

THE LOWRY CENTRE TRUST
A company limited by guarantee

Annual Report and Financial Statements
Year ended 31 March 2023

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OFFICERS AND PROFESSIONAL ADVISORS

TRUSTEES

Sir RM Aldridge OBE (Chair)	AJ Frost CBE
N Afzal OBE	F Gibson
J Aythya	RJ Glover MBE
RS Barker	KR Hammond CBE
M Blackburn OBE	Councillor CWV Hinds
Baroness Bonham-Carter of Yarnbury	Baroness Hughes of Stretford
JMV Corfield	D Kashmir
IW Currie	TJ Stannard
PA Dennett	AJF Wylie
PR East	

PRINCIPAL OFFICERS – Key Management Personnel

Chief Executive - J Fawcett OBE
Group Finance Director & Company Secretary – MA Pendergast
Director of Audience, Sales & Marketing – RE Miller
Director of Development – GL Oakden
Director of Learning & Engagement – J Riding
Director of Visual Arts – MJ Simpson
Commercial Director – AC Smith

BANKERS

Barclays Bank plc
Northwest Larger Business Team
1st Floor, 3 Hardman Street
Spinningfields
Manchester M3 3HF

SOLICITORS

CMS Cameron McKenna Nabarro Olswang LLP	Pannone Corporate LLP
1 South Quay	378-380 Deansgate
Victoria Quays	Manchester
Wharf Street	M3 4LY
Sheffield S2 5SY	

AUDITOR

Crowe U.K. LLP
3rd Floor, The Lexicon
Mount Street
Manchester
M2 5NT
United Kingdom

REGISTERED OFFICE

The Lowry
Pier 8
Salford Quays
Salford M50 3AZ

CHIEF EXECUTIVE'S INTRODUCTION

This year has felt like a real return for The Lowry, and we have seen new developments and achievements across every element of our programme. We were delighted to be awarded National Portfolio Organisation status by Arts Council England, as part of their 2023-26 Investment Programme and this ongoing recognition and support of our work is not only a real source of pride for us, but also key in enabling us to deliver our ambitious plans over the next three years.

I couldn't write this without highlighting the triumphant 'coming home' of L.S. Lowry's iconic masterpiece painting 'Going to the Match'. It was so important to us, and to the City of Salford, that an artwork which speaks so directly to the people of the North was brought permanently back to where it belongs, to be enjoyed by generations for years to come. This would not have been possible without the generosity of The Law Family Charitable Foundation, to whom we are extremely grateful. Celebrating this fantastic occasion in our Compass Room with representatives of communities across Salford, along with Badly Drawn Boy and The Lightening Seeds was arguably one of the most joyous moments of the year, and a touching reminder to acknowledge and reflect upon the artist who gave us our name. We are now working with other galleries across the North to ensure that the piece can be enjoyed by biggest possible audiences and communities – so watch this space!

Continuing in this vein, community outreach and taking our programme beyond The Lowry has played a major part in our work over the last 12 months. Our Show Selectors and Galleries Steering Group, supported by our Community Collaborators has seen us break down barriers to engagement, commission bespoke performance work, introduce new audiences to art and culture, and adapt our own practices in response to what communities want and need from us.

It has been a year of exciting new projects and commissions, not least the new Creative Writing Challenge for schoolchildren across the region and our co-production with Rambert Dance, Peaky Blinders: The Redemption of Thomas Shelby.

We hope that you will enjoy looking through this year's review, which is once again a testament to the dedication, hard work, passion and talent of everyone at The Lowry who plays their part in our success. We couldn't do it without our Trustees, staff, supporters, volunteers and freelancers. With much more to come, we look forward to seeing you in the year ahead.



Julia Fawcett OBE
Chief Executive

TRUSTEES' REPORT

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their annual report (including strategic report) and the audited financial statements for the year ended 31 March 2023

The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice 2019 – Accounting and Reporting by Charities.

NAME OF CHARITY

The full name of the charity is The Lowry Centre Trust, approval having been granted to an application under the Companies Act 1985 to delete the word "Limited" from its title.

CONSTITUTION

The charity was incorporated as a private company limited by guarantee on 4 March 1996.

The company registration number is 3168108 and it is registered with the Charity Commission – registration number 1053962.

The Memorandum and Articles of Association are the governing documents of the charity.

TRUSTEES (DIRECTORS)

The following trustees served during the year and up to the date of this report:

Sir RM Aldridge OBE (Chair)	F Gibson (Appointed 22 September 2022)
N Afzal OBE (Appointed 19 May 2023)	RJ Glover MBE
J Aythorpe (Appointed 16 March 2023)	K Hammond (Appointed 16 March 2023)
R Barker (Appointed 22 September 2022)	Councillor CWV Hinds*
M Blackburn OBE	Baroness Hughes of Stretford
Baroness Bonham-Carter of Yarnbury	N Kander (Resigned 30 September 2022)
J Corfield (Appointed 16 March 2023)	D Kashmir (Appointed 23 June 2022)
IW Currie	TB Russell (Resigned 24 February 2022)
City Mayor PA Dennett*	TJ Stannard*
P East (Appointed 16 March 2023)	A Wylie (Appointed 19 May 2023)
AJ Frost CBE	AC Vinken OBE (Resigned 30 September 2022)

No Trustee had any interest in the charity or any of the group companies.

Management liability and indemnity insurance was in place for the full year and to the date of signing these financial statements (2022: same).

* denotes nominated Trustees, nominated by Salford City Council

Trustees' attendance at meetings during the year ending 31 March 2023

Sir RM Aldridge	4/4	R Barker	2/2	M Blackburn	4/4
Baroness Bonham-Carter	4/4	IW Currie	4/4	PA Dennett	2/4
AJ Frost	2/4	F Gibson	2/2	RJ Glover	4/4
Councillor CWV Hinds	3/4	Baroness Hughes	3/4	N Kander	2/2
D Kashmir	3/3	TJ Stannard	2/4	AC Vinken	1/2

TRUSTEES' REPORT

STRATEGIC REPORT

VISION AND STRATEGY

The Lowry is proud to be the most visited cultural attraction in Greater Manchester, and one of the UK's leading combined arts organisations. The year reported, April 2022 to March 2023 is the first full twelve months of trading since the pandemic, during this time we have focused on driving our vision forward and re-building our activities.

Our Vision

Our vision remains to be a world-class arts centre based at the core of the region's creative and cultural quarter. This world-class ambition sits comfortably with our commitment to celebrating the unique heritage of this location and to putting communities and people at the heart of all that we do.

The vision demands that the organisation focuses on the following strategic priorities.

- Developing the ambition of our artistic programme to allow our work in the performing and visual arts to thrive and develop and our audiences to grow and diversify;
- Strengthening our business model, increasing our financial sustainability by leveraging additional funds to support our artistic mission through on-going cost savings and increased income generation opportunities;
- Opening up our building and its programme in order to maximise the strategic and income generating opportunities presented by our position at the centre of MediaCityUK, an exciting hub for the creative and digital industries.
- Leading on the development of a long-term strategy and investment plan for embedding arts, culture and heritage into the urban fabric and everyday life of the City of Salford.

The outline strategy addresses the three core artistic and educational aspects of the charity's objectives. Our artistic strategy focuses on performing arts, visual arts, cross arts, digital, and learning and engagement.

Performing Arts

The Trust's broad strategy in this area is to present a diverse, wide-ranging programme, balancing art forms and audiences. The particular focus is to increase the status of our theatres nationally and internationally and create a high-quality programme that will also generate sufficient income to enable us to sustain our own creative future. We continue to build relationships, working together with strategic partnerships and focusing on delivering diverse and creative work.

The Lyric stage, one of the largest outside of London, presents an eclectic range of programme throughout the year with new work and existing work from a diverse range of talented artists including touring companies, partner companies and international artists.

The Quays theatre and the Studios are both exceptional spaces, often being utilised for the development and support of early and mid-career artists as well as established artists and companies.

TRUSTEES' REPORT

VISION AND STRATEGY (CONTINUED)

Performing Arts (continued)

A key strategy for The Lowry is to be instrumental in the development of the next generation of theatre talent, we continue to build on our strong track record to achieve this. Schemes such as *Developed with the Lowry* create bespoke offerings for professional development and production support. The *Associate Artist* scheme strives to build deeper and more meaningful long-term relationships with the most promising theatre makers.

We continue to work closely with partners staging a programme of new, challenging and more familiar work. A priority is increasing our profile as commissioner of new work of all scales and genres. The programme aims to present a balanced, challenging range of high quality, artistically credible performances. Each season includes leading domestic and international productions seeking to embrace innovation and experimentation. It will be balanced to appeal to diverse audiences and make use of the entire building and outdoor spaces. Our artistic priorities are dance, contemporary theatre and strategic partnerships.

Visual Arts

Artistically, visual arts at The Lowry has enjoyed much critical acclaim and remains popular with visitors who are drawn to our combination of landmark special exhibitions featuring contemporary, digital and performance-related elements, alongside displays and exhibitions featuring the LS Lowry Collection.

We continue to make the work of LS Lowry accessible to diverse audiences; combining a focus on children and young people and local Salford communities, with audiences drawn from across the country. Our focus is to reinforce LS Lowry's position as a significant twentieth century British artist and developing still further our in-house interpretation of his life and work.

The aim of the visual arts programme is to present exhibitions that are ambitious, impactful, challenging and unpredictable. The programme looks to increase and actively engage with greater audiences, locally and nationally, in contemporary art. It promotes critical debate and appreciation by regularly commissioning or exhibiting new work, with a particular focus on work in new media. It actively connects to wider programming across the organisation at every opportunity.

Both strands of programming are equally valued, and both reinforce our position as a venue that is looking to engage new audiences across art forms; providing fresh insights and being unafraid to develop new ideas and approaches. Our Visual Arts programme reflects The Lowry's location in MediaCity with distinctive work by artists whose work is digital or digitally influenced. Artists respond imaginatively to spaces, themes and collaborations to engage new audiences.

Contributing to dialogue around the convergence of performance and visual arts we have opportunities to explore how different art forms and audiences come together. We will engage with performers in our galleries to re-contextualise familiar environments in unexpected ways, challenging artists to provide fresh insight in their work. We will commission new work responding to the challenges and opportunities of these spaces with at least two major exhibitions each year.

TRUSTEES' REPORT

VISION AND STRATEGY (CONTINUED)

Cross Arts

Through cross arts we recognise the appetite to create and experience work that crosses conventional spaces and art form boundaries. Our work supports collaborations across art forms and by world-class artists creating an environment for risk-taking and delivering new audience experiences. Benefiting from our scale and breadth of activity we are uniquely placed to develop this exciting new initiative.

Throughout our artistic strategy is firm commitment to artist development.

Learning and Engagement

The Lowry is committed to achieving positive outcomes through constant engagement with local communities, ensuring our building and programme actively supports this. Through this work The Lowry strategically prioritises children and young people; especially young people who are considered to be the most vulnerable or 'at risk' and living in Salford.

Building on our extensive experience, The Lowry's continued aim is to be nationally recognised as a centre for best practice in successfully using arts and culture as a tool to work with vulnerable and hard-to-reach young people. This will be achieved through the delivery of a comprehensive programme of activity, underpinned by quality in all of its social and artistic content, connecting to the wider programme of The Lowry.

The Lowry has in place a four-strand strategy for Learning & Engagement;

- Targeted engagement;
- Youth Talent Development
- Youth Employability and Skills
- Learning and Participation

Quality Principles

Working with Curious Minds, a charity championing cultural education for children, we have developed a new evaluation model based on the quality principles that will be used by The Lowry's Youth Leadership forum, to measure the impact of Learning & Engagement programmes on a termly basis.

We will also work closely with Curious Minds and other National Portfolio Organisations across Greater Manchester to test and share ways in which we can use the Quality principles to measure the impact of our work.

Strategic partnership working

Building on the success of the Learning & Engagement team's strategic partnership we will work to continue and enhance relationships with organisations across the education, youth, health, culture sector.

We work closely with Statutory and non-statutory services via the Local Authority in Salford including Social Services, Salford Young Carers Service, Next Step Leaving Care Service, Teenage Pregnancy team, Work and Skills team.

TRUSTEES' REPORT

OBJECTIVES AND ACTIVITIES

The objects of the charity, as set out in the Memorandum and Articles of Association, are to promote the advancement of education and in particular, but not exclusively, to foster and promote the improvement, development and maintenance of artistic knowledge and the understanding and appreciation of the arts among the inhabitants of Great Britain and, in particular, amongst the inhabitants of the City of Salford and surrounding districts by providing facilities for the education of the public in the fields of arts, crafts, music and drama. The Memorandum of Association sets out the powers that the charity may exercise in furtherance of the objects.

The Lowry aims to maintain and re-energise the cultural life of the region by presenting a diverse, wide-ranging programme of events, exhibitions and activities aimed at expanding the horizons of audiences and artists alike. It takes a particular responsibility for the creation of participatory activities through which it engages with the audiences and artists of the future.

The Lowry's objectives

The Lowry's continuing objectives are to:

- present a balanced artistic programme presenting the finest work from around the world on its stages;
- encourage reconsideration of LS Lowry's work and to establish the galleries as home to the finest single artist collection in the UK alongside a programme of contemporary exhibitions; and
- engage with the public, not just as spectators but as participants, creators and artists.

Fundraising

The Lowry fundraising team prepares an annual strategy in respect of fundraising activities, which is reviewed on a quarterly basis, evolving in line with changes depending upon external factors. A risk register is prepared annually and due diligence is carried out on all donors. Donations have been and will continue to be declined in instances where the donor does not meet The Lowry's own fundraising guidelines.

Fundraising Standards

The Lowry follows the standards for fundraising as outlined in the Code of Fundraising Practice. We are part of a number of fundraising groups including the Active Directors of Development group, and the North West Development Network Group.

Fundraising Complaints

The Lowry have never received any formal complaints in respect of our fundraising activities. We have a customer care contact facility within our website and respond to all customers.

TRUSTEES' REPORT

OBJECTIVES AND ACTIVITIES (continued)

Protecting Vulnerable Individuals

The Lowry adheres to the regulations in respect of data protection and is responsible in its fundraising practice. We ensure there are no intrusions on a person's privacy, no unreasonable persistence and no undue pressure on any persons to give money or other property.

Public benefit

The Lowry recognises the duty to carry out its charitable activities for the benefit of the general public. Having regard to Charity Commission guidance, the Trustees consider that the following activities demonstrate the way in which the charity achieves this objective:

- Presenting an eclectic mix of theatrical art forms from around the world;
- Encouragement of local audiences through a benefits scheme offering free or discounted tickets to shows and exhibitions for Salford residents;
- Direct engagement with the local community through an extensive range of outreach activities and educational workshop projects; and
- Providing excellent access to disabled patrons through both pricing and facilities.

ACHIEVEMENTS AND PERFORMANCE

Performing Arts

Our populist programme brought together some of the biggest names and titles, starting the year with the triumphant and highly acclaimed production *Les Misérables*, delighting audiences of over 50,000.

Throughout the twelve months we delivered a solid theatre programme, including *SIX*, *Identical*, *Claus* and *Girl From the North Country* featuring the songs of Bob Dylan and continued to draw in lovers of musicals and storytelling alike. Theatre audiences over 525,000 were entertained across our three stages, musicals were the most popular accounting for 24% of the total audience.



Girl From the North Country

TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (continued)

Performing Arts (continued)

Derren Brown intrigued audiences with his breath- taking *Showman*, and Gary Barlow shared his life story through an intimate performance of *A Different Stage* in our Quays Theatre, before returning to a sell-out audience in The Lyric. It was a privilege for our Studio to be chosen by Peter Kay as the venue for his warm-up performances, experimenting and sharing brand new material for our audiences before announcing his record- breaking arena tours.

Our strong partnerships have enabled us to present exciting, innovative work to our audiences in the North West, including *National Theatre's Ocean at the End of the Lane*, the UK touring premiere of the adaptation of Neil Gaiman's fantasy novel. Audiences responded powerfully to this ambitious and challenging piece.

In November, Opera North brought a fabulous new adaptation of *Tosca* and an innovative new staging of *Orpheus*; passages of the work were rescored and arranged for Indian classical instruments including the sitar, tabla and tar shehnai, in addition to European baroque instruments such as harpsichord, theorbo and lirone. We worked closely with key community groups to introduce new audiences to their first experience of opera.

Popular literary titles once again proved popular, with Wise Children's dynamic and brooding *Wuthering Heights*, along with Leicester Curve and Birmingham Hippodrome's award-winning musical *The Color Purple* which visited Salford on its first UK-wide tour.



Wuthering Heights



The Color Purple

TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (continued)

Performing Arts (continued)

The dance partnership programme was equally as impressive and saw Birmingham Royal Ballet return with their enduringly popular *Swan Lake*, and Matthew Bourne's New Adventures thrilled audiences with the gothic romance *Sleeping Beauty*.

Beyond our partnerships, it was another excellent year for dance. We were very proud to commission and present new works; Humanhood's *Infinite* and Aakash Odedra's *Samsara*, and in June we partnered with Far From The Norm to co-produce Botis Seva's new work *Mama*, a piece exploring what race and culture mean in today's world. Popular and established companies including Candoco and Ballet Black returned to The Lowry, and Royal Ballet Emerging Choreographer Joseph Toonga with *Born to Exist*, presenting personal experiences and stories from its all-female cast.



Through our commitment to commissioning, we were able to support the creation of new performances and ensure that the very best and most exciting artists and companies come to Salford. We commissioned 12 pieces of Dance, Contemporary Circus, New Musical Theatre, Digital and Artist Development - 12 works that may never have been seen without The Lowry's involvement. Highlights included Avant Garde's *SCRUM* and Dante or Die's *Odds On*.

Audiences responded warmly to returning works and companies, and artists from diverse backgrounds featured prominently. Melissa John's *Snatched*, Patricia Gets Ready, Out/Stage/Us, Quiet Rebels, Ballet Black, *Bombay Superstar*, *Noughts & Crosses*, *The Color Purple*, *Frozen Light's Fire Songs* were all especially popular with new and existing audiences.

TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (continued)

Performing Arts (continued)

We ended the year on a spectacular high, as our co-commission with Rambert Dance brought the murky underworld of turn-of-the-century Birmingham to our stage with *Peaky Blinders: The Redemption of Thomas Shelby*.



Audiences responded warmly to returning works and companies, and artists from diverse backgrounds featured prominently. Melissa John's *Snatched*, Patricia Gets Ready, Out/Stage/Us, Quiet Rebels, Ballet Black, *Bombay Superstar*, *Noughts & Crosses*, *The Color Purple*, *Frozen Light's Fire Songs* were all especially popular with new and existing audiences.

Our international Circus programme reached far and wide, welcoming Kundle Cru from the Netherlands, Overhead Project from Germany and Materia from Italy, and we were very proud to co-commission and present the premiere of *Emerging* from Scarabeus Aerial Theatre in October. The deeply powerful piece explores the relationship between transgender son Naissa and his mother Daniela, as they journey together through a complex life changing process.



TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (continued)

Performing Arts (continued)

We have championed some of the most exciting new talent in musical theatre, proving hugely popular with our audiences. *The Good Enough Mum's Club* and Fat Rascal's *Unfortunate: The Untold Story of Ursula the Sea Witch* were smash hits and will be returning to delight audiences again in the year ahead, whilst *Bombay Superstar*, a dazzling celebration of the Bollywood disco era, appeared at The Lowry in November. In October we presented *Mallory on the Mountain* and *The Night Our Parents Disappeared* as part of Rewrites, the return of our new Musical Theatre festival.

It has been an exceptional year for contemporary theatre. ThickSkin's *Blood Harmony*, supported by The Lowry went on to perform at the Traverse Theatre as part of the Edinburgh Fringe Festival. Theatre Re's celebrated *Nature of Forgetting* presented a life-affirming exploration of living with dementia, and as part of Black History Month, Vital Xposure's *Quiet Rebels* told the forgotten stories of white working-class women who married men of the Windrush Generation. Thunder Road's *Shock Horror* and Crowded Room's *Edith* were sell-outs in our Studio.

Visual Arts

The visual arts programme featured a combination of exhibitions and Edits (our programme of shorter, more experimental residencies and installations for artists and performers in the galleries).

The acquisition of *Going To The Match* (LS Lowry, 1953), made possible by the enormous generosity and support of Andrew and Zoë Law, and the subsequent gift we received from the Law Family Charitable Foundation, was a landmark moment in the history of The Lowry. This provided an opportunity to develop deeper relationships with museums and galleries in the North-West and enabled this incredible artwork to be displayed at various venues free of charge, encouraging visitors from across the region.

Our Chief Executive, Julia Fawcett, was invited to take the painting to Bolton Town Hall for a rather special visit from King Charles and Queen Camilla. It was then lent to Bolton Museum and Art Gallery who proudly displayed it for four months as a highlight of their exhibition about LS Lowry and the history of Bolton Wanderers FC.



TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (continued)

Visual Arts (continued)

The programme of four Edits brought a contemporary uniqueness to the Galleries, enabling artists the opportunity to push boundaries, develop ideas and explore their creativity. The first Edit of the year, *Stories For Us* was an exhibition centered on work by Manchester-based illustrator Julian Gray. As a queer, trans, disabled and mixed-race artist, Julian champions authentic representations of marginalised populations in comics and graphic novels. At the heart of the exhibition was an opportunity for visitors to engage with the process of comic making through drawing and writing. Visitors were invited to display their finished creations in the gallery space, contributing to an evolving, collective response to *Stories For Us*.



Barrowland Ballet embraced digital art with an interactive video installation titled *Family Portrait* at the heart of their exhibition. Their four-screen film brought striking cinematography together with choreography, capturing Artistic Director Natasha Gilmore and her three children in an intimate portrayal of family life.



Family Portrait

TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (continued)

Visual Arts (continued)

The special exhibition for the Summer of 2022, *Picture This* saw thousands of visitors flock to The Lowry to enjoy a vibrant, family-focused exhibition that combined literature with theatre. *Picture This* featured six popular children's books that have a strong visual identity on the page and have also been vividly brought to life on stage. Each section of the free family exhibition included illustrations and artwork from the books, ranging from much-loved modern works to iconic classics. Alongside were filmed extracts from stage productions, with a variety of props, costumes, designs and posters. Throughout there were interactive opportunities for visitors to draw, write, perform, read and play and even devise their own production ideas. At the heart of the exhibition was a stage, featuring story-telling, performance, music-making and artist-led workshops.



Learning and Engagement

Our Learning and Engagement department delivers a range of creative programmes and projects for children, young people, families and communities. The department is broadly split into 5 strands; Youth Talent, Arts for Social Change, Youth Employability & Skills, Learning & Participation and Community Engagement. In the year April 22 – March 23 we achieved:

- **44,000 attendances recorded**
- **19,000 unique Children, Young People and Families engaged**
- **4,450 workshops for Children and Young People delivered**
- **535 free creative activities for families delivered**

Our **Youth Talent** programmes provide creative experiences, skills development sessions and training programmes for children and young people; supporting the next generation of creatives to discover and develop their talents.

TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (continued)

Learning and Engagement (continued)

Stage Directions

As one of five National Pilot Projects, in partnership with Salford Community Leisure and Salford's LCEP, the third year of Stage Directions delivery offered an exciting and diverse programme of theatre-making and creative activities for children and young people aged 8 to 18 across Salford. 495 children and young people accessed a range of cultural opportunities including workshops, theatre trips and working with professional artists and theatre companies.

During the year many Salford schools were able to explore theatre making and the creation of new pieces of work. Training and development opportunities were made possible for emerging practitioners as well as children and young people in technical, design & digital arts. A vibrant three-day celebration and sharing of young people's work in the Quays Theatre. Community Onstage workshops were delivered in Ordsall, Eccles & Walkden plus a nine-day intensive at University of Salford creating a celebration event with Walk The Plank.



National Theatre Speak Up Programme

A three-year partnership project with The National Theatre, which promotes co-creation and youth voice, encouraging young people to challenge the world they live in and Speak Up through creativity. Following the pilot in 2021, The Lowry's Speak Up programme has grown to work with 15 secondary schools evenly allocated across Salford, Wigan, and Rochdale. Each delivering an exciting programme of weekly artist-led workshops and developing youth led and co-created creative work and events.

Highlights from the year include the attendance by 270 young people to watch National Theatre's production of *The Ocean at the End of the Lane* and take part in a workshop with the cast and crew. As part of this project, 220 young people watched the production of *The Color Purple* and participated in post-show workshops exploring the poignant themes of the show.

TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (continued)

Learning and Engagement (continued)



"My favourite thing about Speak Up is because of how comforting and kind everyone is. I also think this because everyone makes me feel welcome. Feeling connected is awesome and incredible. It has made my life worth living. This has changed me through the people because I gained what I would call life long friends. Speak Up is so fun, inviting and truly an amazing adventure I feel so proud to be part of." (Speak Up Young Person)

Young people have been taking part in weekly creative workshops with professional artists and creatives. Themes and topics that have been discussed include bullying, racism, mental health and the cost-of-living crisis. These topics have been explored using drama, spoken word, animation, beat boxing, filmmaking, textiles and illustration.

The Lowry is home to the North-West region's CAT programme funded by the Music and Dance Scheme with approx. 65 students aged 11 to 16 per academic year. The programme provides specialist training for young people, with supported progression routes to conservatoires, universities & employment.

CAT students



TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (continued)

Learning and Engagement (continued)

Through our regional outreach and recruitment work, approximately 2500 young people attended workshops across the full regional area with specific targeted longer-term projects focused in the localities of Oldham, Blackpool, Salford, the rural area of Cumbria, areas of multiple deprivation and specific work with male dancers and young people from ethnically diverse communities. Outreach supports young people, who might not otherwise consider dance to be an option, to experience dance and develop basic skills and understand how to access the CAT scheme and grant support from the Department for Education.

Throughout the year, the Lowry has engaged professional companies to work with The Lowry CAT programme, including Ugly Bucket, Night People, Aakash Odedra, Rambert, Verve, Company Chameleon, The Overhead Project, Emergence, Jasmin Vardimon, Scarabeus, Move Mcr, Northern Rascals, Francis Angol, Xzibit Young Creatives, National Youth Dance Company and Dada Masilo. These companies have engaged with participants through one-off workshops, intensive projects or performance visits.

Arts for Social Change programme

We deliver long term, in depth creative programmes with young people facing the biggest barriers in our city; looked after & care experienced young people, young carers, young parents, young people at risk of homelessness and those with complex mental health challenges. Our Arts for Social Change programme focuses on improving wellbeing, increasing healthy social relationships, reducing social isolation and anxiety and amplifying unheard voices.

Get Involved is a theatre based group supporting young people aged 13-18 living in Salford, who may have adverse lived experiences. We engaged 56 young people who took part in a diverse range of theatre making and creative workshops and co-created their own work that was shared at the Arts for Social Change showcase at The Lowry in June 2022.



Lowry Young Artists is a visual arts group aimed at young people aged 11 – 18 living in Salford. The group aims to support and engage young people with adverse lived experiences. This year we engaged 47 young people who worked together to curate exhibitions supported that amplify their voices.

TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (continued)

Learning and Engagement (continued)

Big Light Project engaged a total of 61 Young People in various multi arts projects such as a spoken word project and a music project. The young people also took part in impacting the Youth Homelessness Salford City Council Protocol, co designing a young person focussed, accessible and creative flyer that gives young people the understanding of what support is legally available when they become Homeless under 18.

This year we have engaged 66 Young Carers, delivering 6 projects, offering a space for Young Carers to create work that advocates for their needs and rights. We worked with 'LUNG' to develop a film for Young Carers Action Day in March 2023 which highlights the challenges that young carers face every day, whilst celebrating their strength and resilience.

We have delivered two offsite Young Parents outreach projects in partnership with Salford Youth Services, led by artists the sessions encourage creative play, healthy relationships and positive parenting.

Youth Employability and Skills Programme

The Lowry's Youth Employability & Skills Programme supports young people, ages 13-24, from Salford who are not in education, employment or training. ONS data (Feb 23) highlights a sharp increase in 16 to 24 year olds not in education, employment or training (NEET), including a record increase in the number of NEET young women. In Salford, NEET numbers are above the national average. Our YES programme offers a range of creative employability opportunities with a variety of outcomes. The programme is designed to introduce young people into the world of work, build positive relationship, set new challenges, expand experience, reduce isolation and build self-esteem.

Learning & Participation – schools and families

Our Creative Learning programme for schools (key stages 1-6) has engaged a total of 10,471 children, enabling schools to take part in creative activities and projects that improve literacy and oracy as well as building transferable skills that promote attainment and aspirations through creativity. This year we have also re-established our teachers network, bringing teachers together to discuss our wider cultural offer and the challenges schools are facing, this is a valuable opportunity for us to listen and shape our offer in response to the needs of schools.



We have delivered a total of 288 family sessions reaching 4411 families. All activities are free and we have delivered a diverse weekly programme of artist-led workshops including storytelling, baby yoga, dance and family craft activities.

TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (continued)

Learning and Engagement (continued)

Our annual art competition for primary school aged children continues to inspire hundreds of children to create their own LS Lowry art work with the annual winners art work exhibited next to LS Lowry's most celebrated works of art. Alongside the competition, our Copley Outreach Programme has grown to now offer 10 Salford Primary schools a visual arts workshop, a drama workshop, a creative wellbeing workshop plus a complimentary theatre trip. Copley Prize is kindly supported by Alison and Noel Copley.

This year we launched an annual literary competition for children aged 7-11 years. Children from across Greater Manchester can now enter a competition that could see their stories, poetry or scripts performed onstage at The Lowry. With over 350 entries our first Creative Writing Challenge Celebration Event took place at The Lowry in May 2023 where children and literary professionals share their work onstage. The Creative Writing Challenge worked with 12 schools, reaching 420 children with creative workshops. The Creative Writing Challenge is kindly supported by Beryl and Trevor Jones.

The Lowry's Booths scheme offers families of children with disabilities or additional needs the opportunity to see relaxed theatre performances at The Lowry for free. We were delighted to invite 30 families into The Lowry throughout this past year to enjoy four different performances. We provided food vouchers as well as the option to take part in additional creative activities. The families reported that they had a fantastic and positive experience at The Lowry, and during a challenging time for many families our Booths scheme enabled us to overcome barriers and bring smiles to many faces.

Community Engagement

On the 7th August, our ever-popular Open Day returned with an action-packed day full of exciting opportunities and experiences for all. Over 4,500 people joined us over the course of the day and took part in everything from backstage sneak peeks to children's storytelling sessions, Bollywood dance classes to an exciting outdoor hip-hop theatre performance, VR experiences and cupcake decorating.

This year we piloted a brand-new project with 15 Salford residents with diverse lived experiences called Show Selectors. The group experienced a range of theatre shows before selecting three shows that they were passionate about sharing with local communities. They programmed free shows in two Salford parks and one school, focusing on making the events accessible and inclusive. The performances were enjoyed by over 650 people, many of whom do not go to the theatre.

Our Galleries Steering groups is made up of 15 Salford residents from a range of diverse backgrounds, with a range of lived experiences. During the course of the year, they have worked alongside curators and our team of gallery interpreters to learn about the running of our galleries, explore our collections and exhibitions and enjoy monthly trips to other galleries. The group has played a vital role in the development of our own efforts to make the space more accessible and inclusive and explore how we might take art out into the local communities.

We continue to work closely with visiting and partner companies through initiatives to remove barriers to engagement and support local communities to access theatre. We work with our Community Connectors (representatives with lived experience of barriers to engagement) to identify and support underrepresented communities, removing costs of tickets and transport, and supporting local community members to step into The Lowry, which, for many, is their first visit to the theatre. Highlights include supporting 27 community groups (607 people) to watch *The Colour Purple* and bringing 19 community groups (325 people) to see *The Ocean at The End of The Lane*.

TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (continued)

Community Engagement (continued)

Open Day 2023



In December 2022, Quays Culture's much-loved Lightwaves festival returned to Salford Quays. The annual free light art festival brought over 200,000 visitors to the Quays, demonstrating the enduring appeal of illuminated artworks and the appetite for cultural activities in the public realm. The trail of thirteen pieces included '*Garden Of The Deep*', created in partnership local communities, two artworks by emerging artists who were commissioned and mentored via the SHINE emerging artists programmes and co-commissions with RHS Bridgewater and MediaCityUK.



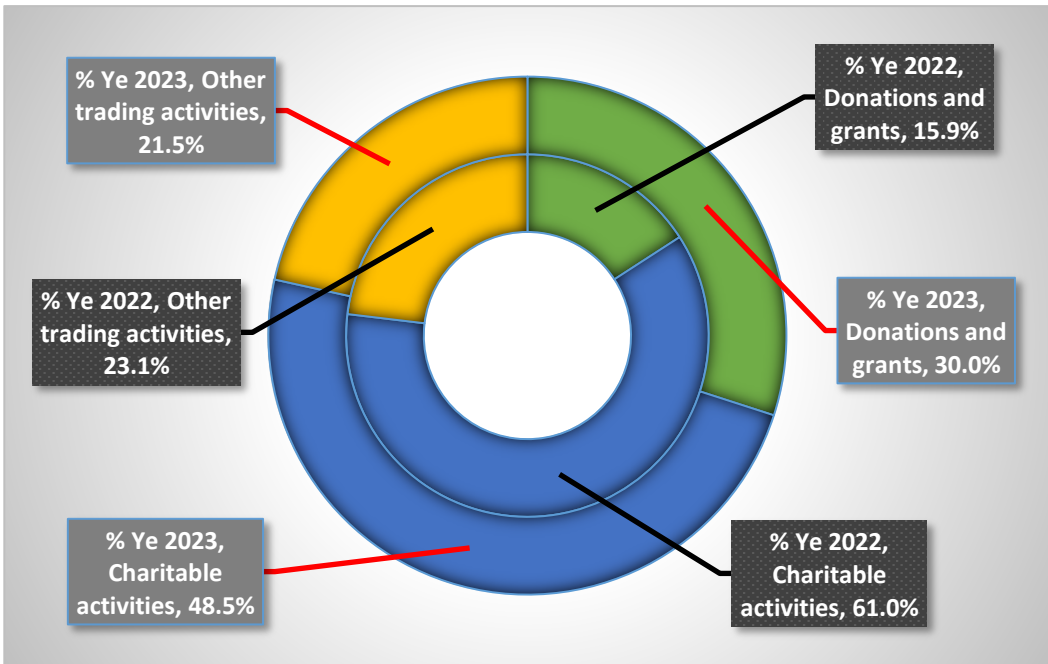
TRUSTEES' REPORT

FINANCIAL REVIEW

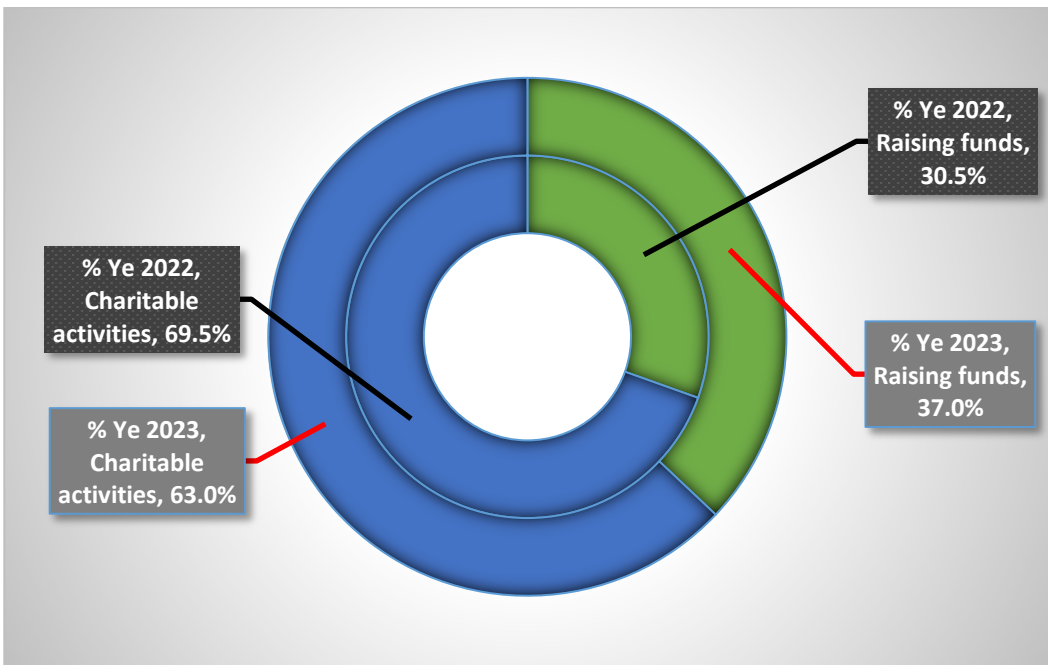
Group

The financial outturn for this first full year of trading post pandemic shows an encouraging uplift with growth in each core area of business.

Income for the group has increased by 89.8% compared to the financial year 2021/2022.



Expenditure for the group has increased by 46.4% compared to the financial year 2021/2022.



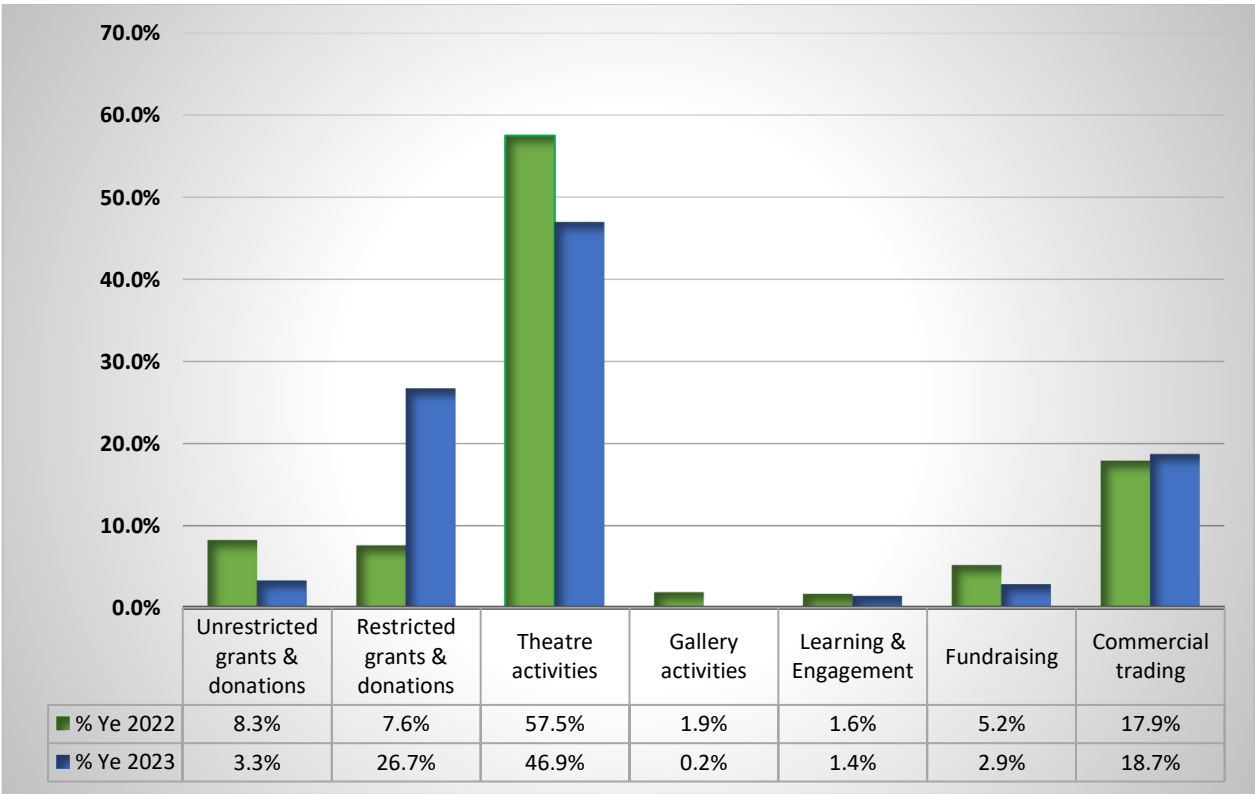
TRUSTEES' REPORT

FINANCIAL REVIEW (continued)

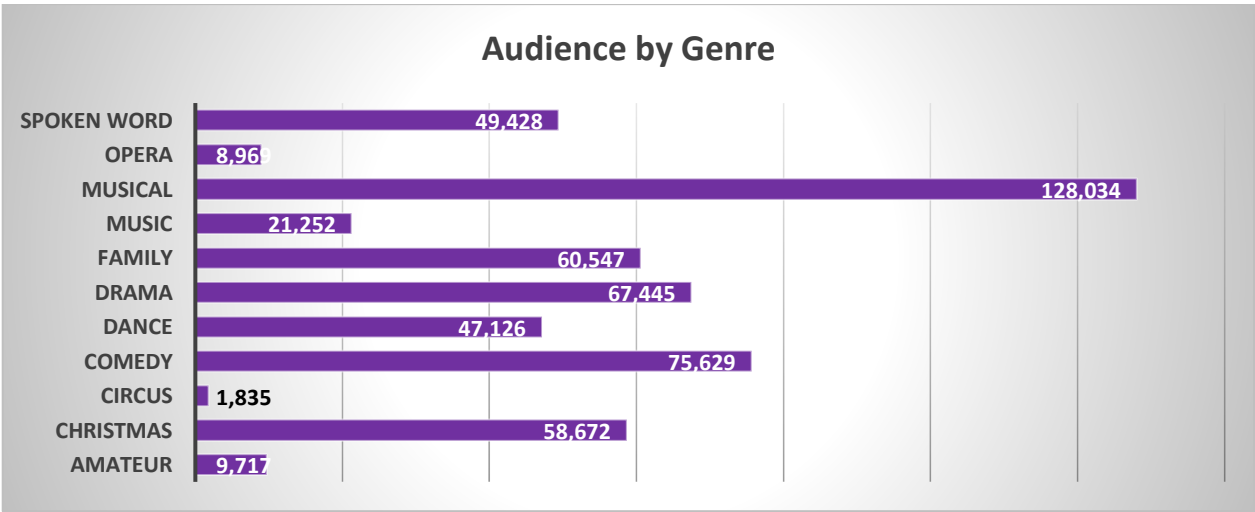
Group (continued)

This financial year is the extension year of the four-year agreement with Arts Council England for funding as a National Portfolio Organisation, with a grant received during the year of £875,824 (2022: £875,824). Revenue funding from Salford City Council remained unchanged.

A summary of the sources of incoming resources is shown in the chart below.



Theatre activities drive the majority of the income, this year 326 shows have been performed to audiences in excess of 500,000.

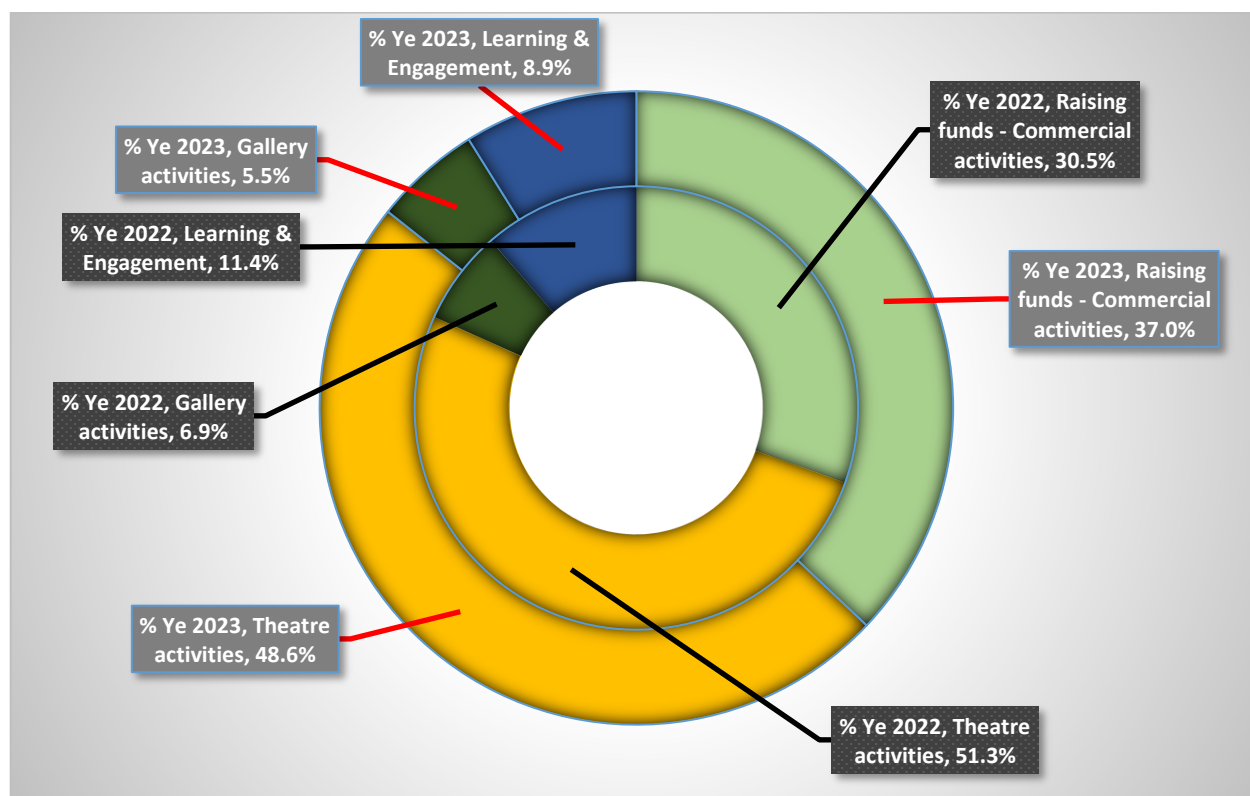


TRUSTEES' REPORT

FINANCIAL REVIEW (continued)

Group (continued)

A summary of the expenditure incurred is shown in the chart below.



The group financial performance for the year generated net income of £4,338,000 (2022: expenditure of £2,558,000).

Liquid assets remain stable with a cash at bank position of £11,894,000 (2022: £14,969,000)

Charity

Income totalling £28,969,142 (2022: £13,026,999) included all elements relating to non-commercial activities of which £15,214,862 (2022: £8,601,612) related to the theatres programme. Fundraising and Development raised £8,980,025 in the year (2022: £981,222) of which, £8,571,455 (2022: £791,322) was restricted project-related income and £408,569 (2022: £189,900) was unrestricted.

Costs of sale for the year were £9,479,020 (2022: £5,816,133). The increased levels of both income and expenditure are a direct result of the full year of activity.

The Charity charges its subsidiary company for use of the facilities employed for commercial purposes together with an appropriate proportion of payroll costs incurred. In addition, the commercial subsidiary charges the Charity for services relating to the sale of theatre tickets. The net income received by the Trust for the year was £224,361 (2022: £181,550).

The Charity recorded a surplus for the year of £4,337,620 (2022: deficit of £2,558,015), this includes an amount of £960,385 (2022: £1,159,798) receivable from the subsidiary company in respect of a gift aid donation.

TRUSTEES' REPORT**FINANCIAL REVIEW (continued)****Charity (continued)**

The Charity's balance sheet shows that at the year-end Fixed Assets, including the Lowry building totalled £50,551,748 (2022: £43,759,129), and Net Assets of £48,456,165 (2022: £44,118,546).

GOING CONCERN

The majority of the group and charity's income is generated from cash sales, a substantial part of which derives from advanced theatre ticket sales. The group's cash flow and operational performance is the subject of frequent review and forward-looking forecasts are updated regularly to identify any potential issues in advance.

During the year, the principal risk continued to be around the changing trends of visitor behaviour, evident from the late booking of theatre audiences and reduced exhibition visitors.

In October 2022, Arts Council England reaffirmed their support for our artistic ambition with confirmation of funding for another three years, from 2023-26, as part of their National Portfolio.

The commercial subsidiary reported profits of £960,385 at 31 March 2023 (2022: £1,159,798). With the trends of trade and profitability continuing through 2023, it is the expectation that the commercial subsidiary will be a continue to be a valuable contribution to the trust to support its charitable objectives.

Detailed income and expenditure, and cash flow forecasts for the year 2024/2025, and outline forecasts for the subsequent 1-year period, have been prepared for the group. These take reasonable account of possible changes in its performance resulting from the general and variable nature of its programme of activities and restrictions on operating activities continuing into the 2024/2025 financial year.

After making all appropriate enquiries and considering various scenarios and possible mitigating actions, the Trustees consequently have a reasonable expectation that the charity and the group has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

RESERVES POLICY

At the year-end the group had positive unrestricted reserves totalling £50,486,000 (2022: £46,107,000) of which £38,628,000 (2022: £41,165,000) were designated unrestricted reserves and £11,858,000 (2022: £4,942,000) were general unrestricted reserves.

The Trust had positive unrestricted reserves totalling £47,706,000 (2022: £43,328,000) of which £38,903,000 (2022: £41,165,000) were designated unrestricted reserves and £8,803,000 (2022: £2,163,000) were general unrestricted reserves.

The Trust aims to return to generate surpluses each year to maintain a positive balance and provide funds for the development of its charitable objects. Annual budgets are set accordingly with close monitoring throughout the year to ensure targets are met. The Trust recognise the balance of protecting appropriate levels of reserves, maintaining a minimum of three months' operating expenses in unrestricted cash reserves and ensuring future investments in staff, digital infrastructure and maintenance of the building.

TRUSTEES' REPORT

PLANS FOR FUTURE PERIODS

Performing Arts

The new year opens with acting royalty, as Sir Ian McKellen formed an unlikely pairing with John Bishop to delight audiences with *Mother Goose*, a pantomime for Easter.

The April programme will welcome *Complicite*, a Lowry co-commission, with their stunning new adaptation of Olga Tokarczuk's award-winning novel, *Drive Your Plow Over The Bones of the Dead*. This challenging production, with difficult subject matter will include a performance with Polish surtitles, and will be live-streamed from our stage to thousands of people in over 30 countries.

The spring highlights of the dance programme include two performances from Korea, which we will present as part of a consortium of venues including *The Place* and *Warwick Arts Centre*. This features a double bill in the Studio, and the UK premiere of the Korean National Contemporary Dance Company in the Quays. A new Lowry partner company Far From the Norm will present a new show *MAMA*. Other International work includes two shows to be presented in association with the Shubbak Festival of contemporary Arab art, Mohamed Toukrabi with *The Power of Fragile* and Yasmin Audisho Ghrawi with *From the Daughter of a Dictator*.

Whilst the commercial programme continues to remain strong, there are new challenges to overcome with the reduced availability of large-scale productions and a shortage of touring productions. To overcome this, we are planning to take a more pro-active approach, including working the creation of new work through commissions.

We will continue to present and commission newly created, cutting-edge performing arts practice from the most exciting artists and companies working nationally; playing a sector role in quickly re-establishing a touring circuit for contemporary theatre that is sustainable, diverse and environmentally responsible. A successful example of this approach, with The Lowry making a financial investment, will be Spitlip's new musical **Operation Mincemeat** - originally seen in a scratch performance as part of our Rewrites platform and commissioned via our artist development programme. This premiere is scheduled to be received in the West End in May 2023 at the Fortune Theatre.



Operation Mincemeat

TRUSTEES' REPORT

PLANS FOR FUTURE PERIODS (CONTINUED)

Visual Arts

During April, the galleries will host the exhibition *Hew Locke: The Ambassadors*, this features four works originally commissioned by The Lowry for the 2020 Week 53 Festival. The Lowry's commissions provide Hew with an opportunity to realise a long-held idea for a group of sculptures of horsemen and women that comment on history, power and public recognition. The quartet of works will be surrounded by a specially-made 'wallpaper', inspired The Lowry's location alongside Manchester Ship Canal – a symbolic reference to the accumulation of wealth and power and the mechanics of Empire.



The major exhibition *Julia and Axel*, celebrating thirty years of books by Julia Donaldson and Axel Scheffler, authors of *The Gruffalo*, *Zog*, *Tiddler*, and many other children's classics is planned to open 22 July 2023 and run through to January 2024. The collaboration between The Lowry and Macmillan and Scholastic publishers will enable The Lowry to create a free immersive exhibition offering various creative and hands-on activities throughout.

The LS Lowry collection will welcome the arrival of a number of works by LS Lowry from a private collection based in Lichtenstein; and an additional loan of a work from a private collection based in Northumberland.



Bourton on the Water 1947



Father and Two Sons 1950

TRUSTEES' REPORT

PLANS FOR FUTURE PERIODS (CONTINUED)

Learning and Engagement

Our Learning and Engagement programme continues to be a leading example nationally of quality and high standards of work and collaborations. Working with local services and organisations we remain responsive to the changing landscape and strive to develop new projects to benefit all participants.

- **Targeted Engagement**

Through various Salford specific projects, The Lowry aims to engage and encourage young people in high quality co-creative programmes to reduce isolation, improve their health and wellbeing and develop their creative skills and potential. Current projects include; **Get Involved** an open access theatre group for young people in the Salford area that are facing barriers offers opportunities, **The Big Light Project** working with young people at risk of homelessness and **Young Parent and Family Outreach**, a focus group that has brought families together and build a place for support.



Quote from a Young Parent - *"I didn't realise the gallery was free, now I know I'll be coming more often, I love it here"*

- **Arts for Social Change**

We will continue to focus on the delivery of creative activity to accelerate the life chances, health & wellbeing of children and young people in Salford. These funded projects will help extend our reach to young people who are experiencing the highest levels of socio-economic deprivation as well as digital poverty, unable to access online support.

- **Youth Employability and Skills**

We continue to develop and deliver new personal, social and wellbeing programmes as foundations for returning to education, employment and training. This involves continuing to work closely with local partners including Salford Council, Salford Foundation, Salford's NEET provider network, MediaCityUK, BBC, ITV, UTC@MediaCity and others to facilitate new training and employment opportunities for young people who are NEET or at-risk of NEET in Salford.

TRUSTEES' REPORT

- **Learning & Participation**

The Lowry is founder member and a strategic steering group member of the Salford LCEP, working with education & cultural partners (including Salford's Culture and Place Partnership) across the city to develop, enhance and improve the Cultural education offer for CYP. This includes leading the delivery of YPPF Stage Directions programme across this partnership and a new citywide Creative Careers Event for schools.

Our programmes for schools, families and local communities to engage with the LS Lowry collection and wider Galleries programme through a range of accessible and creative activities and new areas of interpretation continues to strive.

Partner Companies

The Lowry continues to benefit from longstanding partnerships with a number of nationally renowned companies, The National Theatre, Birmingham Royal Ballet, Opera North and Rambert.

In May 2023, new partnering engagements were announced, featuring prominently in both the national and local press, confirming the new relationships with Access All Areas, Far From the Norm, LUNG and Ockham's Razor for the current NPO period, this will be aimed at helping us to better represent and reflect our diverse performance programme.

These relationships ensures a consistent, high-quality cultural offer is present within our programme.

Strategic Partnerships

- **Salford Culture and Place Partnership (SCPP)**

During the year we will continue to be a lead partner of the SCPP and manage the executive lead. The Lowry's key engagement in the SCPP will be to drive engagement and develop new partnerships across Salford.

TRUSTEES' REPORT (*continued*)

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Lowry Centre Trust is the governing body of The Lowry. Its Board of Trustees, currently comprising nineteen members, meets formally up to four times a year. Three trustees are nominated by Salford City Council, all other Trustees are directly elected by the Board of Trustees. The Key Management Personnel attend all board meetings.

Each new trustee attends an induction day and is provided with a pack of information about The Lowry and their responsibilities as a trustee. The pack also contains The Lowry's Governance Handbook. Additional training is provided if required.

The Trust has established three committees for the purpose of governance; Audit, Nominations and Remuneration. In addition, a separate Development Advisory Group has been established for the specific purpose of raising funds. Each has specific terms of reference and functions delegated by the Trust and with a Trustee or a Non-Executive Director of the operating company as chair, appointed by the Trust. The Nominations Committee is responsible for the recruitment and appointment of Trustees.

The Chief Executive and Finance Director attend all Audit Committee meetings and the Chief Executive attends all other committee meetings.

The Trustees decide on the strategy of The Lowry with its implementation and day-to-day operational management delegated by the Trustees to the Executive Team which is comprised of the Principal Officers.

The Trustees appoint the directors of the subsidiary companies, The Lowry Centre Limited and The Lowry Centre Development Company Limited, and ensure that at least fifty percent of the directors are trustees and that the Chairman of each subsidiary is a trustee. The directors of The Lowry Centre Limited meet up to three times a year and the directors of The Lowry Centre Development Company Limited meet as required.

The Trustees review the effect of all material internal controls including operational, financial and compliance controls and risk management systems. The internal control systems are designed to meet the organisation's particular needs and the risks to which it is exposed, to manage those risks and to provide reasonable assurance against misstatement or loss. Established regular procedures, including budgetary controls, operate to monitor the receipt of income and both revenue and capital expenditure.

The Trustees have reviewed and assessed the risks to which the organisation may be exposed. A risk register identifies those risks and assigns specific actions and responsibilities for mitigating them. The risk management process is ongoing and is regularly reviewed by the Trust.

Whilst the external funding equates to only 6% of our income, The Lowry is reliant on the continued funding from Arts Council England and Salford City Council to ensure financial stability. The risks faced for the coming year weighs heavily towards the economic climate and the uncertainty of how audiences will behave, how they choose to spend any disposable income and the impact to ancillary income as well as ticket sales. As a receiving house we are reliant on a programme built around the availability of product from touring and visiting companies, with challenging financial burdens access to new product may increase. To mitigate this, the creative team continually seek to build relationships, source new material and drive forward collaboration projects. The strategic business plan outlines the aims and objectives together with key performance indicators, thus providing a monitoring tool to guide the effective delivery of operational activity and provide insight to enable the management of risk.

TRUSTEES' REPORT (*continued*)

STRUCTURE GOVERNANCE AND MANAGEMENT (CONTINUED)

SECTION 172 STATEMENT

This section of the Report describes how the Trustees have had regard to the matters set out in section 172(1) (a) to (f), and forms the Directors' statement required under section 414CZA, of the Companies Act 2006.

The Trustees recognise that the long-term success of the Group and Trust is dependent on having regard to the interests of its stakeholders. As a registered Charity, the Directors' responsibility also extends to ensuring that the affairs and objectives of The Lowry Centre Trust are managed in a way that embodies the values of the stated charitable objects.

The Board has identified and documented its stakeholders in the strategic plan. Key stakeholders include our visitors and audiences being the general public and in particular the city and the people of Salford, artists, participants, our partner companies, our key funders and benefactors, and our staffs. Trustees and key management personnel ensure through regular engagement with key stakeholders that we maintain an understanding of their needs to inform our strategic direction. Our decision-making processes consider the impact of decisions on relevant stakeholders.

The company engages with its audiences and visitors through marketing methods including customer relationship management, and social media platforms. Regular meetings are held with the key funders, Arts Council England and Salford City Council. A series of advocacy events is held throughout the year with funders and benefactors including trusts and foundations and individual philanthropic donors. We engage with artists through our 'In Association With' and 'Developed With' The Lowry schemes offering facilities, advice and financial support to new and emerging artists whose work we present in our Studio Theatre.

The Lowry delivers benefit for the general public by presenting an eclectic mix of theatrical art forms from around the world; by the encouragement of local audiences through a benefits scheme offering free or discounted tickets to shows and exhibitions for Salford residents; by direct engagement with the local community and schools through an extensive range of outreach activities and educational workshop projects; and providing excellent access to disabled patrons through both pricing and facilities.

Employee Engagement

Engagement with staff is through the established Employee Consultation Forum and Volunteer Consultation Forum which meet regularly with senior management throughout the year and offer a platform for discussion of matters of importance to employees and volunteers respectively.

Employee Communications

Regular staff briefing sessions are held throughout the year in order to communicate information of concern to employees. The sessions cover regular updates relating to the organisation's core charitable activities as well as information relating to strategic direction or legislative change as appropriate.

Members of staff appoint colleagues to represent them on the Employee Consultation Forum (ECF). In this respect the workforce is split into constituencies according to areas of common interest. The ECF follows a formal constitution drawn up between the members and management.

TRUSTEES' REPORT (*continued*)

STRUCTURE GOVERNANCE AND MANAGEMENT (CONTINUED)

Section 172 statement (*continued*)

The key objectives of the Forum are to improve the quality of decisions by seeking the knowledge, experience and views of staff via their representatives; to improve communications by providing a forum where staff representatives and management may discuss matters of general and particular concern pertinent to their well-being and The Lowry as a whole; and to exchange information and to deal with problems that have not been resolved at a local level. The Forum meets six times per annum with the agenda being collated from the representatives from each constituency at the request of the workforce. The meeting is attended by the Chief Executive Officer and Head of Human Resources together with the representatives. ECF Representatives receive training to assist them during their term of office.

The ECF is mirrored for the volunteers. A Volunteer Consultation Forum (VCF) meets six times per annum. The membership is comprised of elected representatives in line with a formal constitution and is attended by the Chief Executive Officer, the Commercial Director and the Head of Human Resources. The key objectives of the VCF are to improve the quality of decisions by seeking the knowledge, experience and views of volunteers via their representatives; to improve communications by providing a forum where volunteer representatives and management may discuss matters of general and particular concern pertinent to their well-being and The Lowry as a whole and to exchange information and to deal with problems that have not been resolved at a local level.

Pay policy

The overriding policy with regard to pay is that the Trustees consider that having a fair and competitive reward offering is one of the many ways in which we can secure the very best people to deliver our strategy. Since 2022 this included taking the decision to pay at a rate in line with the Real Living Wage.

We aim to ensure that our employees' salaries reflect the level of responsibility and leadership expected of them, and that they are in line with the salaries paid by other comparable organisations. We benchmark salaries each year against comparable organisations of similar sizes, complexity and profile. We also keep an overview of local markets to ensure that pay differentials do not affect our ability to attract the right calibre of person.

Equal Employment Opportunities

The salary of the Chief Executive is set by Trustees appointed to the Remuneration Committee and key management personnel salaries are set by the Chief Executive. This practice is in line with the National Council for Voluntary Organisations' executive pay guidance that 'the overall goal of a charity's pay policy should be to offer fair pay to attract and keep appropriately qualified staff to lead, manage, support and/or deliver the charity's aims.' The salaries of the key management personnel are reviewed and benchmarked periodically against comparable organisations and roles by a relevant independent consultancy that reports to the Chair and the Trust's Remuneration Committee.

By paying salaries that match similar roles at comparable organisations, we can attract and keep the highly skilled and committed staff the organisation needs. This means we can keep meeting our ambitious plans, remain effective and efficient, increasing both the artistic and financial sustainability of the organisation.

The Lowry has a Diversity policy in place to encourage freedom from discrimination or harassment on grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex or sexual orientation.

TRUSTEES' REPORT (*continued*)

STRUCTURE GOVERNANCE AND MANAGEMENT (CONTINUED)

Section 172 statement (*continued*)

This is to ensure that the organisation does not discriminate against people and makes the best of all talents, abilities, background, knowledge and understanding. The Lowry commits proactively to encouraging employees, volunteers, contractors, visiting companies, interns and placements to welcome diversity, respecting each person's individuality and valuing their creativity. The policy states that at The Lowry *"Equality of opportunity is an integral way of life and a normal way of doing business."*

The Lowry's Recruitment and Selection policy states *"Every effort will be made to ensure that during each of the stages of the recruitment process, that is advertisement, selection, interview, offer and appointment there will be no discrimination"* and offers application forms in large print and requests access requirements for interviews if necessary. The Lowry has been awarded the nationally recognised Two Ticks symbol since 2013, which commits to interview all applicants with a disability who meet the minimum criteria for a job vacancy and consider them on their abilities. In order to retain the symbol, The Lowry has to show annually that there is a mechanism in place to discuss with disabled employees what can be done to make sure they can develop and use their abilities, that every effort is made when employees become disabled to make sure they stay in employment and that all employees develop the appropriate level of disability awareness needed to make these commitments work.

The Lowry is a Disability Confident (Level2) employer and as at 31 March 2023, 11% of employees had formally disclosed that they had a disability (2022: 13%). The Lowry proactively works with the government's *Access to Work* programme to ensure that employees with a disability or health condition are fully supported in the workplace.

The Lowry's Sickness policy states that The Lowry has *"a responsibility to look into making, if assessed as necessary, possible reasonable adjustments to the employee's role and work environment... If there are no possible reasonable adjustments, the possibility of alternative employment may be considered."* A number of adjustments have taken place in the workplace in order to help employees return and stay in work including provision of specialist equipment and changes to working hours and patterns.

Business Relationships

The Trust recognises its responsibility to ensure charitable business activities are undertaken in accordance with regulatory requirements and best practice. The trustees recognise the importance of good relationships with our patrons, participants, artists, visiting companies, clients, key funders and all of those whose involvement helps to shape the development of the organisation. This requires strong mutually beneficial relationships. The Charity seeks the promotion and application of certain general principles in such relationships, maintaining its reputation for high standards in each of general business conduct, artistic quality and community engagement. The ability to promote these principles effectively is an important factor in the decision to enter into or remain in such relationships and this alongside other standards are reviewed periodically.

The trustees entrust the executive management team to manage and develop day to day relationships with key personnel and organisations, and trustees regularly meet to review the progress toward the attainment of organisational goals. At all such, and other meetings throughout the company all participants are heard and are treated equally with equal voting rights.

TRUSTEES' REPORT *(continued)*

STRUCTURE GOVERNANCE AND MANAGEMENT (CONTINUED)

Section 172 statement (continued)

The Charity continuously assesses the priorities related to our wider community and those with whom we do business, and the trustees agree with and task the executive management team with development in these areas. The Trustees also consider the likely consequences of any decision in the long-term.

Environmental statement

Named after the early 20th century artist LS Lowry, our organisation recognises the ongoing impact of industry of all kinds on the climate: best known for his paintings of industrial scenes, such as *Coming from the Mill*, Lowry's work captures the urban air pollution that had already reached devastating levels in the 1930s. In the present climate, we are committing to a culture of shared responsibility: embedding sustainability across our operations, empowering our staff and volunteers to become environmental ambassadors, and working sustainability into all our partnerships.

We communicate our ambitions, actions and achievements to our peers, audiences, communities and stakeholders, and actively support both regional and industry initiatives such as Greater Manchester's [Five-Year Environmental Plan](#). The Lowry supports the ambition of the city region to achieve carbon neutrality by 2038.

The company recognises the importance of its environmental responsibilities and continue to strive towards introducing new initiatives designed to minimise the company's impact on the environment. As standard these include a ban on the use of single use plastics, the safe disposal of waste, recycling and reducing energy consumption.

There was no additional investment on energy efficiency plant or equipment during the year. Through a working group (EAST), staff are regularly engaged with a view to their contributing to energy reduction through their working practices.

Energy and carbon reporting

The annual quantity of emissions in tonnes of carbon dioxide equivalent resulting from activities for which the company is responsible involving the combustion of gas during the year was 517 tonnes CO₂e (2022: 470 tonnes CO₂e).

The annual quantity of emissions in tonnes of carbon dioxide equivalent resulting from the purchase of electricity by the company for its own use was 722 tonnes CO₂e (2022: 665 tonnes CO₂e).

The aggregate quantity of emissions in tonnes of carbon dioxide from the combustion of gas and the usage of electricity was therefore 1,239 tonnes CO₂e (2022: 1,135 tonnes CO₂e).

The figure, in kWh, which is the aggregate of the annual quantity of energy consumed from activities for which the company is responsible involving the combustion of gas or the consumption of fuel for the purposes of transport was 2,833,019 kWh (2022: 2,564,358 kWh).

The annual quantity of energy consumed resulting from the purchase of electricity by the company for its own use, including for the purposes of transport was 3,419,840 kWh (2022: 2,875,614 kWh).

TRUSTEES' REPORT (*continued*)

STRUCTURE GOVERNANCE AND MANAGEMENT (CONTINUED)

Energy and carbon reporting (*continued*)

The methodologies used to calculate the information disclosed above for gas and electricity kWh is that usage is taken from monthly meter readings. The carbon dioxide equivalent is taken from Julie's Bicycle IG Tools. The company has also committed to securing a Julie's Bicycle 3-star rating within the current year.

Energy usage ratios

- Energy usage per visitor: 3.98kWh (2022: 6.65kWh)
- Carbon emissions per employee: 5.04 tonnes Co2e (2022: 7.57 tonnes)

INVESTMENTS

The investments held by the Trust have been acquired in accordance with the powers available to the Trustees under the Memorandum and Articles of Association. The investment in subsidiary companies enables the generation of profits to support the Charity's objects. The Lowry Centre Limited operates the commercial aspects of the venue operations providing hospitality, retail and ticketing operations to support the delivery of the Charity's objects. There were no trading activities in The Lowry Centre Development Company as at the year end.

PRINCIPAL RISKS AND UNCERTAINTIES

The group and charity maintain a risk register that addresses principal external and internal organisational risks and seeks actively to control and mitigate such risks. Continuing through the year, focus remained on the mitigation of the effect of the global pandemic on the business.

The group and charity continued to enable hybrid working or working from home where possible, and improving cash balances held.

The group and charity operates receiving theatres and as such is subject to the availability of product of sufficient quality. Such availability is not within the company's direct control although relationships with producers are highly developed and remain strong. Prior to confirmation, the theatres' programme contains a series of performance options which mitigates against potential unavailability of some productions.

The group and charity receives an annual grant from Arts Council England on which it is dependant in order to develop its artistic output. The grant received in the year related to the final year of a four-year agreement for National Portfolio Organisations of which The Lowry is one. The extant funding agreement commenced on 1 April 2018 and covers the period to 31 March 2023. In October 2022, Arts Council England reaffirmed their support for our artistic ambition with confirmation of funding for another three years, from 2023-26, as part of their National Portfolio. The total fund granted of £2,627,472, will be recognised over three financial years at £875,824 per year.

TRUSTEES' REPORT (*continued*)

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of The Lowry Centre Trust for the purposes of company law) are responsible for preparing the Trustees' Annual 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 charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

The Trustees' Report, including the Strategic Report, was approved by the Board of Trustees and signed on behalf of the Board:



Sir RM Aldridge OBE
Chairman and Trustee

14th December 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LOWRY CENTRE TRUST

Opinion

We have audited the financial statements of The Lowry Centre Trust (the “charitable company”) and its subsidiary (the “group”) for the year ended 31 March 2023 which comprise the group statement of financial activities; the group summary income and expenditure account; the group and parent charitable company balance sheets; the group cash flow statement; and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The trustees are responsible for the other information contained within the annual report. 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.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- the parent company has not kept adequate accounting records; or
- the parent 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 trustees' responsibilities statement, set out on page 35, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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.

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

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were the Companies Act 2006 and the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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

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

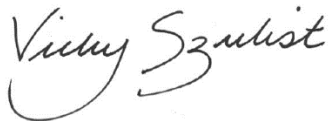
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and ticketing income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Trustees about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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



Vicky Szulist

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

The Lexicon

Mount Street

Manchester

M2 5NT

22nd December 2023

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including consolidated income and expenditure account)
Year ended 31 March 2023

	Note	Unrestricted funds £'000	Restricted funds £'000	Total funds 2023 £'000	Total funds 2022 £'000
INCOME FROM:					
Donations and grants	3	9,711	805	10,516	2,931
Charitable activities	4	16,955	53	17,008	11,279
Other trading activities	5	7,085	465	7,550	4,270
TOTAL OPERATING INCOME		33,751	1,323	35,074	18,480
Interest received		1	-	1	-
TOTAL INCOME		33,752	1,323	35,075	18,480
EXPENDITURE ON:					
Raising funds	6	11,333	-	11,333	6,366
Charitable activities	7	17,894	1,364	19,258	14,526
TOTAL EXPENDITURE		29,227	1,364	30,591	20,892
Interest expense	24	146	-	146	146
Net (expenditure)/income before tax	9	4,379	(41)	4,338	(2,558)
Taxation	11	-	-	-	-
Net (expenditure)/income for the year		4,379	(41)	4,338	(2,558)
Transfer between funds	19,20	-	-	-	-
NET MOVEMENT IN FUNDS		4,379	(41)	4,338	(2,558)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including consolidated income and expenditure account)
Year ended 31 March 2023

	Note	Unrestricted funds £'000	Restricted funds £'000	Total funds 2023 £'000	Total funds 2022 £'000
RECONCILIATION OF FUNDS:					
Total funds brought forward		46,107	790	46,897	49,455
Net movement in funds for the year		4,379	(41)	4,338	(2,558)
Total funds carried forward	19,20	<u>50,486</u>	<u>749</u>	<u>51,235</u>	<u>46,897</u>

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

The net income of the parent charity for the year for Companies Act purposes is £3,377,235 (2022: Expenditure £2,558,015). As permitted by Section 408 of the Companies Act 2006, no separate statement of financial activities is presented in respect of the parent charity.

See note 18 for comparative Consolidated Statement of Financial Activities analysed by funds.

BALANCE SHEETS

At 31 March 2023

		Group		Charity	
	Note	2023 £'000	2022 £'000	2023 £'000	2022 £'000
FIXED ASSETS					
Intangible assets	12	577	630	577	630
Tangible assets	13	42,700	44,268	41,867	43,129
Heritage assets	14	8,107	-	8,107	-
		<u>51,384</u>	<u>44,898</u>	<u>50,551</u>	<u>43,759</u>
CURRENT ASSETS					
Stocks		164	187	-	-
Debtors	16	3,124	2,982	9,106	5,755
Cash at bank and in hand		11,894	14,969	4,335	10,195
		<u>15,182</u>	<u>18,138</u>	<u>13,441</u>	<u>15,950</u>
Creditors: amounts falling due within one year	17	(7,682)	(8,601)	(7,888)	(8,053)
NET CURRENT ASSETS		<u>7,500</u>	<u>9,537</u>	<u>5,553</u>	<u>7,897</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>58,884</u>	<u>54,435</u>	<u>56,104</u>	<u>51,656</u>
Creditors: amounts falling due after more than one year	25	(7,649)	(7,538)	(7,649)	(7,538)
NET ASSETS		<u>51,235</u>	<u>46,897</u>	<u>48,455</u>	<u>44,118</u>
FUNDS					
Unrestricted funds:					
General fund		11,858	4,942	8,443	2,163
Designated funds		38,628	41,165	38,903	41,165
Restricted funds:					
General restricted funds		749	790	749	790
TOTAL FUNDS	19,20	<u>51,235</u>	<u>46,897</u>	<u>48,455</u>	<u>44,118</u>

These financial statements of The Lowry Centre Trust registered number 1053962 were approved by the Board of Trustees and authorised for issue on 14th December 2023

They were signed on its behalf by:



Sir RM Aldridge OBE
Chairman and Trustee

14th December 2023

CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 March 2023

	Note	Total funds 2023 £'000	Total funds 2022 £'000
Net cash flows from operating activities	24	6,018	1,229
Net cash flows from financing	25	(17)	(39)
Cash flows from investing activities:			
Interest received		-	-
Purchase of property, plant and equipment		(9,076)	(418)
Net (decrease)/increase in cash and cash equivalents		(3,075)	772
Cash and cash equivalents at beginning of year		14,969	14,197
Cash and cash equivalents at the end of the year		11,894	14,969

Analysis of changes in net debt	As at 1 April 2022 £'000	Cashflows £'000	Interest expense £'000	As at 31 March 2023 £'000
Cash	14,969	(3,075)	-	11,894
Loans falling due after more than one year	(7,446)	-	(146)	(7,592)
Finance lease obligations	(92)	17	-	(75)
TOTAL	7,431	(3,058)	(146)	4,227

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2023

1. ACCOUNTING POLICIES

Company and charitable status

The Lowry Centre Trust, a public benefit entity, is incorporated in the United Kingdom and registered in England and Wales as a company limited by guarantee not having a share capital. At the yearend 31 March 2023, there are 17 Trustees who are also the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £10. The charity is a registered charity. The registered office is given on page 1.

Basis of accounting

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2019; and the Companies Act 2006.

The charity meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement.

The principal accounting policies are set out below.

Preparation of financial statements - going concern basis

The majority of the group and charity's income is generated from cash sales, a substantial part of which derives from advanced theatre ticket sales. The group's cash flow and operational performance is the subject of daily review and forward-looking forecasts are updated regularly to identify any potential issues in advance.

This year is the first full trading year of the recovery stage, post pandemic, and the principal risk has continued to be the uncertainty surrounding the ability to generate operational income at levels similar to those of pre-pandemic levels. The trends of theatre audiences and exhibition visitors has changed and this has impacted the levels of income. The loan received in March 2021, of £7.3m, first becomes repayable in 2025/2026, this injection of cash continues to ensure our financial stability and mitigates against future reduced levels of income.

In October 2022, Arts Council England reaffirmed their support for our artistic ambition with confirmation of funding for another three years, from 2023-26, as part of their National Portfolio.

The commercial subsidiary reported profits of £1,302,399 at 31 March 2023 (2022: £1,159,798). With the resumption of trade and profitability, it is the expectation that the commercial subsidiary will be a valuable contribution to the trust to support its charitable objectives going forward.

Detailed income and expenditure, and cash flow forecasts for the year 2023/2024, and outline forecasts for the subsequent 1-year period, have been prepared for the group.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2023

1. ACCOUNTING POLICIES (continued)

Preparation of financial statements - going concern basis (continued)

These take reasonable account of possible changes in its performance resulting from the general and variable nature of its programme of activities and restrictions on operating activities continuing into the 2023/2024 financial year.

After making all appropriate enquiries and considering various scenarios and possible mitigating actions, the Trustees consequently have a reasonable expectation that the charity and the group has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Basis of consolidation

Group financial statements have been prepared in respect of the charity and its wholly owned subsidiary undertakings, The Lowry Centre Limited and The Lowry Centre Development Limited. These financial statements have been consolidated on a line by line basis and the results of the subsidiary undertakings are disclosed in note 15.

Income

Income is recognised when the group and charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Donations are recognised in the statement of financial activities at the date of receipt.

Grants receivable are recognised in the statement of financial activities when the conditions for receipt have been complied with. Where a grant is received relating to a future accounting period as specified by the donor, the statement of financial activities shows the gross amount received together with the changes in the amount deferred to future accounting periods. Deferred grant income at the year-end is included in creditors.

Income from commercial activities is included in the period in which the group has provided goods or services.

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised - refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2023

1. ACCOUNTING POLICIES (continued)

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Raising funds

This includes the costs associated with the commercial trading operations of subsidiary companies, along with the costs associated with the sale of merchandise.

Charitable activities

This includes costs associated with the operation of the theatre activities, gallery activities and learning and engagement activities, along with support costs and costs associated with the building.

Expenditure on charitable activities includes:

- support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the Trusts artistic programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 8.

Fund accounting

The charity holds three types of funds as follows:

Restricted funds

Restricted funds are funds subject to specific restrictions imposed by the funding authorities and donors. These funds are not available for the Trustees to apply at their discretion. The purpose and use of the restricted funds is set out in the notes to the financial statements.

General unrestricted funds

General unrestricted funds represent funds which are expendable at the discretion of the trustees in the furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Designated unrestricted funds

Designated unrestricted funds are a part of unrestricted funds which the trustees have set aside to be used for a particular future project or commitment.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2023

1. ACCOUNTING POLICIES (continued)

Interest and finance costs

Interest and finance costs of financial liabilities are recognised in the statement of financial activities over the term of such instruments at a constant rate on the carrying amount.

Finance costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditures for the assets are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

Taxation

The parent company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards) or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

Current tax for the subsidiary company, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The Lowry Centre Limited makes charitable donations to The Lowry Centre Trust under an existing deed of covenant equal to its taxable profits and therefore no tax liability arises. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax is measured on a non-discounted basis.

Intangible fixed assets

Intangible fixed assets comprise a long leasehold asset giving the group the right to display the Lowry collection owned by Salford City Council for 30 years from 2004 and are stated at cost net of amortisation.

Amortisation is provided to write off the cost less estimated residual value in equal annual instalments over the period of the lease.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Fixtures and fittings	3-10 years
Plant and equipment	5-17 years

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2023

1. ACCOUNTING POLICIES (continued)

Interest charges incurred in the period of construction were capitalised.

Included within the category of long leasehold land and buildings is the Lowry building which is deemed to be of significant cultural importance. The Lowry building serves as an Arts centre and is recognised for its importance to the sector and the broader community.

Building

The value of the land and building, included in Tangible fixed assets, are stated at cost, less provision for depreciation and impairment.

Depreciation is provided to write of the cost less estimated residual value on a straight-line basis over the assets expected useful life as follows:

Long leasehold land and buildings	50 years
-----------------------------------	----------

Impairment reviews are carried out where there is evidence of impairment, for example where the asset has suffered physical deterioration or doubts arise over the asset's ability to contribute to knowledge and culture.

Heritage assets

The heritage assets acquired during the year and recognised on the balance sheet is stated at cost. Any change in valuation will be recognised as a revaluation in the appropriate accounting period. "Going to the Match is deemed to have indeterminate life and therefore the Trustees do not consider it appropriate to charge depreciation."

Investments

In the parent charity balance sheet, investments in subsidiary undertakings are measured at cost less impairment.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate.

Operating and finance leases

Assets held under finance leases, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2023

1. ACCOUNTING POLICIES (continued)

Operating and finance leases (continued)

The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Employee benefits

For defined contribution schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

The charity and group only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2023

3. ANALYSIS OF INCOME FROM DONATIONS AND GRANTS

	2023	2022
	£'000	£'000
Donations	153	377
Restricted donation to acquire heritage asset	8,107	-
Unrestricted grants		
Arts Council England	876	876
Salford City Council Capital Funding	274	274
Restricted grants		
Arts Council England – project funding	125	417
Music & Dance Grant Scheme	250	105
Greater Manchester Combined Authority	370	386
Salford City Council	361	-
Government Job Retention Scheme	-	496
	<u>10,516</u>	<u>2,931</u>

4. ANALYSIS OF INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£'000	£'000
Theatres activities	16,467	10,632
Gallery activities	55	343
Learning and engagement activities	486	304
	<u>17,008</u>	<u>11,279</u>

5. ANALYSIS OF INCOME FROM OTHER TRADING ACTIVITIES

	2023	2022
	£'000	£'000
Fundraising activities	1,000	959
Commercial trading activities	6,550	3,311
	<u>7,550</u>	<u>4,270</u>

Commercial trading activities includes Government Job Retention Scheme income of £nil (2022: £496k).

6. ANALYSIS OF EXPENDITURE ON RAISING FUNDS

	2023	2022
	£'000	£'000
Operating fundraising events	99	32
Raising donations, grants and legacies	-	102
Commercial trading activities	11,234	6,232
	<u>11,333</u>	<u>6,366</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2023

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities undertaken directly	Support costs	Total 2023	Total 2022
Activity	£'000	£'000	£'000	£'000
Theatres activities	8,850	6,017	14,867	10,711
Gallery activities	590	1,085	1,675	1,435
Learning and engagement activities	1,734	982	2,716	2,380
	11,174	8,084	19,258	14,526

2022 COMPARATIVES

	Activities undertaken directly	Support costs	Total 2022
Activity	£'000	£'000	£'000
Theatres activities	5,205	5,506	10,711
Gallery activities	394	1,041	1,435
Learning and engagement activities	1,367	1,013	2,380
	6,966	7,560	14,526

8. ANALYSIS OF SUPPORT COSTS

2023	Theatre activities £'000	Gallery activities £'000	Learning & Engagement £'000	Total 2023 £'000	Basis of allocation
Box office	1,630	-	17	1,647	Based on a percentage of total takings
Administration	1,686	425	424	2,535	Percentage cost based on headcount
Facilities management	1,539	438	428	2,405	Percentage cost based on floor space occupied
Marketing	1,098	204	95	1,397	Percentage cost of based on staff time allocation
Building related	64	18	18	100	Percentage cost based on floor space occupied
	6,017	1,085	982	8,084	

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2023

8. ANALYSIS OF SUPPORT COSTS (continued)

2022	Theatre activities £'000	Gallery activities £'000	Learning & Engagement £'000	Total 2022 £'000	Basis of allocation
Box office	1,526	-	15	1,541	Based on a percentage of total takings
Administration	725	144	151	1,020	Percentage cost based on headcount
Facilities management	1,397	398	388	2,183	Percentage cost based on floor space occupied
Marketing	619	146	115	880	Percentage cost based on staff time allocation
Building related	1,239	353	344	1,936	Percentage cost based on floor space occupied
	<u>5,506</u>	<u>1,041</u>	<u>1,013</u>	<u>7,560</u>	

Total amount of governance costs incurred are £46k for 2023 (2022: £38k).

9. NET INCOME/(EXPENDITURE) FOR THE YEAR

	2023 £'000	2022 £'000
Net income/(expenditure) is stated after charging:		
Depreciation of owned assets	2,537	2,402
Amortisation of intangible assets	53	53
Rentals under operating leases	17	11
Auditor's remuneration:		
- Fees payable to the charity's auditor for the audit of the charity's annual financial statements	24	18
- Fees payable to the charity's auditor for other services to the group:		
Taxation services	3	4
- Audit of the charity's subsidiary	19	16

No other non-audit services were provided to the charity or its subsidiaries during the year (2022: same).

10. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

The average monthly number of employees was:

	Group		Charity	
	2023 No.	2022 No.	2023 No.	2022 No.
Raising funds	7	4	7	2
Charitable activities	243	267	58	63
Support	32	34	32	30
	<u>282</u>	<u>305</u>	<u>97</u>	<u>95</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2023

10. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL (continued)

Their aggregate remuneration comprised:

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Wages and salaries	6,615	5,461	2,889	2,910
Social security costs	587	444	290	287
Pension costs	104	88	59	52
	<u>7,306</u>	<u>5,993</u>	<u>3,238</u>	<u>3,249</u>

The number of Group employees whose emoluments, excluding pension contributions and employers' national insurance, but including benefits in kind, were in excess of £60,000 was:

	2023	2022
	No.	No.
£60,000 - £70,000	3	5
£70,000 - £80,000	2	1
£80,000 - £90,000	2	1
£90,000 - £100,000	2	-
£130,000 - £140,000	-	1
£200,000 - £210,000	-	1
£210,000 - £220,000	1	-
	<u>10</u>	<u>9</u>

The key management personnel of the Group comprise those of the Charity and key management personnel of its wholly owned subsidiary The Lowry Centre Limited. The total remuneration (including pension contributions and social security costs) of the key management personnel of the Group for the year totalled £804k (2022: £795k).

The key management personnel of the parent Charity are listed on page 1. It is not practical to split the key management personnel remuneration between entities.

Trustees' remuneration

No trustees received remuneration during the current or prior year. Total travel and subsistence expenses of £560 (2022: £nil) were paid to 17 trustees (2022: 13 trustees).

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2023

11. TAX ON PROFIT/(LOSS) OF TRADING SUBSIDIARIES

	2023	2022
	£'000	£'000
UK corporation tax charge on profit/(loss) for the year	-	-
Adjustment in respect of previous periods	-	-
Total tax on profit/(loss)	-	-

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 19% (2022: 19%).
The actual tax charge for the year differs from the standard rate for the following reasons:

The Lowry Centre Limited	2023	2022
	£'000	£'000
Profit	940	1,160
Tax charge at 19% (2022: 19%) thereon	182	220
Effects of:		
- Adjustment from previous periods	(169)	-
- Income not taxable	(57)	-
- Remeasurement of deferred tax for changes in tax rates	(14)	-
- Unprovided deferred tax charge	-	(7)
- Movement in deferred tax not recognised	58	
- Gift aid donation	-	(211)
- Super-deduction	-	(3)
Total tax for the year	-	-

12. INTANGIBLE FIXED ASSETS

Group and Charity	Total
	£'000
Cost	
At 1 April 2022 and 31 March 2023	1,576
Amortisation	
At 1 April 2022	946
Charge for the year	53
At 31 March 2023	999
Net book value	
At 31 March 2023	577
At 31 March 2022	630

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2023

13. TANGIBLE FIXED ASSETS

Group	Long leasehold land and buildings £'000	Plant and equipment £'000	Fixtures and fittings £'000	Total £'000
Cost				
At 1 April 2022	74,241	23,152	6,795	104,188
Additions	-	146	823	969
At 31 March 2023	74,241	23,298	7,618	105,157
Depreciation				
At 1 April 2022	32,731	22,889	4,300	59,920
Charge for the year	1,532	154	851	2,537
At 31 March 2023	34,263	23,043	5,151	62,457
Net book value				
At 31 March 2023	39,978	255	2,467	42,700
At 31 March 2022	41,510	263	2,495	44,268

Charity	Long leasehold land and buildings £'000	Plant and equipment £'000	Fixtures and fittings £'000	Total £'000
Cost				
At 1 April 2022	49,815	442	3,544	53,801
Additions	-	145	802	947
At 31 March 2023	49,815	587	4,346	54,748
Depreciation				
At 1 April 2022	8,294	190	2,188	10,672
Charge for the year	1,532	138	539	2,209
	9,826	328	2,727	12,881
Net book value				
At 31 March 2023	39,989	259	1,619	41,867
At 31 March 2022	41,521	252	1,356	43,129

Included in long leasehold land and buildings is £1,707,519 (2022: £1,707,519) of interest costs which have been capitalised.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2023

13. TANGIBLE FIXED ASSETS (continued)

As a tangible asset with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture, the Lowry building is accounted for at historic cost and is held within long leasehold land and buildings. The Lowry building has a NBV at 31 March 2023 of £33,069,632 (2022: £34,336,922).

The Lowry building is utilised to maintain and re-energise the cultural life of the region by housing and presenting a diverse, wide-ranging programme of events, exhibitions and activities aimed at expanding the horizons of audiences and artists.

No expenditure has been made on additions to the Collections during the last six accounting years. Costs of repairs and maintenance are charged as expenses incurred. No heritage assets have been disposed of in those years.

Group and Charity - Leasehold land

The City of Salford has granted the charity a 125-year lease, at a peppercorn rental, over a 3.5 acre plot of land at Pier 8, Salford Quays, Manchester for the erection of The Lowry.

14. HERITAGE ASSETS

Group and Charity	Total £'000
Cost	
At 1 April 2022	-
Additions	8,107
At 31 March 2023	<u>8,107</u>
Net book value	
At 31 March 2023	<u>8,107</u>
At 31 March 2022	<u>-</u>

15. FIXED ASSET INVESTMENTS

The company owns the entire issued ordinary share capital of the companies listed below, both are incorporated and registered in England and Wales.

Subsidiary undertaking	Principal activities	2023 £	2022 £
The Lowry Centre Development Company Limited	Development of The Lowry and associated elements – Non trading	1	1
The Lowry Centre Limited	Commercial operations of The Lowry	<u>1</u>	<u>1</u>
		<u>2</u>	<u>2</u>

The result of the Charity's trading activities through its subsidiary undertaking are detailed below, the subsidiaries taxable profits are generally donated to the Charity annually.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2023

15. FIXED ASSET INVESTMENTS (continued)

The Lowry Centre Limited	2023	2022
	£'000	£'000
Turnover	8,147	6,017
Cost of sales	(1,925)	(1,136)
Gross profit	6,222	4,881
Administrative expenses	(5,560)	(4,514)
Other operating income	297	793
Operating profit/(loss)	959	1,160
Finance income	1	-
Gift aid donation payable to charity	(960)	(1,160)
Retained profit/(loss) for the year	-	-

The aggregate of the assets and liabilities was:

Fixed assets	833	1,140
Current assets	9,853	6,742
Current liabilities	(9,186)	(7,045)
Liabilities falling due after one year	(198)	(495)
Net assets/(liabilities)	1,302	342

16. DEBTORS

	Group		Charity	
Amounts falling due within one year:	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade debtors	680	461	328	229
Amounts owed by subsidiary undertaking	-	-	8,111	4,553
Prepayments and accrued income	718	902	667	878
Other debtors	1,726	1,619	-	95
	3,124	2,982	9,106	5,755

17. CREDITORS

	Group		Charity	
Amounts falling due within one year:	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade creditors	395	492	304	406
Accruals and deferred income	6,251	7,494	6,641	7,111
Taxation and social security	799	449	751	409
Other creditors	237	166	192	127
	7,682	8,601	7,888	8,053

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2023

17. CREDITORS (continued)

	Group	Group	Charity	Charity
	£'000	£'000	£'000	£'000
Deferred income:				
Brought forward	6,331	5,307	5,734	4,865
Released in the year	(14,795)	(6,067)	(14,198)	(5,899)
Deferred in the year	12,812	7,091	12,069	6,768
Carried forward	<u>4,348</u>	<u>6,331</u>	<u>3,605</u>	<u>5,734</u>

Amounts due to group undertakings are unsecured, repayable on demand and do not bear interest.

18. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds
	£'000	£'000	2022
	£'000	£'000	£'000
INCOME FROM:			
Donations and legacies	1,468	1,463	2,931
Charitable activities	11,229	50	11,279
Other trading activities	4,042	228	4,270
TOTAL TRADING INCOME	<u>16,739</u>	<u>1,741</u>	<u>18,480</u>
Interest received	-	-	-
TOTAL INCOME	<u>7,190</u>	<u>4,838</u>	<u>12,028</u>
EXPENDITURE ON:			
Raising funds	5,751	615	6,366
Charitable activities	12,939	1,587	14,526
TOTAL EXPENDITURE	<u>18,690</u>	<u>2,202</u>	<u>20,892</u>
Net (expenditure)/income before investment (losses)/gains	<u>(2,097)</u>	<u>(461)</u>	<u>(2,558)</u>
Net (losses)/gains on investments	-	-	-
Net (expenditure)/income before tax	<u>(2,097)</u>	<u>(461)</u>	<u>(2,558)</u>
Taxation	-	-	-
Net (expenditure)/income for the year	<u>(2,097)</u>	<u>(461)</u>	<u>(2,558)</u>
Transfer between funds	-	-	-
NET MOVEMENT IN FUNDS	<u>(2,097)</u>	<u>(461)</u>	<u>(2,558)</u>
RECONCILIATION OF FUNDS:			
Total funds brought forward	48,204	1,251	49,455
Net movement in funds for the year	<u>(2,097)</u>	<u>(461)</u>	<u>(2,558)</u>
Total funds carried forward	<u>46,107</u>	<u>790</u>	<u>46,897</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2023

19. MOVEMENTS ON FUNDS

	At 1 April 2022	Income	Expenditure (including taxation)	At 31 March 2023
	£'000	£'000	£'000	£'000
Charity				
Unrestricted funds:				
General fund	2,163	29,986	(23,346)	8,803
Designated funds:				
Fixed asset fund	41,165	-	(2,262)	38,903
Restricted fund:				
Development of The Lowry	790	1,323	(1,364)	749
Total charity funds	44,118	31,309	(26,972)	48,755
Group				
Unrestricted funds:				
General fund	4,942	33,753	(26,837)	11,858
Designated funds:				
Fixed asset fund	41,165	-	(2,537)	38,628
Restricted fund:				
Development of The Lowry	790	1,323	(1,364)	749
Total group funds	46,897	35,076	(30,738)	51,235

The balance of restricted funds at 31 March 2023 is £749k (2022: £790k), detailed as follows:
Foundation pledges - £749k.

The purpose of this fund is to deliver Learning and Engagement activities as referred to in the Trustees report.

The balance of designated funds at 31 March 2023 is £38,628k (2022: £41,165k). This represents the value of the land and building assets.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2023

19. MOVEMENTS ON FUNDS (continued)

	At 1 April 2021	Income	Expenditure (including taxation)	At 31 March 2022
Charity	£'000	£'000	£'000	£'000
Unrestricted funds:				
General fund	2,050	14,588	(14,475)	2,163
Designated funds:				
Fixed asset fund	43,375	-	(2,210)	41,165
Restricted fund:				
Development of The Lowry	1,251	1,246	(1,707)	790
Total charity funds	46,676	15,834	(18,392)	44,118
Group				
Unrestricted funds:				
General fund	4,638	16,739	(16,435)	4,942
Designated funds:				
Fixed asset fund	43,566	-	(2,401)	41,165
Restricted fund:				
Development of The Lowry	1,251	1,741	(2,202)	790
Total group funds	49,455	18,480	(21,038)	46,897

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2023

20. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

Group	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total funds 2023 £'000
Tangible fixed assets	12,756	38,628	-	51,384
Current assets	14,433	-	749	15,182
Current liabilities	(7,682)	-	-	(7,682)
Long term liabilities	(7,649)	-	-	(7,649)
As at 31 March 2023	11,858	38,628	749	51,235

Charity

Tangible fixed assets	11,649	38,903	-	50,552
Current assets	12,691	-	749	13,440
Current liabilities	(7,888)	-	-	(7,888)
Long term liabilities	(7,649)	-	-	(7,649)
As at 31 March 2023	8,803	38,903	749	48,755

COMPARATIVE

Group	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total funds 2022 £'000
Tangible fixed assets	3,733	41,165	-	44,898
Current assets	17,348	-	790	18,138
Current liabilities	(8,601)	-	-	(8,601)
Long term liabilities	(7,538)	-	-	(7,538)
As at 31 March 2022	4,942	41,165	790	46,897

Charity

Tangible fixed assets	2,594	41,165	-	43,759
Current assets	15,160	-	790	15,950
Current liabilities	(8,053)	-	-	(8,053)
Long term liabilities	(7,538)	-	-	(7,538)
As at 31 March 2022	2,163	41,165	790	44,118

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2023

21. FINANCIAL COMMITMENTS

Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases:

	2023	2022
	Other	Other
	£'000	£'000
Group		
- Within one year	16	9
- Between one and five years	22	4
	<u>38</u>	<u>13</u>

The total future minimum lease payments held by the Charity under non-cancellable operating leases is £6,570 (2022: £nil).

22. RELATED PARTY TRANSACTIONS

All transactions between charity and the subsidiaries, The Lowry Centre Limited and The Lowry Centre Development Company Limited, are eliminated on consolidation. There were no other related party transactions.

Total donations received from the trustees during the year was £nil (2022: £nil).

23. EMPLOYEE RETIREMENT BENEFITS

Defined contribution schemes

The company operates defined contribution retirement benefit schemes for all qualifying employees. The total expense charged to profit in the period ended 31 March 2023 was £98k (2022: £88k).

24. CASH FLOW STATEMENT

Reconciliation of net income to cash generated by operations:	2023	2022
	£'000	£'000
Net profit/(loss) for the year	4,338	(2,558)
Adjustments for:		
Depreciation charges	2,537	2,402
Amortisation charges	53	53
Interest expense accrued	146	146
Operating cash flow before movement in working capital	<u>7,074</u>	<u>43</u>
Operating cash flow before movement in working capital		
Decrease/(increase) in stock	23	(45)
Increase in debtors	(99)	(1,065)
(Decrease)/increase in creditors	(980)	2,296
Cash generated by operating activities	<u>6,018</u>	<u>1,229</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2023

25. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Group and Charity	2023 £'000	2022 £'000
Loan	7,300	7,300
Finance lease	57	92
Loan interest	292	146
	<u>7,649</u>	<u>7,538</u>
Repayable as follows:		
Payable within one year	36	36
Payable between 1 and 2 years	21	36
Payable between 2 and 5 years	1,662	1,536
Payable after 5 years	5,930	5,930
	<u>7,649</u>	<u>7,538</u>

The loan is owed to The Secretary of State for the Department for Digital, Culture, Media and Sport and is repayable over 16 years beginning 29 March 2025. Interest is payable at 2% on the principal amount. Cumulative interest expense is £292k (2022: £146k).