Company Registration No. 09671771 (England and Wales)

CULTUREAI LTD
UNAUDITED ACCOUNTS
FOR THE PERIOD FROM 1 JUNE 2021 TO 31 DECEMBER 2021

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CULTUREAI LTD
COMPANY INFORMATION
FOR THE PERIOD FROM 1 JUNE 2021 TO 31 DECEMBER 2021

Directors	Robert Simon Dighero James Edward Moore Jonathan Christopher Stokes
Company Number	09671771 (England and Wales)
Registered Office	C/O Alexander & Co Centurion House 129 Deansgate Manchester M3 3WR England

CULTUREAI LTD
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Notes	31/12/2021 £	31/05/2021 £
Fixed assets			
Intangible assets	4	4,349	5,028
Tangible assets	5	34,586	22,238
		38,935	27,266
Current assets			
Debtors	6	86,694	81,930
Cash at bank and in hand		2,729,235	274,429
		2,815,929	356,359
Creditors: amounts falling due within one year	7	(4,933)	(340,742)
Net current assets		2,810,996	15,617
Total assets less current liabilities		2,849,931	42,883
Creditors: amounts falling due after more than one year	8	(34,170)	(40,493)
Net assets		2,815,761	2,390
Capital and reserves			
Called up share capital		183	128
Share premium		3,895,638	619,970
Profit and loss account		(1,080,060)	(617,708)
Shareholders' funds		2,815,761	2,390

For the period ending 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - Small Entities. The profit and loss account has not been delivered to the Registrar of Companies.

The financial statements were approved by the Board of Directors and authorised for issue on 28 September 2022 and were signed on its behalf by

James Edward Moore
Director

Company Registration No. 09671771

CULTUREAI LTD
NOTES TO THE ACCOUNTS
FOR THE PERIOD FROM 1 JUNE 2021 TO 31 DECEMBER 2021

1 Statutory information

CultureAI Ltd is a private company, limited by shares, registered in England and Wales, registration number 09671771. The registered office is C/O Alexander & Co Centurion House, 129 Deansgate, Manchester, M3 3WR, England.

2 Compliance with accounting standards

The accounts have been prepared in accordance with the provisions of FRS 102 Section 1A Small Entities. There were no material departures from that standard.

3 Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous period, and also have been consistently applied within the same accounts.

Basis of preparation
The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

Presentation currency
The accounts are presented in £ sterling.

Going concern
At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future despite the company making a loss. The directors have formed this opinion on the basis of subsequent funding obtained post year end. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements

Turnover
Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of the consideration takes into account trade discounts, settlement discounts, and volume rebates.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Intangible fixed assets other than goodwill
Intangible assets acquired separately from a business are recognized at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognized separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible assets arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Trademarks, patents & licenses: Over 5 years

Tangible fixed assets and depreciation

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.

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 credited or charged to profit or loss.

Fixtures & fittings	25% straight line
Computer equipment	33% straight line

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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).

If the recoverable amount of and asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

Financial instruments

The company has elected to apply the provisions of the 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 company's balance sheet when the company 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 legally enforceable night 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 liabilities 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.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities
Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 business 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.

Equity instruments
Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation
The tax expense represents the sum of tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax
Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing differences arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

Leases
Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the terms of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Operating lease commitments
At the reporting end date the company has outstanding commitments for future minimum lease payments under non-cancellable operating leases £102,000 (2021: £53,700).

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivables. A grant received before the recognition criteria are satisfied is recognised as a liability.

Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

Judgments and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors 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.

4 Intangible fixed assets

	Other
	£
Cost	
At 1 June 2021	6,984
Additions	215
At 31 December 2021	7,199
Amortisation	
At 1 June 2021	1,956
Charge for the period	894
At 31 December 2021	2,850
Net book value	
At 31 December 2021	4,349
At 31 May 2021	5,028

5 Tangible fixed assets

	Fixtures & fittings	Computer equipment	Total
	£	£	£
Cost or valuation	At cost	At cost	
At 1 June 2021	4,601	43,993	48,594
Additions	4,148	12,060	16,208
Disposals	(1,546)	(7,454)	(9,000)
At 31 December 2021	7,203	48,599	55,802
Depreciation			
At 1 June 2021	2,327	24,029	26,356
Charge for the period	3,860	-	3,860
On disposals	(1,546)	(7,454)	(9,000)
At 31 December 2021	4,641	16,575	21,216
Net book value			
At 31 December 2021	2,562	32,024	34,586
At 31 May 2021	2,274	19,964	22,238

6 Debtors: amounts falling due within one year

	31/12/2021	31/05/2021
	£	£
Trade debtors	65,468	81,721
Accrued income and prepayments	21,237	-
Other debtors	(11)	209
	86,694	81,930

7 Creditors: amounts falling due within one year

	31/12/2021	31/05/2021
	£	£
Bank loans and overdrafts	10,000	259,507
Trade creditors	22,984	-
Taxes and social security	(136,023)	(62,734)
Other creditors	1,779	143,969
Loans from directors	887	-
Accruals	21,350	-
Deferred income	83,956	-
	4,933	340,742

8 Creditors: amounts falling due after more than one year

	31/12/2021	31/05/2021
	£	£
Bank loans	34,170	40,493

9 Transactions with related parties

At the balance sheet date, the company owed to the director £886.95 (as on 31 May 2021 £209 owed to the company). This loan is interest free and repayable on demand.

10 Average number of employees

During the period the average number of employees was 9 (31/05/2021: 7).