



BRADFORD CULTURE COMPANY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Company registration number 12330027 (England and Wales)

Charity registration number 1194599

BRADFORD CULTURE COMPANY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mary Dowson	
	Adeeba Malik CBE	
	Sabbiyah Pervez	
	Stuart McKinnon-Evans	
	Mohammed Kamran	
	Melany Pickup	(Appointed 17 February 2023)
	Armoghan Mohammed	(Appointed 12 May 2023)
	Alex Hudson	(Appointed 12 May 2023)
	Kersten England CBE	(Appointed 14 October 2022)
	Sasha Bhat	(Appointed 31 March 2023)
Charity number	Phil Batty OBE	(Appointed 31 March 2023)
	Debra Jukes	(Appointed 31 March 2023)
	Carol Dewhurst OBE	(Appointed 31 March 2023)
	Ruth Ibegbuna	(Appointed 10 October 2023)
Company number	1194599	
Principal address	Unit E2 Centenary Square 9 Aldermanbury Bradford BD1 1SD	
Registered office	Church Bank House Schofield Sweeney Church Bank Bradford BD1 4DY	
Auditor	Azets Audit Services Carlton House Grammar School Street Bradford BD1 4NS	
Bankers	Barclays Bank 10 Market Street Bradford BD1 1EG	

BRADFORD CULTURE COMPANY LIMITED

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BRADFORD CULTURE COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum & Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The charity's objects are:-

- To advance the education of the general public in the arts and artistic and cultural heritage of the City of Bradford and in particular the arts of performance, music, drama, poetry reading, sculpture, painting, handicrafts and all associated arts;
- 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 performances, exhibitions and festivals provided that the promotion of such festivals and events is undertaken solely for the public benefit; and
- To promote the arts and heritage for the benefit of the public within the City of Bradford in particular but not exclusively by supporting the arts and heritage sector through promotion, representation and development.

The charities activities include:-

- Makes grants to individuals
- Makes grants to organisations
- Provides services
- Provides advocacy, advice and information
- Sponsors or undertakes research
- Acts as an umbrella or resource body

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

BRADFORD CULTURE COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2023**

Achievements and performance

Activities During the year

Bradford Culture Company was established to promote and encourage the development of arts, cultural, heritage and creative activities and promote access, education and appreciation of the widest possible range of cultural, and creative activities in the Bradford district.

The primary focus of the organisation's work during the year was to win the title of UK City of Culture 2025 and secure funding to recruit the delivery team that will transform the bid proposals into reality.

In May 2022 Bradford was announced the UK City of Culture 2025. The win was a testament to Bradford's ambition to become UK City of Culture, an ambition that had been several years in the making and demonstrated the cohesion and shared goal for the district.

The transition from winning the bid to delivery primarily focused on securing revenue funds to build the delivery team, progress programme development, and provide a platform for the wider city and district to prepare for 2025. £1m was secured from City of Bradford Metropolitan District Council alongside an initial £275,000 from Department for Media, Culture and Sport, enabling the recruitment of the Leadership team alongside programme research and development.

During the bidding phase, we employed a small number of full-time staff, both at management and administrative levels who worked on day-to-day delivery of projects, as well as developing the processes and structures required to grow an efficient and capable delivery team. From Autumn 2023, the team began the transition to a new structure to include volunteer management, fundraising and financial expertise, to complement the existing marketing, project management, cultural programming and community engagement knowledge within the team. The Creative Director (Shanaz Gulzar) and Executive Director (Daniel Bates) joined in late November and alongside the recruitment of the senior team.

The need to grow and strengthen the Board was identified and an open recruitment process was undertaken, and seven new Board members were appointed to aid the delivery of the City of Culture. The Board meets six times a year and the meetings observed by stakeholders. In addition, a series of sub committees were also established to cover the areas of Governance and People, Finance, Risk and Sustainability, Audiences and Digital, and Evaluation. As well as existing trustees, these sub committees are enhanced with associate members who bring wider experience and expertise to the sub committees to ensure we are maximising the impact of the City of Culture across the entire district. These include key stakeholders and representatives from Bradford University and Bradford City Council, representatives from the arts and heritage sector and local cultural leaders.

We have clear Governance policies including but not limited to Risk Registers, operating policies and financial procedures. Detailed HR and recruitment policies have been strengthened to allow for the fast-paced growth of the team expected across 2023 – 2024 financial year.

Highlights of the year include supporting sector growth and funded activities with the Bradford Producing hub to enhance skills development and investment in Mini Seed Commissions (£150,000) to enable the local cultural sector to explore and test ideas that could inform the final programme for UK City of Culture 2025. A wide-range of projects, 35 in total, received funding for research and development that allowed for the exploration of a district-wide textiles project, installations that could bring to life disused city centre spaces, the upskilling of aerial dancing and circus training locally, as well as photography exhibitions and music performances linked to Bradford's heritage and diaspora.

BRADFORD CULTURE COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Programme research and development was also supported via international visits, enabling networking and the development of strong international relations. Oulu, European Capital of Culture (2026) hosted two members of the Bradford Culture Company, providing a tour of the city and hosting exploratory sessions as to how Bradford 2025 could connect with their programmes. Other international visits included attendance at the International Society for the Performing Arts (ISPA) conference in New York. The conference provided an opportunity to develop new connections with international colleagues in theatre and performance, while affording the time to engage with Bradford cultural expats now living in the US.

Bradford Culture Company also invested in activities that would deliver results ahead of 2025 – investment in the 2023 edition of BD:isLiT supported the commission of twelve original light art commissions that will be enjoyed by families and wider audiences in November 2023. Bradford Producing Hub were also confirmed at the cultural capacity partner for UK City of Culture 2025, with investment in Bradford Producing Hub supporting the development of local artists and creatives, developing capacity and expertise that benefits the cultural sector in the immediate while increasing the standard and quality of cultural activity ahead of 2025.

Financial review

The income for the year was £1,501,836 (2022 £996,802) with expenditure being £888,327 (2022 £698,325) resulting in a surplus of £613,509 (2022 £298,477). Funds at 31 March 2023 were £911,986 (2022 £298,477).

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Plans for future periods

We have secured a new lease for a base in the centre of Bradford for our main office and refurbished a disused restaurant and moved in the team in July 2023.

We have continued to build the delivery team and building the infrastructure for delivery.

Significant funds have been agreed with the Department of Culture Media and Sport, City of Bradford Metropolitan Council, Arts Council of England and the National Lottery Heritage Fund. We have sponsorship arrangements now in place including Morrisons Plc, Vanquis Banking, Yorkshire Water, Yorkshire Building Society, ITC Ltd, Schofield Sweeney and TL Dallas.

We continue to create and embed new systems and practice within the team to ensure we are ready for the delivery in 2025.

In October 2023, Kersten England CBE was appointed as Chair of the Board and our grateful thanks to Mary Dowson for chairing the board through the bidding period.

Structure, governance and management

The charity is a company limited by guarantee incorporated on 25 November 2019 and registered as a charity on 26 May 2021 and is governed by its memorandum and articles of association.

BRADFORD CULTURE COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mary Dowson	
Adeeba Malik CBE	
Sabbiyah Pervez	
Nicola Greenan	(Resigned 1 February 2023)
Stuart McKinnon-Evans	
Mohammed Kamran	
Shanaz Gulzar	(Resigned 17 August 2022)
Richard Emmott	(Resigned 26 July 2022)
Brendan Brown	(Resigned 17 August 2022)
Melany Pickup	(Appointed 17 February 2023)
Armoghan Mohammed	(Appointed 12 May 2023)
Alex Hudson	(Appointed 12 May 2023)
Kersten England CBE	(Appointed 14 October 2022)
Sasha Bhat	(Appointed 31 March 2023)
Phil Batty OBE	(Appointed 31 March 2023)
Debra Jukes	(Appointed 31 March 2023)
Carol Dewhurst OBE	(Appointed 31 March 2023)
Ruth Ibegbuna	(Appointed 10 October 2023)

Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director by ordinary resolution or by a decision of the directors. Directors are appointed for the skills and experience they bring to the charity. Training will be given if needed.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Charity is registered with the fundraising regulator. The Charity has complied with the Code of Fundraising Practice throughout the year. There were no failures to comply with a scheme or fundraising standard during the year.

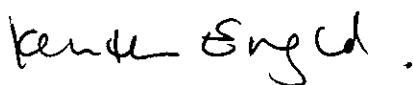
The charity's decisions are made by the board of trustees, with the manager being responsible for the day to day running.

Auditor

During the year Azets Audit Services Limited, trading as Azets Audit Services were appointed as auditors following their acquisition of Naylor Wintersgill Limited, on 1 May 2023.

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.



Kersten England CBE
Trustee

5 December 2023

BRADFORD CULTURE COMPANY LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also the directors of Bradford Culture Company Limited for the purpose 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).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BRADFORD CULTURE COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF BRADFORD CULTURE COMPANY LIMITED

Opinion

We have audited the financial statements of Bradford Culture Company Limited (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

BRADFORD CULTURE COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BRADFORD CULTURE COMPANY LIMITED

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of 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. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

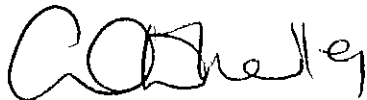
BRADFORD CULTURE COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BRADFORD CULTURE COMPANY LIMITED

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Alison Whalley (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

5 December 2023

Chartered Accountants
Statutory Auditor

Carlton House
Grammar School Street
Bradford
BD1 4NS

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BRADFORD CULTURE COMPANY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	3	1,000,000	386,753	1,386,753	794,481	104,571	899,052
Charitable activities	4	115,083	-	115,083	97,750	-	97,750
Total income		1,115,083	386,753	1,501,836	892,231	104,571	996,802
Expenditure on:							
Charitable activities	5	598,010	290,317	888,327	593,754	104,571	698,325
Net income for the year/ Net movement in funds		517,073	96,436	613,509	298,477	-	298,477
Fund balances at 1 April 2022		298,477	-	298,477	-	-	-
Fund balances at 31 March 2023		815,550	96,436	911,986	298,477	-	298,477

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

BRADFORD CULTURE COMPANY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	10		15,664		470
Current assets					
Debtors	11	272,123		41,258	
Cash at bank and in hand		827,747		284,901	
		1,099,870		326,159	
Creditors: amounts falling due within one year	12	(203,548)		(28,152)	
Net current assets			896,322		298,007
Total assets less current liabilities			911,986		298,477
Income funds					
Restricted funds	14	96,436		-	
Unrestricted funds		815,550		298,477	
		911,986		298,477	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 5 December 2023

Kersten England CBE
Trustee

Company registration number 12330027

BRADFORD CULTURE COMPANY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	19		559,550		(216,841)
Investing activities					
Purchase of tangible fixed assets		(16,704)		-	
Net cash used in investing activities			(16,704)		-
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			542,846		(216,841)
Cash and cash equivalents at beginning of year			284,901		501,742
Cash and cash equivalents at end of year			<u>827,747</u>		<u>284,901</u>

BRADFORD CULTURE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Bradford Culture Company Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Church Bank House, Schofield Sweeney, Church Bank, Bradford, BD1 4DY.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum & Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

BRADFORD CULTURE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources where appropriate. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	33% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

BRADFORD CULTURE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

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

2 Critical accounting estimates and judgements

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.

BRADFORD CULTURE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Donations and gifts	-	-	-	32,500	-	32,500
Listed below	1,000,000	386,753	1,386,753	761,981	104,571	866,552
	<u>1,000,000</u>	<u>386,753</u>	<u>1,386,753</u>	<u>794,481</u>	<u>104,571</u>	<u>899,052</u>
Grants receivable for core activities						
City of Bradford Metropolitan District Council	1,000,000	360	1,000,360	761,981	51,403	813,384
Bradford School of Art	-	160	160	-	900	900
Morrisons Foundation	-	-	-	-	12,535	12,535
Fountains Church Bradford	-	-	-	-	400	400
The Department for Digital, Culture, Media and Sport	-	274,938	274,938	-	39,333	39,333
British Council	-	89,000	89,000	-	-	-
Community Action Bradford & District Ltd	-	22,295	22,295	-	-	-
	<u>1,000,000</u>	<u>386,753</u>	<u>1,386,753</u>	<u>761,981</u>	<u>104,571</u>	<u>866,552</u>

4 Charitable activities

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Bid Sponsorship	<u>115,083</u>	<u>-</u>	<u>115,083</u>	<u>97,750</u>	<u>-</u>	<u>97,750</u>

BRADFORD CULTURE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

5 Charitable activities

	2023 £	2022 £
Staff costs	304,793	210,852
Bid Preparation and Delivery	230,464	125,941
Marketing and website	86,540	81,385
Programme development	221,751	244,708
	<u>843,548</u>	<u>662,886</u>
Share of support costs (see note 6)	39,779	33,039
Share of governance costs (see note 6)	5,000	2,400
	<u>888,327</u>	<u>698,325</u>
Analysis by fund		
Unrestricted funds	598,010	593,754
Restricted funds	290,317	104,571
	<u>888,327</u>	<u>698,325</u>

6 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Depreciation	1,510	-	1,510	295	-	295
Building costs	4,461	-	4,461	4,624	-	4,624
Insurance	555	-	555	1,061	-	1,061
Payroll and bookkeeping	2,459	-	2,459	4,015	-	4,015
Office Costs	23,349	-	23,349	16,122	-	16,122
Staff training	935	-	935	1,300	-	1,300
Travel	4,419	-	4,419	5,369	-	5,369
Sundry	253	-	253	253	-	253
Legal and professional	1,838	-	1,838	-	-	-
Audit fees	-	5,000	5,000	-	2,400	2,400
	<u>39,779</u>	<u>5,000</u>	<u>44,779</u>	<u>33,039</u>	<u>2,400</u>	<u>35,439</u>
Analysed between						
Charitable activities	<u>39,779</u>	<u>5,000</u>	<u>44,779</u>	<u>33,039</u>	<u>2,400</u>	<u>35,439</u>

Governance costs includes payments to the auditors of £5,000 (2022- £2,400) for audit fees.

BRADFORD CULTURE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the current or prior year.

8 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	6	7
Employment costs	2023	2022
	£	£
Wages and salaries	275,742	194,545
Social security costs	24,197	14,442
Other pension costs	4,854	1,865
	304,793	210,852

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
£60,001 - £70,000	1	1

9 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

BRADFORD CULTURE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

10 Tangible fixed assets

	Computers £
Cost	
At 1 April 2022	893
Additions	16,704
Disposals	(893)
At 31 March 2023	16,704
Depreciation and impairment	
At 1 April 2022	423
Depreciation charged in the year	1,040
Eliminated in respect of disposals	(423)
At 31 March 2023	1,040
Carrying amount	
At 31 March 2023	15,664
At 31 March 2022	470

11 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	225,601	33,449
Other debtors	21,026	6,059
Prepayments and accrued income	25,496	1,750
	272,123	41,258

12 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	193,224	21,378
Other creditors	5,124	1,762
Accruals and deferred income	5,200	5,012
	203,548	28,152

13 Deferred income

Deferred income is included in the financial statements as follows:

BRADFORD CULTURE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

13 Deferred income (Continued)

Deferred income at 1 April 2022	-	(474,981)
Received in year		-
Released to income	-	474,981
	<u> </u>	<u> </u>
Deferred income at 31 March 2023	-	-
	<u> </u>	<u> </u>

Deferred income relates to grant income where the recognition criteria had not yet been met.

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Incoming resources £	Resources expended £	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
The UK City of Culture 2025 Bid	71,215	(71,215)	-	-	-	-
BD: is Lit Festival	33,356	(33,356)	-	-	-	-
The UK City of Culture 2025 Project Delivery	-	-	-	274,938	(274,938)	-
International Programme Development	-	-	-	89,000	-	89,000
Bradford School of Art	-	-	-	160	(160)	-
Bradford Council - Dragon Fly	-	-	-	360	(360)	-
Volunteering programme	-	-	-	22,295	(14,859)	7,436
	<u>104,571</u>	<u>(104,571)</u>	<u>-</u>	<u>386,753</u>	<u>(290,317)</u>	<u>96,436</u>

The UK City of Culture 2025 Bid was funded by City of Bradford Metropolitan District Council, Bradford School of Art, British Council, Community Action Bradford & District Ltd, Keighley Town Council, DCMS, Morrisons and Fountains Church Bradford.

BD: is Lit Festival was funded by City of Bradford Metropolitan District Council.

The UK City of Culture 2025 Project Delivery is funded by DCMS.

International Programme Development was funding by the British Council.

BRADFORD CULTURE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

15 Funds

	Balance at 1 April 2021 £	Movement in funds		Transfers	Balance at 1 April 2022 £	Movement in funds		Balance at 31 March 2023 £
		Incoming resources £	Resources expended £	£		Incoming resources £	Resources expended 31 £	
Restricted	-	-	-	-	-	386,753	(290,317)	96,436
Unrestricted	-	892,231	(593,754)	-	298,477	1,115,083	(598,010)	815,550
	-	892,231	(593,754)	-	298,477	1,501,836	(888,327)	911,986

BRADFORD CULTURE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:						
Tangible assets	15,664	-	15,664	470	-	470
Current assets/(liabilities)	896,322	-	896,322	298,007	-	298,007
	<u>911,986</u>	<u>-</u>	<u>911,986</u>	<u>298,477</u>	<u>-</u>	<u>298,477</u>

17 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	10,000	-
Between two and five years	110,000	-
	<u>120,000</u>	<u>-</u>

18 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	<u>123,076</u>	<u>78,440</u>

There were no further related party transactions requiring disclosure during the current or prior year.

BRADFORD CULTURE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

19	Cash generated from operations	2023	2022
		£	£
	Surplus for the year	613,509	298,477
	Adjustments for:		
	Loss on disposal of tangible fixed assets	470	-
	Depreciation and impairment of tangible fixed assets	1,040	295
	Movements in working capital:		
	(Increase) in debtors	(230,865)	(38,846)
	Increase/(decrease) in creditors	175,396	(1,786)
	(Decrease) in deferred income	-	(474,981)
	Cash generated from/(absorbed by) operations	559,550	(216,841)
		<u> </u>	<u> </u>
20	Analysis of changes in net funds		
	The charity had no debt during the year.		