



**Smailes Goldie Group**  
CREATING ADVANTAGE

Company registration number: 03513218  
Charity registration number: 1073254

**Registrar's  
Copy**

**EMIH Limited**  
(A company limited by guarantee)

**Annual Report and Financial Statements**

**31 January 2023**



SD-0210790-1-6

# **EMIH Limited**

## **Contents**

Reference and Administrative Details	1
Strategic Report	2 to 3
Trustees' Report	4 to 19
Independent Auditors' Report	20 to 23
Consolidated Statement of Financial Activities	24
Consolidated Balance Sheet	25
Balance Sheet	26
Consolidated Statement of Cash Flows	27
Statement of Cash Flows	28
Notes to the Financial Statements	29 to 48

## **EMIH Limited**

### **Reference and Administrative Details**

<b>Trustees</b>	D W Gemmell OBE J A Parkes CBE T S E Boanas G Chesters R Furley A W Kirkman S M Lockwood L J Morrell M Tarbotton
<b>Secretary</b>	N G Porteus
<b>Charity Registration Number</b>	1073254
<b>Company Registration Number</b>	03513218 The charity is incorporated in England.
<b>Registered Office</b>	The Deep Kingston Upon Hull HU1 4DP
<b>Auditor</b>	Smailes Goldie Chartered Accountants Regent's Court Princess Street Hull East Yorkshire HU2 8BA
<b>Solicitors</b>	Rollits LLP Citadel House 58 High Street Hull HU1 1QE
<b>Bankers</b>	National Westminster Bank plc PO Box 944 34 King Edward Street Hull HU1 3YN

## EMIH Limited

### Strategic Report for the Year Ended 31 January 2023

The directors present their strategic report and the financial statements for the year ended 31 January 2023.

#### Charitable objectives

As defined in its governing documents, the objectives of the charity are:

- to advance the educational and cultural welfare of the inhabitants of Kingston upon Hull in particular and the community at large; and
- to promote the conservation of marine organisms by establishing in Kingston upon Hull, The Deep aquarium, incorporating an international centre of excellence for education, learning and research of the marine environment.

Within the above objectives, the charity's strategy is to maintain reserves at a level sufficient to cover the accounting depreciation, to meet ongoing revenue commitments and to continue to invest in the facilities at The Deep so that it can fulfil its educational, marine research and conservation objectives to the full.

#### Activity during the year

Activity during the year was in line with the company's charitable objectives and its performance exceeded the Business Plan assumptions that had been set. The charity's aim is to continue to attract sufficient visitors to The Deep so that it can cover its operational costs and generate sufficient resources so that it can continue to maintain its facilities, consider their ongoing improvement and be able to support conservation and marine research projects. In terms of its targets for the year, the charity performed as follows:

- the charity exceeded its Business Plan target and was able to attract 457,000 visitors and learners to The Deep, generating an underlying net operational surplus for the year of £1,320,076.
- the charity continued to maintain its facilities to a high standard, most notably installing a major new exhibition gallery ("Cool Seas"); and
- the charity continued to support conservation and marine research projects (both financially and in-kind) to help preserve elements of our marine environment and to learn more about them.

#### Financial performance

The financial results were as follows:

	2023	2022	Change
	£	£	£
Total revenue	9,004,749	7,282,051	1,722,698
Less expenditure, but excluding depreciation for which capital grant reserves exist	(7,684,673)	(6,050,683)	(1,633,990)
Underlying net operational surplus for the year	1,320,076	1,231,368	88,708

The financial outturn of the 2022/23 continued the exceptional performance that the charity delivered in the latter part of the 2021/22 financial year after the numerous Covid-19 pandemic enforced lockdown closures. This was made possible by the implementation of a number of staff and other cost savings introduced during the lockdown closure periods.

## EMIH Limited

### Strategic Report for the Year Ended 31 January 2023

The group reserves of £28,714,805 (2022 - £27,848,272) at 31 January 2023 primarily consist of capital grants received for the construction of The Deep Visitor Attraction and The Deep Business Centre, expenditure on which has been capitalised and which will be amortised over the useful life of the associated assets.

As a Charity, the company's Memorandum and Articles of Association do not permit the payment of dividends.

#### **Risk review**

The directors have discussed the major risks to which the charity is exposed with the officer management team, jointly developing systems to mitigate those risks. Furthermore, a strategic plan has been developed such that external risks and internal risks are minimised by the implementation of procedures for the authorisation of all transactions and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

#### **Principal risks and uncertainties**

The group is exposed to price, credit, liquidity and investment risks. These are considered to be adequately mitigated.

#### **Price risk**

At the start of each financial year, the group reviews its budget for the coming year, sets its expectations of visitor numbers and sets its admission prices to cover its forecasted expenditure. Compared to other national attractions, The Deep's current admission charges remain very competitive.

#### **Credit risk**

The majority of the group's income is received at the point of sale and so poses no credit risk. The exception to this is the income from tenants of The Deep Business Centre. However, all tenants are subject to external credit checks as part of their lease negotiations and are subject to ongoing credit checks. Furthermore, a deposit is taken from all tenants at the outset and rent is required to be paid in advance of the period to which it relates.

#### **Liquidity risk**

The group retains sufficient cash to ensure that it has sufficient available funds for operations. In August 2020, the trading subsidiary company within the group (Running Deep Limited) entered in a Coronavirus Business Interruption Loan Agreement with its bankers for a maximum facility of £700,000. As at the date of signing these accounts, the loan was fully drawn down and £175,000 of it has been repaid.

#### **Investment risks**

Any surplus cash that the group has available is invested with its bankers. Such investments include only cash balances earning interest at fixed and variable rates. The company does not use derivative financial instruments.

By order of the Board



N G Porteus

Company Secretary

22 September 2023

## **EMIH Limited**

### **Trustees' Report**

The directors and the trustees of the charity (EMIH Ltd, Charity no. 1073254) present their report and financial statements for the year ended 31 January 2023.

#### **Our purposes and activities for the public benefit**

EMIH Limited is an educational and environmental charity that is based at The Deep Visitor Attraction in Kingston upon Hull, UK. The Deep Visitor Attraction (and the work of the charity more widely) is available to all, without restriction.

Whilst there is a need to charge visitors for entry to The Deep Visitor Attraction to cover its running costs and to generate resources for the charity's marine research and conservation work, in an effort to ensure that admission prices are not an obstacle to attendance, the charity sets prices to cover its medium-term operating costs, rather than to maximise income.

For the period under review, the admission prices for The Deep were £17.75 for an adult; £14.00 for a child; and £16.75 for seniors and students, with children under 3 and essential carers visiting for free. Not only are these prices lower than other similar attractions, more importantly, these prices allow free admission (subject to terms and conditions) for up to 360 days per year which, at the extreme, equates to an entry cost of 5p per visit. The charity has adopted this pricing structure both to provide excellent 'value for money' to its visitors and to ensure that visitors can visit again and again to help maximise the absorption of its educational and environmental content.

#### **Education**

Formal and informal learning is at the heart of all The Deep's activities and outputs. The Deep embraces STEAM (Science, Technology, Engineering, Arts and Maths) education topics in order to provide accessible learning opportunities and engage diverse audiences and attract typical non engagers to the subject of marine conservation.

#### **Formal Learning**

Formal learning takes place in two bespoke education rooms within The Deep's Learning Centre. Qualified teachers provide a choice of workshops covering the full range of key stages from pre-school and into tertiary education and are supported by Marine Biologists from the Husbandry department for higher level content and delivery. Schools and groups taking part in the workshops benefit from heavily subsidised entry to The Deep with, in effect, the formal education workshops provided free of charge. Workshop sessions are designed to be 'hands on' using resources and learning tools that are not available in a normal classroom environment. Workshops are regularly reviewed for quality, current and relevant content, with new topics being added (or removed) as deemed appropriate.

In 2022/23 a total of 15,200 students participated in a workshop at The Deep. The most popular topics requested during the year were conservation and habitat-based (for secondary and tertiary education) which reflect and support changes in the National Curriculum. A new topic of Sea Grass was developed and added to the workshop list. This reflected The Deep's involvement with local sea grass restoration and the importance of sea grass habitats for carbon sequestration. Additional workshops on climate change, ocean acidification and polar habitats were created.

#### **Informal Learning**

Informal learning outputs are diverse and extend to all information delivered within the exhibition through a range of different media. In addition, The Deep's Guiding team (alongside the Education team) provide interpretation to visitors through presentations, demonstrations, workshops, virtual sessions, crafts, outreach, career guidance and work placements. Special events throughout the year also deliver informal education and learning outputs are measured where possible.

## EMIH Limited

### Trustees' Report

Informal learning outputs during the year included:

#### University of Hull Music Collaboration

The event formed part of the students' University portfolio of work, through music composition inspired by, and complementing, The Deep and its themes. It culminated in public performances during The Deep's opening hours. The results of this were very well received amongst Deep Crew and visitors.

#### Dive Deeper Talk Evenings

During 2022, The Deep held two Dive Deeper talk evenings. The events, aimed at the adult audience, delivered science-based topics in a relaxed environment. Six speakers took to the stage, covering topics including Seaweed Farming, Coastguard Search and Rescue, and Life in the Humber.

#### Inspiring Careers

Deep Guides planned and delivered virtual sessions from within the attraction, with exhibits as the backdrop, to 10 local primary schools, reaching over 2,000 pupils in July 2022. This was well received by the schools and covered careers found at The Deep from marine biology to hospitality.

#### Turning the Tide

The Deep's nose cone provided the staging for this interpretive dance initiative which explored the role of women in the renewable energy and offshore wind sector, resulting in a creative, performance-based, film and podcast for exhibition.

#### Home Educators

Home educator families enjoyed a number of sessions throughout the year designed for Early Years Foundation Stage through to Key Stage 4. A total of 139 children participated.

#### Humber Stem 2022

This event for local primary school pupils (Year 5/6) was attended by 27 science and technology based companies alongside Deep Crew who delivered engaging workshops on the marine environment, diving, marine species, and the aquarium sector.

*"To put it simply, you are all amazing. I feel that today has been an incredible success. The children were challenged and engaged throughout the day." - Event organiser*

#### Salters' Institute

The Deep's Scientific Advisor, Christina Roggatz, produced a Chemistry Club video for Salters' Institute on Ocean Acidification. Using The Deep's displays and animals as a setting, the video explains the complex topic of ocean acidification to school-aged children.

#### Work Placement

The Deep hosted work placement opportunities for a range of young people. This included student teachers who spent two weeks with Educational Crew, 20 Year 10 and sixth form pupils from local schools and colleges. Weekly visits by students of St Anne's School also took place, and a bespoke accessible placement day was designed and delivered for Frederick Holmes School.

#### Deep Cleans

The Deep continues to provide free litter picking kits at reception to the public, which were funded by Sea Changers. The equipment has been borrowed numerous times; logs about the litter have been returned, with unusual 'finds' including a witch's hat, a washing up drainer and a firework!

*"It was fantastic for our primary school to be able to borrow this equipment. The children enjoyed taking part in a local community litter pick as part of their caring for our planet topic."*

*"My children did 2 hour litter picking on our country lane and we filled 7 bin bags, a lot of it was disposable gloves, masks and plastic bottles thrown by passing lorries and cyclists."*

## EMIH Limited

### Trustees' Report

#### RSPB

The RSPB engaged with The Deep's visitors over two different weekends about their Humber wildlife conservation initiatives, offering advice and tips on how to create wildlife-friendly spaces in home gardens and raising awareness of The Big Garden Bird Watch.

#### Puffins Galore!

The Deep welcomed its very own Puffin sculpture as part of the Puffins Galore! trail around the East Yorkshire coast and throughout the East Riding. The design selected to be displayed at The Deep was by Lincoln-based artist, Tracy Willis. Entitled 'Ocean's Eleven', this focused on eleven species found around the British Isles, which are listed on the IUCN Red List of Threatened Species. More information can be found at [www.puffinsgalore.co.uk](http://www.puffinsgalore.co.uk)

#### Humber Waste Alliance Art Competition

The Deep exhibited the shortlisted artworks from local children, made from recycled materials. Visitors voted using bottle tops to choose the overall winner. Adela (age 6) won a school trip to The Deep.

#### Hull Science Festival

Deep activities at the Hull Science Festival (organised by the University of Hull) engaged with many families who were keen to explore the activity stations that were on offer and immerse themselves through experimentation and play. Guiding Crew ran hands-on family learning around the subjects of marine food chains, coral reefs and plastic pollution, and enjoyed the ever popular 'turtle hospital' activity.

#### Follow the Thread

The Follow the Thread exhibition from Risky Cities was hosted in The Deep's Observatory. Visitors to this free-to-attend exhibition experienced Hull's watery history brought to life in textiles and sound. It showcased community responses to stories identified by the Risky Cities project from the city archive, exploring adaptation to, and thriving alongside, water and flooding.

#### 'Kids in Museums' Takeover Days

The Deep joined in the annual digital takeover day in July, with young people from local charity Child Dynamix creating content for its social media channels. The subsequent Takeover Day in November saw students from St Anne's School becoming The Deep's Guiding Crew, leading visitor crafts and activities on the theme of mindfulness.

#### 87 Gallery Children's Art Group

These sessions at 87 Gallery involved an in-depth discussion with one of The Deep's teachers about the effect of climate change on coral reefs, followed by the children using replica corals and coral skeletons to develop their artwork.

#### Sewerby Hall Outreach

Partnering with Sewerby Hall and Gardens on the East Coast, The Deep designed and delivered a number of activities over the summer period helping families to explore the amazing coastline on Sewerby's doorstep. This included beach activities, identifying seaweed, shells and other animals, along with investigating the local ecology and geology. All-weather, accessible, indoor, complementary activities took place in Sewerby Hall's Orangery where hands-on learning resulted in The Deep reaching new target audiences, reinforcing the message of conservation and caring for the oceans to over 1,100 people. Evaluation of this activity showed that 91% of the visitors who engaged with the activities enjoyed them, 91% said that they had learned something and 87% said that they would do it again.



## EMIH Limited

### Trustees' Report

#### Concrete Youth Sea Sense

Sea Sense, Concrete Youth's sensory story massage programme, was delivered on a monthly basis, in partnership with The Deep for people with profound and multiple learning disabilities (PMLD). Concrete Youth's multi-sensory specialists delivered original, sea-themed story massage for a group of people with PMLD, who enjoyed this free session from the comfort of yoga mats whilst surrounded by the creatures of The Deep

*"10/10 for The Deep today. The lady on reception was so helpful with my son and I. The added bonus is the ocean themed Changing Places, which was super clean!" - Louise G*

#### Quiet Days

Quiet Days were held during the year. British Sign Language interpretation of Guide presentations was delivered, alongside increased lighting and a calmer environment which was also enjoyed each term-time week on Tranquil Tuesdays.

#### Room 42

To enhance the accessibility of experiences within the Husbandry Department, The Deep worked with Room 42, an initiative to support young people leaving care, with 'behind the scenes' tours for young champions, followed by more formal work placements and volunteering opportunities for a number of individuals.

#### Hull Visual Choir

The Hull Visual Choir delivered a 'see' shanty workshop teaching visitors how to sign well-known shanties. Visitors then had the opportunity to perform live with the choir in The Deep. A return performance in December saw visitors and members of the choir enjoying Christmas songs and carols around the exhibits.

#### The Deep Presented...

Over the school holidays, The Deep focused on different themes throughout the year providing informal learning opportunities for family audiences. These themes included:

- February half-term - Extinction: The History of Life
- Easter - Life in the Humber
- May half-term - The Royal Reef
- Summer - Shark Summer
- October half-term - Vital Venoms and Practical Poisons
- Christmas - Polar Fest

#### Tactile Ocean Art

Local artist, Sandra Holle, facilitated two fun, hands-on, family workshops at The Deep. Sandra led story telling around imaginary seafloor creatures leading to mini plaster-cast sculptures being created to take home as a memento.

#### R.MCL Live from The Deep

Following the previous year's success, Richard McLester returned to The Deep to perform alongside Guy Gardner. This electronic/jazz collaboration was streamed online and also performed to a live audience.

## **EMIH Limited**

### **Trustees' Report**

#### Seagrass Festival

Over two events, The Deep celebrated the importance of seagrass meadows, highlighting the work of the Yorkshire Wildlife Trust at Spurn Point. Visitors took part in preparing seagrass seeds in hessian bags ready for planting out at Spurn. Other activities included the creation of a seagrass mural with Spray Creative.

#### The Pirates of Christmas Island

She Productions performed this Christmas story to audiences within The Deep's Sea Lab. The Deep was also pleased to help support the creative development of this tale with its marine biology information.

#### International Sawfish Day

In celebration of International Sawfish Day, The Deep hosted family engagement talks and activities highlighting that the species is critically endangered.

#### Award-winning Author

Award-winning author, Christina Gabbittas, celebrated the launch of the animation of her children's book Save Us at The Deep. This popular family event received local press and social media engagement.

#### Soundbanking

A 'soundbank' was created for The Deep's 20th Anniversary Time Capsule by local creative Nathan Kirby. The 'soundbank' captured a point in time of sounds around the building. This was released into the public domain, making the sounds free to access by musicians for the creation of music, and as foley/sound effects, for video/audio.

#### **Marine Conservation Zones**

The charity campaigned strongly for the establishment of Marine Conservation Zones (MCZs) around the United Kingdom coast with the Marine Bill being agreed by the UK Parliament in 2010, establishing a basis for identifying the location of MCZs around the coast. The charity was approached by the UK Government and asked if it would help set up the MCZ in its locality. The charity agreed to help, establishing 'NetGain', the group charged with delivering the project locally. NetGain was the largest of the four UK projects, stretching from Scotland to the River Thames estuary. The Deep has supported Yorkshire Wildlife Trust's Living Seas campaign to encourage the implementation of marine reserves as provided for in the Marine Bill.

## EMIH Limited

### Trustees' Report

#### Breeding

The charity has successfully bred the following species:

- Bluespotted Ribbontail Rays. One of the first captive-bred Bluespotted Ribbontail rays in the world was born at The Deep. The adult group have regularly produced young and have come to the end of their breeding lives. Once old enough, the juveniles have all entered a European Studbook breeding programme and are gifted to aquariums across Europe, including Burgers Zoo aquarium in the Netherlands and Oceanopolis in Brest (France).
- Blue Poison Arrow frogs, Milk frogs and Golden Mantella. These species have all been reared from spawn laid by adults on display. Golden Mantella are critically endangered.
- Jellyfish. These delicate animals are very difficult to 'culture', although the charity has successfully accomplished this with a number of species. The Deep regularly donates jellyfish to aquariums around the UK and chairs the UK BIAZA Jellyfish working group.
- Ballan Wrasse. Ardtoe marine laboratory in Scotland rears Ballan Wrasse from eggs collected in The Deep's North Sea tank, where juvenile Wrasse are being used to 'clean' (eat) the external sea lice from the farmed cod. It is hoped that this will provide fish farms with an excellent method of ethical and sustainable pest control.
- The Deep holds the European Studbook for Sawfish, the most endangered species of shark in the world.
- In addition, the Deep has been successful in breeding Zebra Sharks, Gentoo penguins, Bull Huss, Bamboo Sharks, Lump Suckers, Shiner Perch, Epaulette sharks, Blue Spot rays, Honeycomb Whiptail rays, Mottled stingrays, Orangespot Ocellate river stingray, Banggai Cardinals and Lake Zacapu Garter Snake. The Deep runs monitoring programmes for Epaulette Sharks and Honeycomb Whiptail Rays.
- A number of terrestrial invertebrate species are displayed and bred at The Deep. This includes a number of challenging species such as Vinegaroons, Ferocious Beetle, Sunburst Diving Beetles, Emperor Scorpion and Mega Mantis which many others have had little success with.
- The Deep has successfully cultivated Tropical Sea Grass.
- The Deep is happy to support other suitable facilities by donating any captive-bred surplus stock.

The Deep is a highly responsible breeder, only breeding from suitable species where there is a requirement to do so under the guidance of regional and international programmes. The Deep is the programme coordinator for *Pristis zijsron* (green sawfish) and other monitoring programmes. Responsible breeding remains an important strategic element of the longer term collection plan.

## EMIH Limited

### Trustees' Report

#### Charity support

- The Deep supports a number of other charities such as the Marine Conservation Society, the Yorkshire Wildlife Trust, The Galapagos Conservation Trust and the Shark Trust. By working together on campaigns and events, The Deep provides a shop window for numerous other conservation efforts and can fundraise for them. Examples include collecting petitions for Marine Protected Areas (Living Seas Campaign, Your Seas Your Voice campaign, Message in a Bottle campaign and the Marine Reserves Now campaign), anti-finning legislation, running beach cleans on Hessle Foreshore as part of the Marine Conservation Society's Beachwatch Programme, Shark Trust egg case hunts, supporting International Sawfish Day, 'Love Local Wildlife' and promoting local sustainable lobster fishers. The Deep has been able to support conservation and research projects in the Galapagos Islands and South Africa through its very successful 'Project Penguin' fundraising activities. Each year, The Deep donates free tickets to other relevant charities and good causes. Most recently, we have established a successful partnership with New England Aquarium to assist with the rescue and rehabilitation of cold shocked sea turtles in Boston USA. 350 turtles were rehabilitated this year alone. The Deep sends one member of staff to assist during the stranding season.

#### Research and conservation

The charity has been involved in a number of international projects:

- Indian Ocean. The Deep supported the Marine Conservation Society's Green Turtle satellite tracking programme by funding a number of electronic tags. Scientists continue to follow the migration patterns of this highly threatened species.
- The Galapagos. The Galapagos Conservation Trust works hard to protect these unique islands. The Deep has supported their work by funding visitor information panels in the visitor centre there. New links are being formed with the Penguin research arm of the Galapagos trust. The Deep has collaborated with the Lion's Club to support sealion conservation in the Galapagos.
- Shark Alley. Deep staff went to South Africa to assist with a research project which aimed to determine if shark-cage diving by tourists has an effect on the behaviour of the Great White Shark.
- Great Barrier Reef. The charity's Science Officer worked with James Cook University on Lizard Island Marine Research Station (Australia) investigating the seasonal influx of larval fish into shallow coral reefs.
- Washington. The Deep worked with an international consortium of aquariums headed by the Smithsonian Institute to study the effects of environmental enrichment on the Giant Pacific Octopus (*Enteroctopus dofleini*).
- Amazon. The Deep sponsored a Ranger for a year in the Atlantic Rainforest of Brazil in conjunction with BIAZA (the British & Irish Association of Zoos and Aquaria) and the World Land Trust. The project conserves and protects land and endangered species, provides employment to the local community to protect the reserve and to support the local community dealing with issues related to the environment and education programmes.
- In collaboration with the Scottish Association for Marine Science (SAMS) and BP, The Deep developed techniques to collect *Lophelia pertusa* (a cold water, reef-building coral) from North Sea oil platform legs, along with specialised life-support and transportation.
- Red Sea. Under the Darwin Initiative, The Deep along with Hull University and the Egyptian Environmental Affairs Agency, conducted an environmental impact assessment into overfishing of sea cucumbers. The results were alarming and now inform government policy in this region.

## EMIH Limited

### Trustees' Report

- **SCORE.** The charity works with this collaborative research and conservation project alongside contributors from Europe and North America. The project looks at methods for rearing corals from gametes taken during spawning events with the view to re-seeding reefs in the future. The techniques can also be used to sustainably reproduce corals in captivity. The Deep takes part in field expeditions most years to a variety of locations such as Puerto Rico, Belize, Guam and Curacao.
- **CORAL ZOO.** An initiative designed to bring together both private sector, zoo and aquarium representatives in furthering the science of keeping reef building corals. Resulted in 2009 with the production of a comprehensive book of protocols in coral husbandry. This document standardises techniques throughout Europe to allow valuable data collected to be compared over institutions globally. The Deep was a key partner in the initiative, which was funded through the European Commission.
- **Equip Cousteau.** The Deep is the only aquarium in the world working with Equipe Cousteau on a major project to monitor Manta Rays in the Red Sea. Using state of the art technology, the project involves satellite and acoustic tagging of Giant Manta Rays, allowing their movements to be monitored. Aquarists from The Deep have taken part in field work to deploy bottom monitors (as part of a global network) and tag the animals. The data gained will be used to inform a sustainable management plan for shark and ray populations in the area.
- **Fen Raft Spider Partnership.** In conjunction with Natural England, The Wildlife Trusts and BIAZA, The Deep is part of a project working with Europe's largest and most beautiful spider. Found in only three locations in the UK, the population is decreasing as juveniles are struggling to survive their first moults in the wild. This project involves rearing spiderlings in captivity during the summer months for release into their natural habitat each autumn.
- **Collaborative project with Bangor University,** looking at the sustainable collection and rearing of larval fry from pelagic reef fish. This project, funded by the Welsh Government, involves the collection of eggs and fry from the Lagoon display at The Deep and the development of protocols for rearing.
- **Sustainable venom extraction.** In a joint project with Venomtech, a company specializing in venom extraction from invertebrates and preparing the venoms for use in medical research, The Deep has been helping to develop sustainable, ethical and humane methods to collect venom from Cnidarian animals for addition to Venom Discovery Arrays used to find cures for human and animal diseases.
- **Sawfish Swabbing.** Working with Manchester University, we have developed a method for the collection of DNA sampling for sawfish in a non-invasive manner without the need for restraint.
- **Veterinary research.** In conjunction with our contracted vet, The Deep carries out a wide range of novel and investigative veterinary research aimed at enhancing the welfare and health of the animals in its care. The work has involved the application of techniques and treatments from other animal taxa and has frequently involved the use of specialist skills and equipment. This approach is combined with a proactive veterinary regime designed to avoid health problems and enhance animal longevity. Cases where surgery has been required or extensive treatments have been required are recorded in detail, in particular anaesthesia and drug response. This kind of data is of real importance as there is significant species differences and very little data other than mammalian data. The Deep remains committed to furthering veterinary knowledge of marine animals in close collaboration with our contracted vet.

## EMIH Limited

### Trustees' Report

- International Union for Conservation of Nature (IUCN) Red Listing. The Deep recruited an IUCN Marine Red List Officer to lead the way in a new collaborative project with the Marine Biodiversity Unit of the IUCN, helping to achieve the IUCN's goal of assessing 20,000 marine species by 2020 for the Red List of Threatened Species. The Deep has also part-funded the post of Director of Strategic Partnerships of the Species Survival Commission of the IUCN, a key role facilitating collaborations throughout the world to improve conservation outcomes. The Deep also helped fund the IUCN's *Penguins in Perpetuity* Conference, helping develop a crucial document that will lay the foundations to strategise a viable conservation plan and identify the global priorities and resources required to stabilise penguin populations into the future. The role of our IUCN Marine Red List Officer has proved very successful. We have facilitated international workshops on Red Listing and other international aquaria have replicated our model with tangible benefits for organised conservation.
- In collaboration with Bristol Zoo, The Deep is caring for a population of endangered Desertas Grande Wolf Spiders. Categorised as a European endangered species, this important species has a dedicated bio-secure unit and daily care team. We aim to re-release the spiders in the Madeiran archipelago.
- In-house projects. In addition, The Deep has carried out a large number of in-house projects focusing on a range of topics from diet optimisation, nutrition, ground-breaking veterinary care, environmental enhancement and captive reproduction of threatened or endangered species. The nature of these projects is continual proactive development in all aspects of animal health, breeding work, display development and life support systems.
- The Deep is working on a collaborative project with Project Seagrass and Swansea University that aims to re-establish the native seagrass beds around the UK. By engaging guests directly onsite with the process of re-seeding the beds, The Deep's role is to raise the profile of the project and also take part in in-situ project work.
- The Deep works collaboratively with New England Aquarium, Boston USA to rescue and rehabilitate cold stunned sea turtles in the Gulf of Maine. Deep staff provide in situ assistance within the Animal Care Centre during the busy stranding season. During a recent trip The Deep assisted with over 300 stranded Kemps Ridley sea turtles.
- The Deep is committed to showcasing relevant native conservation projects. Working with (and funded by) Yorkshire Wildlife Trust, The Deep is dedicating part of the visitor attraction to interpreting a seven-year programme of native seagrass and oyster restoration, to include public engagement and in-situ conservation work.

## **EMIH Limited**

### **Trustees' Report**

#### **Animal husbandry**

The Deep constantly develops its animal husbandry, veterinary and welfare practices and, as a result, regularly publishes information and presents information at relevant conferences. This dissemination of information is an ongoing process which also takes the form of zoo keeper and aquarist training for employees of other organisations. In addition, The Deep deals regularly with enquiries from members of the public, offering advice on matters from fish keeping to career choices.

Re-homing of Customs-seized and RSPCA-seized animals. We work in conjunction with the Zoological Society of London (ZSL) and the UK Border Agency CITES Team to re-home customs seized fish and invertebrates whenever required. We also work closely with the local RSPCA team helping to provide advice and assistance with temporary care for animals involved in confiscations or long-term assistance with rehoming.

Sustainable Foods. After extensive work with our food suppliers to help them develop a sustainable aquarium food range, we now have traceability for the foods we purchase. This includes method of capture, location and season of capture, with much of our food range now carrying an MSC certification.

Denitrification System. A system has been installed for the removal of nitrate within our main tank. This has been running successfully since January 2015 and nitrate levels are now consistently low.

Through ongoing Continuing Professional Development, the ability of the Deep to deliver projects utilising in-house skills continues to grow eg. exhibition design and build, water treatment plant installation and digital content creation.

The Deep has over 20 years' experience of delivering excellence in animal husbandry techniques. This excellence is reflected in our work with DEFRA to edit and revise the Secretary of State's Modern Zoo Practice document, on which zoo licensing is based. The Deep continues to be a trusted voice for the aquarium sector.

#### **Students**

The Deep has strong links with a number of colleges and universities. Each year, a number of MSc and BSc student projects are hosted at The Deep along with summer internships, all of which are curated in-house by The Head of Animal Care & Research. During the year, the Aquarist department also host around 20 week-long work placements for students over the age of 18.

The Deep's Director of Husbandry & Exhibition sits on the Animal Welfare Ethical Review Body for The University of Hull, through which student projects are evaluated. The Deep ensures that any research conducted onsite is beneficial to the resident species.

#### **Aquarium community**

The Deep is a member of the British and Irish Association for Zoos and Aquariums (BIAZA) and the World Association of Zoos and Aquariums (WAZA). As members, The Deep is committed to maintaining the highest welfare standards for animals and worthwhile conservation outputs. The Deep has been recognised by BIAZA for its conservation work and breeding successes.

## EMIH Limited

### Trustees' Report

Big Fish Campaign. This BIAZA aquarium-led campaign has been driven by The Deep with the aim of encouraging the public to responsibly select fish for home aquariums. Every year hundreds of pet fish are offered to aquariums having out-grown their tank. Working on an awareness-raising campaign, we aim to encourage the voluntary ban on certain species of fish being sold and to encourage people to research the fish they intend to buy to determine how large they will grow. A number of leading pet shops have joined the campaign along with a number of web-based forums. The long term goal is to reduce the demand for certain larger species of fish coming into the pet industry whilst supporting the hobbyist industry with responsible fish keeping advice.

Shark Trust 'No Limits?' Campaign. The Deep has been supporting the Shark Trust's 'No Limits?' campaign since 2014, encouraging the imposition of science-based catch limits.

Tansy Beetle Action Group. The Tansy Beetle is only found along the banks of the River Ouse in North Yorkshire and is endangered across its range and is a UK Biodiversity Action Plan priority species. The Deep is a member of the Tansy Beetle Action Group which was set up in 2008 and which has identified the requirements for its survival and is now working together with BugLife, the University of York, the Environment Agency, the National Trust, North Yorkshire County Council and the City of York Council to manage the recovery of these populations.

North Eastern Inshore Fisheries & Conservation Authority (NEIFCA). The Deep has displayed materials for NEIFCA who work to protect the marine environment.

'One Less' campaign. The Deep is supporting the 'One Less' campaign that aims to reduce the use of single-use plastic bottles. Four million tonnes of plastic is thought to enter the ocean each year and The Deep has removed single-use water bottles from its shelves in favour of recycled cartons of water and re-fillable drinks bottles. Staff have also been issued with reusable water containers to reduce the use of single use drinks cups on site.

World Aquarium Against Marine Litter. The Deep is supporting the 'Our Ocean' campaign by creating an exhibit full of plastic litter to raise awareness to plastic pollution in the ocean. We are collaborating with more than 60 aquaria worldwide in this initiative.

The Deep has been represented on the BIAZA Council, the BIAZA Aquarium Working Group, the BIAZA Living Collections Committee, the European Union of Aquarium Curators focus group, the BIAZA Terrestrial Invertebrate Working Group, the BIAZA Welfare Auditing group, the BIAZA Nitrate Focus group, the BIAZA Membership & Licensing Committee, the BIAZA Welfare Auditing Group, the BIAZA Research Committee, the BIAZA Records Group and the BIAZA Animal Training Group and runs an EAZA monitoring programme for Epaulette Sharks and is the EAZA Studbook keeper for Sawfish Sharks. The Deep is an active participant of the European Union of Aquarium Curators (EUAC) with an annual meeting and sharing of information between the foremost aquaria in Europe.

#### **Sustainability**

The Deep is committed to a sustainable purchasing policy, acquiring both its aquarium food and catering supplies as sustainably as possible. In addition, catering supplies are purchased locally wherever possible to reduce food miles.

The Deep recognises that in order to champion sustainability and environmental responsibility, we must take a lead role. We have made good progress especially where our plastic waste is concerned. A transition to 'veggware' compostable drinking cups and salad containers in our café means that, what would have been plastic waste is now composted back into the land within 12 weeks. Plastic bottles have been phased out completely and water re-fill stations provided for visitors.



## **EMIH Limited**

### **Trustees' Report**

An audit of our waste output has been completed and we have worked with our suppliers to ensure that none of our waste goes to landfill, from which much ocean plastic is thought to originate. We work alongside other local stakeholders within the Humber Waste Alliance Group to ensure best practice and progressive thinking where waste and sustainability is concerned. New exhibition enhancements have engaged the public about climate change – whilst it is a phrase often used, it remains a little understood global issue that becomes even more complex where the oceans are concerned. The benefit of engaging the public with environmental issues via stimulating exhibitions is extremely important in encouraging future behaviour change.

The Deep continues to take steps to remove all non-sustainable palm oil from its supply chain, and is committed to only using or selling products that use CSPO from physical sources (identity preserved, segregated, or mass balance). The Deep is championing Hull becoming a sustainable palm oil city.

A constant drive to increase efficiencies in both The Deep's building management system and aquatic life support systems aims to reduce energy usage and to reduce The Deep's carbon footprint. This includes making use of online conferencing where possible and reducing travel requirements.

#### **Partnerships**

As a trusted voice with access to over 400,000 informal educational visits each year, The Deep is working to maximise on partnership building; where The Deep adds value to existing conservation strategies. Partnerships formed during 2022/23 included The Yorkshire Wildlife Trust and Orsted, where The Deep dedicated permanent exhibition space to local biodiversity conservation initiatives and the Wilder Humber project.

The Deep is also proactively perusing relationships with the renewables sector, working with SSE to help develop cutting edge biodiversity monitoring technology.

The Deep is also working to expand our relationship with academic institutions eg. The University of Hull, to further our collaborative research efforts with PhD students working in complementary fields of study.

#### **Other**

The Deep is committed to seeking out and diversifying new relationships with relevant sectors and industries with whom we have a shared ethos of sustainability and biodiversity recovery. By actively pursuing partnerships and funding streams, The Deep is able to remain current and relevant in terms of exhibition renewal and local ecological project collaboration.

#### **Our plans for future periods**

The charity is committed to maintaining its facilities to a high standard and to continue delivering upon its wider charitable objectives.

#### **Structure, governance and administration**

The company's Memorandum of Articles of Association and the Members' Agreement between the company, Kingston upon Hull City Council and The University of Hull set out the method of governance of the company and charity.

## **EMIH Limited**

### **Trustees' Report**

The Members' Agreement states that the company shall have a maximum of six Members and a maximum of nine Trustees, with Kingston upon Hull City Council nominating three of the Members and five of the Trustees and with The University of Hull nominating the remaining Members and Trustees. Members and Trustees serve fixed terms of office as defined by the Members' Agreement. The Board of Trustees may appoint individuals to fill Trustee vacancies during the year as they fall due, but such appointments would only be until the date of the company's next Annual General Meeting.

The Charity is run by a Board of Trustees, who collectively contribute a balance of skills and experience. Meetings of the trustees are held regularly and attendance rates are high. The trustees have a clear understanding of their role and its fulfilment.

Trustees receive an appropriate, tailored induction and throughout the course of the year, receive external advice on any major issues affecting the charity. The trustees have regard to the Charity Commission's Guidance for public benefit.

The directors consider the board of directors, who are the Trust's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis. All directors give their time freely and no director received remuneration in the year. Details of directors' related party transactions are disclosed in note 19 of the financial statements.

The remuneration of staff is reviewed annually and normally increased for inflation. When a post becomes vacant, an assessment of whether the post needs to be re-filled on the same basis is undertaken; and any new roles are benchmarked against appropriate comparators.

#### **Reserves policy statement**

At any one time, the charity's reserves consist of capital grants received for the construction of The Deep Visitor Attraction and The Deep Business Centre, plus the accumulated operational surpluses of the charity. Expenditure on the construction of The Deep Visitor Attraction and The Deep Business Centre was capitalised and is being amortised over the useful lives of the buildings. The trustees aim to ensure that reserves should be maintained at a level to cover the amortisation of these assets, plus an additional amount to provide working capital for the organisation, with this being an amount that would cover at least the next six months' worth of forecast expenditure. This was achieved throughout the whole of the financial year ending 31 January 2023 and remains the case at the time of the signing of these financial statements.

The charity takes a prudent approach in its budget planning, for example, being conservative each year in its income assumptions. Expenditure budgets are established each year that can be accommodated by the conservative income levels set, whilst also allowing for an appropriate level of capital reinvestment expenditure. It is the charity's policy to commit less than the current year's (conservative) surplus to new capital projects of that year. Any major investment over and above the current year's forecast surplus would need to be funded from the accumulated reserves (or grants) and would only be undertaken if approved by the trustees. In making any decision to commit reserves, the trustees take into account the requirements of the Reserves Policy when considering the amount of reserves that it is possible to release for reinvestment.

At each of their regular meetings, the trustees monitor the income and expenditure of the charity and the level of its reserves to ensure that the charity has sufficient funds to sustain its operations and to finance its future development plans. Prompt remedial action would be taken if the trustees were concerned about any aspect of the finances of the charity.

# **EMIH Limited**

## **Trustees' Report**

### **Going concern**

It is important that sufficient visitors continue to be attracted to The Deep so that it can cover its operational costs and generate sufficient resources to maintain the quality of its facilities (and provide for their ongoing improvement), whilst also enabling the charity to continue to support conservation and marine research projects.

Whilst visitor numbers can be uncertain, the directors feel that their forecasts over the period to 31 January 2025 include a conservative estimate in relation to visitor numbers and that the overall forecasts are reliable in predicting future group revenue and cash flows. The directors believe that the group and company has adequate resources to continue in operational existence for a period of 12 months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

### **Taxation**

The company, as a registered charity, has obtained exemption from corporation tax. Charitable tax exemptions can therefore be claimed to the extent that income and/or gains are applicable and applied for charitable purposes only.

### **Company status**

The company is a private company limited by guarantee, not having a share capital, and is also registered as a charity (number 1073254).

### **Members**

The members of the company are Kingston upon Hull City Council (corporate member), The University of Hull (corporate member), Professor Graham Chesters, Mr Alan W Kirkman and Ms Susan M Lockwood.

### **Political and charitable contributions**

As a charity, the company is forbidden from making political donations. The company made charitable donations of £Nil (2022 – £Nil) during the year.

### **Disabled employees**

The group is accredited as a Disability Confident Employer and carries this branding on its employment literature throughout the employee journey. The group gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job, and reasonable adjustments will be sought, working in liaison with Access to Work when appropriate. Links exist with organisations such as This-Ability which supports disabled people and employers during the application, recruitment and training periods, and promotes the group's vacancies and work experience placements to its clients. Opportunities, equal to those of their colleagues, are available to disabled employees for training, career development and promotion. To support employee health and wellbeing, the group has signed up to the Mental Health at Work Commitment, making a public commitment to supporting employee mental health; and is a member of Working Voices (NHS Hull). Where existing employees become disabled, it is the group's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide training and a comprehensive consideration of reasonable adjustments to achieve this aim. The group's detailed Access Statement is produced in line with Visit England's guidelines and is available on-line to all - this would help to inform any individual needs assessment and promotes the group's commitment to accessibility.

## EMIH Limited

### Trustees' Report

#### Employee involvement

The group operates a framework for employee information and consultation which complies with the requirements of the Information and Consultation of Employees Regulations 2004. During the year, the policy of providing employees with information about the group has been continued through regular internal communication. Regular meetings are held between local management and employees to allow a free flow of information and ideas including department issues, specific project and policy planning. Whole\_group employee meetings are called at key points of action, change or development as necessary during the year. The group's Health and Safety Committee includes representatives from each department alongside senior managers and the Competent Person. A key communication tool is also the Crew Brief newsletter which is circulated to all Crew Members every month and includes information such as group performance, customer feedback, policy updates and it responds to specific employee questions when necessary.

#### Key Management Personnel – Directors

The directors who served the company during the year were as follows:

D W Gemmell OBE – Chair

J A Parkes CBE – Vice Chair

T S E Boanas

G Chesters

R Furley (appointed 22 July 2022)

A W Kirkman

S M Lockwood

L J Morrell

R Pantelakis (resigned 19 May 2022)

M Tarbotton (appointed 22 July 2022)

All directors are also trustees of the charity.

#### Other key management personnel

Chief Executive – C C Duke

Deputy Chief Executive, Finance Director & Company Secretary – N G Porteus

Director of Operations & People – J L Kirby

Director of Husbandry & Exhibition – B Jones

Head of Business & Corporate – F G Cross

#### Related parties

Transactions with related parties are disclosed in note 21.

#### Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of the directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the Board



N G Porteus

Company Secretary

22 September 2023

## EMIH Limited

### Trustees' Report

#### Statement of trustees' responsibilities

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

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

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

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

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

The annual report was approved by the trustees of the charity on 22 September 2023 and signed on its behalf by:



.....  
D W Gemmell OBE  
Trustee

## **EMIH Limited**

### **Independent Auditor's Report to the Members of EMIH Limited**

#### **Opinion**

We have audited the financial statements of EMIH Limited (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 January 2023, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 January 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 auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **EMIH Limited**

### **Independent Auditor's Report to the Members of EMIH Limited**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

- the information given in the Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Report.

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

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

#### **Responsibilities of trustees**

As explained more fully in the Statement of trustees' responsibilities (set out on page 21), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 charity or to cease operations, or have no realistic alternative but to do so.

## **EMIH Limited**

### **Independent Auditor's Report to the Members of EMIH Limited**

#### **Auditor responsibilities for the audit of the financial statements**

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

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

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

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

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

To address the risk of fraud through management bias and override of controls, we performed analytical procedures to identify any unusual or unexpected relationships; tested journal entries to identify unusual transactions; assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to agreeing charity only and consolidated financial statement disclosures to underlying supporting documentation; reading the minutes of meetings of those charged with governance; enquiring of management as to actual and potential litigation and claims; and reviewing correspondence with HMRC, relevant regulators and the charitable company's legal advisors.

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



## EMIH Limited

### Independent Auditor's Report to the Members of EMIH Limited

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

#### Use of our report

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



Matthew Fox FCCA (Senior Statutory Auditor)  
For and on behalf of Smailes Goldie, Statutory Auditor

Regent's Court  
Princess Street  
Hull  
East Yorkshire  
HU2 8BA

Date:

28 September 2023

# EMIH Limited

## Consolidated Statement of Financial Activities for the Year Ended 31 January 2023 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted Total 2022 £ (As restated)
<b>Income and Endowments from:</b>					
Donations and legacies	3	16,178	475,101	491,279	747,441
Charitable activities	4	5,194,514	-	5,194,514	4,109,784
Other trading activities	5	3,301,917	-	3,301,917	2,423,234
Investment income		17,039	-	17,039	1,591
Total income		8,529,648	475,101	9,004,749	7,282,050
<b>Expenditure on:</b>					
Raising funds		(2,466,559)	-	(2,466,559)	(2,111,144)
Charitable activities	6	(7,620,638)	(475,101)	(8,095,739)	(6,609,924)
Finance Activities		(75,000)	-	(75,000)	(90,000)
Total expenditure		(10,162,197)	(475,101)	(10,637,298)	(8,811,068)
Net expenditure		(1,632,549)	-	(1,632,549)	(1,529,018)
Transfers between funds		(11,950)	11,950	-	-
<b>Other recognised gains and losses</b>					
Gains/losses on revaluation of fixed assets		-	-	-	4,286,338
Actuarial gains on defined benefit pension schemes		2,322,750	-	2,322,750	2,011,440
Trading subsidiary corporation tax reclaimable/(due)		176,331	-	176,331	181,612
Net movement in funds		854,582	11,950	866,532	4,950,372
<b>Reconciliation of funds</b>					
Total funds brought forward		27,848,273	-	27,848,273	22,897,900
Total funds carried forward 19		28,702,855	11,950	28,714,805	27,848,272

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

The notes on pages 29 to 48 form an integral part of these financial statements.

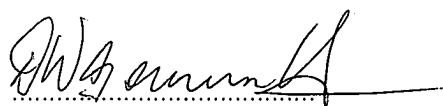
# EMIH Limited

(Registration number: 03513218)

## Consolidated Balance Sheet as at 31 January 2023

	Note	2023 £	2022 £ (As restated)
<b>Fixed assets</b>			
Tangible assets	11	24,755,312	26,952,371
<b>Current assets</b>			
Stocks	13	191,682	148,685
Debtors	14	795,893	1,021,519
Cash at bank and in hand		4,778,276	3,860,188
		5,765,851	5,030,392
<b>Creditors: Amounts falling due within one year</b>	15	(1,421,358)	(1,167,491)
<b>Net current assets</b>		4,344,493	3,862,901
<b>Total assets less current liabilities</b>		29,099,805	30,815,272
<b>Creditors: Amounts falling due after more than one year</b>	16	(385,000)	(525,000)
<b>Provisions</b>		-	(2,442,000)
<b>Net assets</b>		28,714,805	27,848,272
<b>Funds of the group:</b>			
<b>Restricted income funds</b>			
Restricted funds		11,950	-
<b>Unrestricted income funds</b>			
Unrestricted funds		28,702,855	27,848,272
<b>Total funds</b>	19	28,714,805	27,848,272

The financial statements on pages 24 to 48 were approved by the trustees, and authorised for issue on 22 September 2023 and signed on their behalf by:



D W Gemmell OBE  
Trustee

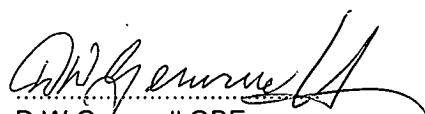
The notes on pages 29 to 48 form an integral part of these financial statements.

# EMIH Limited

(Registration number: 03513218)  
Charity Balance Sheet as at 31 January 2023

	Note	2023 £	2022 £ (As restated)
<b>Fixed assets</b>			
Tangible assets	11	24,726,921	26,869,175
Investments		4	4
		<u>24,726,925</u>	<u>26,869,179</u>
<b>Current assets</b>			
Debtors	14	3,125,503	3,118,680
Cash at bank and in hand		3,662,286	1,345,255
		<u>6,787,789</u>	<u>4,463,935</u>
<b>Creditors: Amounts falling due within one year</b>	15	<u>(4,527,303)</u>	<u>(2,802,445)</u>
<b>Net current assets</b>		<u>2,260,486</u>	<u>1,661,490</u>
<b>Net assets</b>		<u>26,987,411</u>	<u>28,530,669</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		11,950	-
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>26,975,461</u>	<u>28,530,669</u>
<b>Total funds</b>	19	<u>26,987,411</u>	<u>28,530,669</u>

The financial statements on pages 24 to 48 were approved by the trustees, and authorised for issue on 22 September 2023 and signed on their behalf by:

  
D W Gemmell OBE  
Trustee

## EMIH Limited

### Consolidated Statement of Cash Flows for the Year Ended 31 January 2023

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash expenditure		(1,456,218)	(1,347,406)
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		2,776,293	2,578,773
Investment income		(17,039)	(1,591)
Trading subsidiary corporation tax reclaimable/(due)		(176,331)	(181,612)
Net expense on pension scheme		655,000	727,000
		<u>1,781,705</u>	<u>1,775,164</u>
<b>Working capital adjustments</b>			
(Increase)/decrease in stocks	13	(42,997)	39,810
Increase in debtors, excluding deferred tax	14	(372,293)	(91,167)
Increase in creditors		<u>253,868</u>	<u>109,450</u>
Net cash flows from operating activities		<u>1,620,283</u>	<u>1,833,257</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income		17,039	1,591
Purchase of tangible fixed assets	11	<u>(579,234)</u>	<u>(27,965)</u>
Net cash flows from investing activities		(562,195)	(26,374)
<b>Cash flows from financing activities</b>			
Repayment of loans and borrowings	15	<u>(140,000)</u>	<u>(35,000)</u>
Net increase in cash and cash equivalents		918,088	1,771,883
Cash and cash equivalents at 1 February		<u>3,860,188</u>	<u>2,088,305</u>
Cash and cash equivalents at 31 January		<u>4,778,276</u>	<u>3,860,188</u>

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

# EMIH Limited

## Statement of Cash Flows for the Year Ended 31 January 2023

	Note	2023 £	2022 £ (As restated)
<b>Cash flows from operating activities</b>			
Net cash (expenditure)/income		(1,543,257)	2,533,832
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		2,706,947	2,500,013
Investment income		(1,529,881)	(574,055)
Revaluation of fixed assets		-	(4,286,338)
		<u>(366,191)</u>	<u>173,452</u>
<b>Working capital adjustments</b>			
(Increase)/decrease in debtors	14	(6,823)	662,224
Increase/(decrease) in creditors		<u>1,724,857</u>	<u>(1,289,430)</u>
Net cash flows from operating activities		<u>1,351,843</u>	<u>(453,754)</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income		1,529,881	574,055
Purchase of tangible fixed assets	11	<u>(564,693)</u>	<u>(13,015)</u>
Net cash flows from investing activities		<u>965,188</u>	<u>561,040</u>
Net increase in cash and cash equivalents		2,317,031	107,286
Cash and cash equivalents at 1 February		<u>1,345,255</u>	<u>1,237,969</u>
Cash and cash equivalents at 31 January		<u>3,662,286</u>	<u>1,345,255</u>

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

## EMIH Limited

### Notes to the Financial Statements for the Year Ended 31 January 2023

#### 1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

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

##### Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### Basis of preparation

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

##### Prior period restatement

The prior period results have been restated to correct a misstatement in the revaluation of fixed assets. The revaluation gain has been reduced by £177,945 to reflect the additions to The Deep Visitor Attraction in the prior period that were both included in the overall revaluation of that asset and accounted for separately as additions during the period.

The impact of this restatement on the prior period results is to reduce the value of The Deep Visitor Attraction within Tangible Fixed Assets and the gain on revaluation of fixed assets disclosed in the Consolidated Statement of Financial Activities by £177,945. This also results in a reduction to the Net Movement in Funds in the Consolidated Statement of Financial Activities and the balance of Unrestricted Funds in the Consolidated Balance Sheet by the same amount.

##### Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 January 2023.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a loss after tax for the financial year of £1,543,257 (2022 - loss of £2,533,832).

## **EMIH Limited**

### **Notes to the Financial Statements for the Year Ended 31 January 2023**

#### **Going concern**

It is important that sufficient visitors continue to be attracted to The Deep so that it can cover its operational costs and generate sufficient resources to maintain the quality of its facilities (and provide for their ongoing improvement), whilst also enabling the charity to continue to support conservation and marine research projects.

Whilst visitor numbers can be uncertain, the directors feel that their forecasts over the period to 31 January 2025 include a conservative estimate in relation to visitor numbers and that the overall forecasts are reliable in predicting future group revenue and cash flows. The directors believe that the group has adequate resources to continue in operational existence for a period of 12 months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

#### **Judgements**

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. The judgements (apart from those involving estimates) that have had the most significant effect on amounts recognised in the financial statements are the actuarial assumptions supporting the valuation of the group's defined benefit pension scheme.

#### **Income and endowments**

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

#### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### **Grants receivable**

Grants are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### **Investment income**

Interest is included when receivable by the charity.



## **EMIH Limited**

### **Notes to the Financial Statements for the Year Ended 31 January 2023**

#### **Expenditure**

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

#### **Raising funds**

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

#### **Charitable activities**

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

#### **Support costs**

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

#### **Governance costs**

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

#### **Taxation**

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

#### **Deferred taxation**

Deferred taxation is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income arising from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

## **EMIH Limited**

### **Notes to the Financial Statements for the Year Ended 31 January 2023**

#### **Tangible fixed assets**

All fixed assets are initially recorded at cost. The charity's buildings are revalued at the balance sheet date every three years by an independent third party surveyor in accordance with the provisions of FRS 102. These assets are being depreciated over their remaining useful life of 10 years from the date of revaluation.

Equipment is depreciated over 1-5 years.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

#### **Stock**

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

#### **Trade debtors**

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Provisions**

Provisions are recognised when the charity has an obligation at the reporting date as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

#### **Fund structure**

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

Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

## EMIH Limited

### Notes to the Financial Statements for the Year Ended 31 January 2023

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

#### Pensions and other post retirement obligations

The company participates in the Local Government Pension Scheme. Contributions are made to a separately administered fund. Pension scheme assets are measured at fair value and scheme liabilities are measured on an actuarial basis using the projected unit method and discounted at an interest rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

FRS102 only permits a company to recognise an asset to the extent that the company is able to recover the surplus through reduced contributions or refunds from the plan. At the balance sheet date, the company did not have sole discretion in such recovery of the surplus and therefore this has not been recognised in the balance sheet.

### 3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Donations	15,724	-	15,724	11,720
Government grants	454	-	454	735,721
Other grants	-	475,101	475,101	-
	16,178	475,101	491,279	747,441

Other grants received, included in the above, are as follows:

	2023 £	2022 £
Biffa	411,101	-
Natural England	18,000	-
Orsted	39,000	-
Yorkshire Wildlife Trust	7,000	-
	475,101	-

# EMIH Limited

## Notes to the Financial Statements for the Year Ended 31 January 2023

### 4 Income from charitable activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Admissions and education income	2,567,222	2,567,222	1,608,635
Gift Aid membership fees	2,627,292	2,627,292	2,501,149
	<u>5,194,514</u>	<u>5,194,514</u>	<u>4,109,784</u>

### 5 Income from other trading activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Retail	1,379,067	1,379,067	1,001,359
Catering	935,560	935,560	619,566
Rental income and related services	610,291	610,291	566,912
Other corporate income	376,999	376,999	235,397
	<u>3,301,917</u>	<u>3,301,917</u>	<u>2,423,234</u>

### 6 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	Total expenditure £
Maintaining and operating The Deep	1,836,999	2,852,378	4,689,377
Husbandry and marine conservation	855,948	1,329,063	2,185,011
Education and informal learning	478,448	742,903	1,221,351
<b>Total for 2023</b>	<u>3,171,395</u>	<u>4,924,344</u>	<u>8,095,739</u>

## EMIH Limited

### Notes to the Financial Statements for the Year Ended 31 January 2023

#### 7 Analysis of support costs

##### Support costs allocated to charitable activities

	Governance costs £	Administration costs £	Depreciation £	Total funds £
Maintaining and operating The Deep	39,035	1,205,202	1,608,141	2,852,378
Husbandry and marine conservation	18,188	561,563	749,312	1,329,063
Education and informal learning	10,167	313,896	418,841	742,904
<b>Total for 2023</b>	<b>67,390</b>	<b>2,080,661</b>	<b>2,776,294</b>	<b>4,924,345</b>

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

Legal and professional costs

Auditors' remuneration - audit services

Auditors' remuneration - non-audit services

#### 8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

## EMIH Limited

### Notes to the Financial Statements for the Year Ended 31 January 2023

#### 9 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
<b>Staff costs during the year were:</b>		
Salaries	2,696,336	2,281,718
Employer national insurance contributions	257,272	173,522
Operating costs of defined benefit pension schemes	934,358	1,121,028
	<u>3,887,966</u>	<u>3,576,268</u>

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

	2023 No	2022 No
Management	5	5
Administration	126	127
	<u>131</u>	<u>132</u>

The number of employees whose emoluments fell within the following bands was:

	2023 No	2022 No
£60,001 - £70,000	2	-
£70,001 - £80,000	-	1
£80,001 - £90,000	1	1
£90,001 - £100,000	-	-
£100,001 - £110,000	-	-
£110,001 - £120,000	1	1
	<u>1</u>	<u>1</u>

The total employee benefits of the key management personnel of the group were £462,821 (2022 - £423,847).

## EMIH Limited

### Notes to the Financial Statements for the Year Ended 31 January 2023

#### 10 Taxation

Tax on profit on ordinary activities

The tax charge/(credit) is made up as follows:

	2023 £	2022 £
Origination and reversal of timing differences	(176,331)	(136,724)
Effect of changes in tax rates	-	(44,888)
	<u>(176,331)</u>	<u>(181,612)</u>

The deferred tax included in the balance sheet is as follows:

	2023 £	2022 £
Capital allowances in advance of depreciation	2,317	14,075
Short term timing differences	(7,432)	(617,109)
Total deferred tax (asset) liability	<u>(5,115)</u>	<u>(603,034)</u>

	2023 £	2022 £
<b>Movement in provision:</b>		
Provision at start of period	(603,034)	(769,982)
Deferred tax charged in the profit and loss account	(176,331)	(181,612)
Deferred tax charged in the statement of comprehensive income	<u>774,250</u>	<u>348,560</u>
Provision at end of period	(5,115)	(603,034)

## EMIH Limited

### Notes to the Financial Statements for the Year Ended 31 January 2023

#### Taxation continued

##### Reconciliation of tax charge

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2022 - the same as the standard rate of corporation tax in the UK) of 19% (2022 - 19%).

The differences are reconciled below:

	2023 £	2022 £
Profit before tax	1,430,441	794,748
Corporation tax at standard rate	271,784	151,002
Effect of expense not deductible in determining taxable profit (tax loss)	-	1,023
Deferred tax expense (credit) relating to changes in tax rates or laws	(42,319)	(44,888)
Tax increase (decrease) from effect of capital allowances and depreciation	(429)	-
Tax increase (decrease) arising from group relief	(405,367)	(288,749)
	176,331	181,612

Paragraph 29.14A of FRS 102 has been applied allowing the tax relief on gift aid payments to be recognised in the period to which it relates. This exception is only applicable as long as it is probable that the gift aid payment will be made to the charity within 9 months of the reporting date.

##### Factors that may affect future tax charge

The standard rate of UK corporation tax remains at 19% for the year ended 31 January 2023. In March 2021 the budget included an announcement to increase the standard rate of corporation tax from 19% to 25% with effect from 1 April 2023. This was enacted on 10 June 2021. Deferred tax has therefore been calculated at 25%.



## EMIH Limited

### Notes to the Financial Statements for the Year Ended 31 January 2023

#### 11 Tangible fixed assets

##### Group

	Equipment £	Visitor attraction, business centre and warehouse £	Total £
<b>Cost</b>			
At 1 February 2022 (restated)	263,312	27,090,500	27,353,812
Additions	14,541	564,693	579,234
At 31 January 2023	277,853	27,655,193	27,933,046
<b>Depreciation</b>			
At 1 February 2022 (restated)	180,116	221,325	401,441
Charge for the year	69,346	2,706,947	2,776,293
At 31 January 2023	249,462	2,928,272	3,177,734
<b>Net book value</b>			
At 31 January 2023	28,391	24,726,921	24,755,312
At 31 January 2022 (restated)	83,196	26,869,175	26,952,371

The assets of the group were valued by Sanderson Weatherall LLP as at 31 January 2022, on the basis of depreciated replacement cost for The Deep Visitor Attraction (£25,000,000) and on the basis of open market value for The Deep Business Centre (£1,750,000) in accordance with The Appraisal and valuation standards (Fifth Edition) ('The Red Book') prepared by the Royal Institute of Chartered Surveyors. The assets are being depreciated over a remaining useful life of 10 years from the date of the revaluation. Current year additions are recorded at cost. In addition, the company owns a warehouse unit which is being depreciated over its remaining useful life of 6 years.

# EMIH Limited

## Notes to the Financial Statements for the Year Ended 31 January 2023

### Charity

	Visitor attraction, business centre and warehouse £
<b>Cost</b>	
At 1 February 2022 (restated)	27,090,500
Additions	<u>564,693</u>
At 31 January 2023	<u>27,655,193</u>
<b>Depreciation</b>	
At 1 February 2022 (restated)	221,325
Charge for the year	<u>2,706,947</u>
At 31 January 2023	<u>2,928,272</u>
<b>Net book value</b>	
At 31 January 2023	<u>24,726,921</u>
At 31 January 2022 (restated)	<u>26,869,175</u>

### 12 Fixed asset investments

#### Charity

#### Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
<b>Cost</b>		
At 1 February 2022	<u>4</u>	<u>4</u>
At 31 January 2023	<u>4</u>	<u>4</u>
<b>Net book value</b>		
At 31 January 2023	<u>4</u>	<u>4</u>
At 31 January 2022	<u>4</u>	<u>4</u>

## EMIH Limited

### Notes to the Financial Statements for the Year Ended 31 January 2023

#### Details of undertakings

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

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2023	2022	

#### Subsidiary undertakings

Running Deep Limited (Registered no. 03606689)		Ordinary	100%	100%	Tourism
Deep Developments Limited (Registered no. 03606659)		Ordinary	100%	100%	Dormant

#### 13 Stock

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Finished goods	191,682	148,685	-	-

#### 14 Debtors

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	89,695	76,318	-	-
Due from group undertakings	-	-	2,568,264	2,904,932
Prepayments and accrued income	674,933	327,182	557,239	213,748
Deferred taxation	5,115	603,034	-	-
Other debtors	26,150	14,985	-	-
	<u>795,893</u>	<u>1,021,519</u>	<u>3,125,503</u>	<u>3,118,680</u>

## EMIH Limited

### Notes to the Financial Statements for the Year Ended 31 January 2023

#### 15 Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	368,879	176,193	-	-
Coronavirus business interruption loan	140,000	140,000	-	-
Due to group undertakings	-	-	4,485,091	2,741,448
VAT grant repayable	203,085	199,025	-	-
Other creditors	633,805	560,218	30,262	19,580
Accruals and deferred income	75,589	92,055	11,950	41,417
	<u>1,421,358</u>	<u>1,167,491</u>	<u>4,527,303</u>	<u>2,802,445</u>

#### 16 Creditors: amounts falling due after one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Coronavirus business interruption loan	<u>385,000</u>	<u>525,000</u>	-	-

#### 17 Pension and other schemes

##### Defined benefit pension schemes

EMIH Limited is an admitted body of the East Riding Pension Fund, a Local Government Pension Scheme (LGPS) administered by the East Riding of Yorkshire Council. The Pension Scheme is a defined benefit scheme, with benefits being determined by an employee's length of service and level of remuneration. Membership of the Pension Scheme is open to all employees, with an employee required to make a contribution of between 5.5% and 12.5% of pensionable pay with EMIH Limited augmenting this with an employer contribution of 16% of an employee's pensionable pay.

The valuation used for FRS 102 disclosures has been based on the most recent triennial actuarial valuation as at 31 March 2022 and updated by Hymans Robertson LLP to take account of the requirements of FRS 102 in order to assess the assets and liabilities of the scheme as 31 March 2023. Per the actuary valuation at 31 March 2023, the plan is valued as a £4,503,000 asset. FRS102 only permits a company to recognise an asset to the extent that the company is able to recover the surplus through reduced contributions or refunds from the plan. At the balance sheet date, the company did not have sole discretion in such recovery of the surplus and therefore this has not been recognised in the balance sheet.

The scheme is a multi-employer scheme which has a 31 March year end, which is different to that of EMIH Limited. The directors believe that any differences that would have arisen between the year end of the company and the year end of the scheme will not be material, therefore the disclosures above are as at the scheme's 31 March year end and not as at 31 January.

## EMIH Limited

### Notes to the Financial Statements for the Year Ended 31 January 2023

#### Principal actuarial assumptions

The principal actuarial assumptions at the statement of financial position date are as follows:

	2023 %	2022 %
Discount rate	4.75	2.75
Future salary increases	2.95	4.05
Future pension increases	2.95	3.15

#### **Post retirement mortality assumptions**

	2023 Years	2022 Years
Current UK pensioners at retirement age - male	21.00	21.00
Current UK pensioners at retirement age - female	24.00	24.00
Future UK pensioners at retirement age - male	22.00	22.00
Future UK pensioners at retirement age - female	25.00	25.00

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

	2023 £000	2022 £000
0.1% decrease in real discount rate	230	418
1 year increase in member life expectancy	363	608
0.1% increase in the salary increase rate	31	53
0.1% increase in the pension increase rate	202	362

#### Analysis of assets

The major categories of scheme assets are as follows:

	2023 £000	2022 £000
Cash and cash equivalents	271	128
Equity instruments	9,773	9,190
Debt instruments	2,307	1,915
Property	1,222	1,532
	<u>13,573</u>	<u>12,765</u>

## EMIH Limited

### Notes to the Financial Statements for the Year Ended 31 January 2023

#### Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the balance sheet are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Fair value of scheme assets	13,573	12,765
Present value of defined benefit obligation	(9,070)	(15,207)
	4,503	(2,442)
Other amounts note recognised in the balance sheet	(4,503)	-
Defined benefit scheme deficit	-	2,442

Fair value of scheme assets

Changes in the fair value of scheme assets are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Fair value at start of year	12,765	11,481
Interest income	356	238
Contributions by scheme participants	146	119
Employer contributions	348	289
Benefits paid	(116)	(134)
Other experience	434	-
Actuarial return on plan assets	(360)	772
Fair value at end of year	13,573	12,765

The pension scheme has not invested in any of the group's own financial instruments or in properties or other assets used by the group.

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Present value at start of year	15,207	15,591
Current and past service cost	928	891
Interest cost	431	328
Contributions by members	146	119
Benefits paid	(116)	(134)
Actuarial (gains) and losses	(7,526)	(1,588)
Present value at end of year	9,070	15,207

## EMIH Limited

### Notes to the Financial Statements for the Year Ended 31 January 2023

#### Recognised in statement of financial activities

	2023 £000	2022 £000
Current service cost	928	891
Interest income	356	238
Interest cost	(431)	(328)
Pension scheme interest (cost)	(75)	(90)

#### 18 Financial guarantee contracts

##### Group

The company has entered into a debenture agreement with The Millennium Commission for any indebtedness by the company in favour of The Millennium Commission. The Commission has a charge over all the assets of the company.

# EMIH Limited

## Notes to the Financial Statements for the Year Ended 31 January 2023

### 19 Funds

#### Group

	Balance at 1 February 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/ (losses) £	Balance at 31 January 2023 £
<b>Unrestricted funds</b>						
General	27,848,273	8,529,648	(9,985,866)	(11,950)	2,322,750	28,702,855
<b>Restricted funds</b>	-	475,101	(475,101)	11,950	-	11,950
<b>Total funds</b>	<u>27,848,273</u>	<u>9,004,749</u>	<u>(10,460,967)</u>	<u>-</u>	<u>2,322,750</u>	<u>28,714,805</u>

	Balance at 1 February 2021 £	Incoming resources £	Resources expended £	Other recognised gains/ (losses) £	Balance at 31 January 2022 £
<b>Unrestricted funds</b>					
General	22,897,900	7,282,050	(8,807,402)	6,475,724	27,848,272

#### Charity

	Balance at 1 February 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 January 2023 £
<b>Unrestricted funds</b>					
General	28,530,668	4,314,440	(5,857,697)	(11,950)	26,975,461
<b>Restricted funds</b>	-	475,101	(475,101)	11,950	11,950
<b>Total funds</b>	<u>28,530,668</u>	<u>4,789,541</u>	<u>(6,332,798)</u>	<u>-</u>	<u>26,987,411</u>

	Balance at 1 February 2021 £	Incoming resources £	Resources expended £	Other recognised gains/ (losses) £	Balance at 31 January 2022 £
<b>Unrestricted funds</b>					
General	25,996,837	3,368,656	(5,299,108)	4,464,284	28,530,669



# EMIH Limited

## Notes to the Financial Statements for the Year Ended 31 January 2023

### 20 Analysis of net assets between funds

#### Group

	Unrestricted General £	Restricted funds £	Total funds 2023 £
Tangible fixed assets	24,755,312	-	24,755,312
Current assets	5,753,901	11,950	5,765,851
Current liabilities	(1,421,358)	-	(1,421,358)
Creditors over 1 year	(385,000)	-	(385,000)
Deferred taxation	5,115	-	5,115
Total net assets	28,707,970	11,950	28,719,920
	Unrestricted General £	Total funds 2022 £ (As restated)	
Tangible fixed assets	26,952,371	26,952,371	
Current assets	5,030,392	5,030,392	
Current liabilities	(1,167,491)	(1,167,491)	
Creditors over 1 year	(525,000)	(525,000)	
Provisions	(2,442,000)	(2,442,000)	
Total net assets	27,848,272	27,848,272	

#### Charity

	Unrestricted General £	Restricted funds £	Total funds 2023 £
Tangible fixed assets	24,726,921	-	24,726,921
Fixed asset investments	4	-	4
Current assets	6,775,839	11,950	6,787,789
Current liabilities	(4,527,303)	-	(4,527,303)
Total net assets	26,975,461	11,950	26,987,411
	Unrestricted funds General £	Total funds 2022 £ (As restated)	
Tangible fixed assets	26,869,175	26,869,175	
Fixed asset investments	4	4	
Current assets	4,463,935	4,463,935	
Current liabilities	(2,802,445)	(2,802,445)	
Total net assets	28,530,669	28,530,669	

## EMIH Limited

### Notes to the Financial Statements for the Year Ended 31 January 2023

#### 21 Related party transactions

##### Group

During the year the charity made the following related party transactions:

##### Kingston upon Hull City Council

The company was set up as a joint venture between the University of Hull and Kingston upon Hull City Council. Councillor R Furley is an elected member and Professor Chesters is an Honorary Burgess of Kingston upon Hull City Council.

As the local authority responsible for the area in which the company operates, the company has some transactions with Kingston upon Hull City Council. The total value of non-statutory services purchased from Kingston upon Hull City Council was £5,843 (2022: £6,799). During the year the company received £1,965 income from Hull City Council. At the balance sheet date the amount due from Kingston upon Hull City Council was £2,669 (2022 - £Nil).

##### University of Hull

The company has been set up as a joint venture between the University of Hull and Kingston upon Hull City Council. Professor L J Morrell is an employee of the University of Hull. Professor G Chesters is an Emeritus Professor of the University of Hull. The University of Hull rents a laboratory in The Deep Visitor Attraction and hires The Deep for corporate functions.

The Deep invoiced the University £75,537 (2022: £57,398) for rent, goods and services over the course of the year. The Deep purchased goods and services from The University of Hull over the course of the year amounting to £49,891 (2022: £19,628). At the balance sheet date the amount due to University of Hull was £2,626 (2022 - £153 due from).

##### Bonus Electrical Group

Trevor S E Boanas is a director of the Bonus Electrical Group.

Total transactions with Bonus Electrical Group amounted to purchases of £14,210 (2022: £2,421) At the balance sheet date the amount due to Bonus Electrical Group was £248 (2022 - £Nil).

##### The British & Irish Association of Zoos and Aquariums (BIAZA)

Mrs C C Duke was a director of BIAZA until 6 June 2023. During the year, Running Deep Limited made purchases of £5,288 (2022: £6,171).

At the balance sheet date the amount due to/from The British & Irish Association of Zoos and Aquariums (BIAZA) was £Nil (2022 - £Nil).

##### The Constellation Trust

Mr N G Porteus is a member, trustee and Chair of the Constellation Trust, a multi-academy trust comprising Hull schools.

During the year, some of the schools within the trust may have visited the Deep on formal educational visits. Mr Porteus was not involved in any of the decisions of any of the trust schools to visit the Deep as these decisions are taken by the Local Advisory Board of the school and not the trust. At the balance sheet date the amount due to/from The Constellation Trust was £Nil (2022 - £Nil).

##### Microsanitise Limited

Trevor S E Boanas is a director of Microsanitise Limited.

During the year, the company made purchases totalling £1,389 (2022: £Nil). At the balance sheet date the amount due to/from Microsanitise Limited was £Nil (2022 - £Nil).