson was commissioned to write a new poem inspired by Perches and Flyways and the exhibition's themes, which he premiered at this event. Dean also performed a selection of his published poetry, focusing on work about his love of the countryside and the coast, and there was a screening of Dave Lee's documentary about Dean, which was filmed in Withernsea and locations on the East Coast.

- Lunchtime Tours (November 9, December 7, January 4) Informal tours of the exhibition exploring and reflecting on activism, collaboration, and the physical act of making artwork.
- Artist Talk (online, November 15) Juneau Projects delivered an online talk discussion the exhibition and working with Creative Connections artists and ceramicist Jennifer Holtridge.
- Arty and Early Bods: A series of workshops engaging young children with the topic of the exhibition
- An Evening with Critical Fish (November 22) The Critical Fish worked with participants to reflect and unpick themes present in Perches and Flyways, with a range of activities and conversation.

Q4: 'You and Me in HU3' by Russel Boyce and George Norris ran between 05.02.24 and 14.04.24. A photographic exhibition by Russell Boyce and local photographer, George Norris. The exhibition celebrated themes of family, tradition, place, and friendship. The exhibition has been successful, not only in terms of visitor numbers, attracting 12,031 visitors, but also how it resonated with visitors. Many comments like "What an amazing exhibition showing not only the reality of life but also the diversity.;" "The celebration of all that is Hull and a reminder that hard times can also bring the most joyful of moments." For many visitors this was the first time they have been to the gallery. The exhibition garnered great press attention from Look North, The Yorkshire Post and others.

- Exhibition Tours (February and March) Our programme assistant provided x2 'after hours' exhibition tours. The exhibition was also visited by a large group of pupils from Boulevard Academy, who have strong links to the areas depicted in Russell and George's photographs.
- Thursday Lates: Gill Adams and Da Marmi (February 22) Playwright and performer Gill Adams was commissioned to write, and performed, a new short piece of work about the strong women of Hessle Road. Da Marmi, a 'manouche jazz' guitar duo, performed a selection of songs in response to the exhibition.
- An Evening With The Critical Fish (March 7) The Critical Fish worked with participants to reflect and unpick themes present in You and Me in HU3, with a range of activities and encouraging a response to a single 'favourite' image. Artist George Norris attended and fielded a range of questions from participants.
- In Conversation (March 14) Chaired by our engagement producer, Russell Boyce and George Norris discussed their first collaborative exhibition, the result of 40 years of friendship and inspiring each other. In addition, earlier in the day Russell and George delivered a talk, including photographs, at the West Hull ARLFC Hub, attracting an audience of x70 Gipsyville residents.

Audience Figures: The year-round exhibition programme attracted 51,454 visitors to the Humber Street Gallery venue compared to a target of 37,000. This represents an increase of 8,500 compared to the previous year (42,833). 23,454 visitors experienced exhibitions in the gallery spaces compare to a target of 7,000. 25% of visitors were new to the gallery compared to a target of 15%. 48% of audiences rated their experience as excellent and 43% as good, meaning 91% rated their experience as good or above.

Visitors to the venue:

Actual	51,454
Target	37,000
Increase to previous year:	8,500

Exhibition Visitors

Actual	23,454
Target	7,000
Increase to previous year (22_23: 5969):	17,485

Activity	No of sessions	Participants over the course of all sessions
Artist Talks	5	93
Critical Fish	4	24
Thursday Lates	5	196
	14	313

Community Engagement & Learning:

We aimed to deliver a year-round programme of art, learning and engagement in our satellite creative centre pilot area(s), co-created with communities in Spring Bank and Gipsyville. Communities we have been working with since 2018. The programme aims to increase cultural engagement, confidence and connections with city-centre and Hull's cultural offer, with the long-term goal of making the centre(s) self-sustaining. 2023/24 was the final year of a three-year pilot which resulted in the communities we worked with continuing to programme the Saturday workshops for themselves with a range of activities with the continued support of the team at Absolutely Cultured.

During Q1 weekly chat sessions around issues raised by the community. 60 participants with 35% repeat and 65% new. Creative workshops were delivered by Middlechild and participants worked with Middlechild to create a play based on the stories told by the participants. This resulted in a community play performed outside the gates of Reckitt Benckiser. (more about this below in Case Study 1)

During Q2 we continued to deliver Coffee and Chat sessions taking place on Wednesdays from 10-12 in Gipsyville Library, with 141 attendees. From July to September, we delivered creative sessions by Arting on Saturdays aimed to develop cultural confidence and engagement among the community. A co - created exhibition with the work showing created by attendees to the craft sessions on Saturdays was shown from 24/11/2023 - 8/12/2023 in Gipsyville library. Juneau Projects and Bruce Asbestos worked closely with community groups. Juneau held 6 sessions with Creative Connection Groups at Artlink and Victoria House. Bruce total participants was 60 across Welcome to English, Gipsyville residents and Class 4 at Pearson Primary. Juneau total participants was 30 across Creative Connections. Weekly chat sessions in Q3 at Gipsyville Library focused on conversations around issues and activities raised by the community. In November, two Christmas lantern making sessions took place, led by artist Rosie Ireson, the lanterns were being prepared for the community Christmas lantern parade. Photographer Tom Arran visited the group to take photographs for use in Hull City Council's ten-year Community Plan (2024-2034).

Absolutely Cultured Limited

Trustees' Report

During this quarter, residents worked with AC (Absolutely Cultured) team members to create 'The Gipsyville Voice' - an 8-page full colour newsletter comprising of editorial content created by participants, including news, reflections on the sessions, memories, callouts to other residents and a column. The publication was linked historically to a 1980s produced regular newsletter that was edited by one of the regular participants. 1,000 copies were printed and distributed in the area. Two participants with existing craft skills have self-initiated and created a ‘craft and natter’ session that now takes place regularly on Mondays at the library, complementing a 'knit and natter' session that was created by another Gipsyville resident who occasionally attends the sessions and initially asked this group if there was any interest. Conversations commenced with Artlink regarding how we could partner on some activity in Spring Bank. On alternate weeks, we also hold 'cultural lunches' following the coffee and chats. Cultural conversations over lunch with guest speakers. Guest speakers have been Reckitt archivist Dr Grace Chapman, Living with Water Community Coordinator Lauren Murtagh, and actor Matt Sutton, who gave a table reading of Dan Billany's poetry and prose work. Billany was born in the area.

In Q4 we came up with a programme of activity that had been suggested by participants. Arting sessions, titled Do You Know Who I Am? continued at Gipsyville Library, with 11 sessions taking place and attracting an average of x15 participants (a total of 165 participants). Multi-generational, participants are a combination of parents/carers and children, along with older members of the community. The objective of the project is to engage the local community in a meaningful and purposeful project which will enhance their art skills and build self-confidence: leading to a more independent and confident approach in the future. The project invited participants to examine their identity and what makes them who they are. This included their family background and heritage, the city of Hull and its history, the local environment and how this all links together. Participants knew from the outset that their work would be exhibited within the library and that they would play a part in organising this. Event planning for a final session empowered the group to share their skills with the local community by running drop-in craft workshops at a Saturday event called ‘We Wish You A Hully Christmas.’ Supported by artist Alison Ollerhead, this event gave participants a chance to showcase their creativity and organisational competence and give them ‘live’ event experience. Arting exhibition

In Q4 there were Coffee and Chat sessions continued at Gipsyville Library, with 6 Cultural Lunch sessions with guest speakers (stand-up comedian Jed Salisbury, poet Vicky Foster, Humberside Police PCSO Alex) and art activities that included camera obscura making, memory map making, badge making, poetry writing, and a conversation around combatting loneliness and isolation.

Art workshop sessions led by Arting titled ‘Read All About It’ took place at Gipsyville Library on Saturday mornings from January 13 to March 23 at 10.30am-11.30am attracting family participants and older community members. These sessions followed and further developed last quarter’s Do You Know Who I Am? sessions, where participants worked with a range of materials and in a range of styles, this time creating illustrations based on Hull events, landmarks, food and people, along with accompanying text for collation into a colour printed newspaper that will be available in May 2024. A selection of work created for the Do You Know Who I Am? exhibition in Q3 was taken to the West Hull Hub at North Road, Gipsyville on February 1, at an event attended by 100 people, generating a lot of conversations and valuable feedback.

‘You and Me in HU3’ exhibition photographers George Norris and Russell Boyce delivered an Artist Talk, including projections of a selection of their photographs, at the West Hull Hub on March 14, attended by 70 people. The West Hull Hub was presented with a copy of the large format book that accompanies the exhibition.

A selection of x6 ‘You and Me in HU3’ photographs, along with an interpretation panel, was located on the perimeter fence outside the Gipsyville Library on February 8 and will be in place until the exhibition closes on April 14, 2024. There has been so much interest in the photographs from local residents that the Library has requested to keep the images, which they will display inside the Library after April 14. A co-created programme of creative workshops with Artlink in Q4 resulted in x40 workshop sessions with four established community groups - the Hull Afro Caribbean Men’s Group, Open Doors, The Warren LGBT+ Shout group and Welcome House - with x10 artist-led sessions each and approximately 10 participants in each group. Facilitators were Jennifer Holtridge (ceramics), Fraser Briggs (print), Glynis Nelson (photography), Siddi Majubah (performance & movement) and Dave Okwesia (writing for performance). The work created will be celebrated at events in 2024-25 Q1, including on April 17, 2024, at Hull Truck Theatre, who provided in-kind venue support to the Hull Afro Caribbean Men’s Group.

Organisations worked with:

- Artlink
- Gipsyville Library
- Hull Afro Caribbean Men’s Group
- Open Doors
- The Warren LGBT+ Shout group
- Welcome House
- Middlechild
- Handmade Parade
- Peel Street Project
- West Hull Rugby Club

Artists we engaged with: Jennifer Holtridge (ceramics), Fraser Briggs (print), Glynis Nelson (photography), Siddi Majubah (performance & movement) and Dave Okwesia (writing for performance), Alison Ollerhead, Vicky Foster, Matt Sutton, Rosie Ireson, Abadaba

Case Study: Middle Child Theatre Company – Gipsyville Heritage Project

‘This One’s For Us’ was a 45-minute outdoor theatre show that took place on Essex Street, Gipsyville. The production was born out of workshops that involved residents sharing their own stories, which were then transformed into a script by writer Rachel Abbey. 127 audience members attended x2 performances on Saturday June 3. workshops with residents ran in Gipsyville Library from July 2022. The ‘show week’ of Monday 29th May to Friday 2nd June involved rehearsals at Middle Child’s space and additional activities for residents. As part of the production, an accompanying zine was created that included stories from residents. A film of the ‘This One’s For Us’ production was screened at the West Hull ARLFC Community Sports Hub, on Gipsyville, on October 19th, along with an afternoon of entertainment, including sea shanties that are relevant to the area, attended by 80 residents. Feedback from residents was overwhelmingly positive, appreciating and valuing the fact that their story was told on their doorstep.

Case Study: Peel Street Park Festival – Spring Bank Heritage Project The event took place on 15 July 2023 and was attended by 406 people.

Peel Street Park Festival was the culmination of our work with various communities in the Spring Bank Area. We collaborated with Peel Street Project, HACA, the Community Centre and residents to create a free three-hour family event in Peel Street Park to celebrate their diverse community and raise awareness of the area's heritage. In partnership with Handmade Productions CIC and local artists we delivered a range of creative 'craft making-and-take' activities on the theme of the Zoological Garden that once was located in the Spring Bank area. These workshops culminated in a parade on the day of the festival, where Abadaba Circus ran circus skills workshops and performed in costume and on stilts also on the theme of the Zoological Gardens, experienced drummers and percussionists ran a drumming circle workshop and Beats Bus encouraged young participants to create and perform their own piece of music.

Prior to the festival, several workshops took place in June and July:

- a Zoo related artwork workshop at Hull Afro Caribbean Association, with 25 residents;
- x2 family drop-in workshops attracting 20 residents,
- creating large-scale zoo-themed pieces for the Festival took place on at Spring Bank Community Centre, led by Handmade Productions CIC and including circus skills delivered by Aba Daba Circus;
- a full-day workshop at Pearson Primary School - including a morning working with x50 families,
- Creating bunting to decorate the Festival site and other zoo-related pieces at Pearson Primary School Summer Fair, including zoo-themed mask-making workshops, circus skills
- Circus skills workshops delivered at Pearson Primary School by Aba Daba Circus

Early Bods and Arty Bods:

Our programme aimed at learning for all ages. Year-round programme of learning, engagement, skills (workshops, talks, classes) for all ages taking place in HSG and in our Creative Satellite Centre(s)

Starting the season with popular sessions for 0–5-year-olds delivered by artist Saffi Brown, we moved to an older age group for Arty Bods, which is delivered by Lucy Brooke. The sessions are popular with local families and provide a welcome opportunity for creative learning and engagement from an early age and supports and enhances the overall offer in the city.

Early Bod sessions took place on Wednesday's and after the successful delivery of the 12 initial sessions which ended at the beginning of November, we are looking to develop these further and aim at an older group and move to a Saturday. Following the conclusion of these sessions we made the decision to aim sessions at an older age group (5-11) and switch days to a Saturday, led by Lucy Brooke, with an aim to relating content, as much as possible, to the exhibition programme. Arty Bods - Saturday morning art workshops designed for 5–11-year-olds led by Lucy Brooke - commenced on Saturday 24 February and were scheduled to take place every Saturday from 10.30am-12.30pm for 12 weeks until 11 May. In April, a meeting will take place with Lucy to reflect on the sessions and plan future activity. Lucy was asked to create a session plan that was inspired by HSG's exhibition programme and artists. Sessions have covered collage, various printing techniques, clay sculpture, portraiture, Easter-themed card making, mosaic, narrative, sketching, storytelling, watercolours and working in mixed media. The sessions have proved exceedingly popular, with the only issue being oversubscription of the 15 places for young people available. Across the six sessions in this quarter, 86 young people, accompanied by their parents/carers, have attended in total.

Participant Figures:

Through our engagement and learning programme we delivered 217 sessions in various settings either working in collaboration with Middlechild, Artlink, Handmade Parade or directly with Gipsyville Library or West Hull Rugby Club with 4138 participants taking part.

Activity	No of sessions	Participants over the course of all sessions
Gipsyville Coffee & Chat	50	617
Gipsyville Arting workshops	36	540
Gipsyville cultural lunches	24	259
Christmas Parade, Carol Singing & Christmas Light Switch on	1	177
Middle Child workshops	9	90
Middle Child x2 performances of This One's For Us	2	127
Film Screening of 'This One's For Us'	1	80
Peel Street Park Festival	1	406
Peel Street Park Festival workshops	6	845
Juneau Projects creative sessions	6	30
Bruce Asbestos creative sessions	3	60
Early Bods	18	108
Arty Bods	6	86
Artist Talks	5	93
Critical Fish	4	24
Thursday Lates	5	196
AC & Artlink workshops with community groups	40	400
You and Me in HU3 artist talk at West Hull Hub	1	70
Total	217	4138

Artist Development: Year-round artist development and learning opportunities for local creatives working in any artform. INTER_CHANGE, is an artist professional development initiative which evolved from 2 previous programmes Hull Independent Producer's Initiative (originating in 2016) and Fruit Factory Network (a programme for visual artists which originated in 2018). This year, in its fifth year as Inter_Change, a core cohort of 9 creative practitioners at the early stages of their career participated. The cohort benefited from support including mentoring, peer to peer sessions and exchange visits with other creatives and organisations in the North of England. The programme culminates with an exhibition in Autumn 2024/25. Local artist Matt Fratson delivered a funding workshop to an audience of 11 80% of whom rated the session as 'Excellent'. During Q3 a Toolkit Masterclass was delivered by Matt Walton, Development Manager & Isabel Mansfield, Marketing and Communications Assistant. The session took the form of a 'surgery' with participants on our INTER_CHANGE programme, along with the public, getting the opportunity to receive feedback and support on aspects of arts marketing and self-promotion for individuals. Attendance was 12 with a capacity of 15. 100% of attendees rated the session as Excellent. The INTER_CHANGE cohort also attended two field trips. The first took place in Hull and the cohort was introduced to Adele Howitt at Studio 11, Sarah Pennington at HARI, and people at the Ferens. The other visit was to Nottingham where they connected with Primary, Nottingham Contemporary, City Arts/Carousel, Backlit and Gasleak Mountain. The idea is to expand their networks and be exposed to other artists.

During this the last Quarter Jade Blood was artist in residence at Wilberforce College and worked with a diverse group of students to develop an exhibition event showcasing the work with the textile department, looking at ecologies of clothing, craft, and upcycling. The event will be taking place in October 2024 and be called 'Dinner Party for the Future'.

Participants:

Activity	No of sessions	Participants over the course of all sessions
Curator tours at HSG	9	98
Interchange workshop	9	78
Interchange field trips	2	10
	20	186

Aim 2. Audience Development

A key aim was to grow and diversify audiences and customers we attract and engage, making the most of our brand to grow our reputation.

55,861 visits were made to Humber Street Gallery between April 2023 and March 2024 compared to 42,833 the previous year. In 2023/24, we saw attendance from residents in every postcode of Hull.

A robust audience development and marketing plan was implemented. There was a clear correlation between the type of programming in the venue and audience visits which cannot be explained by seasonal trends alone. Exhibitions like 'Bootleg Shreg and Friends' seeing 4 times the number of attendees targeted and 'You, me and HU3' seeing almost 8 times the targeted number of visits. Exhibition planning is informed by audience feedback. Going forward, it is our intention to embed this approach even further with plans to further increase audience involvement in decision-making as well as increasing representation of our audiences within the organisation. Plans to review the Brand were put on hold during this period due to the organisational review and new business model development. Plans are also subject to a potential venue change. This will now be reviewed in the upcoming period 24/25.

Aim 3: Organisational Development

Be a team and organisation with fit for purpose governance, skills, knowledge, tools, resources, and practices.

The main piece of work under this aim was to develop a new business model which is reflective of the organisation's new priorities as a contemporary visual art organisation based in a city-centre venue and at a financial level that is reflective of the realistic income opportunity. This work was completed and the difficult decision was taken by the board to restructure resulting in reduction of FTE members of staff. The period with changes to staffing completed by June 2024. A board sub-group was also implemented in this period to investigate alternative venue options with a view to reducing our fixed costs in relation to operations and identifying an alternative venue arrangement that meets our needs going forward.

Following the outcome from the NPO (National Portfolio Organisation) decision and in response to the challenging funding landscape, Absolutely Cultured has been reshaping and re-invigorating its purpose, developing a lower cost business model, and reviewing our venue needs. Whilst challenging, this is also a great opportunity to focus its activities on the visual arts and deepen its work with communities. The work will continue to contribute to the cultural ecology of Hull through strengthening the role that contemporary visual art can have for Hull's communities and artists as well as the economic benefits a centrally located, high quality CVA offer can bring.

Aim 4: Financial Resilience

A key aim for this reporting period was to be a financially resilient organisation with a sustainable income and cost model.

Income - Fundraising

During this reporting period, sector benchmarking was undertaken to look at similar organisations and their cost and income models. A review of the grant funding landscape and other potential income streams was also undertaken. This work fed into business model development being undertaken by Leadership Team and a new fundraising strategy was developed, which is reflective of the findings and of current opportunities and risks for the organisation. Income will take time to develop. Reserves will be strategically utilised to support this growth and we expect to be operating at an annual budget level of £400K - £500K by March 2027 if the fundraising strategy is successfully implemented.

This was Absolutely Cultured's first year as an Arts Council England (ACE) National Portfolio Organisation (NPO). This was awarded for the period April 2023-March 2026 subject to annual review. During the year, ACE announced that this round would be extended until March 2027, subject to an extension application. The NPO funding is to deliver a city-centre based venue with a Contemporary Visual Arts offer.

The funding landscape continues to be incredibly challenging and changeable. This new business model responds to this and will need to remain responsive to the financial environment going forward. Some tough decisions have been taken to move AC on towards being able to sustainably deliver outcomes for the public. The Trustees have agreed to continue to invest our reserves strategically to match fund work that can ultimately become funded and invest in income generation.

Funding from Esmeé Fairbairn Foundation (final year of a 3-year agreement) supported our work in two local communities of Gipsyville and Spring Bank as well as a learning programme for people of all ages taking place across Humber Street Gallery and in the communities. This funding also contributed to delivering our Inter_Change artist development programme for emerging local artists. Their support has enabled us to give high quality arts experiences to people who are often excluded from opportunity and to work in partnership with local schools, libraries, and mosques. Esmeé Fairbairn Foundation also increased both this and the previous year's allocation by 10% in response to the current economic crisis, which we are extremely grateful to them for.

Funding from National Lottery Heritage Fund supported two 15-month long projects in Gipsyville and Spring Bank communities. The projects focused on identifying and exploring local heritage and culminated in a final event in each area (June and July 2023).

Hull City Council provided sponsorship to AC during this period, to support us to deliver the above activities and outcomes agreed with the above funders.

Income - Commercial

An important objective to support the financial resilience aim, (Aim 4) was to develop our commercial income, to generate unrestricted income and contribute profit to the charity.

From January 2023, the Food & Beverage offer was brought in house with plans to grow income through the cafe bar as well as hires, events, and other potential activities. As a new venture for AC, it was expected that income may take time to grow in year one and evidence would be required that the income trajectory was towards profitability by year two. An options appraisal was undertaken by the Directors of Enterprises to ascertain the realistic income potential from commercial activities which concluded the daytime cafe offer was unlikely to breakeven and income from space hire was not likely to cover these losses. Further development is planned for this area to identify new avenues for earned income that are not reliant on a food & beverages offer at a time when the hospitality industry is struggling.

Aim 5: Environmental Sustainability

Contribute to Hull's target to net zero by 2030. Reduce our own impact on the environment, whilst using our programming, relationships, and assets to increase awareness.

Over the last year we signed up to Sustainable Palm Oil Pledge for our food offering, which ensures that all products containing palm oil to come from a sustainable supply. We have also begun to use Julie's Bicycle - Creative Green Tools, which will allow us to continue to measure our impact. Our Environmental Policy sets out our intention to reduce our negative impact on the environment and have a positive impact through our cultural programme, with clear objectives and targets and our Business Plan has clear objectives and success measures relating to Environmental Responsibility that are managed by an internal lead and overseen by a board champion.

LOOKING AHEAD

A New Business Model

The new vision and purpose going into 2024/2025 is below:

Vision: A world-class visual arts venue recognised for its excellence, which inspires change and creates opportunity with, by and for artists and Hull's communities.

Mission: Empowering artists and Hull's communities to develop creatively, to enable change and to access opportunity through contemporary visual art.

Operating from our venue in Humber Street, in Hull's City Centre, we deliver a high-quality visual arts programme involving renowned exhibitions, community engagement and talent development.

Absolutely Cultured (AC) with its increased focus on Contemporary Visual Art (CVA), has an exciting and flexible offer that fits well with the cultural mix in Hull. It can achieve in time a successful and sustainable mixed economy model. However, it should be stressed that the sustainability of AC is by no means certain and will rely on us remaining adaptable and responsive to opportunities that arise. Public funding for arts and culture is under threat and the value of art in places like Hull is being questioned as budgets are under pressure and priorities heightened. Our focus remains on continuing to deliver real value, within the financial and resourcing constraints we face. In addition to grant funding, cross sector partnerships that can stimulate innovative ways of responding to local challenges and opportunities, bringing in funding that otherwise wouldn't be accessed, is key to developing this opportunity. We will work constructively with partners at local, regional, national, and international levels.

We will focus on our commitments to support the delivery of the ACE Lets Create Strategy, embodying the Investment Principles, delivering against Hull's soon to be revised Cultural Strategy, as well as delivering against the aims and outcomes set out in strategies of those funders who we align well with.

2024/25 Activity Plans

- Exhibitions: A focus on Hull and its rich cultural history looks at showcasing emerging artist Jack Pell's first institutional show, Live Like Legends – an exhibition celebrating the inspiring story of 40 years of Street Artists and their scene, Annabel McCourt's touring show 'I'm Sorry' alongside our Interchange Showcase for the 23/24 cohort and a Climate Call Out in partnership with the University.
- Artist Residency in a school or community setting.
- Creative interventions by 2 artists exhibiting to take place in a community setting to both provide opportunities for the artists and community members to explore the content of the exhibitions in a new way.
- Weekly coffee and chat sessions in Gipsyville or another community setting aiming to develop cultural engagement and confidence within those communities.
- 10 Masterclasses on professional practice.
- Inter_Change artist development programme with culminating showcase of new commissions planned for 25/26 (5 participants).
- Pilot a mid-career development programme (2 participants).
- Year-round programme of learning, engagement, and skills for all ages with partners at the forefront of innovative practice (5 workshops, 10 early years sessions, 10 older children sessions).

- Open space dynamic programming (potential partnerships with University of Hull, Unthinkable film festival, Richie Culver).

Current External Landscape

The environment in which we operate is uncertain and whilst, as a relatively young organisation, we have had some unique challenges in our history, we are far from unique in being impacted by this. A strength our own history presents is that we are an adaptable organisation that has shown it can navigate change and be resilient.

For cultural organisations to thrive, being tapped into the needs and priorities of place is essential for continuation and growth. Public funding for the arts is shrinking, trusts and foundation funding is more competitive than ever before. Whilst funding and political uncertainty will undoubtedly impact the cultural sector, the role of arts and creative organisations in cities and places and in how the country presents itself to the world has never been more important. At a local level, levelling up funding is being earmarked for skills and capacity development to drive economic growth.

8 organisations in Hull successfully became NPO's for the period 2023-26. 4 of which are new to the portfolio but had previously received ACE funding through other funding streams. Absolutely Cultured Ltd being one of the new organisations to join this round. Two other organisations in the city are no longer part of the portfolio. Overall funding into Hull via the NPO funding stream increased by over £1m compared to the last round. These changes enable opportunities for collaboration and partnership working across the various artforms and locations of the organisations in the city. There is clear opportunity for a more collaborative approach across sectors and across creative sectors particularly. Following the outcome of the NPO decisions, AC initiated conversations with several other Hull-based arts/culture organisations and has strengthened opportunity for collaboration with Artlink and Back to Ours in particular.

The local authority is developing a new Cultural Strategy by working with the Hull and East Riding Cultural Compact (now called HEY Creative) and Local Economic Partnership. There is a growing interest in developing deeper cultural partnerships with North Lincolnshire organisations with investment such as the Cultural Development Fund boosting activity especially around Grimsby and Scunthorpe.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Absolutely Cultured Ltd is a company limited by guarantee whose business is governed by a Board of Trustees. The company gained charitable status on 15 June 2015. The Board of Trustees comprises individuals who together are responsible for the governance of the charity. The company was originally formed to deliver Hull's year as the UK City of Culture in 2017 and, in September 2017, it was announced that the organisation which was set up to deliver 365 days of transformative culture, was to continue, with a much reduced and redefined remit which will form part of the city's legacy.

To reflect this change, the company changed its name from Hull UK City of Culture 2017 Limited to Absolutely Cultured Limited, on 24 May 2018.

The Board currently consists of eleven Trustees. During this time our current Chair Lee Pitcher informed us of his need to step down due to his burgeoning political career and the search for a new Chair resulted in Qaisar Mahmood taking on the role as of 28th June 2024. We would like to thank Lee Pitcher for successfully leading the board over the last 3 years. The full list of Trustees is set out in the reference details below.

Trustees' Report

The full Board of Trustees met seven times in the period on the dates as listed. Four Main Board meetings and three extraordinary meetings and a meeting to receive a presentation on the Business Plan. This is higher than typical and is reflective of the organisation change process which took place during this period:

Board Meeting Dates from 1 April 2023 – 31 March 2024

- 13 April (Extraordinary)
- 18 May 2023
- 19 July 2023
- 14 September (Extraordinary)
- 23 November 2023
- 16 February 2024 (Extraordinary)
- 07 March 2024

All full Board meetings take place in person, however, to allow accessibility for all Trustees, those who cannot attend in person are able to join remotely with the chair ensuring they are able to fully participate in the meeting as if there in person.

The Trustees act on advice and information from the Executive Leadership which is responsible for the day-to-day management of the charity.

Recruitment, Appointment and Training of Trustees

The charity continues to refresh the Board and this year saw the recruitment of 7 new Trustees.

Five Trustees stepped down during this period. G. F Allenby, Dr C. Tomlinson, M Gibson J Weldon. L Pitcher (Chair) announced he would be stepping down by June 2024. We sincerely thank all for their contributions during their time on the board.

The seven newly appointed trustees bring a range of experience and perspectives to the organisation. In particular, they strengthen art sector and creative programming skills and knowledge including community co-production, public relations, and education sector. There is increased understanding of fundraising on the board, though income generation more broadly is an area we will look to enhance further going forward. The new Chair Qaisar Mahmood joined the board in June and enhances the boards expertise on diversity, inclusion and community engagement and has got in depth governance and charity experience. The Board of Trustees understand the importance of self-development and improvement and, as part of this process, training sessions on governance have been delivered by Rollits. Other training is implemented as and when needed.

The Board appointed Ben Norman as senior independent director in November 2019.

Board Diversity

Our commitment to diversity is based on the belief that everyone should have access to high quality creative opportunities and that different experiences and perspectives bring not just richness and relevance but are often what makes art produced in the UK exceptional. Based in Hull, which is the 4th most deprived local authority in England, and where a high proportion of the population has low arts engagement, our goal is to increase representation across the board and leadership of people with lived experience of exclusion, in particular experience of socio-economic deprivation and the barriers this creates.

Going through change importance of stabilising the board and bringing in the expertise we need going forward. Longer term the shift we want to make is being representative of the communities we work with i.e. people with lived experience of the topics / issues communities like those in Hull face.

Portfolio Responsibilities

The eleven Trustees of Absolutely Cultured bring specialisms and experience from all areas of business and the arts which they use to support the company's activity and in line with a smaller scale company. There is a Fundraising, Finance, Governance and People (FFGP) sub-group which consists of four Trustees and is chaired by Richard Lewis. Their remit is to provide a forum for the Executive Leadership team to discuss matters of strategic and significant importance to the charity before presentation to the main Board. The committee monitors progress against the fundraising strategy, reviews the annual budget, receives the audit report, appoints financial service providers, oversees financial control, and reviews HR policies and pay. This committee has been repurposed to strengthen oversight of our income generation activities and replaces the former Finance and General Purposes Committee (F&GP).

Related parties and co-operation with other organisations

The Trustees are not remunerated and receive no other benefit from their work with the charity. Any connection between a Trustee or senior manager of the charity with business partners, sponsors or suppliers is disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party.

Trustees to have held office during the year and up to the date of this report:

	Appointed	Resigned	Main board meetings attended	Finance committee meetings attended
G.F. Allenby	19/07/2018	19/07/2023	3 of 3	N/A
B.P. Norman	17/07/2018	-	7 of 7	1 of 1
R. Lewis	13/08/2018	-	5 of 7	1 of 1
Dr K. Harker	14/01/2021	-	6 of 7	N/A
M. Gibson	14/01/2021	23/11/2023	3 of 5	1 of 1
Dr C. Tomlinson	14/01/2021	19/07/2023	1 of 2	N/A
L. Pitcher (Chair)	08/07/2021	28/06/2024	6 of 7	1 of 1
J. Weldon	31/03/2022	19/07/2023	0 of 3	N/A
L. Clarkson	23/02/2023	29/07/2024	6 of 7	N/A
K. Wynne-Hague	14/09/2023	-	3 of 4	N/A
K. Smith	23/11/2023	-	2 of 3	N/A
K. Genever	23/11/2023	-	2 of 3	N/A
P. White	07/03/2024	-	1 of 1	N/A
A. Daniel	07/03/2024	-	1 of 1	N/A
M. Lorch	23/11/2023	-	3 of 3	N/A
Q. Mahmood (Chair)	28/6/2024	-	N/A	N/A
D. Sinclair	28/06/2024	-	N/A	N/A

Group Structure

The group consists of Absolutely Cultured Ltd and Absolutely Cultured (Enterprises) Ltd which is a wholly owned subsidiary of the charity and a separately registered company. Absolutely Cultured (Enterprises) Ltd carries out non-charitable trading activities to raise funds for the work of the charity and was incorporated on 14 August 2015.

Separate consolidated financial statements incorporating the results of the charity and the subsidiary have been prepared.

The Executive Leadership structure at 31.03.24

Janine Crombie: Development Director

Marianne Lewsley-Stier: Creative Director

Joanne Norman: Finance & Operations Director

During this reporting period, the company was led on a day-to-day basis by an Executive Leadership Team. The team shared Executive Leadership responsibilities whilst also leading on areas of specialism. Janine Crombie (Development Director), Joanne Norman (Finance & Operations Director) and Marianne Lewsley-Stier (Creative Director). During this period, the Executive Leadership Team worked with the Board of Trustees to undertake a period of organisational change. Alternative business models were explored that would ensure the longer-term sustainability of the organisation, in response to the challenging economic climate. The Board of Trustees accepted the Executive Team's recommendation to move to a reduced staffing structure. Part of this recommendation was to move to a single leadership model. Janine Crombie and Joanne Norman announced they would not express an interest and would be stepping away from their roles. After a recruitment process, Marianne Lewsley-Stier was appointed as the Artistic Director & CEO of the organisation with the change being implemented in April 2024.

Pay and remuneration of the Executive Leadership personnel is initially set by the Board of Trustees with reference to the company pay scales, market conditions and sector salaries. In line with our Pay Policy, where the Trustees agree an organisation wide pay award, all staff are eligible to receive this, with further individual pay rises assessed against performance management criteria.

Employees

There is an understanding of the importance of the company's employees to the longer-term success of the Charity. In line with the previous year, the Trustees took a strategic view of pay and reward in this reporting period, acknowledging that economic factors were continuing to be very challenging and considered various options to support its employees. Taking into consideration the charity's financial position, a decision was made to award all staff an additional one-off cash payment above the annual organisation pay award in order to support them with the rapidly rising inflation. We continue to offer flexible working to our non-venue team, allowing staff members to work a mix of in the office and home working in response to staff requests. Staff report this flexibility ensures a good work life balance is maintained and improves their productivity.

The company regularly communicates with its employees through team meetings, team wide e-mails and one to ones. Trustees are invited to team meetings to foster open relationships with employees. An annual employee survey is undertaken to allow for honest feedback about their experience working at Absolutely Cultured. These surveys are shared and reviewed by the Board and Executive Leadership team. Staff engagement is high with most employees completing the latest survey. Staff training is important to support both the continual skills development of our team to deliver our programme of activities and to give them the skills to further develop their careers externally (Aim 3). We develop training plans through staff appraisals and implement a training plan each year.

Our Buildings and Operations

We operate from premises in Humber Street, Hull where we present our visual art exhibition programme, supporting programme and commercial activities including a café and bar and small shop. We have robust health and safety measures in place ensuring staff and customers have a safe environment to work and visit. Maintenance is regularly undertaken to ensure equipment is running effectively and have systems in place to ensure operations run smoothly. All activity undertakes a robust risk assessment with controls and risk measures put in place to ensure public and staff safety.

Funding Partners

As a charitable company, funding partners are significant stakeholders. Relationships with these Partners are held at all levels across both the company and the funding partner's organisation. Regular meetings are held with the main funders to ensure they are fully conversant with the planned programme of creative events, impact on grant funding and impact on the community at large. The company's major stakeholder is Arts Council England, and, as part of our NPO funding agreement with them, they are invited as an observer to the company Board meetings and are kept informed on key organisational changes and developments. We have completed a funding partnership with Esmeé Fairbairn Foundation which, whilst subject to a new application and agreement, we hope will be able to continue in future years.

Funding from trusts and foundations, whilst competitive, will be an important source of income for us. We will aim to secure funding partnerships with the larger trusts and foundations who align strongly with our purpose. In addition, we will aim to secure funding from a wide range of small-medium sized funders in order to deliver our aims. The National Lottery Heritage Fund (NLHF) has supported a number of AC projects. We plan to continue to seek support from NLHF where projects are identified as having strong alignment. Hull City Council (HCC) are an important partner for AC, from a funding as well as sector development and delivery perspective. We will continue to work together to deliver our agreement with them, to deliver cultural activity which responds to the needs of Hull in the best way possible and supports the delivery of the Cultural Strategy (a new strategy is currently in development).

Public and Community at Large

The Company objectives are charitable by their very nature, being that Absolutely Cultured Limited is established as a Charitable Company. All activity is directed towards being of public benefit and most of the activity is free to access or pay what you can for all.

Local Context

Hull has seen a significant economic decline since the 1970s due to the loss, contraction and reconfiguration of the city's industrial and maritime functions resulting in high levels of unemployment and deprivation. The city is the fourth most deprived local authority in the country according to the 2019 English Index of Multiple Deprivation and 45% of Hull neighbourhoods are in the 10% most deprived in England. Health inequalities are dramatically evident even between neighbouring communities with life expectancy over 10 years less in some parts of Hull than other wards within the city boundary.

Significant public and private sector investment has gone into the city in recent years, to improve resilience to climate change, to improve Hull's connectivity, including our highways capacity and digital capabilities, into our university, our schools, the city centre public realm, our leisure and culture. Despite typically low engagement in the arts by Hull residents, 95% said they participated in at least one cultural activity during Hull's city of culture 2017 tenure and whilst maintaining this level of engagement in the years since with a much-reduced sector capacity and funding landscape, evidence across the sector is that the appetite for cultural engagement is still there.

Trustees recognise the positive health and wellbeing benefits of engaging with arts and culture, the important role creative engagement plays in children's educational attainment and life prospects and the role of a healthy cultural offer on the economic prospects of a place. As part of the reshaping of the organisation, AC will explore how contemporary visual art projects in particular can unleash the potential of the people of Hull and help to respond to some of these challenges.

Suppliers

The Trustees appreciate the importance of Absolutely Cultured suppliers in delivering the long-term plans of the company. We work with many local independent creative practitioners and are invested in supporting them to continue to work in the sector. Many rely on timely payment of invoices to live. The company pays its suppliers via twice monthly payments to ensure all invoices are paid within a maximum of 30 days from when they are received.

Environmental Sustainability

Trustees understand the role of arts and culture in making use of all its assets to increase awareness and advocate for change on environmental issues as well as delivering on our own moral and social responsibility as an organisation to ensure our output doesn't have a negative impact on the environment. Hull with its proximity to water is particularly vulnerable to climate change yet the Humber region has the highest carbon emissions in the country. AC aims to be environmentally conscious in all its strategic and operational outputs. The Trustees realise that this is an area where we need to invest and improve within the constraints of our funding environment.

We are a partner in Hull's Oh Yes Net Zero campaign where we have pledged to contribute to the Hull and Humber region leading the way on becoming net zero. We have a vegan and vegetarian only offer in our café venue and have signed up to a sustainable palm oil pledge. We buy local where possible and moved to a paperless finance system. We reuse and recycle materials for exhibitions. We actively programme work made by artists who tackle environmental themes and have a history of co-creating and commissioning work which raises awareness about the relevance and importance of climate action for Hull in particular. We have had a Display Energy Certification Review undertaken to bench mark our current environmental impact and have been assessed at a B (35) which is a good standard. Improvements suggested would have relatively small impact to improve this but high cost to the charity.

The Trustees have further ambitions to reduce the company's carbon footprint by reducing its use of energy and mains water, reducing waste going to landfill, and to implement environmentally sustainable activities such as ensuring we power down when the building is not occupied, increasing our buy local activity to reduce transport impacts, creating a green roof to reduce heating costs and moving to a brown water collection system to reduce mains water usage.

The company is registered with Creative Green Tools, a set of online tools designed for the creative industries created by Julie's Bicycle, to measure the environmental impacts of cultural buildings, offices, outdoor events, tours, and productions. This needs further work to embed and will aid the Trustees in setting realistic KPI's to be agreed and implemented over the medium and long term and will form part of the regular reporting to the Board.

Going Concern

As Trustees, we are required to review and comment whether the charity is a going concern and to the effect have looked at the organisation's cash flow, budgets to March 2026 and level of unrestricted reserves. We have taken advantage of the grants that were made available to us by the national and local governments and taken some tough decisions regarding use of charitable funds.

With a prudent approach, we consider the extent of the charity reserves, without any additional income from grants or trading activities, to be sufficient to cover all operating costs of the charity until at least March 2026 and therefore we consider that the financial statements be prepared on the going concern basis of accounting.

Financial Performance

The Trustees agreed the strategic plan and budget at the start of this reporting period with an agreement to underwrite a deficit up to £344k from our unrestricted reserves reflecting the strategic decision to utilise unrestricted reserves to support ongoing projects as match funding, evolve towards a revised business model that is reflective of the likely lower funding opportunity and to strategically utilise reserves in support of our objects and to provide for our beneficiaries reducing the reserves to a level more appropriate for a smaller charity.

Total income for the year, including donations in kind and investment income was £488,336 (2023: £549,172). This was applied towards the planning and delivery of the year across all activity areas. In total this expenditure amounted to £785,183 (2023: £994,545).

The above resulted in an excess of expenditure over income for the year of £296,847 (£2023: £445,373).

When deducted from the accumulated surplus from prior periods, there remains unrestricted funds of £925,791 (2023: £1,222,638).

Like many arts organisations, we are reliant on grant funding as a significant funding source and continue to face the challenge of accessing such funding from the main funders. Longer-term, the organisation must diversify its income sources to reduce reliance on grant funding which continues to be competitive. Following the pandemic, many trusts and foundations are experiencing increased demand at a time of increased overall need and have adjusted their criteria for funding with a greater emphasis on impact for communities and supporting areas of high deprivation.

We have currently secured £200,000 ACE NPO funding per annum over four years (April 2023-March 2027). This is due to a recently announced one-year extension by ACE, to the agreed three-year period. AC would need to make an application for this extension. In addition, we have secured £40,000 in sponsorship from Hull City Council. Grant funding applications have been largely on hold as we reached agreement on the new business model with grant fundraising recommencing as of April 2024.

The Board have agreed strategic use of the unrestricted reserves this year to meet the current commitments, to develop a programme of activities that can become financially sustainable through funding partnerships and to invest in income generation.

We have developed a fundraising strategy which takes into consideration the economic climate and changes to the grant funding landscape. It also responds to the changes to AC's business model and refocusing of purpose. Success of the fundraising strategy is dependent on programme plans being aligned with the aims of identified potential funding partners. Commercial income potential is being explored further as we aim to increase income through new commercial opportunities.

The funding landscape continues to be very challenging. We are responding to this with continuous review and development of the programme of activity to ensure our work is of the highest standard and has the greatest public benefit possible.

Principal Risks and Uncertainties

The principal risk to the organisation is its financial sustainability, the funding landscape is extremely challenging, and many of the alternative earned income streams that arts organisations are reliant on are also under strain. The pressure on budgets through the recent rapidly rising inflation has added to this uncertainty. In response, the organisation has reduced core and staffing costs to a level reflective of the challenges faced and these will remain under review with plans for further adjustments where needed.

The Management of Risk

The Trustees recognise their duty to identify and review risks to which the Charity is exposed and to ensure appropriate controls are in place to give assurance against error and fraud. The company has well managed appropriate management and governance procedures with a systematic programme of review in place. Each public facing activity undertaken by the company requires an event plan to be undertaken whereby all risks including health & safety and safeguarding are assessed and appropriate plans put in place.

A comprehensive risk register is maintained and updated to reflect live risks, with risks owned and managed by the relevant person. Risks and their mitigating actions are monitored and reviewed by the Executive Leadership and quarterly at the Finance & General Purpose meeting with main risks reported to the full Board meeting of Trustees quarterly. A copy of the full risk register is also shared with the company's key funders. Dialogue with our main funding partners is ongoing in relation to risk.

Policies on Reserves

The charity's policy was updated to reflect current best practice and statutory guidance and approved at the full Board meeting on 16 May 2024. The policy looks at: -

- How the NPO outcome at a lower level than planned for impacts the planned programme over the next three years.
- The implication on match funding applications where the Arts Council funding is £200,000 rather than the £475,000 requested.

- The implications of the current funding landscape and the charity's ability to raise grant funding to the levels required in the short term to fund ongoing activities.
- The charities' strategic objective to retain NPO status in the 2027 round with a robust growth model and the resources needed to sustain and develop the organisation over the next three years to achieve this.
- The implication of the current NPO programme extension to 4 years with no uplift in funding.
- The capital investment required to support the strategic plans including investing in space and equipment to deliver activities, environmental improvements to existing spaces and staff training and development.
- What costs have been committed and would need to be honoured if the charity failed to achieve match funding income targets. This includes salary and redundancy costs, contracts for services and general running costs including exit costs.

The trustees have agreed to strategically utilise the reserve as part of the funding mix over the duration of the current NPO period, reducing the overall unrestricted reserves to a level consistent with an organisation of this size and ambition.

The trustees recognise that the current anticipated level of unrestricted general reserves held in the charity are forecast to be higher than the policy requires in the financial year 24/25. This is primarily due to our addressing the current financial restrictions and adjusting the business plan accordingly.

During the first half of 2024/25 the organisation will see changes in the staff team and savings to core costs for 2025/26 onwards which will be more cost effective and appropriate for the delivery model going forward. Whilst the current forecasts indicate a continued reliance on reserves, this will be addressed through regular and robust review of forecasts with adjustments being made to ensure we achieve the aim of operating a balance budget by April 2027.

Designated Reserves Calculation

	£
Investment to research, develop and test ideas	-
Investment in income generation	30,000
Capital projects fund	20,000
Staffing transition costs	60,000
Brand development and new website	15,000
IT infrastructure and digital capacity	10,000
Staff training and development fund	8,500
Enhanced parental leave pay fund	15,341
Financial contractual liabilities	38,400
Forecast programme funding deficit April 24 - March 25	204,142
Forecast programme funding deficit April 25 - March 26	107,481
Forecast programme funding deficit April 26 - March 27	90,455
Total designated reserve 31 March 2024	599,319

Absolutely Cultured Limited

Trustees' Report

Public Benefit

The Trustees are of the opinion that the nature of the Charity's activities and the geographical area over which it operates are such that it fulfils the public benefit criteria as specified by the Charity Commission. Further, the Trustees confirm that they have complied with the duty in Paragraph 17(5) the Charities Act 2011 with regard to following guidance published by the Charity Commission in connection with public benefits.

Statement of trustees' responsibilities

The trustees (who are also the directors of Absolutely Cultured Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

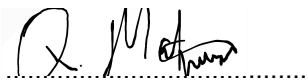
Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the parent charitable company and the group and of the incoming resources and application of resources, including its income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the parent charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the parent charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the parent charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The annual report was approved by the trustees of the charity on 17 December 2024 and signed on its behalf by:



Q. Mahmood
Trustee

Absolutely Cultured Limited

Independent Examiner's Report to the trustees of Absolutely Cultured Limited ('the Group')

I report to the charity trustees on my examination of the consolidated accounts of the Group comprising the Absolutely Cultured Limited and its subsidiary undertakings for the year ended 31 March 2024.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the Group's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

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

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

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

.....
S.T. Brammall Bsc., FCA
Smailes Goldie
Chartered Accountants
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

Date: 17th December 2024

Absolutely Cultured Limited

Consolidated Statement of Financial Activities for the Year Ended 31 March 2024
(Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income and Endowments from:					
Donations and legacies	2	9,520	281,500	291,020	416,712
Other trading activities	3	133,060	-	133,060	47,249
Investment income	4	16,229	-	16,229	5,494
Other income		48,027	-	48,027	79,717
Total income		206,836	281,500	488,336	549,172
Expenditure on:					
Raising funds		(32,946)	-	(32,946)	-
Charitable activities					
Partnerships & Developments	6	(69,798)	(32,650)	(102,448)	(119,668)
Marketing and Communications		(57,976)	(21,272)	(79,248)	(232,863)
Programme and Delivery		(342,963)	(227,578)	(570,541)	(642,014)
Total expenditure		(503,683)	(281,500)	(785,183)	(994,545)
Net expenditure		(296,847)	-	(296,847)	(445,373)
Net movement in funds		(296,847)	-	(296,847)	(445,373)
Reconciliation of funds					
Total funds brought forward		1,222,638	-	1,222,638	1,668,011
Total funds carried forward	18	925,791	-	925,791	1,222,638

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

The comparative Statement of Financial Activities for 2023 is shown in note 11.

Absolutely Cultured Limited

(Registration number: 09106231)
Consolidated Balance Sheet as at 31 March 2024

	Note	Unrestricted fund	Restricted fund	2024 £	2023 £
Fixed assets					
Tangible assets	12	7,237	-	7,237	23,268
Current assets					
Stocks	14	4,175	-	4,175	2,769
Debtors	15	57,030	2,632	59,662	121,015
Cash at bank and in hand		921,844	10,333	932,177	1,160,535
		983,049	12,965	996,014	1,284,319
Creditors: Amounts falling due within one year	16	(64,495)	(12,965)	(77,460)	(84,949)
Net current assets		918,554	-	918,554	1,199,370
Net assets		925,791	-	925,791	1,222,638
Funds					
Restricted funds		-	-	-	-
Designated Funds		599,319	-	599,319	-
General Funds		326,472	-	326,472	1,222,638
Total funds	18	925,791	-	925,791	1,222,638

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2024.

The trustees have not required the charitable company to obtain an audit of its financial statements for the year ended 31st March 2024 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

(a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

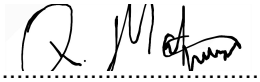
(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

Absolutely Cultured Limited

(Registration number: 09106231)
Consolidated Balance Sheet as at 31 March 2024

The financial statements on pages 26 to 48 were approved by the trustees, and authorised for issue on 17 December 2024 and signed on their behalf by:



.....
Q. Mahmood
Trustee

Absolutely Cultured Limited

(Registration number: 09106231)
Balance Sheet as at 31 March 2024

	Note	Unrestricted fund £	Restricted fund £	2024 £	2023 £
Fixed assets					
Tangible assets	12	2,403	-	2,403	14,328
Investments		1	-	1	1
		2,404	-	2,404	14,329
Current assets					
Debtors	15	149,563	500	150,063	193,023
Cash at bank and in hand		823,028	10,333	833,361	1,087,077
		972,591	10,833	983,424	1,280,100
Creditors: Amounts falling due within one year	16	(54,039)	(10,833)	(64,872)	(80,733)
Net current assets		918,552	-	918,552	1,199,367
Net assets		920,956	-	920,956	1,213,696
Funds of the charity:					
Restricted funds		-	-	-	-
Designated Funds		599,319	-	599,319	-
General Funds		321,637	-	321,637	1,213,696
Total funds	18	920,956	-	920,956	1,213,696

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2024.

The trustees have not required the charitable company to obtain an audit of its financial statements for the year ended 31st March 2024 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

(a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

Absolutely Cultured Limited

(Registration number: 09106231)
Balance Sheet as at 31 March 2024

The financial statements on pages 26 to 48 were approved by the trustees, and authorised for issue on 17 December 2024 and signed on their behalf by:



.. ..
Q. Mahmood
Trustee

Absolutely Cultured Limited

Consolidated Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash expenditure		(296,847)	(445,373)
Adjustments for non-cash, non-operating items			
Depreciation	5	16,031	14,626
Investment income	4	(16,229)	(5,494)
Loss on disposal of tangible fixed assets		-	677
		(297,045)	(435,564)
Working capital adjustments			
Increase in stocks	14	(1,406)	(1,115)
Decrease in debtors	15	61,353	73,835
Decrease in creditors	16	(7,489)	(9,467)
Net cash flows from operating activities		(244,587)	(372,311)
Cash flows from investing activities			
Interest receivable and similar income	4	16,229	5,494
Purchase of tangible fixed assets	12	-	(10,561)
Net cash flows from investing activities		16,229	(5,067)
Net decrease in cash and cash equivalents		(228,358)	(377,378)
Cash and cash equivalents at 1 April		1,160,535	1,537,913
Cash and cash equivalents at 31 March		932,177	1,160,535

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

1 Accounting policies

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

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

Basis of preparation
The financial statements have been prepared under the historical cost convention.

Basis of consolidation
The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 March 2024.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a loss after tax for the financial year of £313,944 (2023 - loss of £445,373 .

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

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

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

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

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

Going concern

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

The current economic conditions present difficulties to all organisations in the arts sector in terms of raising funds from either government-funded bodies or private enterprise. In response to such conditions the charity has prepared budgets and cashflow forecasts to 31 March 2026 and these show it has adequate resources to pay its debts as they fall due.

It is the charity's intention to use its unrestricted reserves to fund its charitable objects and on this basis the Board considers that the group has a reasonable expectation of being able to continue in operational existence to at least the period of the budgets and cashflow forecasts of 31 March 2026 and that there are no material uncertainties that have not been considered or stress tested that lead to significant doubt about the group's ability to continue as a going concern. Therefore, the Board have continued to adopt the going concern basis of accounting in preparing these financial statements.

Significant judgements and key sources of estimation uncertainty
In the application of the charity'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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

No significant judgements or key estimates were made on preparing these financial statements.

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

Donations and legacies

Donations represent grant and sponsorship monies receivable by the group where the donor does not receive any significant benefits other than the knowledge that the charitable company must apply the monies to further its charitable objectives.

Donations in kind are donate professional services and donated facilities to the charitable company. They are recognised on the basis of the value of the gift to the charitable company which is the amount the charitable company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount in then recognised in expenditure in the period of receipt. However, the lack of a market comparative price for the contribution made by volunteers means that it is not possible to measure their value reliably. Accordingly, the contribution of general volunteers is not included in the charitable company's accounts.

Grants receivable

Income from government and other grants, whether capital or revenue, is recognised when the charity or its subsidiary has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Gift aid

The charitable company is in receipt of distributions from its subsidiary undertaking under the Gift Aid scheme.

Other trading activities

Income from the sale of goods is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of income can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the charity or its subsidiaries and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually at the point of sale.

Investment income

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

Expenditure

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

Allocation of costs

Costs directly associated with the planning, promotion and delivery of the programme of cultural events are classified as direct charitable expenses. Costs relating to its strategic management are classified as governance costs. All remaining costs are classified as support costs. Support costs are allocated across income streams according to the ratio of direct costs.

Raising funds

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

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

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

Governance costs

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

Tangible fixed assets
Tangible fixed assets are stated at cost. Depreciation is provided on all tangible fixed assets, at rates calculated to write off all tangible fixed assets over their estimated useful lives using the following rates:

Property Alterations	33% p.a. on cost/remaining lease term if less
Furniture, fittings and equipment	25% p.a. on cost
Computer equipment	33% p.a. on cost

Business combinations
Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

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

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

Debtors and creditors receivable/payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities allocated to the appropriate heading.

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

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Donations and legacies;				
Donations from companies, trusts and similar proceeds	2,920	-	2,920	29,218
Grants, including capital grants;				
Grants from other charities	6,600	281,500	288,100	387,494
	9,520	281,500	291,020	416,712

	2024			2023		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Arts Council England	-	200,000	200,000	-	250,000	250,000
Esmee Fairburn	6,600	66,000	72,600	6,600	66,000	72,600
Heritage Lottery Fund	-	15,000	15,000	-	45,000	45,000
Kickstart	-	-	-	-	4,850	4,850
Gasworks	-	-	-	-	10,000	10,000
Art Fund	-	-	-	-	3,300	3,300
Coastal North	-	500	500	-	-	-
DWP	-	-	-	-	1,744	1,744
	6,600	281,500	288,100	6,600	380,894	387,494

3 Income from other trading activities

	Total 2024 £	Total 2023 £
Trading Income;		
Humber Street Gallery - bar and catering	93,060	11,249
Sponsorship income	40,000	35,000
Partners and club members	-	1,000
	133,060	47,249

4 Investment income

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Interest receivable and similar income;			
Interest receivable on bank deposits	16,229	16,229	5,494

5 Expenditure on raising funds

a) Costs of trading activities

	Note	Total 2024 £	Total 2023 £
Humber Street Gallery - bar and catering		32,946	-
		32,946	-

	Total costs £

6 Expenditure on charitable activities

	Direct costs £	Support costs (see note 7) £	2024 £	2023 £
Partnerships and Development	63,054	39,394	102,448	119,668
Marketing and Communications	57,900	21,348	79,248	232,863
Programme and Delivery	342,138	228,403	570,541	642,014
	463,092	289,145	752,237	994,545

7 Analysis of governance and support costs

	Staffing costs £	Governance £	IT, travel and communications £	Other admin costs £	2024 £	2023 £
Partnerships & Development	12,783	2,713	2,849	21,049	39,394	55,944
Marketing & Communications	6,927	1,470	1,544	11,407	21,348	109,871
Programme & Delivery	74,119	15,723	16,521	122,040	228,403	299,545
	93,829	19,906	20,914	154,496	289,145	465,360

Governance costs

	Total 2024 £	2023 £
Audit fees		
Audit of the financial statements	-	14,049
Independent examiner fees		
Examination of the financial statements	7,800	-
Other fees paid to examiners	3,303	-
Trustees remuneration and expenses	490	394
Legal fees	8,313	2,224
	19,906	16,667

Governance costs

	Total 2024 £	2023 £
Audit fees		
Audit of the financial statements	-	14,049
Independent examiner fees		
Examination of the financial statements	7,800	-
Other fees paid to examiners	3,303	-
Trustees remuneration and expenses	490	394
Legal fees	8,313	2,224
	19,906	16,667

8 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2024 £	2023 £
Audit fees	-	14,050
Independent Examination fees	7,800	-
Loss on disposal of tangible fixed assets	-	677
Depreciation of fixed assets	16,031	14,626

9 Trustees remuneration and expenses

During the year £803 (2023: £394) in travel and subsistence expenses was paid out to two trustees (2023: two trustees).

10 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Staff salaries	395,992	464,830
Freelance contracts, secondments and salaries in kind	23,216	5,870
Employer's NICs	29,166	38,154
Pension scheme contributions	17,201	24,862
	465,575	533,716

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

	2024 No	2023 No
Administration	2	4
Partnerships and development	4	2
Marketing and communications	-	3
Programming and delivery	6	6
	12	15

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

The key management of the charity comprise the trustees and senior management team, as set out in the Trustees Report. The total employee benefits of the key management personnel of the group were £146,763 (2023 - £199,994).

11 Comparatives for the statement of financial activities

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Donations and legacies	2	35,818	380,894	416,712
Other trading activities	3	47,249	-	47,249
Investment income	4	5,494	-	5,494
Other income		79,717	-	79,717
Total income		168,278	380,894	549,172
Expenditure on:				
Charitable activities				
Partnerships & Developments	6	(73,882)	(45,786)	(119,668)
Marketing and Communications		(142,874)	(89,989)	(232,863)
Programme and Delivery		(396,895)	(245,119)	(642,014)
Total expenditure		(613,651)	(380,894)	(994,545)
Net expenditure		(445,373)	-	(445,373)
Net movement in funds		(445,373)	-	(445,373)
Reconciliation of funds				
Total funds brought forward		1,668,011	-	1,668,011
Total funds carried forward	18	1,222,638	-	1,222,638

12 Tangible fixed assets

Group

	Land and buildings £	Computer equipment £	Furniture and equipment £	Total £
Cost				
At 1 April 2023	255,700	76,539	40,754	372,993
Disposals	-	(1,904)	(1,299)	(3,203)
At 31 March 2024	255,700	74,635	39,455	369,790
Depreciation				
At 1 April 2023	247,956	64,781	36,988	349,725
Charge for the year	7,744	6,636	1,651	16,031
Eliminated on disposals	-	(1,904)	(1,299)	(3,203)
At 31 March 2024	255,700	69,513	37,340	362,553
Net book value				
At 31 March 2024	-	5,122	2,115	7,237
At 31 March 2023	7,744	11,758	3,766	23,268

Charity

	Land and buildings £	Computer equipment £	Furniture and equipment £	Total £
Cost				
At 1 April 2023	255,700	40,434	37,541	333,675
Disposals	-	-	(1,299)	(1,299)
At 31 March 2024	255,700	40,434	36,242	332,376
Depreciation				
At 1 April 2023	247,956	37,616	33,775	319,347
Charge for the year	7,744	2,530	1,651	11,925
Eliminated on disposals	-	-	(1,299)	(1,299)
At 31 March 2024	255,700	40,146	34,127	329,973
Net book value				
At 31 March 2024	-	288	2,115	2,403
At 31 March 2023	7,744	2,818	3,766	14,328

13 Fixed asset investments

Charity

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total 2024 £
Cost		
At 1 April 2023	1	1
At 31 March 2024	1	1

Details of undertakings

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

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held 2024	2023	Principal activity
Subsidiary undertakings					
Absolutely Cultured (Enterprises) Limited		1 £1 Ordinary Share	100%	100%	

Subsidiaries

The profit for the financial period of Absolutely Cultured (Enterprises) Limited was £17,098 (2023 - £8,051) and the aggregate amount of capital and reserves at the end of the period was £4,836 (2023 - £8,942).

At the balance sheet date the company owned 100% of the ordinary share capital of Absolutely Cultured (Enterprises) Limited, a registered company:09734156 incorporated in England. The subsidiary was established on 14th August 2015 to generate commercial revenue to support the activities of the parent charity.

14 Stock

	Group	
	2024	**2023**
	£	**£**
Stocks	4,175	2,769

15 Debtors

	Group		Charity	
	2024	**2023**	**2024**	**2023**
	£	**£**	**£**	**£**
Trade debtors	2,287	25,233	500	25,083
Other debtors	2,216	2,350	-	2,350
VAT recoverable	-	2,536	-	-
Prepayments	55,159	90,896	54,859	90,296
Due from group undertakings	-	-	94,704	75,294
	59,662	121,015	150,063	193,023

16 Creditors: amounts falling due within one year

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	17,723	8,662	15,785	8,102
Other taxation and social security	13,291	9,376	10,556	10,914
Other creditors	2,782	4,060	2,782	3,909
Generation Hull	7,695	13,646	7,695	13,646
Producer Exchange	356	7,469	356	7,469
Accruals and deferred income	35,613	41,736	27,698	36,693
	77,460	84,949	64,872	80,733

17 Obligations under leases and hire purchase contracts

The total value of future minimum lease payments was as follows:

Repayable under finance leases and hire purchase contracts

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Within one year	-	32,000	-	32,000

18 Funds

Group

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
General	1,222,638	206,836	(503,683)	(599,319)	326,472
Designated	-	-	-	599,319	599,319
Total unrestricted funds	1,222,638	206,836	(503,683)	-	925,791
Restricted funds	-	281,500	(281,500)	-	-
Total funds	1,222,638	488,336	(785,183)	-	925,791

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Unrestricted funds				
General	1,668,011	168,278	(613,651)	1,222,638
Restricted funds	-	380,894	(380,894)	-
Total funds	1,668,011	549,172	(994,545)	1,222,638

Charity

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
General					
Unrestricted Fund	1,213,696	18,030	(370,804)	(599,319)	261,603
Designated					
Designated Fund	-	-	-	599,319	599,319
Total unrestricted funds	1,213,696	18,030	(370,804)	-	860,922

Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Restricted funds					
Arts Council England	-	200,000	(200,000)	-	-
Esmee Fairburn	-	72,600	(72,600)	-	-
Coastal North	-	500	(500)	-	-
Heritage Lottery Fund	-	15,000	(15,000)	-	-
Total restricted funds	-	288,100	(288,100)	-	-
Total funds	1,213,696	306,130	(658,904)	-	860,922

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Unrestricted funds				
General				
Unrestricted Fund	1,731,337	42,992	(560,633)	1,213,696
Restricted funds				
Arts Council England	-	250,000	(250,000)	-
Hull City Council Kickstart	-	4,850	(4,850)	-
Esmee Fairburn	-	66,000	(66,000)	-
Heritage Lottery Fund	-	45,000	(45,000)	-
Gasworks	-	10,000	(10,000)	-
Art Fund	-	3,300	(3,300)	-
DWP	-	1,744	(1,744)	-
Total restricted funds	-	380,894	(380,894)	-
Total funds	1,731,337	423,886	(941,527)	1,213,696

Designated Fund
The trustees have designated various amounts totalling £599,319. Further details are set out in the trustees' report on page 23.

19 Related party transactions

There were no related party transactions in the current or previous year.

20 Security

The company's bankers hold a debenture dated 9th February 2015 over the assets of the company.

ABSOLUTELY CULTURED LIMITED

England & Wales - Charity number 1162199

Accounts

Smailes Goldie Group
CREATING ADVANTAGE

REGISTERED COMPANY NUMBER: 09106231
REGISTERED CHARITY NUMBER: 1162199

Absolutely Cultured Limited

Consolidated Financial Statements

31st March 2023

SD-0210679-1-6

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Report of the Trustees
for the year ended 31st March 2023

The Trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2023 which are also prepared to meet the requirements for a director's 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 (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, the Memorandum and Articles of Association, and constitutes a company limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

9106231 (England and Wales)

Registered Charity number

1162199 (England and Wales)

Registered office

Humber Street Gallery
64 Humber Street
Hull
HU1 1TU

Contact details

Tel: 01482 304454
Email: info@absolutelycultured.co.uk

Website

www.absolutelycultured.co.uk

Auditors

Smailes Goldie
Chartered Accountants
Statutory Auditor
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

Bankers

National Westminster Bank plc
34 King Edward Street
Hull
HU1 3SS

Solicitors

Rollits
58 High Street
Hull
HU1 1QE

The company gained charitable status on 15 June 2015. The Board of Trustees comprises individuals who together are responsible for the governance of the charity. The company was originally formed to deliver Hull's year as the UK City of Culture in 2017 and, in September 2017, it was announced that the organisation which was set up to deliver 365 days of transformative culture, was to continue, with a much reduced and redefined remit which will form part of the city's legacy.

To reflect this change, the company changed its name from Hull UK City of Culture 2017 Limited to Absolutely Cultured Limited, on 24 May 2018.

Report of the Trustees for the year ended 31st March 2023

The Board currently consists of seven Trustees and is chaired by Lee Pitcher. The full list of Trustees is set out in the reference details below.

The full Board of Trustees met four times in the period on the dates as listed and held a strategic planning day on 30 June 2022:

Board Meeting Dates from 1 April 2022 – 31 March 2023

- 28 July 2022
- 17 November 2022
- 12 January 2023 (extraordinary Board meeting)
- 23 February 2023

Following the lifting of Covid restrictions, all full Board meetings have returned to being in person, however, to allow accessibility for all Trustees, those who cannot attend in person are able to dial in via Teams with the chair ensuring they are able to fully participate in the meeting as if there in person.

The Trustees act on advice and information from the Executive Leadership which is responsible for the day-to-day management of the charity.

Recruitment and Appointment and Training of Trustees

The charity continues to refresh the Board of Trustees and this year saw the recruitment of two new Trustees, Louise Clarkson, Head Teacher of Pearson Primary School, who joined the Board on 23 February 2023. Pearson Primary School is in the Spring Bank area of Hull, one of the communities we operate. Kath Wynne-Hague, Head of Culture, Place and City Centre, for Hull City Council who joined us on 14 September 2023. Louise was appointed as part of a comprehensive recruitment programme ensuring a diverse wealth of experiences, skills, and beneficiary insight to add to the skillset of our existing Trustees. Kath joins us as the Hull City Council nominated person bringing a wealth of experience from the cultural sector having local government, cultural development, engagement, and education amongst her portfolio and replaces Julia Weldon, who stepped down on 19 July 2023.

Georgia Allenby stepped down on 19 July 2023 following five years as a Trustee. Georgia's experience in the commercial property sector has been an invaluable support and we thank her for her significant contribution to the organisation.

Charlotte Tomlinson also stepped down on 19 July 2023 following a two-year term. Charlotte's passion for community and knowledge in this area has helped shape our community engagement work and we thank her for her contribution.

The Board of Trustees are developing a Trustee succession plan and it is their intention to recruit up to 5 further Trustees to broaden their knowledge, experience, and perspectives over the next year. The Board of Trustees understand the importance of self-development and improvement and, as part of this process, have established an appraisal process with the senior independent director leading a 360 degree appraisal of the chair on an annual basis. The chair undertakes performance reviews of the other Trustees once in a three-year cycle.

The Board appointed Ben Norman as senior independent director in November 2019.

Lord Professor Bhikhu Parekh continues to be the company's patron.

Board Diversity

Our commitment to diversity is based on the belief that everyone should have access to high quality creative opportunities and that different experiences and perspectives bring not just richness and relevance but are often what makes art produced in the UK exceptional. The Board is committed to shifting the power of who designs and makes decisions about cultural provision. Based in Hull, which is the 4th most deprived local authority in England, and where a high proportion of the population has low arts engagement, our goal is to increase representation across the board and leadership of people with lived experience of exclusion, in particular experience of socio-economic deprivation and the barriers this creates. AC has such representation on the Board and Executive Leadership team and is committed to increasing representation further.

Portfollo Responsibllities

The seven Trustees of Absolutely Cultured bring specialisms and experience from all areas of business and the arts which they use to support the company's activity and in line with a smaller scale company. There is also a Finance & General Purposes (F&GP) sub-group which consists of four Trustees and is chaired by Richard Lewis. Their remit is to provide a forum for the Executive Leadership team to discuss matters of strategic and significant importance to the charity before presentation to the main Board. The commlttee also reviews the annual budget, receives the audit report, appoints financial service providers, oversees financial control, and reviews HR policies and pay.

Related parties and co-operation with other organisations

The Trustees are not remunerated and receive no other benefit from their work with the charity. Any connection between a Trustee or senior manager of the charity with business partners, sponsors or suppliers is disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party.

Trustees to have held office during the year and up to the date of this report:

Trustee	Appointed	Resigned	Main Board Attendance out of a possible 4	F&GP Commlttee Attendance out of a possible 3
G.F. Allenby	19/07/18	19/07/23	4 of 4	1 of 3
B.P. Norman	17/07/18	-	4 of 4	2 of 3
R Lewis	13/08/19	-	3 of 4	2 of 3
Dr K Harker	14/01/21	-	4 of 4	N/A
M Gibson	14/01/21	-	2 of 4	1 of 3
Dr C Tomlinson	14/01/21	19/07/23	3 of 4	N/A
L Pitcher (Chair)	08/07/21	-	4 of 4	3 of 3
J Weldon	31/3/22	19/07/23	1 of 4	N/A
L Clarkson	23/02/23	-	1 of 1	N/A
K Wynne-Hague	14/9/23	-	0 of 0	N/A

Group Structure

The group consists of Absolutely Cultured Ltd and Absolutely Cultured (Enterprises) Ltd which is a wholly owned subsidiary of the charity and a separately registered company. Absolutely Cultured (Enterprises) Ltd carries out non-charitable trading activities to raise funds for the work of the charity and was incorporated on 14 August 2015.

Separate consolidated financial statements incorporating the results of the charity and the subsidiary have been prepared.

Company Management Structure

During this reporting period, the company was led on a day-to-day basis by a CEO & Artistic Director, supported by a Leadership Team. At the strategic away day on 30 June 2022, the CEO & AD, Stephen Munn, notified the Board of Trustees that he intended stepping down on 31 March 2023. The Trustees used this time to fully evaluate the leadership structure the charity required to ensure a successful transition into an Arts Council NPO and, in February 2023, following a rigorous Trustee-led process, appointed a collaborative Executive Leadership team of a Creative Director, Finance & Operations Director and Development Director. The existing Leadership team being appointed into these roles.

Pay and remuneration of the Executive Leadership personnel is initially set by the Board of Trustees with reference to the company pay scales, market conditions and sector salaries. In line with our Pay Policy, where the Trustees agree an organisation wide pay award, all staff are eligible to receive this, with further individual pay rises assessed against performance management criteria.

The company structure at 31.03.23
Stephen Munn: CEO & Artistic Director (resigned 31.3.23)

Joanne Norman: Finance & Operations Director (wef 1.2.23) previously Head of Finance and Operations

Janine Crombie: Development Director (wef 1.2.23) previously Head of Development and Communication

Marianne Lewsley-Stier: Creative Director (wef 1.2.23) previously Head of Creative Programme (appointed 1.11.22)

Pay and remuneration of the key management personnel is initially set by the board of trustees with reference to the company pay scales, market conditions and sector salaries. All staff are eligible for an annual cost of living rise were awarded and further pay rises are assessed against a performance management criteria.

CHARITABLE OBJECTIVES

The charity's objects ('Objects') are specifically restricted to the following:

(1) To advance the education of the general public in the arts and the artistic and cultural heritage of the City of Hull and in particular the arts of performance, music, drama, poetry reading, sculpture, painting, handicrafts and all other associated arts;

(2) To advance the arts in particular the arts of performance, music, drama, poetry reading, sculpture, painting, handicrafts and all other associated arts, by encouraging public participation in the said arts and by the presentation of concert, performances, exhibitions and festivals provided that the promotion of such festivals and events is undertaken solely for the Public Benefit;

(3) To promote the arts and heritage for the benefit of the public within the City of Hull in particular but not exclusively by supporting and representing the arts and heritage sector through promotion representation and development;

(4) To further such other charitable purposes beneficial to the community consistent with objects (1) (2) and (3) above as the Trustees shall in their absolute discretion determine.

Our Purpose
Absolutely Cultured exists to create opportunity and space for amazing creative experiences to happen, for everyone.

Operating from our venue in Humber Street, in Hull's city-centre, as well as in places and spaces across the city and in Hull's communities, we combine Arts Programming, Community Engagement & Learning, and Artist Development to deliver a programme of activity that is accessible, engaging, and fun and aims to increase opportunities for all to engage with arts and culture. Whilst our core focus is contemporary visual art, we work across artforms and sectors to deliver projects that matter and provide creative opportunities for Hull's people as well as those from further afield visiting the city. Working through a partnership and consultation-based approach, we are driven by Place Shaping and Social Impact.

Strategic Aims 2022/23
To deliver our purpose in line with our charitable objects over the course of 2022/23, we adopted six strategic aims:

Aim 1: Programme
Deliver a cross artform and innovative Cultural Programme that responds to the needs of Absolutely Cultured (AC) audiences, artists, partners, and stakeholders.

Aim 2: Financial Resilience – Fundraising Development
Develop a sustainable mixed economy model comprising of successful National Portfolio Organisation application, Local Authority Funds, Fundraising and Earned Income to support an operating model with a cost base of around £1m.

Aim 3: Financial Resilience – Commercial Development
Develop a balanced programme of commercial activities, leading to profit being generated for the charity and contributing to the diversification of income.

Aim 4: Audience Development and Marketing
Place audiences, diversity, and access central to the organisations plans and delivery, developing new audiences and driving visitors to the venue.

Aim 5: Organisational Development
Develop AC's Human Resources to reflect the current and planned future work of the organisation.

Aim 6: Operational Management
Ensure that the day-to-day operations of the Humber Street Gallery and business are running as efficiently as possible. Ensure a safe environment for staff and customers.

STRATEGIC REPORT

The Board of Trustees is responsible for the strategic direction of the charity. The Trustees delegate authority for all day-to-day management of the company affairs to the Executive Leadership Team. Both Board and the Executive Leaders are committed to maintaining constructive dialogue with other key stakeholders, engaging regularly to understand their perspectives.

The Trustee's primary responsibility is to promote the long-term success of the company ensuring it delivers against its charitable objects and delivers the best public benefit possible. The Trustees, along with the Executive Leadership Team, annually review the budget and artistic policy & programme and monitor the implementation and performance of these throughout the year. There are considerations to external factors such as the economic and political conditions in relation to the arts in general, competition for grants from trusts and foundations and the global pandemic impacting on our audience's ability to access activity. They take the reputation of the company seriously, which is not limited to operating and financial performance, and have committed to diversity and inclusivity across Absolutely Cultured's workforce, own Board membership and the artists we engage with. Within recruitment practices, we actively promote inclusivity through offering applicants the opportunity to apply via recorded application, to propose alternative working arrangements such as job share and have engaged 7 staff through the Government Kickstart scheme giving work opportunities to young people across the company and enabling successful progression into other organisations.

Funding and Income

A key aim (Aim 2) of our business plan for the year, was to apply for and successfully become an Arts Council England (ACE) National Portfolio Organisation (NPO) for the period April 2023-March 2025. This was aimed to constitute around 45% of our planned income level of £1m. This unrestricted funding would support our ambition to evolve the organisation towards an arts centre model delivering a combined arts offer (with a visual art core) from the city-centre and expanding out into communities.

Arts Council England faced unprecedented challenges in allocating funds with the highest number of applicants to the portfolio ever. In addition to this, Hull is not classified as a Priority Place for ACE funding, so we recognise the significant achievement of successfully being welcomed as a new NPO. It must also be acknowledged that, like many arts organisations, we received an award much lower than the amount we applied for, at 42%. Whilst we applied as a combined arts organisation, ACE have specified that the NPO funding is to deliver a city-centre based venue with a contemporary visual arts offer.

This outcome, along with increasing pressures in the wider funding landscape, including on grant funding and local authority funding has meant we have had to rethink the scope and focus of our planned work. Going forward, we are working through plans in line with ACE expectations, to reshape what a city-centre based contemporary visual art organisation could deliver for the wider communities of Hull as well as visitors to the city-centre. Some tough decisions have already been taken and are reflected in this report; and as we take further tough decisions to move AC on towards being able to sustainably deliver outcomes for the public, the Trustees have agreed to continue to invest our reserves strategically to match fund work that can ultimately become funded.

Project grant funding from ACE for the period April 2022/23, supported the delivery of our contemporary visual arts programme, our physical performance programme and a series of engagement and learning activities. The grant was also to support the organisation's development towards its arts centre ambitions.

Funding from Esmeé Fairbairn Foundation (year 2 of a 3 year agreement) supported our work in two local communities of Gipsyville and Spring Bank as well as a learning programme for people of all ages taking place across Humber Street Gallery and in the communities. This funding also contributed to delivering our Inter_Change artist development programme for emerging local artists. Their support has enabled us to give high quality arts experiences to people who are often excluded from opportunity and to work in partnership with local schools, libraries, and mosques. Esmeé Fairbairn Foundation also increased both this and next year's allocation by 10% in response to the current economic crisis, which we are extremely grateful to them for.

Funding from National Lottery Heritage Fund supported two 15-month long projects in Gipsyville and Spring Bank communities. The projects focused on identifying and exploring local heritage and will culminate in a final event in each area (to be June and July 2023).

Hull City Council provided sponsorship to AC during this period, to support us to deliver the above activities and outcomes agreed with the above funders.

Commercial Income
Another key financial aim (Aim 3) was to develop our commercial income, to diversify income and contribute profit to the charity. Several commercial activities were trialled including wedding, music events, corporate and private hires, paid for creative classes and workshops as well as mindfulness activities such as yoga and tai chi. Between April 2022 and December 2022, the Food & Beverage offer was managed by One M Events Ltd, an external provider and due to low profitability, was brought inhouse in January 2023. As a new venture for AC, and with some required initial investment, the café and bar offer were not yet profitable by the end of the financial year and an options appraisal is being undertaken by the Directors to ascertain the realistic income potential from commercial activities.

Programme
A key aim (aim 1) over the duration of this year was to deliver a cross artform and innovative Cultural Programme that responds to the needs of AC audiences, artists, partners, and stakeholders. Strands of activity were Arts Programming, Community Engagement & Learning and Artist Development.

Arts Programming - Contemporary Visual Art (CVA):
The year-round programme attracted 42,833 visitors to the Humber Street Gallery venue. In addition, The Luminarium installation, in Hull's Pearson Park was sold out with 6,429 attendees from across all postcodes in Hull as well as visitors from other parts of the UK. The following CVA projects were delivered.

Haminder Judge 'Ankles Absorbing Ash' in partnership with Sunday Painter, London, ran between 27.04.22 and 26.06.22. Abstract transportive sculptural painting which simultaneously referenced Indian neo-tantric painting.

Inter_Change Showcase, ran between 20.04.22 and 31.06.22. A group exhibition and performances by participants of the Inter_Change artist development programme 21/22. The showcase featured work by Anthony Attwood, Claire Holditch, Emily Oetegenn, George Welch, Luke Beech, Natasha Monfared, Pheobe Riley Law, Raelle Marshall, Sean Azzopardi and Tonks.

Harold Offeh 'Hull Television Workshop' ran between 29.06.22 and 25.08.222. Groups of participants from Hull's communities, including young people, people with disabilities, refugees and asylum seekers collaborated with the artist in facilitated sessions led by local artist Stewart Baxter. The groups explored their relationship with Hull. Participants created Hull Television workshop episodes of film, music, documentaries which were shown at the end of the project.

'The Luminarium' by Architects of Air was presented in Pearson Park in July. The location was selected due to its proximity to the Spring Bank community where we regularly work. An immersive family-friendly installation, taking inspiration from natural shapes such as soap bubbles, plant formations and organic cells, the interactive sculpture gave visitors the unique opportunity to enjoy a few minutes of mindfulness. Inspired by Islamic, Gothic and Modern architecture, it combined intricate engineering with joyful visual design to create a truly sensory experience. The installation replaced a planned commission by Morag Myerscough in the city-centre, which wasn't able to go ahead due to rising costs. The Luminarium attracted 6,429 visitors over five days which was maximum capacity. The income target was £9,000 from ticket sales and it achieved £14,800. The work was popular with local residents as well as visitors from further afield, including Doncaster, York, Milton Keynes, Nottingham and Oxford. 33% of pre-booked tickets were for under 5-year-olds, who could attend for free. Residents from postcodes of high socio-economic deprivation were well represented in the visitor audience.

"As a family, we enjoyed the visual aspect, and our little ones found all the spaces fascinating, and the fact it was just from the light outside, creating the colours inside, they found intriguing, so sparked up an interesting artistic conversation." – Anonymous Audience Member on Feedback Form

Bloomberg New Contemporaries (BNC) in partnership with New Contemporaries and Ferens, ran between 22.09.22 and 23.11.22. The show took place across Humber Street Gallery and Ferens Art Gallery. After opening in Hull, it then toured to South London Gallery. The show featured work by 47 recent graduates. It was delayed from the original date in September 2020 due to Covid.

The exhibition was a great opportunity for us to work in partnership with New Contemporaries and Ferens Art Gallery and to create a public engagement programme with Feral Art School, Artlink, and Ferens. It provided graduate artists from outside Hull an opportunity to engage with Hull artists and new networks and connections were made as a result.

Kirsty Ogg, Director, New Contemporaries – *It's been really brilliant collaborating with you on the show and I am so glad that we did wait until 2022 to do the show 'properly'!*

HSG Open Calls took place in and around the gallery public spaces over the course of the year. 12 artists were selected across 2 separate exhibitions.

Lou Lou Salnsbury 'Earth is a Deadname' In partnership with Gasworks, London. ran between 14.12.22 and 26.03.23. The show consisted of a constellation of works that sought to re-imagine transgender experience and explored themes of queer identity.

Oliver Ressler 'Climate Feedback Loops' ran between 20.01.23 and 02.04.23. The show featured a sound and moving image installation made from recordings of the *collapse of the Arctic. Explored themes of climate crisis and social resistance. This installation was co-commissioned by Absolutely Cultured and Donaufestival. It received support from BMKOES.*

Arts Programming - Physical Performance:
As part of the Arts Council England (ACE) 2022/23 Project Grant a physical performance programme was piloted that presented the work of Kristin McGuire & Nikki Rummer, Motionhouse Dance Company, and The Tom Dale Company (delayed event took place in April 2023). The pilot programme intended to explore the appetite for a regular physical performance programme in Hull in partnership with local venues and local and national partners to share risk. The three pilots attracted audiences of 994 from across all Hull postcodes.

A double Bill of Triptych by Kristin McGuire and Unbroken by Nikki Rummer took place on 31.05.22 and 01.06.22 in partnership with the University of Hull. *"Triptych"* by Hull artist Kristin McGuire, was a series of three short choreographies that explore pole dance as an art form, which requires a great deal of sensuality, physical strength, balletic elegance, and gymnastic grace. The performance incorporated mapped projections that evolved as the dance progressed across the performance area.
Unbroken" was the debut solo performance by physical theatre and circus artist, Nikki Rummer. Combining her talent for storytelling and her unique movement language inspired by her acrobatics, gymnastics, and capoeira practice, Rummer told a very personal story with universal resonance.

Nobody: A Dance-Circus adventure by Motionhouse Dance Company took place on 24.11.22 in partnership with Hull New Theatre. Curtain raiser workshops took place involving 20 participants from colleges in Hull. Multimedia dance-circus production ***Nobody*** *was* fast-moving and highly physical, and explored the tension between our inner lives and how we make sense of the world around us.

Motionhouse's unique dance-circus style combined with digital projections and a shape-shifting set, transformed the world onstage – a world of illusion and breath-taking spectacle packed with visual magic where nothing was quite as it seemed.

SUB:VERSION and SURGE, presented as a double bill by Tom Dale Company. In partnership with Hull Truck Theatre, this delayed performance took place just into April 2023.

SUB:VERSION was a new group dance piece by Tom Dale Company. Using music from WEN's album *Ephem:era*, it was a series of electronic dance studies – an elegant exploration of movement and melody, space, and form, full of temporal pauses – exploring the connections between transient and momentary experiences.

SURGE was a collaboration between Tom Dale Dance Company, performer Jemima Brown, digital media artist Barret Hodgson of Vent Media and British electronic artist Ital Tek. An immersive, audio-visual, genre-breaking performance, and exclusive new music. Tom Dale brought to life a duet between dancer and animated light in a gripping kinesthetic relationship. A character pushed to their limits to 'feel' – to 'sense' – to 'exist'.

Audience evaluation across the pilot programme showed there is a potential audience for this work in the city with comments recognising there is no regular programming taking place. 48% of audiences said they had not attended a dance performance before. 92% said they would attend in future.
A common theme in feedback was enjoyment of the digital art interspersed with the performances, featured in all three shows. Triptych - Double Bill audience member - *'Totally loved the integration of the projections. Stunning movement and storytelling in what appeared, at first glance, a limited place. Totally impressive all round and great sound design too.'* All shows had accompanying education strands and 'meet the artist talks' post show.

As part of AC's rethink of its scope following the NPO decision and other funding challenges, the difficult decision has been taken to cease the delivery of Physical Performance programming. We will, however, continue to look for opportunities to bring dance and related physical performance to the people of Hull, for instance in partnership with other organisations.

Community Engagement & Learning:
Since 2018/19, AC has been working with communities in Spring Bank and Gipsyville to deliver arts projects that respond to the specific needs and wants of residents. Past projects included the renovation of Peel Street Park in Spring Bank. Resident consultation told us that there was a desire for outdoor green space, but the park was previously not used due to feeling unsafe, equipment being neglected, and it being used by drug dealers and drug users. Working with residents, local partners, and volunteers, we delivered creative projects aimed to address these issues. We worked with partners including the local authority and the police to clean up the area, bringing it back into use with new play equipment and giving the area personality by introducing planting, commissioning artists to improve the park area with bespoke designs on the play equipment and a 'Peel St Park' mural identity. We delivered regular celebratory music and art events which attracted large numbers of residents and encouraged people to use the space and get to know each other. In Gipsyville an example of a project *was* Imagination Alley. *A mural spanning 120 metres created with residents in a neglected street of The Shires.*

2022/23 was year two of a three-year pilot to implement regular arts programming and learning and participation opportunities (informed by consultation with residents) that could in the longer-term become led by members of the community themselves.

The Gipsyville programme, based in Gipsyville Library saw 2,700 people attend a range of weekly creative workshops, co-production sessions, heritage tours, coffee, and chats. 118 residents took part in the Lantern Parade and 177 residents took part in the Christmas Tree switch on and carol singing. 50 Coffee & Chat. sessions took place with many returning attendees. A highlight of the year was the Gipsyville Community Lantern Parade in November 2022 with 118 people taking part in the procession round the streets of the 'Shires'. The Middle Child performance heritage project (funded by National Lottery Heritage Fund) began which will be ongoing through to June 2023.

Spring Bank has seen slower progress with engagement sessions not gaining as much traction this year with resident engagement levels much lower since having to scale back during the peak of Covid-19. We have identified several reasons for this:

Location: As a result of resident consultation indicating the need for an indoor venue, we moved from a familiar outdoor space where residents had become used to seeing us and were beginning to regularly use (Peel Street Park) to an unfamiliar new indoor location, a slight distance and across a main road. This move proved to not work for us or the residents in practice.

Activity: Moving to an indoor venue which needed regular activity to attract interest, resulted in a shift in the type of activity from primarily outdoor projects to indoor activities. Despite the activities being designed with community input, this change hasn't proved popular.

New groups: As a result of the work we delivered in Peel Street Park, the community, and a new community group – the Peel Project – regularly use the space with Peel Project now being based in the park. By making the existing facilities usable, showing what was possible and developing an audience, we believe we created the conditions needed for groups like this community-led group to emerge sooner than planned. Whilst an indirect success, there's now a need to reflect and adjust what is needed from a cultural programming point of view.
These changes, along with rising costs and operational issues with our premises in the area, led to a decision to terminate the lease agreement in February 2023 and to pause regular activity in the area as we reassess the need. Relevant funders being kept up to date on progress. An artist in residence project in Pearson Primary School and the NLHF co-created programme continued.

Artist in residence: Local artist Esther Cawley worked with 30 children between 01.02.23 and 31.03.23, in Pearson Primary school in Spring Bank. The children explored themes of self-identity, through a variety of art techniques including sculptural line drawing with wire, portrait drawing and painting exploring the effects of light and dark, colour contrast. The project culminated in an exhibition held at the school and will be presented in Humber Street Gallery in Summer 2023.

Artist talks, workshops:
As well as engagement and learning taking place within community settings, we ran a year-round programme of workshops and events at Humber Street Gallery.

Thursday Lates: One Thursday a month, Humber Street Gallery showcased new commissions responding to the exhibitions on display in the venue. Art inspires art and these monthly events take many forms; dance, music, spoken word, performance art and more. This year artists commissioned to respond to the exhibition programme included the Roaring Girls, Emily Oetegenn, Anna Bean and her sideshow, Wonderland as well as Gareth Chambers. HSG Thursday Late Programme included: An Evening with Emily Oetegenn, Bluebeany and Sideshow Wonderland present "Disco Mystical" and The Big Draw.

Artist Development:
INTER_CHANGE, is an artist professional development initiative which evolved from 2 previous programmes Hull Independent Producer's Initiative (originating in 2016) and Fruit Factory Network (a programme for visual artists which originated in 2018). This year, in its fourth year as Inter_Change, a core cohort of 12 creative practitioners, curators, producers, and physical performers at the early stages of their career participate. The cohort benefited from support including mentoring, peer to peer sessions and exchange visits with other creatives and organisations in the North of England. The programme culminates with an exhibition in Autumn 2023/24.

Alongside the Physical Performance Pilot Programme, Tom Dale Company Education delivered a project with Hull College Dance Students and Motionhouse delivered a Professional Class in partnership with Hull Dance.

Audience Development and Marketing
A key aim (aim 3) was to place audiences, diversity, and access central to the organisations plans and delivery, developing new audiences and driving visitors to the venue.

As is the trend with many other arts venues and museums, audience attendance in Humber Street Gallery hasn't yet returned to pre-Covid levels, though we are seeing audiences begin to steadily return with 42,833 visits between April 2022 and March 2023. The Luminarium installation in contrast saw tickets sold out with 6,429 attendees from across all postcodes in Hull as well as visitors from other parts of the UK. We piloted new work through the Physical Performance Programme which saw attendance from residents in every postcode of Hull.

A robust audience development and marketing plan was implemented which saw a shift towards seasonal planning to ensure opportunities to generate awareness were optimised. Audience consultation features highly as a priority for AC with many projects involving co-creation with audiences and regularly seeking feedback through evaluation. Going forward, it is our intention to embed this approach even further with plans to further increase audience involvement in decision-making as well as increasing representation of our audiences within the organisation. In particular across Board and Executive Leadership.

Looking Ahead
Following the outcome from the NPO decision and in response to the challenging funding landscape, Absolutely Cultured has been reshaping and re-invigorating its purpose, developing lower cost business models, and reviewing our venue needs. Whilst challenging, this is also a great opportunity to focus its activities on the visual arts and deepen its work with communities. The work will continue to contribute to the cultural ecology of Hull through strengthening the role that contemporary visual art can have for Hull's communities and artists as well as the economic benefits a centrally located, high quality CVA offer can bring.

Absolutely Cultured (AC) with its increased focus on CVA, has an exciting and flexible offer that fits well with the cultural mix in Hull. It can achieve in time a successful and sustainable mixed economy model. However, it should be stressed that the sustainability of AC is by no means certain and will rely on us remaining adaptable and responsive to opportunities that arise. Public funding for arts and culture is under threat and the value of art in places like Hull is being questioned as budgets are under pressure and priorities heightened. Our focus remains on continuing to deliver real value, within the financial and resourcing constraints we face. In addition to grant funding, cross sector partnerships that can stimulate innovative ways of responding to local challenges and opportunities, bringing in funding that otherwise wouldn't be accessed, is key to developing this opportunity. We will work constructively with partners at local, regional, national, and international levels.

We will focus on our commitments to support the delivery of the ACE Lets Create Strategy, embodying the Investment Principles, delivering against Hull's soon to be revised Cultural Strategy, as well as delivering against the aims and outcomes set out in strategies of those funders who we align well with.

2023/24 Plans

- Exhibitions include: Hetain Patel, Luke Beech, Bruce Asbestos, Juneau Projects, Interchange Showcase 22/23 cohort.
- Delayed Performance: Tom Dale Dance Company in partnership with Hull Truck will take place in April.
- Middle Child Theatre Company - Gipsyville Heritage project.
- Handmade Parade - Spring Bank Heritage Project.
- 80 community workshops.
- 12-month Artist Residency in a school or community setting
- 10 Masterclasses on professional practice.
- 2023/24 Inter_Change artist development programme with culminating showcase planned for 24/25.
- Implementation of agreed business model.
- Embedding the collaborative leadership model and building on the opportunities it can bring. For example: in opportunities for increasing diversity in leadership.

Current External Landscape

The environment in which we operate is uncertain and whilst, as a relatively young organisation, we have had some unique challenges in our history, we are far from unique in being impacted by this. A strength our own history presents is that we are an adaptable organisation that has shown it can navigate change and be resilient.

For cultural organisations to thrive, being tapped into the needs and priorities of place is essential for continuation and growth. Public funding for the arts is shrinking, trusts and foundation funding is more competitive than ever before. Whilst funding and political uncertainty will undoubtedly impact the cultural sector, the role of arts and creative organisations in cities and places and in how the country presents itself to the world has never been more important. At a local level, levelling up funding is being earmarked for skills and capacity development to drive economic growth.

8 organisations in Hull successfully became NPO's for the period 2023-26. 4 of which are new to the portfolio but had previously received ACE funding through other funding streams. Absolutely Cultured Ltd being one of the new organisations to join this year. Two other organisations in the city are no longer part of the portfolio. Overall funding into Hull via the NPO funding stream increased by over £1m compared to the last round. These changes enable opportunities for collaboration and partnership working across the various artforms and locations of the organisations in the city. There is clear opportunity for a more collaborative approach across sectors and across creative sectors particularly. Following the outcome of the NPO decisions, AC initiated conversations with several other Hull-based arts/culture organisations and has strengthened opportunity for collaboration with Artlink and Back to Ours in particular.

Locally, Hull and East Riding councils are in the process of agreeing a devolution deal looking to secure a combined authority which may present opportunities for a more joined up approach to culture and place.

The local authority is developing a new Cultural Strategy by working with the Hull and East Riding Cultural Compact (now called HEY Creative) and Local Economic Partnership. There is a growing interest in developing deeper cultural partnerships with North Lincolnshire organisations with investment such as the Cultural Development Fund boosting activity especially around Grimsby and Scunthorpe.

Employees

There is an understanding of the importance of the company's employees to the longer-term success of the Charity.

In line with the previous year, the Trustees took a strategic view of pay and reward in this reporting period, acknowledging that economic factors were continuing to be very challenging and considered various options to support its employees. Taking into consideration the charity's financial position, a decision was made to award all staff an additional one-off cash payment above the annual organisation pay award in order to support them with the rapidly rising inflation.

We continue to offer flexible working to our non-venue team, allowing staff members to work a mix of in the office and home working in response to staff requests. Staff report this flexibility ensures a good work life balance is maintained and improves their productivity.

The company regularly communicates with its employees through team meetings, team wide e-mails and one to ones. Trustees are invited to team meetings to foster open relationships with employees. An annual employee survey is undertaken to allow for honest feedback about their experience working at Absolutely Cultured. These surveys are shared and reviewed by the Board and Executive Leadership team. Staff engagement is high with most employees completing the latest survey.

Staff training is important to support both the continual skills development of our team to deliver our programme of activities and to give them the skills to further develop their careers externally (Aim 5). We develop training plans through staff appraisals and implement a training plan each year. This year there were 25 staff training sessions across multiple activities plus our Management and Executive Leadership teams received leadership training individually and as a collective.

Our Buildings and Operations
We operate from premises in Humber Street, Hull where we present our visual art exhibition programme, supporting programme and commercial activities including a café and bar and small shop. We have robust health and safety measures in place ensuring staff and customers have a safe environment to work and visit (Aim 6). Maintenance is regularly undertaken to ensure equipment is running effectively and have systems in place to ensure operations run smoothly.

All activity undertakes a robust risk assessment with controls and risk measures put in place to ensure public and staff safety.

Funding Partners
As a charitable company, the company's funding partners are significant stakeholders. Relationships with these Partners are held at all levels across both the company and the funding partner's organisation.

Regular meetings are held with the main funders to ensure they are fully conversant with the planned programme of creative events, impact on grant funding and impact on the community at large.

The company's major stakeholder is Arts Council England, and, as part of our funding agreement with them, they are invited as an observer to the company Board meetings and to sit on working groups relating to organisational development and change. They also participated in the recruitment process for the new leadership team.

We are currently engaged in a funding partnership with Esmeé Fairbairn Foundation which, whilst subject to a new application and agreement, we hope will be able to continue in future years.

Funding from trusts and foundations, whilst competitive, will be an important source of income for us. We will aim to secure funding partnerships with the larger trusts and foundations who align strongly with our purpose. In addition, we will aim to secure funding from a wide range of small-medium sized funders in order to deliver our aims.

The National Lottery Heritage Fund (NLHF) has supported a number of AC projects. We plan to continue to seek support from NLHF where projects are identified as having strong alignment.

Hull City Council (HCC) are an important partner for AC, from a funding as well as sector development and delivery perspective. We will continue to work together to deliver our agreement with them, to deliver cultural activity which responds to the needs of Hull in the best way possible and supports the delivery of the Cultural Strategy.

Public and Community at Large
The Company objectives are charitable by their very nature, being that Absolutely Cultured Limited is established as a Charitable Company. All activity is directed towards being of public benefit and most of the activity is free to access or pay what you can for all.

Local Context:
Hull has seen a significant economic decline since the 1970s due to the loss, contraction and reconfiguration of the city's industrial and maritime functions resulting in high levels of unemployment and deprivation. The city is the fourth most deprived local authority in the country according to the 2019 English Index of Multiple Deprivation and 45% of Hull neighbourhoods are in the 10% most deprived in England. Health inequalities are dramatically evident even between neighbouring communities with life expectancy over 10 years less in some parts of Hull than other wards within the city boundary. This is backed up by a worrying catalogue of social statistics that really demonstrate the need for arts and culture to be part of a citywide initiative to tackle these issues. In Hull:

- 33.4% children under the age of 16 years live in low-income families, compared to 18.5% nationally.
- The most recent ONS data (2022) showed Hull has a higher proportion (21.7%) of residents identifying as having a limiting disability compared to England as a whole (17.7%).
- 25.3% of Hull residents have no qualifications compared to 18.1% in England as a whole.
- In a recent GP Patient Survey (2021/22), 11.3% of Hull residents reported a long-term mental health problem and 15.9% reported depression and anxiety (both higher than England – 9.9% and 13.7% respectively)

Significant public and private sector investment has gone into the city in recent years, to improve resilience to climate change, to improve Hull's connectivity, including our highways capacity and digital capabilities, into our university, our schools, the city centre public realm, our leisure and culture. Despite typically low engagement in the arts by Hull residents, 95% said they participated in at least one cultural activity during Hull's city of culture 2017 tenure and whilst maintaining this level of engagement in the years since with a much-reduced sector capacity and funding landscape, evidence across the sector is that the appetite for cultural engagement is still there.

Trustees recognise the positive health and wellbeing benefits of engaging with arts and culture, the important role creative engagement plays in children's educational attainment and life prospects and the role of a healthy cultural offer on the economic prospects of a place. As part of the reshaping of the organisation, AC will explore how contemporary visual art projects in particular can unleash the potential of the people of Hull and help to respond to some of these challenges.

Suppliers
The Trustees appreciate the importance of Absolutely Cultured suppliers in delivering the long-term plans of the company. We work with many local independent creative practitioners and are invested in supporting them to continue to work in the sector. Many rely on timely payment of invoices to live. The company pays its suppliers via twice monthly payments to ensure all invoices are paid within a maximum of 30 days from when they are received.

Environmental Sustainability
Trustees understand the role of arts and culture in making use of all its assets to increase awareness and advocate for change on environmental issues as well as delivering on our own moral and social responsibility as an organisation to ensure our output doesn't have a negative impact on the environment. Hull with its proximity to water is particularly vulnerable to climate change yet the Humber region has the highest carbon emissions in the country. AC aims to be environmentally conscious in all its strategic and operational outputs. The Trustees realise that this is an area where we need to invest and improve within the constraints of our funding environment.

We are a partner in Hull's Oh Yes Net Zero campaign where we have pledged to contribute to the Hull and Humber region leading the way on becoming net zero. We have a vegan and vegetarian only offer in our café venue and have signed up to a sustainable palm oil pledge. We buy local where possible and moved to a paperless finance system. We reuse and recycle materials for exhibitions. We actively programme work made by artists who tackle environmental themes and have a history of co-creating and commissioning work which raises awareness about the relevance and importance of climate action for Hull in particular.

We have had a Display Energy Certification Review undertaken to bench mark our current environmental impact and have been assessed at a B (35) which is a good standard. Improvements suggested would have relatively small impact to improve this but high cost to the charity.

The Trustees have further ambitions to reduce the company's carbon footprint by reducing its use of energy and mains water, reducing waste going to landfill, and to implement environmentally sustainable activities such as ensuring we power down when the building is not occupied, increasing our buy local activity to reduce transport impacts, creating a green roof to reduce heating costs and moving to a brown water collection system to reduce mains water usage.

The company is registered with Creative Green Tools, a set of online tools designed for the creative industries created by Julie's Bicycle, to measure the environmental impacts of cultural buildings, offices, outdoor events, tours, and productions. This needs further work to embed and will aid the Trustees in setting realistic KPI's to be agreed and implemented over the medium and long term and will form part of the regular reporting to the Board.

Covid
As the country has moved on from the intense level of restrictions during the pandemic, we have now fully reopened our exhibition spaces and café. The good systems of cleanliness and practice of self-isolating should anyone contract Covid 19 within the staff team are now embedded into our working practices and any disruption from this is now minimal.

During the year we have had staff who have had covid and have self-isolated. Good communication regarding events and programme helped to keep the disruption to our delivery model as low as possible.

Having established good systems for remote working, staff who were required to self-isolate were able to continue working remotely further reducing any impact on output.

Going Concern
As Trustees, we are required to review and comment whether the charity is a going concern and to the effect have looked at the organisation's cash flow, budgets and level of unrestricted reserves. We have taken advantage of the grants that were made available to us by the national and local governments and taken some tough decisions regarding use of charitable funds.

With a prudent approach, we consider the extent of the charity reserves, without any additional income from grants or trading activities, to be sufficient to cover all operating costs of the charity until at least March 2025 and therefore we consider that the financial statements be prepared on the going concern basis of accounting.

Financial Performance
The Trustees agreed the strategic plan and budget at the start of this reporting period with an agreement to underwrite a deficit up to £621,035 from our unrestricted reserves to ensure continuation of activity whilst we made our application to become an NPO. Due to operational changes through the period along with notification that the NPO grant was significantly lower than applied for, expenditure savings were made across various areas resulting in a lower figure being underwritten from our reserves.

Total income for the year, including donations in kind and investment income was £549,172. This was applied towards the planning and delivery of the year across all activity areas. In total this expenditure amounted to £994,545.

The above resulted in an excess of expenditure over income for the year of £445,373.

When deducted from the accumulated surplus from prior periods, there remains unrestricted funds of £1,222,638.

Like many arts organisations, we are reliant on grant funding as a significant funding source and continue to face the challenge of accessing such funding from the main funders. Following the pandemic, many trusts and foundations are experiencing increased demand at a time of increased overall need and have adjusted their criteria for funding with a greater emphasis on impact for communities and supporting areas of high deprivation.

We have currently secured £200,000 ACE NPO funding per annum over 3 years, will be entering the third and final year of the 3-year funding agreement with Esmeé Fairbairn Foundation at £72,600. In addition, we have secured funding from National Lottery Heritage Fund which spans into financial year 2023/24 and £40,000 in sponsorship from Hull City Council.

The Board acknowledge that, whilst successful in our ambition to become an NPO, the funding was significantly lower than applied for and the Executive Leadership are working on a transition model to a more sustainable operation. To achieve this, the Board have agreed strategic use of the unrestricted reserves this year to meet the current commitments and develop a programme of activities that can become financially sustainable through funding partnerships.

We have developed a fundraising strategy which is currently being revised in response to the changes to AC's business model and refocusing of purpose. Commercial income potential is being explored further as we aim to increase income through our café bar, merchandise, classes, space hire and commercial sponsorship. In January 2023, the café bar moved to an in-house facility having previously been outsourced. This has given us greater control but has brought financial challenges due to the start-up nature of the enterprise.

The funding landscape continues to be very challenging. We are responding to this with continuous review and development of the programme of activity to ensure our work is of the highest standard and has the greatest public benefit possible. We are also developing a new business model which allows us to focus resources and budget where it can achieve the best outcomes.

Principal Risks and Uncertainties
The principal risk to the organisation is its financial sustainability, the funding landscape is extremely challenging, and our programme is diverse, requiring significant staff resource. This is inherited from our diverse strands as the City of Culture and is being addressed through the current strategic planning. The pressure on budgets through the recent rapidly rising inflation has added to this uncertainty.

Whilst the imminent threat from the Covid 19 pandemic is significantly reduced, we continue to adhere to the latest Government COVID-19 Guidelines: COVID-19 Response: Living with COVID-19. The government's plan for removing the remaining legal restrictions while protecting people most vulnerable to COVID-19 and maintaining resilience. We have asked staff to work from home if they show symptoms and to take a Covid test only returning to the workplace when a negative test is achieved. Hand sanitiser is available throughout the venue with facemasks available on request for staff.

As part of our ongoing risk assessments, we have built in considerations around adjustments for living with Covid, ensuring numbers are managed, ventilation is good and people attending feel comfortable and safe.

The Management of Risk
The Trustees recognise their duty to identify and review risks to which the Charity is exposed and to ensure appropriate controls are in place to give assurance against error and fraud. The company has well managed appropriate management and governance procedures with a systematic programme of review in place. A comprehensive risk register is maintained and updated to reflect live risks, with risks owned and managed by the relevant Director. Risks and their mitigating actions are reviewed at the quarterly Risk Management meetings by the Executive Leadership and quarterly at the Finance & General Purpose meeting with main risks reported to the full Board meeting of Trustees quarterly. A copy of the full risk register is also shared with several the company's key funders.

In order to refocus the organisation's business model into one which continues to deliver the most public benefit possible and within our newly defined remit, the Executive Leadership have carried out a full review of the organisation, developing an options appraisal for the Trustees to review and agree on a future model. Dialogue with our main funding partners has been ongoing and the Trustees have been kept appraised of all developments and the impact of these on our financial resilience and requirement to utilise unrestricted reserves. Our fundraising strategy and action plan is being revised and the senior team are currently working on these to achieve a positive outcome for the organisation.

Each public facing activity undertaken by the company requires an event plan to be undertaken whereby all risks including health & safety and safeguarding are assessed and appropriate plans put in place.

Policies on Reserves
The charity's policy was updated to reflect current best practice and statutory guidance and approved at the full Board meeting on 23 February 2023. The policy looks at: -

- How the NPO outcome at a lower level than planned for impacts the planned programme over the next three years.
- The implication on match funding applications where the Arts Council funding is £200,000 rather than the £475,000 applied for.
- The implications of the current funding landscape and the charity's ability to raise grant funding to the levels required in the short term to fund ongoing activities.
- The charities' strategic objective to retain NPO status in the 2026 round with a robust growth model and the resources needed to sustain and develop the organisation over the next three years to achieve this.
- The capital investment required to support the strategic plans including, but not limited to, investing in space and equipment to deliver activities, environmental improvements to existing spaces, costs developing and launching a new brand, costs of evaluation that demonstrate the impact of any projects which reserves are invested into with a view to achieving future funding for them and staff training and development.
- What costs have been committed and would need to be honoured if the charity failed to achieve match funding Income targets. This includes salary and redundancy costs, contracts for services and general running costs including exit costs.

The Trustees have established that a reserve of £242,768 is required to meet ongoing commitments and cover timing differences of receipts and designated reserves of £1,028,122 are required for planned activity not included in the operational budget. The Trustees are aware that the current reserves are below this level and plans are being drawn up as part of the strategic planning to address this. This will primarily focus on reducing the future forecast funding deficits.

Designated Reserve	£
Match funding for grant funding applications	300,000
Capital & Environmental Improvements projects fund	80,000
Brand development and new website	25,000
Evaluation for Projects in development	20,000
IT Infrastructure & Digital Capacity	20,000
Staff Training and Development Fund	36,000
Enhanced parental leave pay fund	15,341
Financial Contractual Liabilities	137,485
Strategic use of funds to support organisation 23-26 through to next NPO application cycle	394,296
Total Designated Reserve 31/3/23	**1,028,122**

Public Benefit
The Trustees are of the opinion that the nature of the Charity's activities and the geographical area over which it operates are such that it fulfils the public benefit criteria as specified by the Charity Commission. Further, the Trustees confirm that they have complied with the duty in Paragraph 17(5) the Charities Act 2011 with regard to following guidance published by the Charity Commission in connection with public benefits.

Statement as to Disclosure of Information to Auditors
So far as the trustees (in their capacity as directors of the charitable company) are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware and each trustee has taken all the steps that he or she ought to have taken as a trustee in order to make him/herself aware of any audit information and to establish that the charitable company's auditors are aware of that information.

STATEMENT OF TRUSTEES' RESPONSIBILITIES
The trustees (who are also the directors of Absolutely Cultured Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS
The auditors, Smailes Goldie, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 14th September 2023 and signed on its behalf by:

.....
Trustee

Report of the Independent Auditors to the Trustees of Absolutely Cultured Limited

Opinion

We have audited the financial statements of Absolutely Cultured Limited (the 'parent charitable company') and its subsidiary (together the 'group') for the year ended 31st March 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 of the parent charitable company's affairs as at 31st March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 trustees are responsible for the other information. The other information comprises the information in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

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 trustees' report (incorporating the strategic report and the directors' report) for the financial year which the financial statements are prepared is consistent with the financial statements; and;
- The strategic report and the directors' 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 the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 group's and the 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 the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was focused on specific laws and regulations which we considered may have a direct material effect on the charity only and consolidated financial statements or the operations of the charitable company and the group, including the Companies Act 2006, the Charities Act 2011, tax legislation, data protection, anti-bribery, employment, fundraising regulations and health and safety legislation. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the charitable company's and consolidated financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

We assessed the susceptibility of the charitable company's and consolidated financial statements to material misstatement, including obtaining an understanding of how fraud might occur, ny making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing charity only and consolidated financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the charitable company's legal advisors.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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



Stephen Bramall BSc FCA (Senior Statutory Auditor)
For and on behalf of Smailes Goldie
Chartered Accountants
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

14th September 2023

Absolutely Cultured Limited

Consolidated Statement of Financial Activities
(Incorporating income and expenditure account)
for the year ended 31st March 2023

	Notes	Unrestricted fund £	Restricted fund £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	**35,818**	**380,894**	**416,712**	770,708
Other trading activities	3	**47,249**	**-**	**47,249**	49,163
Investment income	4	**5,494**	**-**	**5,494**	187
Other income		**79,717**	**-**	**79,717**	90,721
Total		**168,278**	**380,894**	**549,172**	910,779
EXPENDITURE ON					
Charitable activities	5				
Partnerships & Development		**73,882**	**45,786**	**119,668**	81,656
Marketing & Communications		**142,874**	**89,989**	**232,863**	139,408
Programme & Delivery		**396,895**	**245,119**	**642,014**	940,474
Total		**613,651**	**380,894**	**994,545**	1,161,538
NET INCOME/(EXPENDITURE)		**(445,373)**	**-**	**(445,373)**	(250,759)
RECONCILIATION OF FUNDS					
Total funds brought forward		**1,668,011**	**-**	**1,668,011**	1,918,770
TOTAL FUNDS CARRIED FORWARD		**1,222,638**	**-**	**1,222,638**	1,668,011

CONTINUING OPERATIONS
All income and expenditure has arisen from continuing operations.

Consolidated Balance Sheet
31st March 2023

	Notes	Unrestricted fund £	Restricted fund £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	11	**23,268**	-	**23,268**	28,009
CURRENT ASSETS					
Stocks	13	**2,769**	-	**2,769**	1,654
Debtors	14	**121,015**	-	**121,015**	195,382
Cash at bank and in hand		**1,160,535**	-	**1,160,535**	1,537,913
		1,284,319	-	**1,284,319**	1,734,949
CREDITORS					
Amounts falling due within one year	15	**(84,949)**	-	**(84,949)**	(94,947)
NET CURRENT ASSETS		**1,199,370**	-	**1,199,370**	1,640,002
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,222,638**	-	**1,222,638**	1,668,011
NET ASSETS		**1,222,638**	-	**1,222,638**	1,668,011
FUNDS	17				
Unrestricted funds				**1,222,638**	1,668,011
Restricted funds				-	-
TOTAL FUNDS				**1,222,638**	1,668,011

The financial statements were approved by the Board of Trustees and authorised for issue on 14th September 2023 and were signed on its behalf by:

L Pitcher - Trustee

The notes form part of these financial statements

continued...

Charity Balance Sheet
31st March 2023

	Notes	Unrestricted fund £	Restricted fund £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	11	**14,328**	-	**14,328**	25,670
Investments	12	**1**	-	**1**	1
CURRENT ASSETS					
Debtors	14	**193,023**	-	**193,023**	251,385
Cash at bank and in hand		**1,087,077**	-	**1,087,077**	1,483,277
		1,280,100	-	**1,280,100**	1,734,662
CREDITORS					
Amounts falling due within one year	15	**(80,733)**	-	**(80,733)**	(94,662)
NET CURRENT ASSETS		**1,199,367**	-	**1,199,367**	1,640,000
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,213,696**	-	**1,213,696**	1,665,671
NET ASSETS		**1,213,696**	-	**1,213,696**	1,665,671
FUNDS					
Unrestricted funds				**1,213,696**	1,665,671
Restricted funds				-	-
TOTAL FUNDS				**1,213,696**	1,665,671

The financial statements were approved by the Board of Trustees and authorised for issue on 14th September 2023 and were signed on its behalf by:

L Pitcher - Trustee

The notes form part of these financial statements

Absolutely Cultured Limited

Consolidated Cash Flow Statement
for the year ended 31st March 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	**(372,310)**	(614,204)
Net cash (used in)/provided by operating activities		**(372,310)**	(614,204)
Cash flows from investing activities			
Purchase of tangible fixed assets		**(10,562)**	(8,548)
Sale of tangible fixed assets		**-**	104
Interest received		**5,494**	187
Net cash used in investing activities		**(5,068)**	(8,257)
Change in cash and cash equivalents in the reporting period		**(377,378)**	(622,461)
Cash and cash equivalents at the beginning of the reporting period		**1,537,913**	2,160,374
Cash and cash equivalents at the end of the reporting period		**1,160,535**	1,537,913

The notes form part of these financial statements

Notes to the Cash Flow Statement for the year ended 31st March 2023

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	**(445,373)**	(250,759)
Adjustments for:		
Depreciation charges	**14,626**	15,845
Loss/(profit) on disposal of fixed assets	**677**	(104)
Interest received	**(5,494)**	(187)
Increase in stocks	**(1,115)**	(1,388)
Decrease/(increase) in debtors	**74,367**	(151,433)
Decrease in creditors	**(9,998)**	(266,178)
Net cash (used in)/provided by operations	**(372,310)**	(614,204)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank and in hand	**1,537,913**	**(377,378)**	**1,160,535**
	1,537,913	**(377,378)**	**1,160,535**
Total	**1,537,913**	**(377,378)**	**1,160,535**

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income
All income is recognised once the charity or its subsidiary has entitlement to the funds after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether capital or revenue, is recognised when the charity or its subsidiary has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Donations represent grant and sponsorship monies receivable by the group where the donor does not receive any significant benefits other than the knowledge that the charitable company must apply the monies to further its charitable objectives.

Donations in kind are donate professional services and donated facilities to the charitable company. They are recognised on the basis of the value of the gift to the charitable company which is the amount the charitable company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount in then recognised in expenditure in the period of receipt. However, the lack of a market comparative price for the contribution made by volunteers means that it is not possible to measure their value reliably. Accordingly, the contribution of general volunteers is not included in the charitable company's accounts.

Income from the sale of goods is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of income can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the charity or its subsidiaries and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually at the point of sale.

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

Expenditure
Expenditure is recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Expenditure on charitable activities comprises the costs of planning and delivering the performances, exhibitions and other educational activities arranged in furtherance of the charitable company's objects, together with their associated support costs.

Allocation of costs
Costs directly associated with the planning, promotion and delivery of the programme of cultural events are classified as direct charitable expenses. Costs relating to its strategic management are classified as governance costs. All remaining costs are classified as support costs. Support costs are allocated across income streams according to the ratio of direct costs.

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are stated at cost. Depreciation is provided on all tangible fixed assets, at rates calculated to write off all tangible fixed assets over their estimated useful lives using the following rates:

Property alterations	33% p.a. on cost/remaining lease term if less
Furniture, fittings and equipment	25% p.a. on cost
Computer equipment	33% p.a. on cost

Stocks

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

Taxation

As a registered charity, the charitable company is exempt from corporation tax on surpluses arising from its charitable activities during the period. Value Added Tax is charged on taxable supplies and input VAT recovered in accordance with normal rules. So far as available profits permit, the subsidiary uses the Gift Aid regulations to mitigate its liability to corporation tax.

No provision is made for deferred taxation on timing differences arising from the purchase of tangible fixed assets in the subsidiary on the basis that Gift Aid will be available to eliminate any potential future corporation tax liability arising.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable are charged to the Statement of Financial Activities in the period to which they relate.

Fixed asset investments

Fixed asset investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the statement of financial activities. A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities allocated to the appropriate heading.

Gift and donations from subsidiary undertaking

The charitable company is in receipt of distributions from its subsidiary undertaking under the Gift Aid scheme.

continued...

1. ACCOUNTING POLICIES - continued

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

The current economic conditions present difficulties to all organisations in the arts sector in terms of raising funds from either government-funded bodies or private enterprise. In response to such conditions the charity has prepared budgets and cashflow forecasts and these show it has adequate resources to pay its debts as they fall due.

It is the charity's intention to use its unrestricted reserves to fund its charitable objects and on this basis the Board considers that the group has a reasonable expectation of being able to continue in operational existence to at least the period of the budgets and cashflow forecasts of 31 March 2025 and that there are no material uncertainties that have not been considered or stress tested that lead to significant doubt about the group's ability to continue as a going concern. Therefore, the Board have continued to adopt the going concern basis of accounting in preparing these financial statements.

Significant judgements and key sources of estimation uncertainty

In the application of the charity'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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

No significant judgements or key estimates were made on preparing these financial statements.

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	29,218	10,004
Donations in kind	-	-
Grants	387,494	760,704
	416,712	770,708

continued...

2. DONATIONS AND LEGACIES - continued

Grants received, included in the above, are as follows:

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
Arts Council England	-	250,000	250,000	-	579,321	579,321
Yorkshire Water	-	-	-	-	45,000	45,000
Spirit of 2012	-	-	-	-	4,912	4,912
Esmeé Fairbairn	6,600	66,000	72,600	-	66,000	66,000
Heritage Lottery Fund	-	45,000	45,000	-	-	-
Elephant Trust	-	-	-	-	2,000	2,000
Hull College	-	-	-	-	5,000	5,000
Kickstart	-	4,850	4,850	-	45,119	45,119
East Riding of Yorkshire Council	-	-	-	-	2,685	2,685
Gasworks	-	10,000	10,000	-	-	-
Art Fund	-	3,300	3,300	-	-	-
DWP	-	1,744	1,744	-	-	-
Covid support	-	-	-	10,667	-	10,667
	6,600	380,894	387,494	10,667	750,037	760,704

3. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Professional services	-	8,333
Sponsorship	35,000	40,000
Merchandise sales	11,249	830
Partners and club members	1,000	-
	47,249	49,163

4. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	5,494	187

continued...

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Partnerships & Development	**63,724**	**55,944**	**119,668**
Marketing & Communications	**122,992**	**109,871**	**232,863**
Programme & Delivery	**342,469**	**299,545**	**642,014**
	529,185	**465,360**	**994,545**

6. SUPPORT COSTS

	Staffing costs £	IT, travel & communications £	Other admin costs £	Governance costs £	Totals £
Partnerships & Development	**27,121**	**5,627**	**21,189**	**2,007**	**55,944**
Marketing & Communications	**54,241**	**10,860**	**40,896**	**3,874**	**109,871**
Programme & Delivery	**144,643**	**30,240**	**113,876**	**10,786**	**299,545**
	226,005	**46,727**	**175,961**	**16,667**	**465,360**

Support costs have been apportioned according to the ratio of direct costs.

6a. GOVERNANCE COSTS

	2023	2022
Auditors' remuneration	**14,050**	13,815
Consultancy and professional fees	**2,223**	4,594
Trustees expenses	**394**	756
	16,667	19,165

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Depreciation - owned assets	**14,626**	15,845
Deficit/(surplus) on disposal of fixed assets	**677**	(104)
Auditors remuneration	**14,050**	13,815

8. TRUSTEES' REMUNERATION AND BENEFITS

Clause 7.2.7 of the company Articles of Association permits the charitable company to pay reasonable remuneration to the Chair of the Board where the directors resolve that it is in the charity's interests to do so. Accordingly, following the departure of the Executive Director in the 2018/19 year, the Chair, Lee Corner, undertook executive responsibilities to support the leadership and strategic development of the charity in relation to partnerships and fundraising activity. Lee Corner resigned during 2021/22 and during 2021/22 she received £4,800 for her services.

During the year £394 (2022: £164) in travel and subsistence expenses was paid out to one trustee (2022: two trustees).

continued...

9. STAFF COSTS

	2023	2022
Staff salaries	**464,830**	480,382
Freelance contracts, secondments and salaries in kind	**5,870**	22,790
Employer's NIC	**38,154**	41,502
Pension scheme contributions	**24,862**	25,650
	533,716	570,324

The average monthly number of full-time equivalent employees during the year was as follows:

	2023	2022
Administration	**4**	5
Partnerships and development	**2**	2
Marketing and communications	**3**	3
Programming and delivery	**6**	7
	15	17

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£60,001 - £70,000	**1**	1

The key management personnel of the charity comprise the trustees and the senior management team, as set out in the Trustees' Report. The total employee benefits of the key management personnel of the charity were £199,994 (2022: £222,606).

continued...

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	20,671	750,037	770,708
Other trading activities	49,163	-	49,163
Investment income	187	-	187
Other income	90,721	-	90,721
Total	160,742	750,037	910,779
EXPENDITURE ON			
Charitable activities			
Partnerships & Development	29,155	52,503	81,658
Marketing & Communications	49,405	90,004	139,409
Programme & Delivery	332,941	607,530	940,471
Total	411,501	750,037	1,161,538
NET INCOME/(EXPENDITURE)	(250,759)	-	(250,759)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,918,770	-	1,918,770
TOTAL FUNDS CARRIED FORWARD	1,668,011	-	1,668,011

11. TANGIBLE FIXED ASSETS - GROUP

	Leasehold improvements £	Computer equipment £	Fixtures and fittings £	Totals £
COST				
At 1st April 2022	**255,700**	**44,128**	**70,014**	**369,842**
Additions	**-**	**1,825**	**8,737**	**10,562**
Disposals	**-**	**(5,200)**	**(2,213)**	**(7,413)**
At 31st March 2023	**255,700**	**40,753**	**76,538**	**372,991**
DEPRECIATION				
At 1st April 2022	**240,213**	**40,241**	**61,379**	**341,833**
Charge for year	**7,744**	**1,945**	**4,937**	**14,626**
Eliminated on disposal	**-**	**(5,200)**	**(1,536)**	**(6,736)**
At 31st March 2023	**247,957**	**36,986**	**64,780**	**349,723**
NET BOOK VALUE				
At 31st March 2023	**7,743**	**3,767**	**11,758**	**23,268**
At 31st March 2022	15,487	3,887	8,635	28,009

continued...

11a. TANGIBLE FIXED ASSETS – CHARITY

	Freehold property £	Computer equipment £	Fixtures and fittings £	Totals £
COST				
At 1st April 2022	**255,700**	**40,420**	**41,848**	**337,978**
Additions	**-**	**1,825**	**-**	**1,825**
Disposals	**-**	**(4,704)**	**(1,413)**	**(6,117)**
At 31st March 2023	**255,700**	**37,541**	**40,435**	**333,676**
DEPRECIATION				
At 1st April 2022	**240,213**	**36,534**	**35,551**	**312,298**
Charge for year	**7,744**	**1,945**	**2,801**	**12,490**
Eliminated on disposal	**-**	**(4,704)**	**(736)**	**(5,440)**
At 31st March 2023	**247,957**	**33,775**	**37,616**	**319,348**
NET BOOK VALUE				
At 31st March 2023	**7,743**	**3,766**	**2,819**	**14,328**
At 31st March 2022	15,487	3,887	6,298	25,670

12. FIXED ASSET INVESTMENTS – CHARITY

	Shares in group Undertaking
Cost	
At 1st April 2022	1
At 31st March 2023	1

At the balance sheet date the company owned 100% of the ordinary share capital of Absolutely Cultured (Enterprises) Limited, a company incorporated in England. The subsidiary was established on 14th August 2015 to generate commercial revenue to support the activities of the parent charity.

13. STOCKS

	Group	
	2023	2022
	£	£
Stocks	**2,769**	1,654

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		**Charity**	
	2023	**2022**	**2023**	**2022**
Trade debtors	**25,233**	60,979	**25,083**	58,000
Other debtors	**2,350**	2,350	**2,350**	2,350
VAT	**2,536**	532	**-**	-
Prepayments and accrued income	**90,896**	131,521	**90,296**	130,594
Amount due from group undertaking	**-**	-	**75,294**	60,441
	121,015	195,382	**193,023**	251,385

continued...

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2023	2022	**2023**	2022
	£	£	**£**	£
Trade creditors	**8,662**	12,951	**8,102**	12,239
Social security and other taxes	**9,376**	15,457	**10,914**	20,391
Other creditors	**4,060**	4,434	**3,909**	4,434
Generation Hull	**7,469**	7,040	**7,469**	7,040
Producer Exchange	**13,646**	18,339	**13,646**	18,339
Accruals and deferred income	**41,736**	36,726	**36,693**	32,219
	84,949	94,947	**80,733**	94,662

Deferred Income

Deferred income at 1st April 2022	**3,223**	248,703	**3,223**	248,706
Resources deferred in the year	**6,600**	253	**6,600**	253
Amounts released from previous year	**(3,223)**	(245,733)	**(3,223)**	(245,733)
Deferred income at 31st March 2023	**6,600**	3,223	**6,600**	3,223

Deferred income comprises the following:

	2023	2022
	£	£
Grants	**6,600**	2,970
Ticket sales	**-**	253
	6,600	3,223

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	Group		Charity	
	2023	**2022**	**2023**	**2022**
			£	£
Within one year	**32,000**	32,000	**32,000**	32,000
Between one and five years	**-**	32,000	**-**	32,000
	32,000	64,000	**32,000**	64,000

continued...

17. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
Unrestricted	**1,668,011**	**(445,373)**	**1,222,638**
TOTAL FUNDS	**1,668,011**	**(445,373)**	**1,222,638**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted	**168,278**	**(613,651)**	**(445,373)**
Restricted funds			
Restricted	**380,894**	**(380,894)**	-
TOTAL FUNDS	**549,172**	**(994,545)**	**(445,373)**

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
Unrestricted	1,918,770	(250,759)	1,668,011
TOTAL FUNDS	1,918,770	(250,759)	1,668,011

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted	160,742	(411,501)	(250,759)
Restricted funds			
Restricted	750,037	(750,037)	-
TOTAL FUNDS	910,779	(1,161,538)	(250,759)

18. RECONCILIATION OF MOVEMENTS IN RESTRICTED INCOME FUNDS

		As at 1st April	Income	Expenditure	Transfers	As at 31st March
2022/2023	Arts Council England	-	250,000	(250,000)	-	-
	Esmee Fairburn	-	66,000	(66,000)	-	-
	Heritage Lottery Fund	-	45,000	(45,000)	-	-
	Hull City Council Kickstart	-	4,850	(4,850)	-	-
	Gasworks	-	10,000	(10,000)	-	-
	Art Fund	-	3,300	(3,300)		
	DWP	-	1,744	(1,744)	-	-
		-	380,894	(380,894)	-	-
2021/2022	Arts Council England	-	579,321	(579,321)	-	-
	Spirit of 2012	-	4,912	(4,912)	-	-
	Yorkshire Water	-	45,000	(45,000)	-	-
	Hull College	-	5,000	(5,000)	-	-
	Hull City Council Kickstart	-	45,119	(45,119)	-	-
	Esmee Fairburn	-	66,000	(66,000)	-	-
	East Riding Yorkshire Council	-	2,685	(2,685)	-	-
	Elephant Trust	-	2,000	(2,000)	-	-
		-	750,037	(750,037)	-	-

19. PENSION CONTRIBUTIONS

The company contributes to the personal pension schemes of its employees. The costs incurred for the year amount to £24,862 (2022: £25,650) of which £3,909 remained outstanding at the balance sheet date (2022: £4,434).

20. RELATED PARTY DISCLOSURES

During the year, the company paid £NIL (2022: £167) to the Hideout Hotel Ltd for accommodation provided during the year. The Trustee G.F. Allenby is a shareholder and director in this company.

There were no other related party transactions.

22. SECURITY

The company's bankers hold a debenture dated 9th February 2015 over the assets of the company.

ABSOLUTELY CULTURED LIMITED

England & Wales - Charity number 1162199

Accounts

Smailes Goldie Group
CREATING ADVANTAGE

REGISTERED COMPANY NUMBER: 09106231
REGISTERED CHARITY NUMBER: 1162199

Absolutely Cultured Limited

Consolidated Financial Statements

31st March 2022

SD-0206764-1-6

Absolutely Cultured Limited

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for the year ended 31st March 2022

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Absolutely Cultured Limited

Report of the Trustees
for the year ended 31st March 2022

The trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2022 which are also prepared to meet the requirements for a director's 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 (SORP) 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).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
9106231 (England and Wales)

Registered Charity number
1162199 (England and Wales)

Registered office
Humber Street Gallery
64 Humber Street
Hull
HU1 1TU

Auditors
Smailes Goldie
Chartered Accountants
Statutory Auditor
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

Bankers
National Westminster Bank plc
34 King Edward Street
Hull
HU1 3SS

Solicitors
Rollits
58 High Street
Hull
HU1 1QE

Absolutely Cultured Ltd is a company limited by guarantee whose business is governed by a board of trustees. The company gained charitable status on 15 June 2015. The board of trustees comprises individuals who together are responsible for the governance of the charity. The company was originally formed to deliver Hull's year as the UK City of Culture in 2017 and, in September 2017, it was announced that the organisation which was set up to deliver 365 days of transformative culture, was to continue, with a much reduced and redefined remit which will form part of the city's legacy.

To reflect this change, the company changed its name from Hull UK City of Culture 2017 Limited on 24 May 2018.

The board currently consists of eight trustees and is chaired by Lee Pitcher. The full list of trustees is set out in the reference details below.

The full Board of trustees met five times in the period on the dates as listed:

Board Meeting Dates from 1 April 2021 – 31 March 2022

- 1 April 2021 (Virtual)
- 8 July 2021
- 7 October 2021
- 13 January 2022 (Virtual)
- 31 March 2022

Due to the Covid restrictions and regulations in place in both April 2021 and January 2022 meetings were held virtually with all other board meetings held in person.
The trustees act on advice and information from the Executive which is responsible for the day-to-day management of the charity.

Recruitment and Appointment and Training of Trustees
The charity continues to refresh the board of trustees and this year saw the recruitment of two new trustees, including a new chair, Lee Pitcher, Head of Partnerships, Yorkshire Water, Living with Water and Julia Weldon, Director of Public Health and Deputy Chief Executive of Hull City Council. These trustees were appointed after a comprehensive recruitment programme ensuring a diverse wealth of experiences and skills to add to the skillset of our existing trustees.

Lee Corner stepped down as chair and trustee on 31 August 2021 and Matt Jukes and Professor Lucy Mazdon stepped down on 13 January 2022 following many years of service to the charity. We thank them for their service and commitment and wish them well.

Lord Professor Bhikhu Parekh continues to be the company's patron.

Portfolio Responsibilities
The eight trustees of Absolutely Cultured bring specialisms and experience from all areas of business and the arts which they use to support all areas of the company's activity and in line with a smaller scale company. There is also a Finance & General Purposes (F&GP) sub-group which consists of four trustees and is chaired by Richard Lewis. Their remit is to provide a forum for the CEO to discuss matters of strategic and significant importance to the charity before presentation to the main board. The committee also reviews the annual budget, receives the audit report, appoints financial service providers, oversees financial control and reviews HR policies and pay.

The board appointed Ben Norman as senior independent director in November 2019.

Absolutely Cultured Limited

Report of the Trustees
for the year ended 31st March 2022

Trustees to have held office during the year and up to the date of this report:

Trustee	Appointed	Resigned	Main Board Attendance out of a possible 5
L.A. Corner (Chair)	20/03/18	31/08/21	2 of 2
Cllr S. Brady (Vice-Chair)	18/11/16	01/04/21	N/A
N.R. Hodgkinson	03/10/14	01/04/21	N/A
M.S. Jukes	10/05/16	13/1/22	1 of 4
G.F. Allenby	19/07/18	-	2 of 2
B.P. Norman	17/07/18	-	5
R Lewis	23/09/19	-	5
Professor L Mazdon	13/08/19	13/1/22	2 of 4
Dr K Harker	14/01/21	-	4
M Gibson	14/01/21	-	3
Dr C Tomlinson	14/01/21	-	5
L Pitcher (Chair)	08/07/21	-	4 of 4
J Weldon	31/3/22	-	1 of 1

Group Structure

The group consists of Absolutely Cultured Ltd and Absolutely Cultured (Enterprises) Ltd which is a wholly owned subsidiary of the charity and a separately registered company. Absolutely Cultured (Enterprises) Ltd carries out non-charitable trading activities to raise funds for the work of the charity and was incorporated on 14 August 2015.

Separate consolidated financial statements incorporating the results of the charity and the subsidiary have been prepared.

Company Management Structure
The company is led on a day to day basis by a CEO & Artistic Director and a Senior Leadership Team.

The company structure at 31.03.22
Stephen Munn: CEO & Artistic Director
Joanne Norman: Head of Finance and Operations
Janine Crombie: Head of Development and Communication

Pay and remuneration of the key management personnel is initially set by the board of trustees with reference to the company pay scales, market conditions and sector salaries. All staff are eligible for an annual cost of living rise where awarded and further pay rises are assessed against a performance management criteria.

Absolutely Cultured Limited

Report of the Trustees
for the year ended 31st March 2022

OBJECTIVES

Mission
To increase the value and relevance of arts and culture in people's lives through actively enabling Hull's cultural development.

Absolutely Cultured works in partnership across the city to ensure that the spark that was lit in Hull UK City of Culture 2017 never goes out and that we continue to evolve and shape our city with creativity at its heart., We bring together collective voices, expertise and talents to be greater than the sum of our parts. We facilitate social, economic and cultural change by placing the arts and creativity at the heart of people's lives, their ambitions and aspirations.

Vision
To enrich the lives of the people of Hull through facilitating cultural programmes of excellence

Hull is a city with a thriving and internationally recognised cultural offer which is a driving force in the city's prosperity, is valued by the people of Hull and which Absolutely Cultured is central to making happen.

Hull. Where the creation and creativity of arts and culture are embraced, valued and intrinsically linked to the prosperity of the city and to enriching people's lives.

Hull. Among the most culturally engaged cities in the UK, where local, national and international arts and culture are part of the City's DNA and as available as water.

Hull. Where opportunities to engage in the arts and culture are varied and prevalent.

Hull. Where careers in the arts and cultural and creative industries are real options, with ambitions and aspirations nurtured and supported.

Aims
Absolutely Cultured Aims to:

- Be an exemplar organisation unique in its delivery of its Cultural & Public Engagement Programmes – Delivering Arts Centre model across the city through three strands of Arts Programme, Learning and Community Engagement
- Work with a range of cross-sector partners to maximise the positive impact of Arts & Culture in the city of Kingston upon Hull – Working partnerships with Yorkshire Water, University of Hull and Generation Hull
- Be a welcoming, productive and creative environment for all our staff, partners and audiences – Humber Street Gallery generating footfall of 40,000 plus visitors per annum: Galleries, Café / Bar and Roof Terrace
- Place diversity at the centre of the organisation – A learning hub for Welcome to English weekly activity (Refugees & Asylum Seekers)
- Have a local, national and international impact through a strong partnership approach – Presentation of 'In My Room' exhibition as part of national commissioning partnership with Focal Point & Mostyn Gallery
- Present the best Cultural Programme possible to as wide an audience as possible - Delivering high quality programmes including Creative Hull July 2021 and Floodlights October 2021
- Encourage cross art form participation for all ages – Gipsyville Creative Centre Saturday morning Arts Sessions
- Provide a creative environment & supportive culture for artists at all stages of their career – Successful delivery of Inter_Change talent development programme 2021/22
- Provide excellent learning opportunities through Generation Hull and all Learning Programmes – supporting Generation Hull and hosting Project Manager
- Be commercially minded striking an appropriate arts and business balance – Working with One M on Cafe / Bar and private events we have started to develop a wider offer including becoming a licenced wedding venue.

Objects

The charity's objects ('Objects') are specifically restricted to the following:

(1) To advance the education of the general public in the arts and the artistic and cultural heritage of the City of Hull and in particular the arts of performance, music, drama, poetry reading, sculpture, painting, handicrafts and all other associated arts;

(2) To advance the arts in particular the arts of performance, music, drama, poetry reading, sculpture, painting, handicrafts and all other associated arts, by encouraging public participation in the said arts and by the presentation of concert, performances, exhibitions and festivals provided that the promotion of such festivals and events is undertaken solely for the Public Benefit;

(3) To promote the arts and heritage for the benefit of the public within the City of Hull in particular but not exclusively by supporting and representing the arts and heritage sector through promotion representation and development;

(4) To further such other charitable purposes beneficial to the community consistent with objects (1) (2) and (3) above as the trustees shall in their absolute discretion determine.

Related parties and co-operation with other organisations

The trustees (with the exception of the previous Chair) are not remunerated and receive no other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity with business partners, sponsors or suppliers is disclosed to the full board of trustees in the same way as any other contractual relationship with a related party.

STRATEGIC REPORT

The Board of Trustees is responsible for the strategic direction of the charity. The trustees delegate authority for all day-to-day management of the company affairs to the Senior Leadership Team led by the CEO & Artistic Director. Both Board and Management are committed to maintaining constructive dialogue with other key stakeholders, engaging regularly to understand their perspectives.

The trustee's primary responsibility is to promote the long term success of the company through facilitating cultural programmes of excellence which enriches the lives of the people of Hull. The trustees, along with the CEO & Artistic Director and Head of Finance & Operations, annually review the budget and artistic policy & programme and monitor the implementation and performance of these throughout the year. There are considerations to external factors such as the economic and political conditions in relation to the arts in general, competition for grants from trusts and foundations and the global pandemic impacting on our audience's ability to access activity. They take the reputation of the company seriously, which is not limited to operating and financial performance, and have committed to diversity and inclusivity across Absolutely Cultured's workforce, own board membership and the artists we engage with. Within recruitment practices, we actively promote inclusivity through offering applicants the opportunity to apply via recorded application, to propose alternative working arrangements such as job share and have engaged 7 staff through the Government Kickstart scheme giving work opportunities to young people across the company.

Key Achievements and Performance

Absolutely Cultured is an arts centre with a strong creative development function working across artforms to create opportunity and space for amazing cultural experiences to happen. With the appointment of Stephen Munn in October 2019 the company has reaffirmed its role with a clear strategic focus on Partnership, Place Shaping and Social Impact working across the city. The team have worked to bring together collective voices, expertise and talents to be greater than the sum of our parts. We facilitate social, economic and cultural change by placing the arts and creativity at the heart of people's lives, their ambitions and aspirations.

Cultural organisations have been forced to look long and hard at outputs and their place in the communities in which they sit, what value do they really bring to 'Place' given the enormity of the challenges created by Covid-19. The ACE Lets Create Strategy stated outcomes of Creative People, Cultural Communities and A Creative & Cultural Country have never seemed more relevant as a working framework for the Sector. The introduction of the four Investment Principles (IP) by ACE must be interwoven and lived by organisations and although challenging should prove to be a positive and a significantly rewarding development area – The four IP's are Inclusivity & Relevance, Ambition & Quality, Dynamism, Environmental Responsibility.

In May 2022 Absolutely Cultured submitted a three-year Arts Council England National Portfolio application for three year revenue funding. If successful, the new agreement will commence April 2023. Although Hull was not part of the DCMS 109 listed priority investment areas it is still considered an area for investment.

Key Developments 2021/22

Covid – 19 has impacted significantly on the organisation's operations through delayed programme delivery, reduced venue capacities, footfall, commercial activity and staff absence. The ACE Legacy Programme was completed in October 2021 after a 12 month delay due to the pandemic.

The Volunteer Programme was successfully transitioned into Visit Hull & East Yorkshire (VHEY) in September 2021.This was a strategic process that explored several models which was led by a Working Group comprising of members of the Leadership Team and Trustees. Hull City Council and Spirit of 2012 identified three-year funding for the programme with a TUPE process established which protected the two associated roles through the transition to VHEY. The programme has been branded HEY Volunteering with representation from Absolutely Cultured being confirmed on the Steering Group once established.

Cultural Programme

- Creative Hull successfully delivered July 2021 – a celebration of creativity across the city and its communities with over 60 partnership events delivered both live and digitally
- FloodLights was successfully delivered October 2021: 3 x City Centre installations, a Community Parade and a Panel Discussion in partnership with Yorkshire Water, Living with Water & University of Hull. The project explored Hulls relationship with water and attracted audiences in excess of 11,000
- Exhibition Programme includes – Leo Fitzmaurice, Hannah Quinlan & Rosie Hastings, Jasleen Kaur, In Conversation as Collective Strategy, Ashley Holmes & Kara Chin. Current average audience of 130 per week
- The development of the Thursday Lates programme featuring artists from dance, theatre, music, and spoken word. This is proving to be a successful audience development strand of the Humber Street Gallery programme
- Social Action Community Artist Residencies – Dom Heffer with Peel Street Primary School and Andy Pea with the Gipsyville Library
- Creative Centres, Gipsyville Library – weekly Coffee & Chats plus fortnightly Creative Workshops average of 25 participants. Spring Bank Creative Centre activity commenced February 2022
- Inter_Change a creative practitioner development programme – 12 participants undertook the programme which included Master Classes, Mentoring and site visits to Liverpool, Leeds & Coventry to meet cultural organisations and practitioners
- Choreographer Gareth Chambers completed two weeks Research & Development period in November 2021 which will be used as the foundation to make a full piece of work. The R&D was funded by ACE

Organisational

- Lee Pitcher recruited as Chair of Absolutely Cultured with term commencing 01.09.2021. Lee Corner completed her successful term as Chair on the 31.08.2021
- Volunteer Programme was successfully transferred to Visit Hull & East Yorkshire 01.09.2021
- Four IP Working Groups comprising of Staff and Trustees created to feed into Business Plan and NPO Application process, meetings explored each of the IP Core Characteristics
- Merging of Marketing and Development teams to create Development and Communications Department
- AC has supported 7 Kickstart positions throughout the year with four becoming permanent, one going on to further permanent employment, one going on to further temporary employment with us and one who exited the scheme.
- Investing in staff: various online training courses completed by team. Staff Survey rolled out with outcomes reported to Board and feedback given to Staff (see page 13 for details on how this process is managed). Performance Related Pay system introduced monitored by Finance & General Purposes Group
- Storage solution for the organisation identified with an updated Asset Register produced
- Community Creative Centres initiated with Gipsyville Library and 91 Spring Bank
- HSG Lease April 2021 – March 2024 in place: Energy Audit completed, and a positive assessment received
- 51 Whitefriargate utilised as a venue for Creative Hull and FloodLights July – November 2021. We have benefited from Business Rates - Expanded Retail Discount
- We recognise that the organisation is not big enough to be required to complete a carbon report, however, we acknowledge that this is an important matter, and we are working to reduce our carbon footprint through reusing and recycling, buying local and developing relationships with the University of Hull to support us in this.

2021/22 projects include:

Creative Hull was a weekend long celebration of the creativity and culture that Hull has to offer, which took place **16 -18 July 2021**. Over 60 different activities were included, occupying existing venues, disused shops and buildings and outdoor spaces across the city, as well as online. With music, dance, cabaret, theatre, art exhibitions, window displays, workshops and more, there really was something for everyone. *Creative Hull* was a moment to celebrate our city's culture and the role it can play as we emerge from the pandemic – responding to the changes brought and shaping a new optimistic future. Originally planned for 2020, we worked hard to make sure we could go ahead in a considered and socially distanced way. The aim is to make this an annual showcasing event from July 2023.

5,497 attendees - 24% of attendees said that they chose to come because they wanted to do or experience something creative themselves.
To note – this was the first event of its kind in Hull post lockdown. The weekend was still impacted by restrictions and was the weekend of the famous 'Pingdemic'.

FloodLights was our newly-commissioned public project featuring captivating projections and soundscapes – brand new for Hull in Autumn 2021. The city of Hull, and the lives of its inhabitants, has been shaped by its proximity and relationship to water. Working in partnership with Living With Water, Yorkshire Water and the University of Hull, we explored these issues – now even more pertinent than ever – through projection and light installations. We are excited to have worked with artists Limbic Cinema (created narrative content with local groups), Vent Media and Hull-based Davy & Kristin McGuire and Andy Pea, who had all drawn inspiration from the subject of "living with water". Over 22-24 October they brought the city centre to life with moving animations, light installations and atmospheric music.

'Tonight I took the kids to Gipsyville Multi-Purpose Centre & Library for the Absolutely Cultured local #floodights lantern parade that Millie helped make a few weeks ago. There were so many people that turned up which was lovely to see as I didn't expect so many.'

11,000 attendees - 83% of attendees felt that the quality of the event was good or very good. 49 % of attendees agreed that FloodLights made them think about flood risk and 56% said it made them think about climate change affects them and their community.

Floodlights brought to an end the ACE funded Legacy Programme with a full Evaluation Report submitted and approved February 2022.

Exhibition Programme: In Conversation as Collective Strategy
In Conversation as Collective Strategy used Space 2 to connect and support Hull-based collective work through the act of film-making. Platforming the work of community education, campaign, and transformative justice organising that exists in the city. Humber Street Gallery commissioned two new films, produced by community-focused film collective Other Cinemas in collaboration with local groups Black Heritage Collective and An Untold Story Voices, which open a dialogue to explore themes of resistance and platforming grassroots solidarity and struggle. These films were shown alongside additional material compiled by both local collectives, as well as historical works from the Cinenova collection; a non-profit organisation dedicated to distributing videos made by women.

The exhibition used film to think through our histories, connected sense of place and politics; of race, class, gender, care, and losses experienced as a community.

It presented the chance to reconsider the role that "conversation" plays in our collective future.
In Conversation as Collective Strategy was organised by guest curator Louise Shelley in collaboration with Humber Street Gallery.

Average daily visitors to the exhibition programme = 37
Total visitors to Humber Street Gallery 2021/22 as recorded
by the Beam Counter = 40,280 (this includes café bar and roof terrace)

INTER_CHANGE 2021/22: This ongoing initiative selected a core cohort of 14 creative practitioners, curators, producers and physical performers at the early stages of their career to participate in a co-produced 12-month professional development programme. The cohort benefited from support including mentoring, peer to peer sessions and exchange visits with other creatives and organisations in the North of England. The programme culminated in a final exhibition and public event programme at Humber Street Gallery Spring 2022. 10 of the 14 participants completed the programme.

Community & Engagement: Both Gipsyville and Spring Bank Creative Centres are up and running with weekly creative sessions taking place. A three year lease has been taken on 91 Spring Bank (February 2022) which offers many opportunities in terms of location and activity space. Highlights of the year include the Floodlights Lantern Parade which attracted audiences in excess of 600 as it wound its way through the streets of Gipsyville in October 2021. Film Fridays and Coffee & Chat have also been popular at Gipsyville Library delivered alongside weekly creative sessions.

Thursday Lates: One Thursday a month, Humber Street Gallery showcases new commissions relating to the themes of exhibitions on display in the venue. Art inspires art and these monthly events take many forms; dance, music, spoken word, performance art and more. This year artists we presented included Emily Gray, Tamar & Jo, Jamal Sterrett, Middle Child Theatre Company and Silent Uproar.

Looking Ahead

Absolutely Cultured will throughout 2022/23 present and support an innovative and accessible cross artform programme in a variety of venues and locations across Hull. The organisation recognises the necessity at this extraordinary time to exploit its assets in order to achieve sustainability. This includes investing its financial reserves dependant on the performance of its commercial and fundraising strategies. The Trustees would be looking to achieve a break even at a 3 – 5 year horizon and beyond.

We are adhering to the latest Government COVID-19 Guidelines: COVID-19 Response: Living with COVID-19. The government's plan for removing the remaining legal restrictions while protecting people most vulnerable to COVID-19 and maintaining resilience. We have asked staff to work from home if they show symptoms and to take a Covid test only returning to the workplace when a negative test is achieved. Hand sanitiser is available throughout the venue with facemasks available on request for staff.

As part of our ongoing risk assessments, we have built in considerations around adjustments for living with Covid, ensuring numbers are managed, ventilation is good and people attending feel comfortable and safe.

Key Developments 2022/23

Cultural Programme

- Bloomberg New Contemporaries presented At HSG and Ferens September – November 2022. Feral Arts School and Gallery 87 will be part of the public programme
- Exhibitions to include: Inter-Change Showcase, Harold Offey, Oliver Ressler, Harminder Judge
- Thursday Lates programme to include Interchange Artists
- Social Action Artist residencies: Aba Daba Circus and Middle Child Theatre Company
- Physical Performance Programme including Motionhouse Dance Company at Hull New Theatre, Nikki Rumner & Kristin McGuire at Gulbenkian Centre University of Hull, Tom Dale at HSG
- Creative Centres Phase 3 Testing including Reminiscing Sessions, The Middle Child Theatre Company workshops & local history sessions

Organisational and Operational

- Trustee Recruitment: The board have undertaken a skills audit to identify areas where they could be strengthened allowing a more targeted approach to trustee recruitment to be implemented with diversity prioritised as key to a balanced board.
- Planning for the organisational future following the NPO outcome October 2022
- Develop the organisations future KPI's to support the M&E Framework
- Understanding the impact of Levelling Up funding coming into the City and how AC might be impacted e.g. The Matrix Project Whitefriargate
- Developing the infrastructure of HSG to become more environmentally robust in partnership with Wykeland - implementing findings of the Energy Audit
- Rethink the AC office to allow for a more creative approach to working and adapted to the new needs of hybrid working – the use of curtaining to give space options, more private meeting space.

The Cultural Programme

There are three distinctive strands of the Cultural Programme which although operate individually are linked through a cohesive approach to programming shaped by the Artistic Policy and Learning Strategy.

- ***Programming***: Presenting exhibitions, performance, installations and events
- ***Social Action***: Having a positive impact on every part of the city
- ***Learning***: Giving everyone access to cultural education and opportunities in the arts

With ACE Legacy Funding ending in October 2021 the organisation has moved away from producing largescale outdoor events as part of its core programme. The reason for this is that this scale of event is not financially sustainable for AC and also that there is an opportunity to fill a void in the programming and producing of innovative small to middle scale physical performance work in the City. We will continue our test programme during 2022/23 presenting in partnership with Freedom Festival, Hull New Theatre and the University of Hull. The continuation of our Thursday Lates programme at HSG which commissions artists from different disciplines to respond to current exhibitions personifies AC's cross artform approach.

Cultural Sector Development

The organisation strives to work as a city-wide facilitator aligning creativity, imagination, expertise and networks with partner organisations in Hull and beyond. AC works with others who share our ambition such as local councils, businesses, universities, schools, NHS and fellow arts and culture organisations to maximise our impact and achieve things none of us can do alone. As part of Cultural Collisions (group of local arts organisations who receive regular ACE funding) AC works in partnership with other key cultural organisations but we also nurture smaller organisations and freelancers through projects like Creative Hull and Inter-Change.

The creation of the new City Compact in 2021/22 offers further opportunity for cross sector working in the City with AC well positioned to strategically support the outputs of the Group. The role of a cultural development organisation is to identify the gaps and find a means of creating connections that improve the landscape for all. Solid partnership working strengthens the cultural ecology and recognises that the whole is greater than the sum of its parts.

Employees

There is an understanding of the importance of the company's employees to the longer-term success of the Charity.

The trustees took a strategic view of pay and reward in this reporting period, acknowledging that economic factors were going to be very challenging for the team and considered various options to support its employees. Taking into consideration the charity's financial position, a decision was made to award all staff an additional one off cash payment above the cost of living raise in order to support them with the rapidly rising inflation and fuel costs.

During the year, the company brought all staff back from furlough and introduced flexible working allowing staff members to work a mix of in the office and home working in response to staff requests. We also acknowledged that, for some staff, returning to the office environment was daunting with the backdrop of the ongoing pandemic and staff were well supported through this process.

The company regularly communicates with its employees through weekly whole team briefings, organisation wide e-mails and department meetings. Trustees are invited to team meetings to foster open relationships with employees. A bi-annual employee survey is undertaken to allow for honest feedback about their experience working at Absolutely Cultured. These surveys are shared and reviewed by the board and senior leadership team. Staff engagement is high with most employees completing the latest survey.

As part of the business planning and creative programming process, the company holds sessions with all employees including horizon scanning, business plan implementation and creative planning, empowering our employees to develop and implement ideas which contribute to the success of the company. Through this process our employees have created a high quality, inclusive and engaging programme which has been well received by our audiences such as involving the communities we work with in Spring Bank and Gipsyville with the Creative Hull event creating parades that the communities could be involved with.

Funding Partners

As a charitable company, the company's funding partners are significant stakeholders. Relationships with these Partners are held at all levels across both the company and the funding partner's organisation.

Regular meetings are held with the major funders to ensure they are fully conversant with the planned programme of creative events, impact on grant funding and impact on the community at large.

The company's major stakeholder is Arts Council England, and they are invited as an observer to the company board meetings and to sit on working groups relating to organisational development and change. During this reporting period we have seen the end of the last two major grants from ACE relating to our time as Hull City of Culture and this year we were funded via a project grant as part of our transition to being an NPO.

Hull City Council's five year agreement to fund as part of the Hull City of Culture agreement also came to an end at the start of this financial year and the council have continued to support us with a smaller financial agreement this year. Although disappointing, we understand the local authorities struggle to balance funding across the sector and we continue to work together to develop arts and culture for the residents of Hull. They also support s with membership on our board of trustees and a member of the Arts Development Team is invited as an observer to the company board meetings.

This year also saw us in receipt of a grant from the Esmeé Fairbairn foundation as part of a three year funding arrangement for our work in the communities of Spring Bank and Gipsyville, this has enabled us to give high quality arts experiences to people who are often disenfranchised and to work in partnership with local schools, libraries and mosques.

The National Lottery Heritage Fund also supported us this year with funding for a pilot project looking at heritage through culture can be represented and celebrated in our two communities. This support spans into 2022/23 and will culminate in a parade in Spring Bank and performance in Gipsyville during our Creative Hull 23 event.

Public and Community at Large

The Company objectives are charitable by their very nature, being that Absolutely Cultured Limited is established as a Charitable Company. All activity is directed towards being of public benefit and the majority of the activity is free to access. During the year, that was impacted by Covid restrictions, the Companies cultural programme reached audiences in excess of 26,000 and provided 170 hours of free arts activity in our Gipsyville Creative Centre.

The Company supports and develops new and emerging creative practitioners across multiple artforms, offering courses, supporting funding applications and giving them a platform to exhibit.

The Company also works in two of the most deprived areas of the city of Hull, working in partnership with local people to develop their own neighbourhood through creative practices. In Gipsyville we organised a Community Lantern Parade (October) and a Christmas Tree Celebration event (December) bringing together hundreds of local people celebrating their Library and local streets. A celebration day was held in Peel Street Park, Spring Bank (July) marking the end of our Creative Hull event with over 300 people attending.

Suppliers

The trustees appreciate the importance of Absolutely Cultured suppliers in delivering the long-term plans of the company, many of which are independent creative practitioners and rely on timely payment of invoices to live. The company pays its suppliers via twice monthly payments to ensure all invoices are paid within a maximum of 30 days from when they are received.

Environment

As a publicly funded organisation the trustees understand that they have a moral and social responsibility to our employees and audiences to be environmentally conscious in all its strategic and operational outputs. We do this because as an organisation we are invested in our community and long term 'green' sustainability planning. The trustees realise that this is an area where we need to invest and improve.

The trustees have ambitions to reduce the company's carbon footprint by reducing its use of energy and mains water, reducing waste going to landfill, moving to paperless financial systems and to implement environmentally sustainable activities such as ensuring we power down when the building is not occupied, buying local to reduce transport impacts, creating a green roof to reduce heating costs and moving to a brown water collection system to reduce mains water usage.
The trustees actively supported the company to register with Creative Green Tools, a set of online tools designed for the creative industries created by Julia's Bicycles, to understand the environmental impacts of cultural buildings, offices, outdoor events, tours and productions. This will aid the trustees in setting realistic KPI's to be agreed and implemented over the medium and long term and will form part of the regular reporting to the board.

Covid

During this reporting period there have been various restrictions, with venues reopening after the final lockdown in May 2021. Reduced capacity, social distancing and self-isolating rules still applied as people were starting to be immunised.

During the year we have had staff who have had covid or had to self-isolate due to close contact with someone with covid. Good communication regarding events and programme helped to keep the disruption to our delivery model as low as possible.

Having established good systems for remote working, many staff who were required to self isolate without symptoms or a positive test were able to continue working remotely further reducing any impact on output.

Going Concern

As trustees, we are required to review and comment whether the charity is a going concern and to the effect have looked at the organisation's cash flow, budgets to March 2024 and level of unrestricted reserves, we have taken advantage of the grants that were made available to us by the national and local governments and taken some tough decisions regarding use of charitable funds.
With a prudent approach, we consider the extent of the charity reserves, without any additional income from grants or trading activities, to be sufficient to cover all operating costs of the charity until at least March 2024 and therefore we consider that the financial statements be prepared on the going concern basis of accounting.

Financial Performance

The ongoing impact of Covid 19 and our ability to deliver programme resulted in the deferral of activity and the respective income from the prior period into this financial year with both the Arts Council Legacy Grant and G4A grant periods being extended well beyond the period initially granted.

Total income for the year, including donations in kind and investment income was £910,779. This was applied towards the planning and delivery of the year across all activity areas. In total this expenditure amounted to £1,161,538.

The above resulted in an excess of expenditure over income for the year of £250,759.

When deducted from the accumulated surplus from prior periods, there remains unrestricted funds of £1,668,011.

Like many arts organisations, we continue to face the challenge of accessing grant funding from the major funders. During the height of the pandemic, many of them closed their application portals to new requests and, whilst these have reopened, there is more competition for these funds. We have currently secured £250,000 ACE project grant, £35,000 from Hull City Council and will be entering the second year of the 3 year funding agreement with Esmeé Fairbairn Foundation and have secured funding from National Lottery Heritage Fund which spans into this financial year. The board acknowledge that the transition from a megaevent such as Hull City of Culture 2017 to a sustainable arts organisation is challenging and was further aggravated by the Covid 19 disruptions it faced. They have discussed the strategic utilisation of unrestricted reserves and have agreed that there will be a requirement to utilise these in a measured way to achieve the stated objective of a sustainable operating model. The current year budget indicates a deficit of varying between £377k to £666k and the trustees have established a range of options to address this if the funding is not generated as planned to include reducing activity and downscaling resources. The use of reserves for this purpose has been fully discussed by the trustees following guidance from both the Arts Council and the Charity Commission.

We have also developed a fundraising strategy which incorporates a mixed economy approach. A greater focus on commercial income is being developed and we aim to increase income through our café franchise, merchandise, classes and delivery of further and higher education course modules in partnership with the local college and university. We are also developing our fundraising with commercial sponsorship and individual giving to increase our income from donors interested in supporting the arts and cultural sector.
We understand the funding landscape is challenging and have factored in various scenarios to ensure that we remain a viable organisation.

Risk

Principal Risks and Uncertainties
Whilst the global pandemic has not gone away, with the easing of restrictions following the successful immunisation programme, this is no longer our main risk, although we continue to monitor any after effects as part of our risk management process.

The change to the funding landscape and our ability to become a sustainable organisation with an ambitious programme is a major risk and we are developing a range of strategies and scenarios to respond to this including a robust income generation strategy and a range of options should these not be successful to respond to the funding reality. The rapidly rising inflation is also a major issue and we are building this into our forecasts and adapting our activity to accommodate this. We had planned to deliver a Morag Myerscough exhibition as part of the Creative Hull event, however, costs relating to the infrastructure of the exhibition were rising rapidly due to the nature of the build and the trustees took the strategic decision not to go ahead with this at that time and brought a different exhibition to the city in 2022. Whilst disappointing, the trustees felt this was an appropriate response to the challenge of managing rising costs whilst ensuring delivery of high quality activity.

The effect of the pandemic on staff within the creative sector has resulted in a departure of people from the sector. This has had a knock on effect within our own recruitment and retention and we are developing a grow your own talent process, developing existing staff into more senior roles and recruiting new to sector individuals and training them on the job.

The Management of Risk

The trustees recognise their duty to identify and review risks to which the Charity is exposed and to ensure appropriate controls are in place to give assurance against error and fraud. The company has well managed appropriate management and governance procedures in place with a systematic programme of review in place. A comprehensive risk register is maintained and updated to reflect live risks, with risks owned and managed by the relevant Senior Manager. Risks and their mitigating actions are reviewed at the quarterly Risk Management meetings by the senior management and quarterly at the Finance & General Purpose meeting with main risks reported to the full board meeting of trustees quarterly. A copy of the full risk register is also shared with several the company's key funders.

With an unclear route to sustainability, the senior management have carried out scenario planning and stress testing. Dialogue with major funders has been ongoing and the trustees have been kept appraised of all developments and the impact of these on our financial resilience and requirement to utilise unrestricted reserves. A fundraising strategy and action plan has been developed and the senior team are currently working on these to achieve a positive outcome for the organisation.

Full risk assessments of the venue for both visitors and staff has been undertaken and the organisation reopened to the public in a covid safe manner.

Each public facing activity undertaken by the company requires an event plan to be undertaken whereby all risks including health & safety and safeguarding are assessed and appropriate plans put in place.

Policies on Reserves

The charity's policy was updated to reflect current best practice and statutory guidance and approved at the full board meeting on 13 January 2022. The policy looks at: -

- The implications of the current funding landscape and the charity's ability to raise grant funding to the levels required in the short term to fund ongoing activities.

- The strategic plan to develop the organisation into a creative hub, with an art gallery, a talent development programme, community engagement activities and outdoor productions culminating in NPO status in the 2023 round and the resources needed to sustain and develop the organisation in order to achieve this.

- What costs have been committed and would need to be honoured if the charity failed to achieve NPO status or other continuation funding. This includes salary and redundancy costs, contracts for services and general running costs including exit costs.

  The trustees have established that a reserve of £228,697 is required to meet ongoing commitments and cover timing differences of receipts and designated reserves of £971,011 are required for planned activity not included in the operational budget. Current reserves of £1,668,011 exceed this figure and plans have been drawn up for effective management of the reserves in support of the charitable objectives.

Designated Reserve	**£**
Investment to research, develop and test ideas	150,000
Match funding for grant funding applications	120,000
Capital projects fund	150,000
Brand development and new website	25,000
IT Infrastructure & Digital Capacity	25,000
Staff Training and Development Fund	18,000
Enhanced parental leave pay fund	15,341
Financial Contractual Liabilities	95,559
Planned Programme Funding Deficit April 22 – March 26	372,111
Total Designated Reserve 31/03/22	**971,011**

Public Benefit
The trustees are of the opinion that the nature of the Charity's activities and the geographical area over which it operates are such that it fulfils the public benefit criteria as specified by the Charity Commission. Further, the trustees confirm that they have complied with the duty in Paragraph 17(5) the Charities Act 2011 with regard to following guidance published by the Charity Commission in connection with public benefits.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name: Absolutely Cultured Limited

Charity Reg No: 1162199

Company Reg No: 09106231

Registered Office: 64-65 Humber Street, Hull, HU1 1TU

Contact Details: Tel: 01482 304454
Email: info@absolutelycultured.co.uk

Website: www.absolutelycultured.co.uk

Bankers: National Westminster Bank plc, 34 King Edward Street Hull, HU1 3SS

Auditors: Smailes Goldie, Regent's Court, Princess Street, Hull HU2 8BA

Solicitors: Rollits, Citadel House, 58 High Street, Hull, HU1 1QE

Statement as to Disclosure of Information to Auditors
So far as the trustees (in their capacity as directors of the charitable company) are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware and each trustee has taken all the steps that he or she ought to have taken as a trustee in order to make him/herself aware of any audit information and to establish that the charitable company's auditors are aware of that information.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Absolutely Cultured Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

AUDITORS

The auditors, Smailes Goldie, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 17/11/22 and signed on its behalf by:

.....
Trustee

Report of the Independent Auditors to the Trustees of Absolutely Cultured Limited

Opinion

We have audited the financial statements of Absolutely Cultured Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31st March 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 of the parent charitable company's affairs as at 31st March 2022 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 trustees are responsible for the other information. The other information comprises the information in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

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 trustees' report (incorporating the strategic report and the directors' report) for the financial year which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' 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 the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us: or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, 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 group's and the 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 the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was focused on specific laws and regulations which we considered may have a direct material effect on the charity only and consolidated financial statements or the operations of the charitable company and the group, including the Companies Act 2006, the Charities Act 2011, tax legislation, data protection, anti-bribery, employment, fundraising regulations and health and safety legislation. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the charitable company's and consolidated financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

We assessed the susceptibility of the charitable company's and consolidated financial statements to material misstatement, including obtaining an understanding of how fraud might occur, ny making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing charity only and consolidated financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the charitable company's legal advisors.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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

S.R Bramall

Stephen Bramall BSc FCA (Senior Statutory Auditor)
For and on behalf of Smailes Goldie
Chartered Accountants
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

Date: 17/11/2022

Absolutely Cultured Limited

Consolidated Statement of Financial Activities
(Incorporating income and expenditure account)
for the year ended 31st March 2022

	Notes	Unrestricted fund £	Restricted fund £	**2022 Total funds £**	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	**20,671**	**790,037**	**810,708**	516,768
Other trading activities	3	**9,163**	**-**	**9,163**	253,700
Investment income	4	**187**	**-**	**187**	1,717
Other income		**90,721**	**-**	**90,721**	5,065
Total		**120,742**	**790,037**	**910,779**	777,250
EXPENDITURE ON					
Charitable activities	5				
Partnerships & Development		**26,353**	**55,303**	**81,656**	69,170
Marketing & Communications		**44,604**	**94,804**	**139,408**	141,362
Programme & Delivery		**300,544**	**639,930**	**940,474**	732,973
Total		**371,501**	**790,037**	**1,161,538**	943,505
NET INCOME/(EXPENDITURE)		**(250,759)**	**-**	**(250,759)**	(166,255)
RECONCILIATION OF FUNDS					
Total funds brought forward		**1,918,770**	**-**	**1,918,770**	2,085,025
TOTAL FUNDS CARRIED FORWARD		**1,668,011**	**-**	**1,668,011**	1,918,770

CONTINUING OPERATIONS
All income and expenditure has arisen from continuing operations.

Absolutely Cultured Limited (Registered number: 09106231)

Consolidated Balance Sheet
31st March 2022

	Notes	Unrestricted fund £	Restricted fund £	**2022 Total funds £**	2021 Total funds £
FIXED ASSETS					
Tangible assets	11	**28,009**	-	**28,009**	35,306
CURRENT ASSETS					
Stocks	13	**1,654**	-	**1,654**	266
Debtors	14	**195,382**	-	**195,382**	43,949
Cash at bank and in hand		**1,537,913**	-	**1,537,913**	2,160,374
		1,734,949	-	**1,734,949**	2,204,589
CREDITORS					
Amounts falling due within one year	15	**(94,947)**	-	**(94,947)**	(321,125)
NET CURRENT ASSETS		**1,640,002**	-	**1,640,002**	1,883,464
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,668,011**	-	**1,668,011**	1,918,770
NET ASSETS		**1,668,011**	-	**1,668,011**	1,918,770
FUNDS	17				
Unrestricted funds				**1,668,011**	1,918,770
Restricted funds				-	-
TOTAL FUNDS				**1,668,011**	1,918,770

The financial statements were approved by the Board of Trustees and authorised for issue on ..17/11/22.. and were signed on its behalf by:

L Pitcher

.....
L Pitcher - Trustee

The notes form part of these financial statements

continued...

Absolutely Cultured Limited

Charity Balance Sheet
31st March 2022

	Notes	Unrestricted fund £	Restricted fund £	**2022 Total funds £**	2021 Total funds £
FIXED ASSETS					
Tangible assets	11	**25,670**	-	**25,670**	35,306
Investments	12	**1**	-	**1**	1
CURRENT ASSETS					
Debtors	14	**251,385**	-	**251,385**	289,478
Cash at bank and in hand		**1,483,277**	-	**1,483,277**	1,934,775
		1,734,662	-	**1,734,662**	2,224,253
CREDITORS					
Amounts falling due within one year	15	**(94,662)**	-	**(94,662)**	(340,790)
NET CURRENT ASSETS		**1,640,000**	-	**1,640,000**	1,883,463
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,665,671**	-	**1,665,671**	1,918,770
NET ASSETS		**1,665,671**	-	**1,665,671**	1,918,770
FUNDS	17				
Unrestricted funds				**1,665,671**	1,918,770
Restricted funds				**-**	-
TOTAL FUNDS				**1,665,671**	1,918,770

The financial statements were approved by the Board of Trustees and authorised for issue on ..... 17/11/22 ..... and were signed on its behalf by:

.....
Trustee

The notes form part of these financial statements

Absolutely Cultured Limited

Consolidated Cash Flow Statement
for the year ended 31st March 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	**(614,204)**	289,975
Net cash (used in)/provided by operating activities		**(614,204)**	289,975
Cash flows from investing activities			
Purchase of tangible fixed assets		**(8,548)**	(8,526)
Sale of tangible fixed assets		**104**	2,356
Interest received		**187**	1,717
Net cash used in investing activities		**(8,257)**	(4,453)
Change in cash and cash equivalents in the reporting period		**(622,461)**	285,522
Cash and cash equivalents at the beginning of the reporting period		**2,160,374**	1,874,852
Cash and cash equivalents at the end of the reporting period		**1,537,913**	2,160,374

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the year ended 31st March 2022

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	**(250,759)**	(166,255)
Adjustments for:		
Depreciation charges	**15,845**	36,899
(Profit)/loss on disposal of fixed assets	**(104)**	1,145
Interest received	**(187)**	(1,717)
Increase in stocks	**(1,388)**	(2)
Increase in debtors	**(151,433)**	498,206
(Decrease)/increase in creditors	**(226,178)**	(76,306)
Deferred taxation provision movement	**-**	(1,995)
Net cash (used in)/provided by operations	**(614,204)**	289,975

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21 £	Cash flow £	**At 31.3.22 £**
Net cash			
Cash at bank and in hand	**2,160,374**	**(622,461)**	**1,537,913**
	2,160,374	**(622,461)**	**1,537,913**
Total	**2,160,374**	**(622,461)**	**1,537,913**

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised once the charity or its subsidiary has entitlement to the funds after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether capital or revenue, is recognised when the charity or its subsidiary has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Donations represent grant and sponsorship monies receivable by the group where the donor does not receive any significant benefits other than the knowledge that the charitable company must apply the monies to further its charitable objectives.

Donations in kind are donate professional services and donated facilities to the charitable company. They are recognised on the basis of the value of the gift to the charitable company which is the amount the charitable company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount in then recognised in expenditure in the period of receipt. However, the lack of a market comparative price for the contribution made by volunteers means that it is not possible to measure their value reliably. Accordingly, the contribution of general volunteers is not included in the charitable company's accounts.

Income from the sale of goods is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of income can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the charity or its subsidiaries and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually at the point of sale.

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

Expenditure

Expenditure are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Expenditure on charitable activities comprises the costs of planning and delivering the performances, exhibitions and other educational activities arranged in furtherance of the charitable company's objects, together with their associated support costs.

Allocation of costs

Costs directly associated with the planning, promotion and delivery of the programme of cultural events are classified as direct charitable expenses. Costs relating to its strategic management are classified as governance costs. All remaining costs are classified as support costs. Support costs are allocated across income streams according to the ratio of direct costs.

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are stated at cost. Depreciation is provided on all tangible fixed assets, at rates calculated to write off all tangible fixed assets over their estimated useful lives using the following rates:

Property alterations	33% p.a. on cost/remaining lease term if less
Furniture, fittings and equipment	25% p.a. on cost
Computer equipment	33% p.a. on cost

Stocks

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

Taxation

As a registered charity, the charitable company is exempt from corporation tax on surpluses arising from its charitable activities during the period. Value Added Tax is charged on taxable supplies and input VAT recovered in accordance with normal rules. So far as available profits permit, the subsidiary uses the Gift Aid regulations to mitigate its liability to corporation tax.

Provision is made for deferred taxation on timing differences arising from the purchase of tangible fixed assets in the subsidiary.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable are charged to the Statement of Financial Activities in the period to which they relate.

Fixed asset investments

Fixed asset investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the statement of financial activities. A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities allocated to the appropriate heading.

Gift and donations from subsidiary undertaking

The charitable company is in receipt of distributions from its subsidiary undertaking under the Gift Aid scheme.

continued...

1. ACCOUNTING POLICIES - continued

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

The current economic conditions, coupled with the ongoing impact of the Covid-19 pandemic, present difficulties to all organisations in the arts sector in terms of raising funds from either government-funded bodies or private enterprise. In response to such conditions the charity has prepared budgets and cashflow forecasts to 31 March 2024 and these show it has adequate resources to pay its debts as they fall due.

It is the charity's intention to use its unrestricted reserves to fund its charitable objects and on this basis the Board considers that the group has a reasonable expectation of being able to continue in operational existence to at least the period of the budgets and cashflow forecasts of 31 March 2024 and that there are no material uncertainties that have not been considered or stress tested that lead to significant doubt about the group's ability to continue as a going concern. Therefore, the Board have continued to adopt the going concern basis of accounting in preparing these financial statements.

2. Judgements and key sources of estimation uncertainty

In the application of the charity'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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

No judgements or key estimates were made on preparing these financial statements.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	**10,004**	5,658
Donations in kind	**-**	8,312
Grants	**800,704**	502,798
	810,708	516,768

continued...

2. DONATIONS AND LEGACIES - continued

Grants received, included in the above, are as follows:

	2022			2021		
	Unrestricted	**Restricted**	**Total**	Unrestricted	Restricted	Total
Arts Council England	**-**	**579,321**	**579,321**	-	235,679	235,679
Yorkshire Water	**-**	**45,000**	**45,000**	-	-	-
Hull City Council	**-**	**40,000**	**40,000**	-	-	-
Spirit of 2012	**-**	**4,912**	**4,912**	-	103,999	103,999
Esmeé Fairbairn	**-**	**66,000**	**66,000**	-	-	-
Elephant Trust	**-**	**2,000**	**2,000**	-	-	-
Hull College	**-**	**5,000**	**5,000**	-	-	-
Kickstart	**-**	**45,119**	**45,119**	-	-	-
East Riding Yorkshire Council	**-**	**2,685**	**2,685**	-	-	-
NESTA	**-**	**-**	**-**	-	20,000	20,000
Covid support	**10,667**	**-**	**10,667**	143,120	-	143,120
	10,667	**790,037**	**800,704**	143,120	359,678	502,798

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Professional services	**8,333**	2,700
Merchandise sales	**830**	-
Partners and club members	**-**	251,000
	9,163	253,700

4. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	**187**	1,717

continued...

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 6)	Totals
	£	£	£
Partnerships & Development	**53,468**	**28,187**	**81,655**
Marketing & Communications	**91,087**	**48,322**	**139,409**
Programme & Delivery	**614,287**	**326,187**	**940,474**
	758,842	**402,696**	**1,161,538**

6. SUPPORT COSTS

	Staffing costs	IT, travel & communications	Other admin costs	Governance costs	Totals
	£	£	£	£	£
Partnerships & Development	**14,436**	**1,322**	**11,088**	**1,341**	**28,187**
Marketing & Communications	**24,746**	**2,267**	**19,009**	**2,300**	**48,322**
Programme & Delivery	**167,042**	**15,300**	**128,321**	**15,524**	**326,187**
	206,224	**18,889**	**158,418**	**19,165**	**402,696**

Support costs have been apportioned according to the ratio of direct costs.

6a. GOVERNANCE COSTS

	2022	2021
Auditors' remuneration	**13,815**	19,514
Legal charges	**-**	662
Consultancy and professional fees	**4,594**	4,985
Trustees expenses	**756**	1,463
	19,165	26,624

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation - owned assets	**15,845**	36,899
(Surplus)/deficit on disposal of fixed assets	**(104)**	1,145
Auditors remuneration	**13,815**	19,514

8. TRUSTEES' REMUNERATION AND BENEFITS

Clause 7.2.7 of the company Articles of Association permits the charitable company to pay reasonable remuneration to the Chair of the Board where the directors resolve that it is in the charity's interests to do so. Accordingly, following the departure of the Executive Director in the 2018/19 year, the Chair, Lee Corner, undertook executive responsibilities to support the leadership and strategic development of the charity in relation to partnerships and fundraising activity. In the course of the year she received £4,800 (2021: £6,400) for her services.

During the year £164 (2021: £nil) in travel and subsistence expenses was paid out to two trustees (2021: nil trustees).

continued...

9. STAFF COSTS

	2022	2021
Staff salaries	**480,382**	460,580
Redundancy and termination payments	**-**	5,714
Freelance contracts, secondments and salaries in kind	**22,790**	64,434
Employer's NIC	**41,502**	43,937
Pension scheme contributions	**25,650**	28,280
	570,324	602,945

The average monthly number of employees during the year was as follows:

	2022	2021
Administration	**5**	4
Partnerships and development	**2**	1
Marketing and communications	**3**	2
Programming and delivery	**7**	7
	17	14

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	2021
£60,001 - £70,000	**1**	1

The key management personnel of the charity comprise the trustees and the senior management team, as set out in the Trustees' Report. The total employee benefits of the key management personnel of the charity were £222,606 (2021: £263,637).

continued...

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	157,090	359,678	516,768
Other trading activities	253,700	-	253,700
Investment income	1,717	-	1,717
Other income	5,065	-	5,065
Total	417,572	359,678	777,250
EXPENDITURE ON			
Charitable activities			
Partnerships & Development	535,940	407,565	943,505
Total	535,940	407,565	943,505
NET INCOME/(EXPENDITURE)	(118,368)	(47,887)	(166,255)
RECONCILIATION OF FUNDS			
Total funds brought forward	2,037,138	47,887	2,085,025
TOTAL FUNDS CARRIED FORWARD	1,918,770	-	1,918,770

11. TANGIBLE FIXED ASSETS - GROUP

	Leasehold improvements £	Computer equipment £	Fixtures and fittings £	Totals £
COST				
At 1st April 2021	**255,700**	**49,608**	**65,478**	**370,786**
Additions	**-**	**4,012**	**4,536**	**8,548**
Disposals	**-**	**(9,492)**	**-**	**(9,492)**
At 31st March 2022	**255,700**	**44,128**	**70,014**	**369,842**
DEPRECIATION				
At 1st April 2021	**232,355**	**46,303**	**56,822**	**335,480**
Charge for year	**7,858**	**3,430**	**4,557**	**15,845**
Eliminated on disposal	**-**	**(9,492)**	**-**	**(9,492)**
At 31st March 2022	**240,213**	**40,241**	**61,379**	**341,833**
NET BOOK VALUE				
At 31st March 2022	**15,487**	**3,887**	**8,635**	**28,009**
At 31st March 2021	23,345	3,305	8,656	35,306

continued...

11a. TANGIBLE FIXED ASSETS – CHARITY

	Freehold property £	Computer equipment £	Fixtures and fittings £	Totals £
COST				
At 1st April 2021	**255,700**	**45,900**	**40,695**	**342,295**
Additions	**-**	**4,012**	**1,153**	**5,165**
Disposals	**-**	**(9,492)**	**-**	**(9,492)**
At 31st March 2022	**255,700**	**40,420**	**41,848**	**337,978**
DEPRECIATION				
At 1st April 2021	**232,355**	**42,596**	**32,038**	**306,989**
Charge for year	**7,858**	**3,430**	**3,513**	**14,801**
Eliminated on disposal	**-**	**(9,492)**	**-**	**(9,492)**
At 31st March 2022	**240,213**	**36,534**	**35,551**	**312,298**
NET BOOK VALUE				
At 31st March 2022	**15,487**	**3,887**	**6,298**	**25,670**
At 31st March 2021	23,345	3,304	8,657	35,306

12. FIXED ASSET INVESTMENTS – CHARITY

	Shares in group Undertaking
Cost	
At 1st April 2021	1
At 31st March 2022	1

At the balance sheet date the company owned 100% of the ordinary share capital of Absolutely Cultured (Enterprises) Limited, a company incorporated in England. The subsidiary was established on 14th August 2015 to generate commercial revenue to support the activities of the parent charity.

13. STOCKS

	Group	
	2022	2021
	£	£
Stocks	**1,654**	266

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2022	**2021**	**2022**	**2021**
Trade debtors	**60,979**	289	**58,000**	-
Other debtors	**2,350**	6,920	**2,350**	6,920
VAT	**532**	-	**-**	-
Prepayments and accrued income	**131,521**	36,740	**130,594**	36,460
Amount due from group undertaking	**-**	-	**60,441**	246,098
	195,382	43,949	**251,385**	289,478

continued...

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2022	2021	**2022**	2021
	£	£	**£**	£
Trade creditors	**12,951**	24,479	**12,239**	24,478
Social security and other taxes	**15,457**	10,364	**20,391**	33,029
Other creditors	**4,434**	4,278	**4,434**	4,279
Generation Hull	**7,040**	-	**7,040**	-
Producer Exchange	**18,339**	-	**18,339**	-
Accruals and deferred income	**36,726**	282,004	**32,219**	279,004
	94,947	321,125	**94,662**	340,790

Deferred Income

Deferred income at 1st April 2021	**248,703**	46,500	**248,703**	46,500
Resources deferred in the year	**253**	237,793	**253**	237,793
Amounts released from previous year	**(245,733)**	(35,590)	**(245,733)**	(35,590)
Deferred income at 31st March 2022	**3,223**	248,703	**3,223**	248,703

Deferred income comprises the following:

	2022	2021
	£	£
Grants	**2,970**	248,703
Ticket sales	**253**	-
	3,223	248,703

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	Group		Charity	
	2022	**2021**	**2022**	**2021**
			£	£
Within one year	**32,000**	32,000	**32,000**	32,000
Between one and five years	**32,000**	64,000	**32,000**	64,000
	64,000	96,000	**64,000**	96,000

continued...

17. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
Unrestricted	**1,918,770**	**(250,759)**	**1,668,011**
TOTAL FUNDS	**1,918,770**	**(250,759)**	**1,668,011**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted	**120,742**	**(371,501)**	**(250,759)**
Restricted funds			
Restricted	**790,037**	**(790,037)**	-
TOTAL FUNDS	**910,779**	**(1,161,538)**	**(250,759)**

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
Unrestricted	2,037,138	(118,368)	1,918,770
Restricted funds			
Restricted	47,887	(47,887)	-
TOTAL FUNDS	2,085,025	(166,255)	1,918,770

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted	417,572	(535,940)	(118,368)
Restricted funds			
Restricted	359,678	(407,565)	(47,887)
TOTAL FUNDS	777,250	(943,505)	(166,255)

18. RECONCILIATION OF MOVEMENTS IN RESTRICTED INCOME FUNDS

		As at 1st April	Income	Expenditure	Transfers	As at 31st March
2021/2022	Arts Council England	-	579,321	(579,321)	-	-
	Spirit of 2012	-	4,912	(4,912)	-	-
	Yorkshire Water	-	45,000	(45,000)	-	-
	Hull College	-	5,000	(5,000)	-	-
	Hull City Council	-	40,000	(40,000)	-	-
	Hull City Council Kickstart	-	45,119	(45,119)	-	-
	Esmee Fairburn	-	66,000	(66,000)	-	-
	East Riding Yorkshire Council	-	2,685	(2,685)	-	-
	Elephant Trust	-	2,000	(2,000)	-	-
		-	790,037	(790,037)	-	-
2020/2021	Arts Council England	-	235,679	(235,679)	-	-
	Nesta	47,887	20,000	(67,887)	-	-
	Spirit of 2012	-	103,999	(103,999)	-	-
		47,887	359,678	(407,565)	-	-

19. PENSION CONTRIBUTIONS

The company contributes to the personal pension schemes of its employees. The costs incurred for the year amount to £25,650 (2021: £28,280) of which £4,434 remained outstanding at the balance sheet date (2021: £4,279).

20. RELATED PARTY DISCLOSURES

During the year, the company paid £167 (2021: £788) to the Hideout Hotel Ltd for accommodation provided during the year. The Trustee G.F. Allenby is a shareholder and director in this company.

21. CONTINGENT LIABILITIES

The restricted income received by the company is dependent upon the company delivering the agreed outputs attached to each grant and reporting to the grant provider. At the balance sheet date final submissions have sometimes yet to be made in respect of a number of grants. In the event that this is not accepted, there is a risk the donors may seek repayment of grants made. The Board, however, consider these risks to be remote.

22. SECURITY

The company's bankers hold a debenture dated 9th February 2015 over the assets of the company.

ABSOLUTELY CULTURED LIMITED

England & Wales - Charity number 1162199

Accounts

DUTTON MOORE
Chartered Accountants & Business Advisers

ABSOLUTELY CULTURED LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 2021

Company Number: 09106231

Charity Number: 1162199

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ABSOLUTELY CULTURED LIMITED

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ABSOLUTELY CULTURED LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31st MARCH 2021

The trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2021 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 (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Absolutely Cultured Ltd is a company limited by guarantee whose business is governed by a board of trustees. The company gained charitable status on 15 June 2015. The board of trustees comprises individuals who together are responsible for the governance of the charity. The company was originally formed to deliver Hull's year as the UK City of Culture in 2017 and, in September 2017, it was announced that the organisation which was set up to deliver 365 days of transformative culture, was to continue, with a much reduced and redefined remit which will form part of the city's legacy.
To reflect this change, the company changed its name from Hull UK City of Culture 2017 Limited on 24 May 2018.

The board currently consists of nine trustees and is chaired by Lee Corner. The full list of trustees is set out in the reference details below.
The full Board of trustees met four times in the period on the dates as listed:

Board Meeting Dates from 1 April 2020 – 31 March 2021

- 1 June 2020
- 8 October 2020
- 14 January 2021
- 11 March 2021 – extraordinary meeting to discuss the volunteer options appraisal

All meetings were held virtually due to the Covid 19 restrictions.
The trustees act on advice and information from the Executive which is responsible for the day-to-day management of the charity.

Recruitment and Appointment and Training of Trustees
The charity continues to refresh the board of trustees and this year saw the recruitment of three new trustees, Dr Kerry Harker, founder and Artistic Director of the East Leeds Project, Matt Gibson, co-founder, COO and CFO of Sauce, a Hull based software agency, and Charlotte Tomlinson, a creative historian specialising in place, heritage and community. These trustees were appointed after a comprehensive recruitment programme ensuring a diverse wealth of experiences and skills to add to the skillset of our existing trustees.

Councillor Stephen Brady (vice chair) and Neil Hodgkinson stepped down on 1 April 2021 following many years of service to the charity. We thank them for their service and commitment and wish them well.

Recruitment and Appointment and Training of Trustees (Continued)
The coming year will also see Lee Corner stepping down as Chair following her term of office. The trustees undertook a robust process of identifying a suitable replacement for Lee. There were a number of strong candidates who then went through a thorough recruitment process before the final appointment was made. We are delighted to report that Lee Corner will be replaced by Lee Pitcher who was appointed to the board of trustees by e-mail vote on 27 May 2021 and ratified at the full board meeting on 8 July 2021. Lee Pitcher will take over the role of Chair from 1 September 2021 and we thank Lee Corner for her leadership and dedication as the charity transitioned from the organisation which delivered the City of Culture programme into the cultural development organisation it is today.

Lord Professor Bhikhu Parekh continues to be the company's patron.

Portfolio Responsibilities
The nine trustees of Absolutely Cultured bring specialisms and experience from all areas of business and the arts which they use to support all areas of the company's activity and in line with a smaller scale company. There is also a Finance & General Purposes (F&GP) sub-group which consists of four trustees and is chaired by Richard Lewis. Their remit is to provide a forum for the CEO to discuss matters of strategic and significant importance to the charity before presentation to the main board. The committee also reviews the annual budget, receives the audit report, appoints financial service providers, oversees financial control and reviews HR policies and pay.

The board appointed Ben Norman as senior independent director in November 2019.

Trustees to have held office during the year and up to the date of this report:

Trustee	Appointed	Resigned	Main Board Attendance out of a possible 4	F&GP Committee Attendance out of a possible 4
L.A. Corner (Chair)	20/03/18	31/08/21	4	4
Cllr S. Brady (Vice-Chair)	18/11/16	01/04/21	2	
N.R. Hodgkinson	03/10/14	01/04/21	3	
M.S. Jukes	10/05/16	-	3	
G.F. Allenby	19/07/18	-	4	4
B.P. Norman	17/07/18	-	4	4
R Lewis	13/08/19	-	4	4
Professor L Mazdon	13/08/19	-	3	
Dr K Harker	14/01/21	-	2 of 2	
M Gibson	14/01/21	-	2 of 2	1 of 1
C Tomlinson	14/01/21	-	2 of 2	
L Pitcher (Chair elect)	08/07/21	-	N/A	N/A

Group Structure
The group consists of Absolutely Cultured Ltd and Absolutely Cultured (Enterprises) Ltd which is a wholly owned subsidiary of the charity and a separately registered company. Absolutely Cultured (Enterprises) Ltd carries out non-charitable trading activities to raise funds for the work of the charity and was incorporated on 14 August 2015.

Separate consolidated financial statements incorporating the results of the charity and the subsidiary have been prepared.

Company Management Structure

The company is led on a day to day basis by a CEO & Artistic Director and a Senior Leadership Team.

The company structure at 31.03.21

Stephen Munn: CEO & Artistic Director

Joanne Norman: Head of Finance

Janine Crombie: Head of Public Engagement

Lindsay Stockley: Head of Creative Programmes

OBJECTIVES

Mission
To increase the value and relevance of arts and culture in people's lives through actively enabling Hull's cultural development.

Absolutely Cultured works in partnership across the city to ensure that the spark that was lit in Hull UK City of Culture 2017 never goes out and that we continue to evolve and shape our city with creativity at its heart., We bring together collective voices, expertise and talents to be greater than the sum of our parts. We facilitate social, economic and cultural change by placing the arts and creativity at the heart of people's lives, their ambitions and aspirations.

Vision
To enrich the lives of the people of Hull through facilitating cultural programmes of excellence

Hull is a city with a thriving and internationally recognised cultural offer which is a driving force in the city's prosperity, is valued by the people of Hull and which Absolutely Cultured is central to making happen.

Hull. Where the creation and creativity of arts and culture are embraced, valued and intrinsically linked to the prosperity of the city and to enriching people's lives.
Hull. Among the most culturally engaged cities in the UK, where local, national and international arts and culture are part of the City's DNA and as available as water.
Hull. Where opportunities to engage in the arts and culture are varied and prevalent.
Hull. Where careers in the arts and cultural and creative industries are real options, with ambitions and aspirations nurtured and supported.

Aims
Absolutely Cultured Aims to:

- Be an exemplar organisation unique in its delivery of its Cultural & Public Engagement Programmes
- Work with a range of cross-sector partners to maximise the positive impact of Arts & Culture in the city of Kingston upon Hull
- Be a welcoming, productive and creative environment for all our staff, partners and audiences
- Place diversity at the centre of the organisation
- Have a local, national and international impact through a strong partnership approach
- Present the best Cultural Programme possible to as wide an audience as possible
- Encourage cross art form participation for all ages
- Provide a creative environment & supportive culture for artists at all stages of their career
- Provide excellent learning opportunities through Generation Hull and all Learning Programmes
- Be commercially minded striking an appropriate arts and business balance

Objects

The charity's objects ('Objects') are specifically restricted to the following:

(1) To advance the education of the general public in the arts and the artistic and cultural heritage of the City of Hull and in particular the arts of performance, music, drama, poetry reading, sculpture, painting, handicrafts and all other associated arts;

(2) To advance the arts in particular the arts of performance, music, drama, poetry reading, sculpture, painting, handicrafts and all other associated arts, by encouraging public participation in the said arts and by the presentation of concert, performances, exhibitions and festivals provided that the promotion of such festivals and events is undertaken solely for the Public Benefit;

(3) To promote the arts and heritage for the benefit of the public within the City of Hull in particular but not exclusively by supporting and representing the arts and heritage sector through promotion representation and development;

(4) To further such other charitable purposes beneficial to the community consistent with objects (1) (2) and (3) above as the trustees shall in their absolute discretion determine.

Related parties and co-operation with other organisations

The trustees (with the exception of the Chair) are not remunerated and receive no other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity with business partners, sponsors or suppliers is disclosed to the full board of trustees in the same way as any other contractual relationship with a related party.

STRATEGIC REPORT

The Board of Trustees is responsible for the strategic direction of the charity. The trustees delegate authority for all day-to-day management of the company affairs to the Senior Leadership Team led by the CEO and Artistic Director. Both Board and Management are committed to maintaining constructive dialogue with other key stakeholders, engaging regularly to understand their perspectives.

The trustee's primary responsibility is to promote the long term success of the company through facilitating cultural programmes of excellence which enriches the lives of the people of Hull. The trustees, along with the CEO & Artistic Director and Head of Finance, annually review the budget and artistic policy & programme and monitor the implementation and performance of these throughout the year. There are considerations to external factors such as the economic and political conditions in relation to the arts in general, competition for grants from trusts and foundations and the global pandemic impacting on our consumers ability to access activity. They take the reputation of the company seriously, which is not limited to operating and financial performance, and have committed to diversity and inclusivity across Absolutely Cultured's workforce, own board membership and the artists we engage with. Within recruitment practices, we actively promote inclusivity through offering applicants to opportunity to apply via recorded application, to propose alternative working arrangements such as job share and have engaged 5 staff through the Government Kickstart scheme giving work opportunities to young people across the company.

Key Achievements and Performance

Absolutely Cultured is a cultural development organisation working across artforms to create opportunity and space for amazing cultural experiences to happen. With the appointment of Stephen Munn in October 2019 the company has reaffirmed its role with a clear strategic focus on Place Shaping, Social Cohesion and Partnership working across the city. The team have worked to bring together collective voices, expertise and talents to be greater than the sum of our parts. We facilitate social, economic and cultural change by placing the arts and creativity at the heart of people's lives, their ambitions and aspirations.

2020/21 has been an extraordinary year with the world coming to terms with how to cope with the spread of the Covid 19 Virus. The Cultural Sector in the UK has been assaulted on all fronts and forced to intrinsically examine its workings and how it can secure a sustainable future. The appetite for cultural activity throughout the year has been evident through the array of new online programming made available, organisations having to find new digital ways of working / presenting.

Cultural organisations have been forced to look long and hard at outputs and their place in the communities in which they sit, what value do they really bring to 'Place' given the enormity of the challenges created by Covid 19? The Arts Council England (ACE) Lets Create Strategy stated outcomes of Creative People, Cultural Communities and A Creative & Cultural Country have never seemed more relevant as a working framework for the Sector.

As we work towards securing ACE National Portfolio funding from April 2023 we are working as an organisation to embody their four Investment Principles -

- **Inclusivity & Relevance** - England's diversity is fully reflected in the individuals and organisations we support and the culture they produce
- **Dynamism** - Cultural organisations and individuals are dynamic and able to respond to the challenges of the next decade
- **Ambition & Quality** - Cultural organisations and individuals are ambitious and committed to improving the quality of their work
- **Environmental Responsibility** - Cultural organisations and individuals lead the way in their approach to environmental responsibility

This process is driven by what we believe a strong, successful, sustainable cultural organisation should be founded on and informs on the eight Absolutely Cultured Business Plan Objectives. The Investment Principles are intrinsically linked to developing the organisational culture with an instinctive drive to improve. Four IP working groups are in operation comprising of both staff & trustees to ensure that the principles are fully in-bedded across the organisation.

As we entered this financial year, we had just gone into the first lockdown, we moved exhibitions online, deferred ones we couldn't and negotiated with funders regarding terms of restricted grants. Staff were placed on periods of furlough with the CEO & Artistic Director and Head of Finance continuing to work with the trustees to navigate a way through to reopening. During this time the charity undertook two options appraisals, one regarding the future of Humber Street Gallery and the other relating to the citywide volunteering programme.

Key Achievements and Performance (Continued)

The outcome of the Humber Street Gallery options appraisal was that it was a natural fit with the charity. Its programme and activity align with the objectives of the charity and the wider Absolutely Cultured staff team all work from this venue ensuring a cross artform programme can be delivered through collaborative working. This was approved by the board of trustees at the meeting in October 2020.

The Volunteer Programme options appraisal was concluded in March 2021 with a decision to transition the citywide element to Visit Hull & East Yorkshire (VHEY), a partnership organisation between the unitary authorities of Kingston upon Hull & East Riding of Yorkshire, by September 2021. A three year funding agreement has been secured with Spirit of 2012 to support this transition. Two staff members will be transferring to VHEY as part of this transfer and we are working collaboratively with VHEY to affect this transfer smoothly for the volunteers, host organisations and staff involved in the programme. The transfer of this programme to VHEY was approved by the board of trustees at an Extraordinary Meeting called on the 11 March 2021. The Social Action function will remain with Absolutely Cultured and be part of the Creative Programme.

Key Developments 2020/21

Covid 19, although devastating, has highlighted how resourceful Absolutely Cultured is and how as a team we have pulled together both creatively and from a business planning perspective. We moved seamlessly to remote working in March 2020 with our IT infrastructure easily coping with the transition. Staff rose to the challenge of digital working with back up provided by our IT support Ability IT. While our Creative Programme went successfully online, we 'scenario planned' and wrote the Business Plan 2021/22. We used the Government Furlough Scheme to avoid redundancies constantly reviewing what was required to get the venue up and running in the safest possible way. Humber Street Gallery opened its doors to the public July 2020 – October 2020 before closing again until May 2021 – ticketing for all exhibitions has been introduced as well as Track & Trace.

Covid – 19 impacted us significantly with two Lockdown periods ceasing all programme delivery including Bloomberg Contemporaries 2020, scheduled for September 2020, now September 2021. The Programme has been rescheduled wherever possible.

<u>Cultural Programme</u>

- The Volunteer Programme was a leading partner in the Citywide Emergency Response March – August 20 delivering over 1000 shifts.
- Jamie Crewe awarded Turner Prize Bursary – Solidarity in Love exhibition at HSG January 2020 to August 2020
- Other Exhibitions presented: Lucy Clout, Practice in Place Group Show and Leo Fitzmaurice. All of these having some period being open to the public as well as converting to digital.
- 3 x Commissions awarded for Floodlights 2021 – Vent Media, Limbic Cinema, Studio McGuire to be presented October 2021.
- Comprehensive Remote Talent Development Programme delivered including partnership project with Leeds 2023 supporting 10 early career local producers through the HIPI Programme
- Digital - Eight Online Artist Micro Commissions created and presented. Creation of new online KS1 learning resource for children
- Social Action: Peel St Park Project (artist: Sergej Komkov) & Gipsyville Mural (artist: Andy Pea)
- Presentations: Middle Child Signal Fires Sold Out, moved online & Opera North film La Petite Bohème postponed

Key Developments 2020/21 (Continued)

Organisational

- Furlough period March 2020 – April 2021, and a strategic approach was taken with all staff except the CEO & Artistic Director and Head of Finance placed on full time furlough initially. As the guidance was amended and part time furlough was introduced, we were able to structure a gradual and targeted return to work. . The premises were closed, and all staff requested to work from home in line with Government Guidelines.
- Planned Organisational Review of the Corporate Department undertaken July 2020, appropriate restructure implemented resulting in one redundancy.
- Humber Street Gallery Options Analysis completed July 2020 with recommendations to the board October 2020 – remain based at HSG for next three years.
- Hull City Council's Future High Street Bid for Whitefriargate was unsuccessful, this impacted on a possible joint venture to develop a multi art form centre in one of the former stores.
- Volunteering Programme Viability Review completed with transfer of citywide programme to VHEY by September 2021.
- HSG Café / Bar has been refurbished in partnership with One M Events Ltd – this reopened 19 May in line with government guidelines and is more vibrant venue.
- The charity has accessed the Government Kickstart Scheme for 18 – 24 year olds; recruiting 2 x Front of House & 2 x Digital Media and a fundraising post. It is hoped that these may become permanent positions, funding dependant.
- The senior independent trustee undertook an evaluation of the effectiveness of the chair, over the period March to August 2020, as part of the charity's good governance practices, structured feedback was gathered from national and local stakeholders, other trustees and staff.
- Chair of the board of trustees' term ends after March 2021 (term extended to August 21), recruitment process underway with a chair elect recruited and due to start in September 2021.

2020/21 projects include:

Volunteer Programme - Citywide Emergency Response (April – August 2020)

In response to the coronavirus pandemic, the Volunteer Programme has worked with Hull City Council to provide support around assisting those who were self-isolating in terms of food and medication delivery and welfare checks. Volunteers staffed a telephone befriending service to support those who were lonely and isolated due to the pandemic, named after the Volunteer Programme initiative 'Chatty Hull' which had a similar aim: to get people talking. Feedback indicates that the emergency response effort has been mutually beneficial to both volunteers and residents (see below). Volunteers report it has given them a purpose during uncertain and often lonely times and, in some cases, opened their eyes to the needs of local communities. Bringing together a variety of VCS groups to deal with the crisis has also facilitated new partnerships and improved working relationships for the Volunteer Programme Team, who have been given a platform to share expertise and learning with others and demonstrate that the programme can – and is willing to – support other organisations across the city. In total volunteers completed 1,686 shifts which is equivalent to 4,125 hours of volunteering.

Creative Micro Commission Programme (March – August 2020)

In March 2020 we launched the Creative Micro-Commission Programme, offering £350 to creative practitioners across Hull and the North of England. The aim was to produce a new work, from any discipline, within the limits of working under current social distancing measures. The programme was designed to enable artists to respond and create new work quickly, encouraging the space and freedom to try out new ideas and ways of creating work for online presentation. Initially we planned to commission six new pieces but, due to the overwhelming response, we increased the selection to eight pieces.

Practice in Place Exhibition (September – November 2020)

Practice in Place was the culminating activity of Fruit Factory Network, a year-long pilot programme created to support the development of visual artists living and working in Hull.
The programme was centred around visits to some of the UK's visual art hubs, museums, galleries, residency programmes and artist-run spaces to showcase leading examples, as well as connecting artists from Hull with arts professionals working across the country. Practice in Place saw the participants exhibit a varied collection of works at Humber Street Gallery. The artists produced responses to a multitude of concerns including climate change, displacement and migration, and have done so through a variety of art forms, including painting, photography, film and more.

Social Action – Gipsyville Mural and Peel Street Park

The Shires Imagination Alley is a mural spanning 120 metres and is part of a social action project which will also involve improvements to pocket spaces that are frequently fly tipped. Volunteers have been working with local partners and residents in The Shires to make positive changes to their neighbourhood. This project is part of a series that have been taking place since 2018 that use creative approaches to respond to what local people told us matter to them most. The mural design was created and led on by Andy Pea, who had help from volunteers and residents of all ages, coming together to contribute on various open paint days. The hope is that this colourful backdrop will now provide inspiration for the younger generation and encourage them to use their imagination for play.

The Peel Street Park regeneration project consists of physical works to the park including, new play equipment and football nets. We have worked with Hull City Council's neighbourhood team to add brand new play equipment which has been painted with unique artwork by local artist Sergej Komkov. We've also commissioned a "Peel Street Park" mural by Lydia Capriani, brightening up the area using the "True Colours of Spring Bank" palette, developed by ArtLink and local residents.

Looking Ahead

We as an organisation understand the importance of horizon scanning and how it is integral of being a dynamic organisation allowing for adaptive resilience within an ever-changing world.

Key Developments 2021/22

Year One of a Two Year transitional plan working towards ACE National Portfolio Organisation (NPO) status from April 2023 and establishing a sustainable Mixed Economy model. Covid 19 and the roll out of the vaccine distribution plan will have an impact on how the organisation operates throughout the year.

Cultural Programme

- Water 2021 Project delivered October 2021: 3 x city centre installations in partnership with Yorkshire Water & University of Hull
- Creative Hull delivered July 2021 – a celebration of creativity across the city and its communities. Setting the signature for the organisation's creative future direction
- Exhibition Programme includes – Hannah Quinlan & Rosie Hastings, Jasleen Kaur, Trade Talks
- Inter-Change a creative practitioner development programme producing an exhibition & events
- HSG Events Programme established including performance, music & spoken word
- Satellite Creative Centre model developed in Gipsyville and Spring Bank
- Talent Development Programme including partnership with Hull College
- Autumn 21 & Spring 22 - Test Physical Performance Partnership Programme presented including the Gulbenkian Studio Theatre University of Hull, one performance per season
- Development of Learning programme – Artist Residency in a school and community group within Gipsyville and Springbank

Organisational

- Volunteer Programme new mechanism / structure in place
- Research potential small-scale capital application re HSG adjoining space
- Explore developing sustainable Creative Hull satellite centres in Gipsyville and Springbank
- New HSG lease signed for April 2021 – March 2024
- New chair of the board of trustees commences role in September 2021

The Cultural Programme

There are three distinctive strands of the Cultural Programme which although operate individually are linked through a cohesive approach to programming shaped by the Artistic Policy and Learning Strategy.

- ***Programming & Curating***: Exhibitions, performance, installations and events
- ***Social Action***: Having a positive impact on every part of the city
- ***Talent Development & Learning***: Giving everyone access to cultural education and career opportunities in the arts

New Developments

We plan over the next two years to explore developing our operation in the following areas.

1. With ACE Legacy Funding coming to an end in November 2021 the organisation will move away from producing largescale outdoor events as part of its core programme. The reason for this is that this scale of event is not financially sustainable for the charity and also that there is an opportunity to fill a void in the programming and producing of innovative small to middle scale physical performance work in the city. We will test a programme during 2021/22 with a view to fully develop over the next three years.

2. The creation of Community Satellite Hubs in the areas of Gipsyville and Springbank. These hubs will be the venues for sustained arts activity using existing community buildings such as Springbank Community Centre as the foundation. We will create cultural bridges from the City Centre to these deprived areas to allow for connection and ownership for people living in isolated communities. Our Talent Development & Learning programmes as well as our commitment to social action will offer routes into the Arts and Culture Sector enhancing social mobility within these areas.

New Developments (Continued)

3. A small-scale capital project will be researched which will look to creating a new dance / creation studio in an adjoining space to Humber Street Gallery. We will work with Wykeland, HCC, ACE and local artists to look at the feasibility of an artist run space where freelance artists can work from. The lack of dance infrastructure is evident in the city, and this would provide a much-needed resource for the cultural community and fits with the programme direction stated above. ACE Small Scale Capital Grants 2019/20: £100k - £500k, the fund is currently closed but expected to open 2021/22.

Cultural Sector Development

The creation of the Cultural Compact (a cross sector cultural leadership group) in 2021 born out of Cultural and Place Strategic Advisory Group (CAPSAG) will be fundamental to the development and ownership of the city's cultural strategy and the structures put in place for its implementation. The role of the Cultural Collisions Group (a collection of the Arts Council regularly funded organisations and NPO's based in the city) will be critical in the delivery of the strategy with a cohesive partnership approach. Generation Hull (the Local Cultural Education Partnership) has a new independent chair who will sit on the Cultural Compact championing cultural education in the city.

Employees

There is an understanding of the importance of the company's employees to the longer term success of the Charity.

During the year, the company furloughed the most of its staff to secure their employment. In order to ensure employees were not financially disadvantaged, the trustees elected to utilise unrestricted reserves to make up the shortfall in the grant payment to full pay. During this challenging period, the trustees also undertook the second phase of the planned review of the company structure with a focus on the corporate team. This review resulted in the redundancy of the role of Business Director from the company structure. Employees affected by this process were supported throughout and the company offers external job ready support for employees affected by redundancy.

The company regularly communicates to its employees through weekly whole team briefings, organisation wide e-mails and department meetings. Trustees are invited to team meetings in order to foster open relationships with employees. A bi-annual employee survey is undertaken to allow for honest feedback about their experience working at Absolutely Cultured.

These surveys are shared and reviewed by the board and senior leadership team. Staff engagement is high with all employees completing the latest survey. In response to the latest survey undertaken during the Covid Pandemic and covering impact and future working habits, the company has implemented a flexible working policy with a blend of office and home working.

As part of the business planning and creative programming process, the company holds a number of sessions with all employees including branding, tone of voice, business plan implementation and creative planning, empowering our employees to develop and implement ideas which contribute to the success of the company. Through this process our employees have created a high quality, inclusive and engaging programme which has been well received by our audiences such as the Micro Commission Programme, which was in response to the pandemic closing the gallery and our staff devising an alternative exhibition.

Funding Partners

As a charitable company, the company's funding partners are significant stakeholders. Relationships with these Partners are held at all levels across both the company and the funding partner's organisation.

Regular meetings are held with the major funders to ensure they are fully conversant with the planned programme of creative events, impact on grant funding and impact on the community at large.

The company's major stakeholder is Arts Council England, and they are invited as an observer to the company board meetings and to sit on working groups relating to organisational development and change. During the Covid 19 pandemic, the Arts Council has been extremely supportive to the charity. Regular communication between the senior leadership team and staff at the Arts Council ensured flexibility in both our planned programme, reporting requirements and grant payment schedule. For this, we are very grateful.

Spirit of 2012 have been a major stakeholder since City of Culture 2017 and have worked closely with the trustees and senior leadership team to ensure the sustainability of the Volunteer Programme born out of that year long event.
During this financial year, the trustees were faced with an important decision about the future of the volunteering programme. The current funding agreement was coming to an end, prompting the trustees to reconsider the future of this important and very successful programme and how to ensure its success and sustainability going forwards. The trustees agreed that having the volunteer programme situated within an arts charity was limiting its full potential (as highlighted in the volunteer response to the city's need during the pandemic) and, following a robust consultation and evaluation which included volunteers, staff, potential future host organisations and our funding partners, this programme will be moving to a new host, Visit Hull & East Yorkshire (VHEY), in Autumn 2021.

Whilst Absolutely Cultured provided a suitable platform for the programme until now, the programme's success has grown beyond arts and culture, and we are confident that the initiative will have the biggest impact and best outcome for the city and the East Riding at VHEY. We remain committed, and look forward to, continuing to work with the volunteers and the programme in its new configuration in the future

Public and Community at Large

The Company objectives are charitable by their very nature, being that Absolutely Cultured Limited is established as a Charitable Company. All activity is directed towards being of public benefit and the majority of the activity is free to access. During the year the Company has supported the City of Hull's Covid response effort, with the volunteer programme delivering 4,125 hours of support over this period, often supporting the most vulnerable of our population. Through this, we were able to deliver creative activities as well as shopping and medicine to often isolated people.

The Company supports and develops new and emerging creative practitioners across multiple artforms, offering courses, supporting funding applications and giving them a platform to exhibit.
The Company also works in two of the most deprived areas of the city of Hull, working in partnership with local people to develop their own neighbourhood through creative practices. In one area, the local park has been repaired and the surrounding area improved through murals and improved equipment. Partnerships have been forged with the local community, mosque and shop owners.

Suppliers

The trustees appreciate the importance of Absolutely Cultured suppliers in delivering the long-term plans of the company, many of which are independent creative practitioners and rely on timely payment of invoices to live. During this financial year, the volume of invoices the company received was very low and, due to both the furloughing of the Company's employees and the low volume of purchase invoices received over this financial year, the Company paid all suppliers on the last day each month resulting in a very small number being paid after 30 days. The company has reverted to twice monthly payments from the beginning of the 2021/22 financial year to ensure all invoices are paid within a maximum of 30 days from when they are received.

Environment

As a publicly funded organisation the trustees understand that they have a moral and social responsibility to our employees and audiences to be environmentally conscious in all its strategic and operational outputs. We do this because as an organisation we are invested in our community and
long term 'green' sustainability planning. The trustees realise that this is an area where we need to invest and improve.

The trustees have ambitions to reduce the company's carbon footprint by reducing its use of energy and mains water, reducing waste going to landfill, moving to paperless financial systems and to implement environmentally sustainable activities such as ensuring we power down when the building is not occupied, buying local to reduce transport impacts, creating a green roof to reduce heating costs and moving to a brown water collection system to reduce mains water usage.

The trustees actively supported the company to register with Creative Green Tools, a set of online tools designed for the creative industries created by Julia's Bicycles, to understand the environmental impacts of cultural buildings, offices, outdoor events, tours and productions. This will aid the trustees in setting realistic KPI's to be agreed and implemented over the medium and long term and will form part of the regular reporting to the board.

Covid

The outbreak of Covid 19 occurred at the very start of this reporting period and has impacted the company, funders, employees, suppliers and the public at large ever since. This has had major disruption to the activities of the company and its ability to deliver the programme planned for the reporting year and into the following financial year.

In order to adapt, we have undertaken a review of the impacts of the pandemic on our principal risks to identify new opportunities or risks which may change significantly. As a company that exhibits art and delivers cultural events, our approach to the crisis went through three key phases: firstly to close our venues and activities to the public and move to presenting these via digital media and moving to remote working for our whole staff team; secondly, adapting to remote working and identify which posts should be furloughed to ensure the organisation was sustainable through the crisis; followed by adapting to the remote working and a managed process of reopening to the public following lockdown easing.

Covid (Continued)

The company was well positioned to establish a working from home protocol having invested in the technology and systems that support a flexible working arrangement. Employees all completed home working risk assessments and, where reasonable adjustments or equipment was identified as a need, this was quickly supplied. Effective use was made of online tools such as Microsoft Teams and Zoom to move meetings online and all events and exhibitions are digitally recorded as a matter of course, ensuring access to these was available.

With the company's funding directly linked to activity the trustees, in consultation with employees, accessed the Government Job Retention scheme and furloughed employees whose workload was most affected by the inability to deliver creative activity. In line with the trustees' view that employees are an important part of the company's success, the trustees elected to enhance this payment to full pay for all employees who were furloughed.

During this crisis, we have maintained in close contact with the local authority and other key stakeholders enabling us to react and adapt to any changing circumstances and minimise the risk to the public who access our activities, suppliers and employees. Looking ahead, we will review the lessons learned during the crisis and incorporate updates to our risk management framework.

Going Concern

As trustees, we are required to review and comment whether the charity is a going concern and to the effect have looked at the organisation's cash flow, budgets to 31 March 2023 and level of unrestricted reserves. We have taken advantage of the grants that were made available to us by the national and local governments and taken some tough decisions regarding use of charitable funds.

With a prudent approach, we consider the extent of the charity reserves, without any additional income from grants or trading activities, to be sufficient to cover all operating costs of the charity until at least March 2023 and therefore we consider that the financial statements be prepared on the going concern basis of accounting.

Financial Performance

Covid 19 has had a significant impact on the financial performance of 2020/21 as a significant amount of planned activity did not go ahead and was deferred into 2021/22. This has resulted in income from restricted grants received in advance of expenditure not being recognised in this period, yet the cash being received into our bank account. It also has resulted in a significant reduction of income compared with previous periods.

As we were required to defer restricted income into 2021/22 due to the activity not taking place, we sought to minimise the impact on our unrestricted income and furloughed staff. Income from the government furlough scheme totalled £101,098 and this enabled us to retain our staff team during this challenging time. Total income for the year, including donations in kind and investment income was £777,250. This was applied towards the planning and delivery of the year across all activity areas. In total this expenditure amounted to £943,505.

The above resulted in an excess of expenditure over income for the year of £166,255.

When deducted from the accumulated surplus from prior periods, there remains unrestricted funds of £1,918,770.

Looking forward, the Covid 19 pandemic continues to impact on all aspects of the programme for the financial year 2021/22. The ACE Legacy grant was due to have been fully expended by March 2021 and the ACE G4A grant by November 2020. The programme funded by both of these grants has not yet been delivered and we plan to complete these by November 2021. The ACE HIPI grant was due to complete in March 2020, but lockdown 1 caused all activity to cease. This was moved to remote activity with online networking sessions and peer to peer support. This grant was finalised in March 2021 and signed off by the Arts Council in May 2021.

The majority of the charity's funding was due to expire in March 2021. As the country went into lockdown in March 2020 many grant giving bodies closed their application portals to new applications whilst they evaluated their response. Many of these funders have started to reopen to new applications but we, like many other charities, are now working hard to submit applications, secure funding, and build momentum that was lost during lockdowns. We have secured a £200,000 project grant from ACE over 1 year, £198,000 over 3 years from Esmeé Fairbairn foundation and £40,000 over 1 year from Hull City Council. Whilst we continue to submit applications to other funders, our current projections for 2021/22, are income of £847,198 and expenditure of £1,346,444, the deficit being underwritten from our unrestricted reserves. The use of reserves for this purpose has been fully discussed by the trustees and following guidance from both the Arts Council and the Charity Commission.

We have also developed a fundraising strategy which incorporates a mixed economy approach. A greater focus on commercial income is being developed and we aim to increase income through our café franchise, merchandise, classes and delivery of further and higher education course modules in partnership with the local college and university. We are also developing our fundraising with commercial sponsorship and individual giving to increase our income from donors interested in supporting the arts and cultural sector. We understand the funding landscape is challenging and have factored in various scenarios to ensure that we remain a viable organisation.

Risk

Principal Risks and Uncertainties

At the end of the reporting period in these accounts the global pandemic, Covid 19, had closed down our venue for the third time and curtailed activity. At the time of writing there has been a lifting of some of the restrictions as we work through the easing timetable, and we have reopened the gallery with the Leo Fitzmaurice exhibition in both Space 1 and 2 and the café bar including the roof terrace.

Throughout 2020/21, we have utilised the Government furlough scheme for the majority of our staff and accessed the small business rate grant scheme in order to mitigate some of the costs that would need to be covered from unrestricted reserves. We sought approval from funders to defer their grants so we could deliver the planned programme when it became safe to do so again. However, our significant risks continue to be the impact these delays have had on our reserves, not all our core costs could be covered by the furlough grant and small business rate grants and the restricted grants can only be used for the purpose given, this has meant that we have drawn more on our reserves than we would have normally expected to. The closure of grant funds by major trusts and foundations also meant that we were unable to apply for additional funding. Whilst these are now reopening, we do not expect to be successful with every application as there are a lot of organisations seeking funding and a finite amount of funds available. Taking a realistic and strategic approach, it is anticipated that we will need to utilise unrestricted reserves for the next two years in order to deliver our planned programme. The major uncertainty is whether we will achieve success in securing full funding in this timeframe and the impact on our financial sustainability if we do not.

The Management of Risk

The trustees recognise their duty to identify and review risks to which the Charity is exposed and to ensure appropriate controls are in place to give assurance against error and fraud. The company has well managed appropriate management and governance procedures in place with a systematic programme of review in place. A comprehensive risk register is maintained and updated to reflect live risks, with risks owned and managed by the relevant Senior Manager. Risks and their mitigating actions are reviewed at the quarterly Risk Management meetings by the senior management and quarterly at the Finance & General Purpose meeting with main risks reported to the full board meeting of trustees quarterly. A copy of the full risk register is also shared with several the company's key funders.

With an unclear programme and no clear route to financial sustainability created by the pandemic, the senior management have maintained continued dialogue with the Arts Council, local authority and other major stakeholders during this period in order to monitor and mitigate these risks. They have carried out options appraisals of the various elements of the organisation and undertaken scenario planning and stress testing of plans. The current programme has been adjusted, some elements dropped and others, such as digital platforms for art, introduced. The online learning programme for schools introduced during the City of Culture year was refreshed and put online to support schools through lockdown.

The trustees have been kept appraised of all developments and the impact of these on our financial resilience and requirement to utilise unrestricted reserves. A fundraising strategy and action plan has been developed and the senior team are currently working on these to achieve a positive outcome for the organisation.

Full risk assessments of the venue for both visitors and staff has been undertaken and the organisation has reopened to the public in a covid safe manner.

Each public facing activity undertaken by the company requires an event plan to be undertaken whereby all risks including health & safety and safeguarding are assessed and appropriate plans put in place.

Policies on Reserves

The charity's policy on reserves was approved at the full board meeting on 14 January 2021 and was rewritten to reflect the Covid 19 pandemic, the effect on the cultural funding landscape and the charity's strategic objective of securing NPO status in 2023.The policy looks at: -

- The implications of the current funding landscape and the charity's ability to raise grant funding to the levels required in the short term to fund ongoing activities.
- The strategic plan to develop the organisation into a creative hub, with an art gallery, a talent development programme, community engagement activities and outdoor productions culminating in NPO status in the 2023 round and the resources needed to sustain and develop the organisation in order to achieve this.
- What costs have been committed and would need to be honoured if the charity failed to achieve NPO status or other continuation funding. This includes salary and redundancy costs, contracts for services and general running costs including exit costs.

The trustees have established that a reserve of £550,000 is required to meet ongoing commitments and cover timing differences of receipts. Current reserves exceed this figure and plans have been drawn up for effective management of the reserves in support of the charitable objectives.

Designated reserves included within the Charity's unrestricted reserves have been calculated as follows:

	Brought forward	Additions	Utilised	Carried forward
3 Month Salaries	£167,991	£0	£(34,539)	£133,452
Redundancy Costs	£8,583	£7,090	£(3,228)	£12,445
3 Month Running Costs	£41,444	£0	£(3,124)	£38,320
Contractual Expenditure	£44,112	£115,236	£(44,112)	£115,236
Programme Funding Deficit / Match Funding	£200,339	£535,337	£(168,218)	£567,458
Total	**£462,469**	**£657,663**	**£(253,221)**	**£866,911**

Public Benefit

The trustees are of the opinion that the nature of the Charity's activities and the geographical area over which it operates are such that it fulfils the public benefit criteria as specified by the Charity Commission. Further, the trustees confirm that they have complied with the duty in Paragraph 17(5) the Charities Act 2011 with regard to following guidance published by the Charity Commission in connection with public benefits.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name: Absolutely Cultured Limited

Charity Reg No: 1162199

Company Reg No: 09106231

Registered Office: 64-65 Humber Street, Hull, HU1 1TU

Contact Details: Tel: 01482 304454
Email: info@absolutelycultured.co.uk

Website: www.absolutelycultured.co.uk

Bankers: National Westminster Bank plc, 34 King Edward Street Hull, HU1 3SS

Auditors: Dutton Moore, Aldgate House,1-4 Market Place, Hull, HU1 1RS

Solicitors: Rollits, Citadel House, 58 High Street, Hull, HU1 1QE

Statement as to Disclosure of Information to Auditors
So far as the trustees (in their capacity as directors of the charitable company) are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware and each trustee has taken all the steps that he or she ought to have taken as a trustee in order to make him/herself aware of any audit information and to establish that the charitable company's auditors are aware of that information.

ON BEHALF OF THE BOARD



L. PITCHER

CHAIR OF THE BOARD

7th OCTOBER 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

ABSOLUTELY CULTURED LIMITED

Opinion

We have audited the financial statements of Absolutely Cultured Limited (the "Charity") for the year ended 31st March 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Cashflow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 Charity's affairs as at 31st March 2021 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK. 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 trustees' report (incorporating the directors' report and strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the trustees' report (incorporating the directors' report and strategic 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;

- the parent charitable company's financial statements are not in agreement with the accounting records and returns;

- certain disclosures of trustees' remuneration specified by law are not made; or

- we have not obtained all the information and explanations necessary for the purposes of our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

ABSOLUTELY CULTURED LIMITED

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 20, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the Charity'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 Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the most significant laws and regulations were FRS 102, the Companies Act 2006, Charities Act 2011, Statement of Recommended Practice (SORP) and taxation legislation. In addition, we considered other laws and regulations which may be fundamental to the company's ability to operate, namely health and safety and employment law. We assessed the extent of compliance with these laws and regulations as part of our audit procedures which included discussions with management.
- The susceptibility of the company's financial statements to misstatement, including fraud, was assessed. The audit team discussed how and where fraud might occur in the financial statements. We identified and considered the controls that had been put in place to prevent and detect fraud. Other audit procedures carried out included the assessment of the appropriateness of journal entries and whether any accounting estimates indicated any potential bias.

Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit has been properly planned and performed in accordance with auditing standards (ISAs (UK)).



Mark Wilson FCCA
Senior Statutory Auditor
For and on behalf of
DUTTON MOORE
CHARTERED ACCOUNTANTS
STATUTORY AUDITOR

7th October 2021

Aldgate House
1-4 Market Place
Hull
HU1 1RS

ABSOLUTELY CULTURED LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing a trustees annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing those financial statements, the trustees are required to:

a) select suitable accounting policies and then apply them consistently;

b) make judgements and estimates that are reasonable and prudent;

c) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

e) Observe the methods and principles in the Charities SORP.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Companies Act 2006 and the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2019). They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention of fraud and other irregularities.

In addition to the general duties of trustees specified in section 170 to 177 of the Companies Act, the trustees are responsible for ensuring that the company complies with law and regulations applicable to its activities, and for establishing arrangements designed to prevent any non-compliance with laws and regulations and to detect any that occur.

ABSOLUTELY CULTURED LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31st MARCH 2021

	Notes	Unrestricted funds	Restricted funds	Total 2021	Total 2020
Income					
Donations	4(a)	14,439	359,678	374,117	1,720,604
Investment income	4(a)	1,717	-	1,717	6,043
Income from trading activities	4(a)	251,000	-	251,000	389,395
Other	4(a)	150,416	-	150,416	95,021
Total income		£417,572	£359,678	£777,250	£2,211,063
Expenditure					
Expenditure on charitable activities	5(a)	535,940	407,565	943,505	2,250,179
Total expenditure		£535,940	£407,565	£943,505	£2,250,179
Net income before transfers		(118,368)	(47,887)	(166,255)	(39,116)
Transfers between funds	17				-
Net income and net movement in funds for the year		(118,368)	(47,887)	(166,255)	(39,116)
Reconciliation of funds	15/16				
Total funds brought forward		2,037,138	47,887	2,085,025	2,124,141
Total funds carried forward		1,918,770	-	1,918,770	£2,085,025

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

All income and expenditure derives from continuing activities.

ABSOLUTELY CULTURED LIMITED

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31st MARCH 2021

	Notes	2021		2020	
Income receivable	4(a)		767,221		2,205,020
Less Administrative expenses		415,630		678,384	
Marketing, communications and volunteering		77,844		452,830	
Partnerships and development		38,090		71,020	
Programming and delivery		403,629	(935,193)	1,047,945	(2,250,179)
Operating (deficit) / surplus	6		(169,972)		(45,159)
Add Interest receivable	4(a)		1,717		6,043
(Deficit) / surplus on ordinary activities for the period			(166,255)		(39,116)
Accumulated surplus, brought forward			2,085,025		2,124,141
Accumulated surplus, carried forward			£1,918,770		£2,085,025

All of the activities undertaken by the company during 2021 and 2020 are continuing activities.

The results reported above exclude donations in kind to the value of £8,312 (2020: £46,127) included in the incoming resources and the resources expended on the statement of financial activities.

ABSOLUTELY CULTURED LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2021

	Notes	2021		2020	
FIXED ASSETS					
Tangible assets	10		35,306		67,179
CURRENT ASSETS					
Stock		266		264	
Debtors	12	43,949		542,155	
Cash at bank and in hand		2,160,374		1,874,852	
		2,204,589		2,417,271	
CREDITORS: amounts falling due within one year	13	(321,125)		(397,431)	
Net current assets					2,019,840
Provision for liabilities	24		-		(1,994)
Total assets less total liabilities			£1,918,770		£2,085,025
THE FUNDS OF THE CHARITY:					
Unrestricted income funds	15		1,918,770		2,037,138
Restricted funds	16		-		47,887
			£1,918,770		£2,085,025

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

Approved on behalf of the board by

L. Pitcher - Director

Dated: 7th October 2021

COMPANY NUMBER 09106231

The notes on pages 26 to 40 form part of these accounts.

ABSOLUTELY CULTURED LIMITED

BALANCE SHEET AS AT 31st MARCH 2021

	Notes	2021		2020	
FIXED ASSETS					
Tangible assets	10		35,306		56,686
Investments	11		1		1
			35,307		56,687
CURRENT ASSETS					
Debtors	12	289,478		918,273	
Cash at bank and in hand		1,934,775		1,484,156	
		2,224,253		2,402,429	
CREDITORS: amounts falling due within one year	13	(340,790)		(382,590)	
Net current assets			1,883,463		2,019,839
Total assets less current liabilities			£1,918,770		£2,076,526
THE FUNDS OF THE CHARITY:	25				
Unrestricted income funds	15		1,918,770		2,028,639
Restricted funds	16		-		47,887
			£1,918,770		£2,076,526

Approved on behalf of the board by

L. Pitcher - Director

Dated: 7th October 2021

COMPANY NUMBER 09106231

The notes on pages 26 to 40 form part of these accounts.

ABSOLUTELY CULTURED LIMITED

CONSOLIDATED CASHFLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2021

	Note	2021		2020
CASH (USED)/GENERATED BY OPERATING ACTIVITIES	22		289,975	(425,480)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest income		1,717	6,043	
Purchase of tangible fixed assets		(8,526)	(56,446)	
Sales of tangible fixed assets		2,356	-	
CASH USED IN INVESTING ACTIVITIES			(4,453)	(50,403)
Increase in cash and cash equivalents in the year			283,522	(475,883)
Cash and cash equivalents at the beginning of the year			1,874,852	2,350,735
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR			£2,160,374	£1,874,852

ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

	At 1st April 2020	Cash Flows	Non Cash Changes	At 31st March 2021
Cash at Bank and in Hand	£1,874,852	£285,522	-	£2,160,374
Being:-				
Unrestricted	1,780,465			1,922,160
Restricted/Deferred Income	94,387			238,214
	£1,874,852			£2,160,374

1. **Principal accounting policies:-**

Absolutely Cultured Limited is a company limited by guarantee incorporated in England, number 09106231. The registered office is 64 Humber Street, Hull, HU1 1TU.

Basis of preparation

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

Absolutely Cultured Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements consolidate the results of the charity and its wholly owned subsidiary Absolutely Cultured (Enterprises) Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the company has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

The principal accounting policies adopted in the preparation of the financial statements are as follows:

a) **Income** is recognised when the group has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

b) **Donations** represent grants and sponsorship monies receivable by the group where the donor does not receive any significant benefits other than the knowledge that the charity must apply the monies to further its charitable purposes.

c) **Grant** income is recognised when the group has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. In cases where the grant represents a partnership agreement for the duration of the charitable project, income is recognised by reference to the period which the reporting period bears to the total period.

d) **Donations in kind**
On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. However, the lack of a market comparative price for the contribution made by volunteers means that it is not possible to measure their value reliably. Accordingly, the contribution of general volunteers is not included as income in the charity's accounts.

1. **Principal accounting policies (continued)**

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

f) **Fund accounting**
Unrestricted funds are available to spend on activities that further any of the purposes of the charitable company. 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. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) **Expenditure**
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure on charitable activities comprises the costs of planning and delivering the performances, exhibitions and other educational activities arranged in furtherance of the charity's objects, together with the associated support costs.

h) **Allocation of costs**
Costs directly associated with the planning, promotion and delivery of the programme of cultural events are classified as direct charitable expenses. Costs relating to its strategic management are classified as governance costs. All remaining costs are classified as support costs. Support costs are allocated across income streams according to the ratio of direct costs.

i) **Going concern**
The financial statements have been prepared on a going concern basis.

As a result of the Covid-19 pandemic all the charitable group's activities planned for later in 2021 were either put on hold or cancelled. At the same time funding opportunities dried up as national bodies and local authorities focused on emergency support only. In response the group took advantage of government support to furlough staff whilst its position was clarified and options were evaluated.

The current economic conditions, coupled with the impact of the Covid-19 pandemic, present difficulties to all organisations in the arts sector in terms of raising funds from either government-funded bodies or private enterprise. In response to such conditions the charity has prepared budgets and cashflow forecasts to 31 March 2023 and these show it has adequate resources to pay its debts as they fall due.

It is the charity's intention to use its unrestricted reserves to fund its charitable objects and on this basis the Board considers that the group has a reasonable expectation of being able to continue in operational existence to at least the period of the budgets and cashflow forecasts of 31 March 2023 and that there are no material uncertainties that have not been considered or stress tested that lead to significant doubt about the group's ability to continue as a going concern. Therefore, the Board have continued to adopt the going concern basis of accounting in preparing these financial statements.

1. **Principal accounting policies (continued)**

j) **Tangible fixed assets** are included at cost. Depreciation is provided at rates calculated to write off all tangible fixed assets over their estimated useful lives using the following rates:

Property Alterations	33% p.a. on cost/remaining lease term if less
Furniture, Fittings and Equipment	25% p.a. on cost
Computer Equipment	33% p.a. on cost

k) **Fixed asset investments** in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the statement of financial activities. A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

l) **Pension scheme arrangements**
The group contributes to the personal pension schemes of its employees. Contributions payable are charged to expenses in the year in which they accrue.

m) **Employee benefits**
The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

n) **Taxation**
As a registered charity, the company is exempt from corporation tax on surpluses arising from its charitable activities during the period. Value Added Tax is charged on taxable supplies and input VAT recovered in accordance with normal rules. So far as available profits permit, the subsidiary uses the Gift Aid regulations to mitigate its liability to corporation tax.

Provision is made for deferred taxation on timing differences arising from the purchase of tangible fixed assets in the subsidiary.

o) **Financial instruments**
The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

p) **Gift and donations from subsidiary undertaking**
The charitable company is in receipt of distributions from its subsidiary undertaking under the Gift Aid scheme.

2. Judgements and key sources of estimation uncertainty

In the application of the charity'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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

No judgements or key estimates were made on preparing these financial statements.

3. Members

The liability of the members, who are the directors of the company, is limited to their undertaking to contribute a maximum of £1 each in the event of the company being wound-up whilst they are a member or within one year after they cease to be a member. At the balance sheet date there were 11 members (2020: 11).

4.a) Analysis of income

	2021			2020		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
Donations						
Grants receivable (note 4b)	6,127	359,678	365,805	1,315	1,673,162	1,674,477
Donations in kind	8,312	-	8,312	46,127	-	46,127
	£14,439	£359,678	£374,117	£47,442	£1,673,162	£1,720,604
Investment income						
Bank interest receivable	£1,717	£-	£1,717	£6,043	£ -	£6,043
Income from trading activities						
Income from partners and business club members	251,000	-	251,000	389,395	-	389,395
Consultancy	2,700	-	2,700	-	-	-
	£253,700	-	£253,700	£389,395	£ -	£389,395
Other income						
Third party recharges, ticketing income and book souvenir income	£5,065	£-	£5,065	£95,021	£ -	£95,021
Government grant COVID support	£142,651	£-	£142,651	£ -	£ -	£ -

4.b) **Analysis of grants receivable**

	2021			2020		
	Unrestricted	**Restricted**	**Total**	**Unrestricted**	**Restricted**	**Total**
Arts Council England		235,679	235,679	-	1,019,627	1,019,627
Spirit of 2012		103,999	103,999	-	240,425	240,425
Kingston upon Hull City Council				-	5,000	5,000
Heritage Lottery Fund				-	48,750	48,750
We Are IVE				-	2,258	2,258
Hull College				-	3,000	3,000
Back To Ours				-	3,000	3,000
Clinical Commissioning Group				-	65,000	65,000
HCUK Training				-	2,000	2,000
Heritage Lottery Fund				-	100,000	100,000
Back To Ours (HIPI)				-	10,000	10,000
Yorkshire Water				-	15,000	15,000
Art Ltd				-	(684)	(684)
NESTA		20,000	20,000	-	110,000	110,000
Others	6,127		6,127	1,315	-	1,315
Performing Rights Soc. Foundation				-	46,286	46,286
RVW Trust				-	2,000	2,000
The Leche Trust				-	1,500	1,500
	£6,127	£359,678	£365,805	£1,315	£1,673,162	£1,674,477

4.c) **Donations in kind**

During the year the following services were performed for the charity. The value of these was estimated as follows:

	2021	**2020**
Legal services	8,312	-
Furniture	-	10,727
Leasehold improvements	-	35,400
	£8,312	£46,127

5. Analysis of expenditure

5.a) Direct charitable expenditure

	Direct costs	Support costs (5.b)	Governance costs (5.c)	Total 2021	Total 2020
Activity					
Partnerships and development	38,090	29,235	1,845	69,170	101,673
Marketing and communications	77,844	59,748	3,770	141,362	648,270
Programming and delivery	403,629	309,798	19,547	732,973	1,500,236
	£519,563	£398,781	£25,161	£943,505	£2,250,179

Expenditure on charitable activities was £943,505 (2020: £2,250,179) of which £535,940 was unrestricted (2020: £624,904) and £407,565 was restricted (2020: £1,625,275).

5.b) Analysis of support costs

	Staffing costs	I.T., Travel & communications	Other Admin costs	Total 2021	Total 2020
Partnerships and development	15,484	1,064	12,687	29,235	26,587
Marketing and communications	31,646	2,173	25,929	59,748	169,518
Programming and delivery	164,085	11,271	134,442	309,798	392,301
	£211,215	£14,508	£173,058	£398,781	£588,406

Support costs have been apportioned according to the ratio of direct costs.

5.c) Governance costs

	2021	2020
Auditors' remuneration	19,514	34,390
Legal charges	662	38,714
Consultancy and professional fees	4,985	16,874
	£25,161	£89,978

Governance costs have been apportioned according to the ratio of direct costs.

6. Operating (deficit) / surplus is stated after charging the following items:

	2021 £	2020 £
Depreciation	36,899	37,758
Loss on Disposal of Fixed Assets	1,145	-
Auditors' Remuneration: Audit fees	12,014	26,890
: Accountancy services	7,500	7,500

7. Staff costs

	2021	2020
Staff salaries	460,580	784,305
Redundancy and termination payments	5,714	29,138
Freelance contracts, secondment charges and salaries in kind	64,434	116,552
Employer's NIC	43,937	78,503
Pension scheme contributions	28,280	39,290
	£602,945	£1,047,788

The redundancy and termination payments comprise redundancy payments of £5,714 (2020: £2,625) and £Nil paid under a settlement agreement (2020: £26,513). All payments had been made by the balance sheet date.

Due to the nature of the charity, some key personnel are engaged on freelance contracts. In the previous financial year the company made use of personnel seconded from other organisations and retain the services of the Board's chair on a freelance basis.

These are broken down as follows:	2021	2020
Freelance services	64,434	116,552
	£64,434	£116,552

	2021 No.	2020 No.
Number of staff to have accrued benefits under money purchase pension scheme	19	29

The average monthly number of employees during the year, excluding the directors but including the Chair, was 14 (2020: 26). The average number of full time equivalent employees was as follows:

	2021 No.	2020 No.
Administration	4.2	5.6
Partnerships and development	0.4	1.0
Marketing and communications	2.0	4.8
Programming and delivery	7.4	13.4
	14.0	24.8

7. Staff costs (Continued)

During the year the members of staff whose emoluments, including any benefits in kind but excluding pension costs, exceeded the equivalent of £60,000 per annum were as follows:-

	2021 No.	2020 No.
£60,000 - £69,999	1	-

The key management personnel of the charity comprise the trustees and the senior management team, as set out in the Trustees' Report. The total employee benefits of the key management personnel of the charity were £263,637 (2020: £359,174).

8. Trustee remuneration and expenses

Clause 7.2.7 of the company Articles of Association permits the charitable company to pay reasonable remuneration to the Chair of the Board where the directors resolve that it is in the charity's interests to do so. Accordingly, following the departure of the Executive Director in the 2018/2019 year, the Chair, Lee Corner, undertook executive responsibilities to support the leadership and strategic development of the Charity in relation to partnerships and fundraising activity. In the course of the year she received £6,400 (2020: £16,000) for her services.

During the year £Nil (2020: £5,082) in travel and subsistence expenses was paid out to trustees (2020: 5 trustees).

9. Pension contributions

The company contributes to the personal pension schemes of its employees. The costs incurred for the year amount to £28,280 (2020: £39,290) of which £4,279 remained outstanding at the balance sheet date (2020: £5,954).

NOTES TO THE ACCOUNTS (CONTINUED)

10.a) **Tangible fixed assets – Group**

	Property alterations	Fixtures, fittings and equipment	Total
Cost			
At 1st April 2020	247,175	152,479	399,654
Additions	8,526	-	8,526
Disposals	-	(37,393)	(37,393)
At 31st March 2021	255,701	115,086	370,787
Depreciation			
At 1st April 2020	215,449	117,026	332,475
Added this year	16,907	19,992	36,899
Written back on disposals	-	(33,892)	(33,892)
At 31st March 2021	232,356	103,126	335,482
Net Book Value			
At 31st March 2021	£23,345	£11,961	£35,306
At 31st March 2020	£31,726	£35,453	£67,179

All the net book value of fixed assets represent Unrestricted Funds.

10.b) **Tangible fixed assets – Company**

	Leasehold alterations	Fixtures & fittings	Computer equipment	Total
Cost		£	£	£
At 1st April 2020	247,175	52,250	69,062	368,487
Additions	8,526	-	-	8,526
Disposals	-	(11,556)	(23,162)	(34,718)
At 31st March 2021	255,701	40,694	45,900	342,295
Depreciation				
At 1stApril 2020	215,449	34,419	61,933	311,801
Charge for the year	16,907	6,574	3,825	27,306
Written back on Disposals	-	(8,956)	(23,162)	(32,118)
At 31st March 2021	232,356	32,037	42,596	306,989
Net Book Value				
At 31st March 2021	23,345	8,657	3,304	35,306
At 31st March 2020	£31,726	£17,831	£7,129	£56,686

All the net book value of fixed assets represents Unrestricted Funds.

11. Fixed asset investments - Company

	Shares in group undertaking
Cost	
At 1st April 2020	1
Additions	
At 31st March 2021	1

At the balance sheet date the company owned 100% of the ordinary share capital of Absolutely Cultured (Enterprises) Limited, a company incorporated in England. The subsidiary was established on 14th August, 2015 to generate commercial revenue to support the activities of the parent charity.

12. Debtors

	Group		Company	
	2021	**2020**	**2021**	**2020**
Trade debtors	289	30,349	-	5,144
Accrued income	24,418	492,210	24,418	492,210
Other debtors and prepayments	19,242	19,596	18,962	19,200
Amount due from group undertaking	-	-	246,098	401,719
	£43,949	£542,155	£289,478	£918,273

All group and company debtors for 2021 and 2020 represent Unrestricted Funds.

13. Creditors: amounts falling due within one year

	Group		Company	
	2021	**2020**	**2021**	**2020**
Trade creditors	24,478	44,891	24,478	44,891
Other taxes	10,364	236,544	33,029	236,544
Other creditors and accruals	37,580	57,655	34,580	54,655
Deferred income (note 14)	248,703	58,341	248,703	46,500
Amount due to group undertaking	-	-	-	-
	£321,125	£379,431	£340,790	£382,590

Group and company creditors falling due within one year include £248,703 (2020: £46,500) of restricted funds. All other monies are unrestricted.

14. **Deferred income** comprises the following:-

	Brought forward	Received unrestricted	Received restricted	Recognised as income	Carried forward
Arts Council England	(358,989)	-	825,000	235,679	230,332
Art Fund	-	-	2,970	-	2,970
Heritage lottery fund	(10,000)	-	10,000	-	-
Nesta	-	-	20,000	20,000	-
Others	-	10,766	-	6,627	4,139
Spirit of 2012	-	-	108,911	103,999	4,912
Back To Ours	(500)	-	-	(500)	-
	(369,489)	10,766	966,811	365,805	242,353
Partnership fees and business club subscriptions	11,841	241,859	-	253,700	-
	£(357,648)	£252,625	£966,811	£619,505	£242,353
Shown as: Deferred income	58,341				248,703
Income in arrears	(415,989)				(6,350)
	£(357,648)				£242,353

15. Reconciliation of movements in unrestricted income funds

	Group		Company	
	2021	2020	2021	2020
Income	417,572	537,901	411,724	984,460
Expenditure	(535,940)	(624,904)	(521,593)	(607,004)
Transfers (note 17)		-		-
Opening funds	2,037,138	2,124,141	2,028,639	1,651,183
Closing funds	£1,918,770	£2,037,138	£1,918,770	£2,028,639

16. Reconciliation of movements in restricted income funds

		As at 1st April	Income	Expenditure	Transfers	As at 31st March
2020/2021	Arts Council England	-	235,679	(235,679)	-	-
	Nesta	47,887	20,000	(67,887)	-	-
	Spirit of 2012	-	103,999	(103,999)	-	-
		£ -	359,678	(407,565)	-	-
2019/2020	Arts Council England	-	1,019,627	(1,019,627)	-	-
	Heritage Lottery Fund	-	48,750	(48,750)	-	-
	Kingston upon Hull City Council	-	5,000	(5,000)	-	-
	Liverpool Biennial	-	(684)	684	-	-
	Nesta	-	110,000	(62,113)	-	47,887
	Spirit of 2012	-	240,425	(240,425)	-	-
	We Are IVE	-	2,258	(2,258)	-	-
	Hull College	-	3,000	(3,000)	-	-
	Back To Ours	-	3,000	(2,500)		
	Clinical Commissioning Group	-	65,000	(65,000)	-	-
	HCUK Training	-	2,000	(2,000)	-	-
	Heritage Lottery Fund	-	100,000	(100,000)	-	-
	Back To Ours (HIPI)	-	10,000	(10,000)	-	-
	Yorkshire Water	-	15,000	(15,000)	-	-
	Performing Rights Society Commission	-	46,286	(46,286)	-	-
	RVW Trust	-	2,000	(2,000)	-	-
	The Leche Trust	-	1,500	(1,500)	-	
		£ -	£1,673,162	£(1,625,275)	£ -	£47,887

16. **Reconciliation of movements in restricted income funds (continued)**

Arts Council England funding was for site specific and outdoor commissions such as those to support Hull's performing arts sector, and to support Hull City of Culture 2017 legacy programme.

Nesta funding was for the Hull Volunteer programme to support the Connected Communities Innovation Fund.

Spirit of 2012 funding was to support the Hull Volunteer programme.

17. **Transfer between funds**

There were no transfers between funds this year or in the preceding year.

18. Related party disclosures

i) The company paid fees of £6,400 (2020: £16,000) to Lee Corner in respect of her role as Chair of the Board.

ii) The Board includes amongst its members, representatives of Kingston upon Hull City Council. During the year the group received income of £205,000 (2020: £210,000) from this organisation. Kingston upon Hull City Council also donated services in kind to the value of £Nil (2020: £46,127) during the year.

iii) During the year the company paid £788 (2020: £1,429) to the Hideout Hotel Ltd for accommodation provided during the year. The trustee G.F. Allenby is a shareholder and director in this company.

19. Control

The company is limited by guarantee and effective control rests with its Board of Trustees.

20. Contingent liabilities

The restricted income received by the company is dependent upon the company delivering the agreed outputs attached to each grant and reporting on same to the grant provider. At the balance sheet date final submissions have sometimes yet to be made in respect of a number of grants. In the event that this is not accepted, there is a risk that the donors may seek repayment of grants made. The Board, however, consider these risks to be remote.

21. Security

The company's bankers hold a debenture dated 9th February, 2015 over the assets of the company.

22. Reconciliation of net movement in funds to net cash flow from operating activities

	Group	
	2021	**2020**
Net movement in funds	(166,255)	(39,116)
Add back depreciation charge	36,899	37,758
Add back loss on disposal of fixed assets	1,145	-
Deduct interest income shown in investing activities	(1,717)	(6,043)
(Increase)/Decrease in stock	(2)	470
(Increase)/Decrease in debtors	498,206	(83,053)
Increase/(Decrease) in creditors	(76,306)	(333,542)
Deferred taxation provision movement included as a (credit)/an expense	(1,994)	(1,954)
Net cash (used) / generated in operating activities	£289,975	£(425,480)

23. Financial performance of the charity

As permitted by s408 of the Companies Act 2006, a separate Statement of Financial Activities for the charity alone has not been prepared. The net deficit reported for the year in the Consolidated Statement of Financial Accounts includes £(109,869) (2020 net surplus of : £425,343) reported in the accounts of the charity itself.

24. Provision for liabilities

Deferred taxation: the following are the major deferred tax liabilities recognised by the group and movements thereon:

Balances:

	2021	2020
Accelerated capital allowances	£-	£1,994

Movement in the year

	2021
Liability at 1 April 2020	1,994
Credit	(1,994)
Liability at 31 March 2021	-

25. Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases of £96,000 (2020: £43,852).