

Registered number: 10674601
Charity number: 1184883

LEEDS CULTURE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

LEEDS CULTURE TRUST
(A company limited by guarantee)

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LEEDS CULTURE TRUST

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

| | |
|----------------------------------|---|
| Trustees | Professor F J Finlay J Jones-Buchanan Councillor A D Cohen S L Gladish S L Hoyle (resigned 14 March 2023) S J Payne I Thompson (resigned 21 March 2023) S M Watson G N Logan (resigned 18 September 2023) J D Pryor C J Brown (appointed 25 May 2023) B Woroncow |
| Company registered number | 10674601 |
| Charity registered number | 1184883 |
| Registered office | 2 Brewery Place Brewery Wharf Leeds LS10 1NE |
| Company secretary | R Coram |
| Independent auditors | Sagars Accountants Ltd Chartered Accountants & Statutory Auditor Gresham House 5-7 St Pauls Street Leeds LS1 2JG |

LEEDS CULTURE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who act as directors for the purposes of company law, present their report and financial statements for Leeds Culture Trust (also known as LEEDS 2023) 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 governing document, 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)".

The trustees confirm that they complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity's Commission general guidance on public benefit "Charities and Public Benefit". The Trustees' Report clearly sets out the charitable objectives, our current activities and how they benefit the public.

Objectives and activities

Our vision is a thriving Leeds where creativity fuels opportunities for everyone. Underpinning all activity through the year to 31 March 2023 are the charity's 'objects' as set out in the charity's articles and memorandum of association which are:

- 1) To advance the education of the residents of Leeds and surrounding areas in the arts, culture and heritage.
- 2) To promote the arts, culture and heritage, in particular but not exclusively by:
 - Encouraging participation and inclusion; and
 - Supporting charities, arts organisations and other not for profit bodies and individuals engaged in the provision of artistic, cultural and heritage activities and events.

The charity also carries out these objectives through the provision of grants to parties which fall within the criteria above. The trustees act on advice and information from the senior management team which is responsible for the day-to-day management of the charity.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake and across all of our programmes of activities we endeavour to:

- help residents feel more engaged by culture within the city
- ensure residents have more opportunities for employment and upskilling
- ensure school-age children have a greater exposure to cultural offerings
- improve the perception of Leeds's international cultural offerings
- attract additional investment to cultural activities within the city
- benefit Leeds through an increased media profile
- promote sustainable consumption within Leeds
- benefit Leeds's cultural sector through increased activity and increased resilience.

Achievements and performance

LEEDS 2023 was set up as an independent trust following the city's commitment to deliver a year of culture despite no longer being eligible to be European Capital of Culture. Our vision is a thriving Leeds where creativity fuels opportunities for everyone. The ambition is to do this through delivering a transformative year of culture for the city and region that benefits the public now and in the future.

In the months leading up to 2023, LEEDS 2023 embarked on a series of Roadshow events held in all 33 wards of the city. These events served as platforms to inform attendees about the plans for 2023, gather feedback and suggestions, and showcase various performances. The Roadshow events were attended by 801 individuals, and 355 attendees signed up for ongoing communication from LEEDS 2023.

During 2022 we also delivered the "My World My City My Neighbourhood" (MWMCMN) project. The project involved over 20 artists collaborating with their respective communities to research and develop project ideas that could shape the program for 2023. This collaborative effort resulted in 22 projects engaging 211 artists and attracting 2,677 participants. The positive outcomes of the MWMCMN project were; 1,072 participants reporting an increased sense of community, 1,425 subsequently volunteering or supporting their community, and 485 experiencing improved mental well-being. Additionally, 476 participants reported enhanced physical well-being. The projects also attracted a live audience of 4,286 individuals and provided 120 days of performances and

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

exhibitions. Notably, 1,181 young people participated, including those who faced barriers to accessing the arts, with 1,124 of them engaging in arts for the first time. The majority of participants (960) reported a positive experience, and 759 expressed their intention to continue engaging with the arts.

The 2023 year itself started in spectacular fashion with "The Awakening," a stadium production held in Headingley to celebrate the past, present, and future of culture in Leeds. Tickets for the event were only obtainable by submitting an original piece of artwork. The event received a fantastic response with 2,421 ballot entries received, covering all 33 wards of the city. Additionally, 77 engagement events held in community spaces garnered another 1,025 entries. The event showcased the work of 59 individual artists, and the attendees reported a high level of enjoyment, with 97% expressing satisfaction. Furthermore, 95% of the attendees agreed that the event was inclusive and made everyone feel welcome. This successful event has paved the way for future cultural celebrations, as 58% of the attendees expressed their intent to book tickets for future events.

LEEDS 2023 values collaboration and partnership with various organisations in the city and beyond. Some of the notable partnerships included the "Hidden Stories" commission, which brought together artists and heritage organizations to celebrate the hidden histories of Leeds in unique and surprising ways. These included collaborations with organizations such as East Street Arts, Light Night, Leeds Museums and Art Gallery, Rugby League World Cup, Compass Festival, and many others further enriched the cultural landscape of the city.

During the financial year 2022/23, LEEDS 2023 was successful in attracting new funders and securing additional funds for its program. The organisation reported an income of approximately £6.5 million, with 27 new funders coming on board. This included £4.75million of new grant funding and £600,000 of new sponsorship income, which further supported the implementation of cultural initiatives and events.

As LEEDS 2023 geared up for the delivery year, recruitment efforts were intensified to build a capable team. At the beginning of the financial year, the organization had 31 employees, which increased to 81 by April 2023, demonstrating the growth and expansion of the team.

Volunteering plays a crucial role in the success of LEEDS 2023. The year to 31 March 2023 saw 1,250 applications received, and 500 offers were made to potential volunteers. 275 volunteers were appointed, representing a diverse range of backgrounds and locations, including every ward in Leeds, as well as individuals from Bradford, Wakefield, Kirklees, and Calderdale. These dedicated volunteers have already completed approximately 250 shifts, delivering approximately 1,250 volunteering hours by the end of March 2023 and we are well on track to recruit over 1,000 volunteers by the end of the year.

To ensure effective community engagement, LEEDS 2023 appointed Neighbourhood Hosts in each of the 33 wards of the city. These hosts received training and participated in workshops, trips, and discussions to understand and celebrate the cultural activities in their respective wards. With the support of LEEDS 2023 and Leeds anchor organizations, the Neighbourhood Hosts engaged with their communities and worked collaboratively to imagine, shape, and create events and activities that highlighted the unique cultural offerings of each ward. The Neighbourhood Hosts represented various organizations and community groups across Leeds, fostering a strong sense of local ownership and involvement.

LEEDS 2023 actively engaged with the media to raise its profile and generate interest in the cultural events and initiatives. The organization's 100 days to go launch event, held at Brewery Place and hosted by our Chair Gabby Logan MBE, received significant coverage from local and national press contributing to the success of "The Awakening" and generating anticipation for future cultural celebrations. Over the year, LEEDS 2023 garnered a total of 1,366 articles, reaching a combined circulation of 493,911,119. The organization's online presence also saw significant engagement, with a total of 650,436,938 unique website visitors per month (UVPM) throughout the year. Notably, content related to "The Awakening" alone attracted 850,000 views, and there was a 55.4% increase in website views resulting from the end of 2022 to the beginning of 2023.

Overall, the financial year 2022/23 proved to be a successful year for the company despite a very challenging external context as a result of Covid, Brexit and cost of living crisis. The team delivered of a number of successful events including the opening show, significant community engagement across the city, fundraising, and media outreach for LEEDS 2023. The organization's efforts in collaboration, volunteer involvement, and cultural promotion laid a strong foundation for the upcoming Year of Culture celebrations in Leeds.

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

LEEDS 2023, as an organization delivering a Year of Culture for Leeds, recognizes the vital role played by its major stakeholders, including the City Council and local residents. Throughout the financial year 2022/23, LEEDS 2023 remained committed to engaging and collaborating with these stakeholders to ensure that the cultural initiatives and events catered to their needs and aspirations. The successful delivery of signature events such as "The Awakening" and Waking the Artist exhibition showcased the rich cultural heritage of the city, fostering a sense of civic pride among local residents. The organization actively sought input and feedback through roadshow events and community engagement initiatives, facilitating dialogue and inclusivity. By working closely with the City Council, LEEDS 2023 contributed to the cultural development and promotion of Leeds, creating a positive impact on the local community and enhancing the city's reputation as a vibrant cultural hub.

Financial review

The total income for the year was £6,608,433 (2022: £3,226,098). This was applied to building the staff team, fundraising, strategic and business planning and accumulating resources to enable leverage for greater resources next year and the development of creative work. In total the expenditure amounted to £9,002,469 (2022: £2,515,046). There is income due in relation to Creative Sector Tax Relief Claims of £1,440,161 (2022 £nil).

- The above resulted in a (deficit)/surplus for the year of (£953,875) (2022: £711,052).
- At the balance sheet date the charity had cash at bank and in hand of £215,867 (2022: £3,170,864).
- Total funds were £1,500,982 (2022: £2,960,586). Unrestricted funds were (£662,611) (2022: £2,265,183) and restricted funds were £2,163,593 (2021: £695,403).

Over 50% of the funding in the year was received from Leeds City Council and they will continue to be the largest single funder of LCT.

Future periods

Leeds Culture Trust will have completed the significant proportion of its intended activity during the 2023/24 year. It is anticipated that during the 2024/25 year the charity will complete its statutory obligations and then cease to operate. Trustees anticipate handing over control of the organisation to a suitable corporate body on completion of the external audit and Creative Sector Tax Relief Claims relating to the 2023/24 year. At this point it is anticipated that the company will undertake a solvent liquidation with any remaining assets being transferred to suitable other charitable organisations as set out by the Trustees at that time.

Reserves policy

The charity is delivering its intended activity during the 2023 calendar year and as such is utilising the reserves that have been accumulated over prior periods.

The trustees continue to review the circumstances of Leeds Culture Trust and the post Covid-19 economic climate to ensure flexibility in the business plan to safeguard credible delivery of LEEDS 2023. The trustees are of the view that the charitable company is a going concern.

Investment policy

The charity has an investment policy advised by Brewin Dolphin in September 2019. The policy advised accumulating cash inflows in order to obtain reserves and recommended diversification of assets if reserve levels exceed expectation.

Fundraising Activity

The Fundraising activity for Leeds Culture Trust is led by an in-house team employed directly by the charity and the team is overseen by a member of the Executive team. The dedicated team of fundraising and development staff raises funds for charitable activity from a combination of sources including individuals, corporates, trusts and foundations, informed by a fundraising strategy aligned to the business plan.

Leeds Culture Trust has developed a clear and transparent strategy to deliver the new GDPR rules and part of this commitment is to ensure that we do not unintentionally contact vulnerable individuals who do not have a direct and obvious relationship with Leeds Culture Trust. Leeds Culture Trust has received no complaints relating to its fundraising practice.

Risk management

A risk register has been produced with risks owned by the relevant member of the senior management team. Risks and their mitigating actions are reviewed monthly at senior management team meetings and will be

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

reviewed quarterly at board meetings.

Public facing activity undertaken by the company has specific event plans produced so that all risks including health & safety and safeguarding can be assessed and appropriate mitigations put in place.

Structure, governance and management

The charity is a company limited by guarantee whose business is governed by a board of trustees. The charity is registered as a charity under the Charities Act 2011 and gained charitable status on 13 August 2019. The board of trustees comprises individuals who together are responsible for the governance of the charity. The charity is governed by its Memorandum and Articles of Association dated 19 March 2019.

The board of trustees is made up of a minimum of three trustees and a maximum of twelve. The board of trustees met eight times in the period, with meetings held on a bi-monthly basis. The term of office for trustees is for a minimum of two years or maximum of five with the exception of Council nominees appointed for one-year terms.

The charity has assembled its board which brings together a vast array of knowledge and experience gained in a number of sectors, from education, finance and governance to sport, politics and community engagement. The trustees were recruited through an open process or by nomination from key partners. In September 2023 Gabby Logan stepped down from her position as Chair of the charity and took up a new role as Patron. The Trustees would like to thank Gabby for her time, diligence and significant efforts in supporting the charity from her position as Chair and are pleased that they can continue to benefit from her engagement in her new role as a Patron of LEEDS 2023.

The trustees oversee LEEDS 2023's strategic direction, providing strong governance to ensure that LEEDS 2023 delivers on its vision and objectives.

Upon appointment each trustee signed a Trustee Declaration Form and had sight of the Charity Commission's Guidance The essential trustee: what you need to know, what you need to do along with a Conflicts of Interest policy and register.

The charity is led by a senior management team comprising:

- Kully Thiarai, Creative Director and Chief Executive Officer
- Emma Beverley Director of Programmes
- Abigail Scott Paul, Director of External Relations and Strategic Partnerships
- Richard Coram Finance and Operations Director (appointed July 2022)

Approved by order of the members of the board of Trustees and signed on their behalf by:

Frank Finlay

Professor F J Finlay

Date: 26 October 2023

LEEDS CULTURE TRUST
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEEDS CULTURE TRUST

Opinion

We have audited the financial statements of Leeds Culture Trust (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 the related notes, 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 charitable company's affairs as at 31 March 2023 and of its 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

Emphasis of matter - financial statements prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to the basis of preparation and the going concern accounting policies (notes 2.1 and 2.2 respectively).

As explained in these notes, the Trustees expect to appoint a suitable corporate body to oversee the final months of the charity before a solvent liquidation can take place during the year ended 31 March 2025, with any remaining assets gifted to suitable charitable bodies in line with the current governing documents for the charity.

As a result the financial statements have been prepared on a basis other than going concern.

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEEDS CULTURE TRUST (CONTINUED)

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEEDS CULTURE TRUST (CONTINUED)

Auditors' 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 Auditors' 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.

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:

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019.

We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud.

The laws and regulations we considered in this context were Charities Commission Regulations and requirements from funders.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and donation income and the override of controls by management.

Our audit procedures to respond to these risks included:

- enquiries of management and the Trustees about their own identification and assessment of the risks of irregularities,
- sample testing on the posting of journals,
- reviewing accounting estimates for biases,
- reviewing contracts and carrying out detailed substantive testing on the completeness of income,
- reading minutes of meetings of those charged with governance; and,
- obtaining confirmation from the trustees that there was no regulatory correspondence with the Charity Commission.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit,

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEEDS CULTURE TRUST (CONTINUED)

there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 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 Auditors' report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Susan Seaman BA FCA CIOT (Senior statutory auditor)

for and on behalf of

Sagars Accountants Ltd

Chartered Accountants & Statutory Auditor

Gresham House

5-7 St Pauls Street

Leeds

LS1 2JG

26 October 2023

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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

| | Note | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---|------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | | |
| Donations and legacies | 5 | 400,300 | - | 400,300 | 69,933 |
| Charitable activities | 6 | 2,812,000 | 3,383,398 | 6,195,398 | 3,143,634 |
| Other income | 7 | 7,578 | 5,157 | 12,735 | 12,531 |
| Total income | | <u>3,219,878</u> | <u>3,388,555</u> | <u>6,608,433</u> | <u>3,226,098</u> |
| Expenditure on: | | | | | |
| Charitable activities | 9 | 7,014,096 | 1,988,373 | 9,002,469 | 2,515,046 |
| Total expenditure | | <u>7,014,096</u> | <u>1,988,373</u> | <u>9,002,469</u> | <u>2,515,046</u> |
| Net (expenditure)/income before taxation | | | | | |
| | | (3,794,218) | 1,400,182 | (2,394,036) | 711,052 |
| Taxation | 14 | 1,440,161 | - | 1,440,161 | - |
| Net movement in funds | | <u>(2,354,057)</u> | <u>1,400,182</u> | <u>(953,875)</u> | <u>711,052</u> |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 2,265,183 | 695,403 | 2,960,586 | 2,249,534 |
| Net movement in funds | | (2,354,057) | 1,400,182 | (953,875) | 711,052 |
| Total funds carried forward | | <u>(88,874)</u> | <u>2,095,585</u> | <u>2,006,711</u> | <u>2,960,586</u> |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 13 to 34 form part of these financial statements.

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REGISTERED NUMBER: 10674601

BALANCE SHEET
AS AT 31 MARCH 2023

| | Note | 2023 £ | 2022 £ |
|--|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 15 | - | 38,225 |
| Investments | 16 | 1 | - |
| | | <u>1</u> | <u>38,225</u> |
| Current assets | | | |
| Debtors | 17 | 2,751,676 | 152,516 |
| Cash at bank and in hand | | 215,867 | 3,170,864 |
| | | <u>2,967,543</u> | <u>3,323,380</u> |
| Creditors: amounts falling due within one year | 18 | (960,833) | (401,019) |
| Net current assets | | <u>2,006,710</u> | <u>2,922,361</u> |
| Total assets less current liabilities | | <u>2,006,711</u> | <u>2,960,586</u> |
| Net assets excluding pension asset | | <u>2,006,711</u> | <u>2,960,586</u> |
| Total net assets | | <u><u>2,006,711</u></u> | <u><u>2,960,586</u></u> |
| Charity funds | | | |
| Restricted funds | 20 | 2,095,585 | 695,403 |
| Unrestricted funds | 20 | (88,874) | 2,265,183 |
| Total funds | | <u><u>2,006,711</u></u> | <u><u>2,960,586</u></u> |

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Frank Finlay
Professor F J Finlay

Date: 26 October 2023

The notes on pages 13 to 34 form part of these financial statements.

LEEDS CULTURE TRUST
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

| | Note | 2023 £ | 2022 £ |
|---|------|-------------|-------------|
| Cash flows from operating activities | | | |
| Net cash used in operating activities | 23 | (2,926,193) | 777,316 |
| | | <hr/> | <hr/> |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | (28,804) | (29,094) |
| | | <hr/> | <hr/> |
| Net cash used in investing activities | | (28,804) | (29,094) |
| | | <hr/> | <hr/> |
| Cash flows from financing activities | | | |
| | | <hr/> | <hr/> |
| Net cash provided by financing activities | | - | - |
| | | <hr/> | <hr/> |
| Change in cash and cash equivalents in the year | | (2,954,997) | 748,222 |
| Cash and cash equivalents at the beginning of the year | | 3,170,864 | 2,422,642 |
| | | <hr/> | <hr/> |
| Cash and cash equivalents at the end of the year | 24 | 215,867 | 3,170,864 |
| | | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 13 to 34 form part of these financial statements

LEEDS CULTURE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Leeds Culture Trust is a private company (no: 10674601) limited by guarantee incorporated in England and Wales and a registered charity (no: 1184883). The registered office is 2 Brewery Place, Brewery Wharf, Leeds, LS10 1NE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Leeds Culture Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The 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 £.

In light of the future plans of the charity set out in note 2.2 below, the charity is not considered to be a going concern and it is not appropriate to adopt the going concern basis of accounting in preparing these financial statements. Accordingly the financial statements have been prepared on a basis other than going concern. As the charity is expected to undertake a solvent liquidation, there is no impact on the financial statements as all liabilities will be settled and the remaining assets of the charity in the form of cash and bank balances will be transferred to a suitable entity.

2.2 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. The charity will continue to receive funding from Leeds City Council as agreed up to and including June 2024.

Upon completion of the external audit and Creative Sector tax reliefs relating to the 2023/24 year it is expected that the Trustees will appoint a suitable corporate body to oversee the final months of the charity before outstanding receipts from HMRC are received and a solvent liquidation can take place. Any remaining assets within the charity will be gifted to suitable charitable bodies in line with the current governing documents for Leeds Culture Trust. It is currently expected that this liquidation will complete during the 2024/25 year.

LEEDS CULTURE TRUST
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.3 Income

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 income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charity which is the amount it 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. No amounts are included for the contribution of general volunteers.

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

All expenditure is inclusive of irrecoverable VAT.

2.5 Taxation

As a registered charity, the company is exempt from corporation tax on surpluses arising from its charitable activities during the year.

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

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | | |
|--------------------|---|-------------------|
| Office equipment | - | 25% straight line |
| Computer equipment | - | 25% straight line |

2.7 Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

LEEDS CULTURE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.9 Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

2.10 Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

2.11 Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

3. Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Details of these judgements are set out in the accounting policies.

Critical accounting estimates and assumptions:

Going concern is a critical assumption used in the preparation of the financial statements, more information is included in the accounting policies above.

LEEDS CULTURE TRUST
(A company limited by guarantee)

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

4. Limited by guarantee

The charitable company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets of liabilities of the charitable company on winding up such amounts as may be required not exceeding £1.

5. Income from donations and legacies

| | Unrestricted funds 2023 £ | Total funds 2023 £ |
|-----------|------------------------------------|-----------------------------|
| Donations | 400,300 | 400,300 |

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|-----------|------------------------------------|-----------------------------|
| Donations | 69,933 | 69,933 |

6. Income from charitable activities

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ |
|-----------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Leeds City Council | 2,541,000 | 1,000,000 | 3,541,000 |
| University of Leeds | 242,500 | - | 242,500 |
| Trusts and Foundations (Local) | - | 74,650 | 74,650 |
| British Council | - | 126,500 | 126,500 |
| Arts Council England | - | 490,000 | 490,000 |
| National Lottery | - | 846,024 | 846,024 |
| Trusts and Foundations (National) | - | 478,734 | 478,734 |
| Matched funding | 28,500 | 242,393 | 270,893 |
| National Lottery Community Fund | - | 125,097 | 125,097 |
| | <u>2,812,000</u> | <u>3,383,398</u> | <u>6,195,398</u> |

LEEDS CULTURE TRUST
(A company limited by guarantee)

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

6. Income from charitable activities (continued)

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ |
|-----------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Leeds City Council | 1,740,000 | - | 1,740,000 |
| University of Leeds | 55,000 | - | 55,000 |
| Trusts and Foundations (Local) | - | 23,800 | 23,800 |
| British Council | - | 175,000 | 175,000 |
| Arts Council England | - | 755,700 | 755,700 |
| National Lottery | - | 139,134 | 139,134 |
| Trusts and Foundations (National) | - | 250,000 | 250,000 |
| Matched funding | 5,000 | - | 5,000 |
| | <u>1,800,000</u> | <u>1,343,634</u> | <u>3,143,634</u> |

Leeds Culture Trust has signed agreements with Leeds City Council to provide grant funding totaling £10,745,000 over a five-year period. Income for the financial year has been recognised in line with the grant agreement payment schedule. Future income will also be recognised on a receipts basis which has been scheduled in line with the anticipated delivery timeframe of the project and the budgeted expenditure.

7. Other incoming resources

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ |
|--------------|------------------------------------|----------------------------------|-----------------------------|
| Other income | <u>7,578</u> | <u>5,157</u> | <u>12,735</u> |

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|--------------|------------------------------------|-----------------------------|
| Other income | <u>12,531</u> | <u>12,531</u> |

LEEDS CULTURE TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. Analysis of grants

| | Grants to Institutions 2023 £ | Total funds 2023 £ |
|--------------------------------------|--|-----------------------------|
| Grants, Programme and delivery | 15,040 | 15,040 |
| Grants, Partnerships and development | 333,278 | 333,278 |
| | <u>348,318</u> | <u>348,318</u> |

| | Grants to Institutions 2022 £ | Total funds 2022 £ |
|--------------------------------|--|-----------------------------|
| Grants, Programme and delivery | 178,827 | 178,827 |
| | <u>178,827</u> | <u>178,827</u> |

The charity has made the following material grants to institutions during the year:

| | 2023 £ | 2022 £ |
|--|----------------|----------------|
| Name of institution | | |
| Leeds Peoples Theatre - new production between Leeds Peoples Theatre and Slung Low titled "The Good Book" exploring themes around our values, freedoms and what we are prepared to protect and fight for | - | 80,000 |
| Daily Life Project - Artist Bobby Baker delivered an exhibition titled Epic Domestic at the Tetley looking at the undervalued work Women contribute to households | 20,000 | - |
| Slung Low - The Magician - Film by Leeds People Theatre with Slung Low comprised of professional and amateur performers | 80,000 | - |
| Leeds Playhouse - 1001 stories project which collated 1001 stories from older people across Leeds | 30,000 | - |
| The Performance Ensemble - to support the 1001 stories project being performed at Leeds Playhouse | 40,000 | - |
| Compass Live Art - exploration, production and community engagement at Kirkgate market to develop a "Leeds Sauce" capturing the essence of the city. | 21,250 | - |
| Rugby League World Cup - Supporting fringe activities around the RLWC including work with Libraries, Schools and Communities. | 75,000 | - |
| Other research and development grants under £20,000 | 82,068 | 98,827 |
| | <u>348,318</u> | <u>178,827</u> |

LEEDS CULTURE TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ |
|------------------------------|------------------------------------|----------------------------------|--------------------|
| Programme and delivery | 5,835,968 | 1,953,768 | 7,789,736 |
| Partnerships and development | 922,766 | 33,756 | 956,522 |
| Marketing and comms | 255,362 | 849 | 256,211 |
| | <u>7,014,096</u> | <u>1,988,373</u> | <u>9,002,469</u> |

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
|------------------------------|------------------------------------|----------------------------------|--------------------|
| Programme and delivery | 684,618 | 737,763 | 1,422,381 |
| Partnerships and development | 468,205 | - | 468,205 |
| Marketing and comms | 572,118 | 52,342 | 624,460 |
| | <u>1,724,941</u> | <u>790,105</u> | <u>2,515,046</u> |

10. Analysis of expenditure by activities

| | Activities undertaken directly 2023 £ | Grant funding of activities 2023 £ | Support costs 2023 £ | Total funds 2023 £ |
|------------------------------|---|--|-------------------------------|-----------------------------|
| Programme and delivery | 7,015,867 | 15,040 | 758,829 | 7,789,736 |
| Partnerships and development | 578,833 | 333,278 | 44,411 | 956,522 |
| Marketing and comms | 849 | - | 255,362 | 256,211 |
| | <u>7,595,549</u> | <u>348,318</u> | <u>1,058,602</u> | <u>9,002,469</u> |

LEEDS CULTURE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

10. Analysis of expenditure by activities (continued)

| | Activities undertaken directly 2022 £ | Grant funding of activities 2022 £ | Support costs 2022 £ | Total funds 2022 £ |
|------------------------------|---|--|-------------------------------|-----------------------------|
| Programme and delivery | 1,022,612 | 178,827 | 220,942 | 1,422,381 |
| Partnerships and development | 384,831 | - | 83,374 | 468,205 |
| Marketing and comms | 511,906 | - | 112,554 | 624,460 |
| | <u>1,919,349</u> | <u>178,827</u> | <u>416,870</u> | <u>2,515,046</u> |

Analysis of support costs

| | Programme and delivery 2023 £ | Partnerships and development 2023 £ | Marketing and comms 2023 £ | Total funds 2023 £ |
|-----------------------|--|---|-------------------------------------|-----------------------------|
| Payroll | 292,556 | 16,030 | 92,175 | 400,761 |
| Premises | 106,635 | 8,674 | 49,877 | 165,186 |
| Communications and IT | 106,132 | 5,815 | 33,439 | 145,386 |
| General office | 85,812 | 4,702 | 27,037 | 117,551 |
| Human resources | 77,985 | 4,273 | 24,570 | 106,828 |
| Governance costs | 29,875 | 1,638 | 9,412 | 40,925 |
| Professional fees | 46,856 | 2,567 | 14,763 | 64,186 |
| Subscriptions | 1,306 | 72 | 412 | 1,790 |
| Travelling expenses | 11,672 | 640 | 3,677 | 15,989 |
| | <u>758,829</u> | <u>44,411</u> | <u>255,362</u> | <u>1,058,602</u> |

LEEDS CULTURE TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

| | Programme and delivery 2022 £ | Partnerships and development 2022 £ | Marketing and comms 2022 £ | Total funds 2022 £ |
|----------------------------|--|---|-------------------------------------|-----------------------------|
| Premises | 21,657 | 8,172 | 11,032 | 40,861 |
| Communications and IT | 19,180 | 7,238 | 9,771 | 36,189 |
| General office | 11,588 | 4,373 | 5,903 | 21,864 |
| Human resources | 57,285 | 21,617 | 29,183 | 108,085 |
| Governance costs | 1,220 | 460 | 622 | 2,302 |
| Professional fees | 77,298 | 29,169 | 39,378 | 145,845 |
| Subscriptions | 1,010 | 381 | 514 | 1,905 |
| Training and development | 838 | 316 | 427 | 1,581 |
| Travelling expenses | 7,833 | 2,956 | 3,990 | 14,779 |
| Audit and accountancy fees | 23,033 | 8,692 | 11,734 | 43,459 |
| | <u>220,942</u> | <u>83,374</u> | <u>112,554</u> | <u>416,870</u> |

11. Auditors' remuneration

| | 2023 £ | 2022 £ |
|---|--------------|--------------|
| Fees payable to the charity's auditor for the audit of the charity's annual accounts | 10,500 | 7,400 |
| Fees payable to the charity's auditor in respect of: All non-audit services not included above | <u>2,400</u> | <u>2,100</u> |

LEEDS CULTURE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

12. Staff costs

| | 2023 £ | 2022 £ |
|--|------------------|----------------|
| Wages and salaries | 2,374,713 | 856,326 |
| Social security costs | 234,504 | 94,990 |
| Contribution to defined contribution pension schemes | 51,357 | 23,360 |
| Other employee benefits | - | 9,899 |
| | <u>2,660,574</u> | <u>984,575</u> |

The trustees consider the board of trustees, the Creative Director/CEO, the Director of Programmes, the Director of External Relations and the Executive Director as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis.

The total employee benefits of the key management personnel of the charity were £380,800 (2022 - £378,984). This includes pension contributions of £10,566 (2022 - £10,572) during the year.

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

| | 2023 No. | 2022 No. |
|-----------|-------------|-------------|
| Employees | <u>59</u> | <u>23</u> |

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

| | 2023 No. | 2022 No. |
|--------------------------------|-------------|-------------|
| In the band £60,001 - £70,000 | 1 | 1 |
| In the band £70,001 - £80,000 | - | 1 |
| In the band £80,001 - £90,000 | 2 | 1 |
| In the band £90,001 - £100,000 | 1 | 1 |

13. Trustees' remuneration and expenses

During the year ended 31 March 2023 expenses totaling £791 were reimbursed or paid directly to 3 Trustees (2022 - £4,387 to 4 Trustees) for travel and meeting expenses.

LEEDS CULTURE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

14. Taxation

| | 2023 £ | 2022 £ |
|--|--------------------|-----------|
| Corporation tax | | |
| Current tax on net (expenditure)/income for the year | (1,440,161) | - |
| Taxation on net (expenditure)/income | <u>(1,440,161)</u> | <u>-</u> |

The corporation tax credit above relates to a Theatre Tax Relief claim and a Museum and Gallery Relief claim.

There are no factors considered likely to affect future tax charges.

15. Tangible fixed assets

| | Office equipment £ | Computer equipment £ | Total £ |
|-----------------------|--------------------------|----------------------------|---------------|
| At 1 April 2022 | 3,503 | 46,261 | 49,764 |
| Additions | 2,715 | 26,089 | 28,804 |
| Disposals | (6,218) | (72,350) | (78,568) |
| At 31 March 2023 | <u>-</u> | <u>-</u> | <u>-</u> |
| At 1 April 2022 | 1,771 | 9,768 | 11,539 |
| Charge for the year | 662 | 6,889 | 7,551 |
| On disposals | (2,433) | (16,657) | (19,090) |
| At 31 March 2023 | <u>-</u> | <u>-</u> | <u>-</u> |
| Net book value | | | |
| At 31 March 2023 | <u>-</u> | <u>-</u> | <u>-</u> |
| At 31 March 2022 | <u>1,732</u> | <u>36,493</u> | <u>38,225</u> |

LEEDS CULTURE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

16. Fixed asset investments

| | Investments in subsidiary companies £ |
|--------------------------|--|
| Cost or valuation | |
| Additions | 1 |
| | <hr/> |
| At 31 March 2023 | 1 |
| | <hr/> <hr/> |
| Net book value | |
| At 31 March 2023 | 1 |
| | <hr/> <hr/> |

17. Debtors

| | 2023 £ | 2022 £ |
|--------------------------------|-------------|-------------|
| Due within one year | | |
| Trade debtors | 172,400 | 6,300 |
| Other debtors | 34,679 | - |
| Prepayments and accrued income | 1,104,436 | 146,216 |
| Tax recoverable | 1,440,161 | - |
| | <hr/> | <hr/> |
| | 2,751,676 | 152,516 |
| | <hr/> <hr/> | <hr/> <hr/> |

LEEDS CULTURE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

18. Creditors: Amounts falling due within one year

| | 2023 £ | 2022 £ |
|------------------------------------|----------------|----------------|
| Trade creditors | 639,221 | 182,231 |
| Other taxation and social security | - | 3,384 |
| Other creditors | 2,123 | - |
| Accruals and deferred income | 149,489 | 55,962 |
| Grants payable | 170,000 | 159,442 |
| | <u>960,833</u> | <u>401,019</u> |

19. Financial instruments

| | 2023 £ | 2022 £ |
|--|----------------|------------------|
| Financial assets | | |
| Financial assets measured at fair value through income and expenditure | <u>215,867</u> | <u>3,170,864</u> |

LEEDS CULTURE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

20. Statement of funds

Statement of funds - current year

| | Balance at 1 April 2022 £ | Income £ | Expenditure £ | Taxation £ | Transfers in/out £ | Balance at 31 March 2023 £ |
|---------------------------------|---------------------------------|------------------|--------------------|------------------|--------------------------|-------------------------------------|
| Unrestricted funds | | | | | | |
| Designated funds | | | | | | |
| Programme Development Fund. | 1,612,173 | - | - | - | (1,612,173) | - |
| General funds | | | | | | |
| General Funds | 653,010 | 3,219,878 | (7,014,096) | 1,440,161 | 1,612,173 | (88,874) |
| Total Unrestricted funds | 2,265,183 | 3,219,878 | (7,014,096) | 1,440,161 | - | (88,874) |

The transfer between designated and general fund covers the activities carried out in the year relating to programme delivery included within general fund costs.

| | Balance at 1 April 2022 £ | Income £ | Expenditure £ | Taxation £ | Transfers in/out £ | Balance at 31 March 2023 £ |
|---------------------------------|---------------------------------|-------------|------------------|---------------|--------------------------|-------------------------------------|
| Restricted funds | | | | | | |
| British Council | 31,998 | - | - | - | (31,998) | - |
| IVE | 4,132 | - | - | - | - | 4,132 |
| ACE Leeds 5 | 3,365 | - | - | - | - | 3,365 |
| British Council 2 | 150,000 | - | - | - | (150,000) | - |
| Arts Council CRF 3 | 208,034 | 96,000 | (318,116) | - | - | (14,082) |
| Arts Council MWMCMN | 22,874 | - | (23,933) | - | - | (1,059) |
| Paul Hamlyn Foundation | 250,000 | 275,000 | (91,162) | - | - | 433,838 |
| British Council 3 | 25,000 | - | - | - | (25,000) | - |
| National Lottery Heritage Fund | - | 846,024 | (885,209) | - | - | (39,185) |
| Esmee Fairburn | - | 173,734 | (147,832) | - | - | 25,902 |
| National Lottery Community Fund | - | 125,097 | - | - | - | 125,097 |

LEEDS CULTURE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

20. Statement of funds (continued)

Statement of funds - current year (continued)

| | Balance at 1 April 2022 £ | Income £ | Expenditure £ | Taxation £ | Transfers in/out £ | Balance at 31 March 2023 £ |
|-------------------------------------|---------------------------------|-------------------------|---------------------------|-------------------------|--------------------------|-------------------------------------|
| Foyle Foundation | - | 30,000 | (17,200) | - | - | 12,800 |
| Leeds City Council - Hibiscus | - | 1,000,000 | (452,000) | - | - | 548,000 |
| British Library - Closing | - | 40,000 | (17,602) | - | - | 22,398 |
| Partnerships | - | 181,307 | (21,894) | - | 106,998 | 266,411 |
| International | - | 162,393 | (13,425) | - | 100,000 | 248,968 |
| British Council | - | 65,000 | - | - | - | 65,000 |
| Arts Council England | - | 394,000 | - | - | - | 394,000 |
| | <u>695,403</u> | <u>3,388,555</u> | <u>(1,988,373)</u> | <u>-</u> | <u>-</u> | <u>2,095,585</u> |
| Total of funds | <u><u>2,960,586</u></u> | <u><u>6,608,433</u></u> | <u><u>(9,002,469)</u></u> | <u><u>1,440,161</u></u> | <u><u>-</u></u> | <u><u>2,006,711</u></u> |

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

20. Statement of funds (continued)

The British Council fund represents £275,000 from The British Council to support Research and Development work by Leeds 2023 to explore some early creative ideas that will encourage artists to connect with their diaspora heritage, build new bridges that link the past with the future and expand on their artistic practice; explore new artistic avenues and projects that utilise new technologies and digital connections; and maximise the opportunity afforded by the 75th anniversary of the arrival of Empire Windrush to celebrate and recognise the contribution made by the diaspora communities on the cultural life of the UK.

£17,500 was provided by IVE for Leeds 2023 to collaborate in the research, development and implementation of creating a city wide response to the pre-existing challenge of inequality of access, and also respond creatively to the major challenges which it will need to overcome if it is to provide a rich arts and cultural offer for children and young people post-COVID-19.

ACE Leeds - Arts Council England - £10,000 to deliver the Leeds 5 – Leadership journeys programme, highlighting the unique leadership journeys of 5 Black and Brown women leaders in Leeds, Yorkshire.

CRF - Culture Recovery Fund: Continuity Support - £320,000 towards continuing activities during Covid-19 on the run up to the year of Culture.

ACE – MWMCMN - Arts Council England - £233,000 to deliver My World, My City, My Neighbourhood, commissioning artists from a variety of artforms to experiment with ambitious ideas and post-COVID ways of working.

NLHF - National Lottery Heritage Fund - £378,772 towards the Development Phase of five Leeds 2023 signature project and the delivery of Hidden Stories.

Paul Hamlyn - Paul Hamlyn Foundation - £500,000 to deliver My Leeds, a community focused and co-created programme of activity taking place across 33 city wards as part of the Leeds 2023 programme.

Esmee Fairbairn – Staffing costs for our work with the Youth Voice project.

NLCF – Funds to support our reimagining of Children's Day.

Foyle Foundation – Funds to support our reimagining of Children's Day.

LCC – Hibiscus – Funds to support the installation of a Yinka Shonibare sculpture in Aire Park entitled Hibiscus rising.

British Library - Working in partnership with the British Library we will be publishing a collection of illustrated children's stories which will be provided free to every child born in Leeds during 2023.

The Partnerships fund represents funds received to deliver work in Leeds in partnership with other organisations.

The International fund - collates amounts received to develop international partnerships and bring cultural works and artists from across the globe to Leeds during the year.

British Council - gave funds to develop a number of partnerships with the aim of changing the perception of Leeds and UK culture, these funds are now included withing the Partnerships and International funds.

ACE - have given funds for the Play Partnership with the University of Leeds to kick start the transformation of creative education in Leeds.

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

20. Statement of funds (continued)

Statement of funds - prior year

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2022 £ |
|---------------------------------|---------------------------------|------------------|--------------------|--------------------------|-------------------------------------|
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| Designated funds | 1,612,173 | - | - | - | 1,612,173 |
| General funds | | | | | |
| General Funds | 528,820 | 1,882,464 | (1,724,941) | (33,333) | 653,010 |
| Total Unrestricted funds | 2,140,993 | 1,882,464 | (1,724,941) | (33,333) | 2,265,183 |

Designated funds are earmarked by the trustees for the Programme Development Fund.

Restricted funds

| | | | | | |
|--------------------------------|------------------|------------------|--------------------|---------------|------------------|
| British Council | 100,000 | - | (68,002) | - | 31,998 |
| IVE | 8,541 | 800 | (38,542) | 33,333 | 4,132 |
| ACE Leeds 5 | - | 9,000 | (5,635) | - | 3,365 |
| British Council 2 | - | 150,000 | - | - | 150,000 |
| Arts Council CRF | - | 322,000 | (322,000) | - | - |
| Arts Council CRF 3 | - | 224,000 | (15,966) | - | 208,034 |
| Arts Council MWMCMN | - | 223,700 | (200,826) | - | 22,874 |
| National Lottery Heritage Fund | - | 139,134 | (139,134) | - | - |
| Paul Hamlyn Foundation | - | 250,000 | - | - | 250,000 |
| British Council 3 | - | 25,000 | - | - | 25,000 |
| | <u>108,541</u> | <u>1,343,634</u> | <u>(790,105)</u> | <u>33,333</u> | <u>695,403</u> |
| Total of funds | 2,249,534 | 3,226,098 | (2,515,046) | - | 2,960,586 |

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21. Summary of funds

Summary of funds - current year

| | Balance at 1 April 2022 £ | Income £ | Expenditure £ | Taxation £ | Transfers in/out £ | Balance at 31 March 2023 £ |
|------------------|---------------------------------|------------------|--------------------|------------------|--------------------------|-------------------------------------|
| Designated funds | 1,612,173 | - | - | - | (1,612,173) | - |
| General funds | 653,010 | 3,219,878 | (7,014,096) | 1,440,161 | 1,612,173 | (88,874) |
| Restricted funds | 695,403 | 3,388,555 | (1,988,373) | - | - | 2,095,585 |
| | <u>2,960,586</u> | <u>6,608,433</u> | <u>(9,002,469)</u> | <u>1,440,161</u> | <u>-</u> | <u>2,006,711</u> |

Summary of funds - prior year

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2022 £ |
|------------------|---------------------------------|------------------|--------------------|--------------------------|-------------------------------------|
| Designated funds | 1,612,173 | - | - | - | 1,612,173 |
| General funds | 528,820 | 1,882,464 | (1,724,941) | (33,333) | 653,010 |
| Restricted funds | 108,541 | 1,343,634 | (790,105) | 33,333 | 695,403 |
| | <u>2,249,534</u> | <u>3,226,098</u> | <u>(2,515,046)</u> | <u>-</u> | <u>2,960,586</u> |

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ |
|-------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Fixed asset investments | 1 | - | 1 |
| Current assets | 791,958 | 2,175,585 | 2,967,543 |
| Creditors due within one year | (880,833) | (80,000) | (960,833) |
| Total | <u>(88,874)</u> | <u>2,095,585</u> | <u>2,006,711</u> |

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FOR THE YEAR ENDED 31 MARCH 2023**

22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ |
|-------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 38,225 | - | 38,225 |
| Current assets | 2,627,977 | 695,403 | 3,323,380 |
| Creditors due within one year | (401,019) | - | (401,019) |
| Total | <u><u>2,265,183</u></u> | <u><u>695,403</u></u> | <u><u>2,960,586</u></u> |

23. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2023 £ | 2022 £ |
|--|---------------------------|-----------------------|
| Net income/expenditure for the year (as per Statement of Financial Activities) | (953,875) | 711,052 |
| Adjustments for: | | |
| Depreciation charges | 7,551 | 7,265 |
| Loss on the sale of fixed assets | 59,478 | - |
| Increase in debtors | (2,564,481) | (96,537) |
| Increase in creditors | 525,134 | 155,536 |
| Net cash provided by/(used in) operating activities | <u><u>(2,926,193)</u></u> | <u><u>777,316</u></u> |

24. Analysis of cash and cash equivalents

| | 2023 £ | 2022 £ |
|--|-----------------------|-------------------------|
| Cash in hand | 215,867 | 3,170,864 |
| Total cash and cash equivalents | <u><u>215,867</u></u> | <u><u>3,170,864</u></u> |

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

25. Analysis of changes in net debt

| | At 1 April 2022 £ | Cash flows £ | At 31 March 2023 £ |
|--------------------------|-------------------------|--------------------|--------------------------|
| Cash at bank and in hand | 3,170,864 | (2,954,997) | 215,867 |
| | <u>3,170,864</u> | <u>(2,954,997)</u> | <u>215,867</u> |

26. Pension commitments

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £51,357 (2022: £23,360).

27. Related party transactions

During the year £2,000 has been paid to one of the Trustees for his work at the Awakening. This was paid at the standard rate for all other participants. An amount of £5,000 has been paid to another organisation where one of the Trustees is employed for her part in the Awakening for the provision of choreography services.

28. Principal subsidiaries

The following was a subsidiary undertaking of the charity:

| Name | | Company number | Charity registration number | Registered office or principal place of business |
|---------------------------|------------------------|-----------------------|------------------------------------|---|
| Let Culture Loose Limited | | 13711025 | N/A | England and Wales |
| Principal activity | Class of shares | Holding | Included in consolidation | |
| Trading company | Ordinary | 100% | No | |

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28. Principal subsidiaries (continued)

The financial results of the subsidiary for the year were:

| Name | Income £ | Expenditure £ | Profit/(Loss)/ Surplus/ (Deficit) for the year £ | Net assets £ |
|---------------------------|---------------------|--------------------------|---|-------------------------|
| Let Culture Loose Limited | 324 | 424 | (100) | (99) |

The accounts of the trading subsidiary have not been included in consolidated accounts as not material to the entity.