

Charity Registration No. 1062463

Company Registration No. 03333987 (England and Wales)

UNITY THEATRE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

UNITY THEATRE

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|--------------------------------|-----------------------------------------------------------------------------------|-----------------------------|
| Trustees | Ms G Buttoo | |
| | Mr L Clark | (Appointed 13 July 2021) |
| | Ms E Edwards | |
| | Mr D Fletcher | (Appointed 13 July 2021) |
| | Ms S Jones | |
| | Ms A Marshall | (Appointed 13 July 2021) |
| | Mr G Millar | |
| | Ms L Mooney | (Appointed 13 July 2021) |
| | Ms A Perera | (Appointed 13 July 2021) |
| | Mr D Sebuyange | (Appointed 27 January 2022) |
| Secretary | R Palmer | (Resigned 6 December 2022) |
| | E Manson - Sawko | (Appointed 6 December 2022) |
| Chief Executive Officer | Gordon Millar | |
| Charity number | 1062463 | |
| Company number | 03333987 | |
| Registered office | 1 Hope Place Liverpool L1 9BG | |
| Auditor | MHA Moore and Smalley Richard House 9 Winckley Square Preston PR1 3HP | |
| Title of property | The property is registered as Unity Theatre. | |

UNITY THEATRE

CONTENTS

| | Page |
|-----------------------------------------|-------------|
| Chair's statement | 1 - 2 |
| Trustees' report | 3 - 12 |
| Statement of trustees' responsibilities | 13 |
| Independent auditor's report | 14 - 16 |
| Statement of financial activities | 17 |
| Balance sheet | 18 |
| Notes to the financial statements | 19 - 31 |

UNITY THEATRE

CHAIR'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

Chair's Report 2021/2022

Reflecting on the last 12 months, I am incredibly proud of the hard work and commitment that has gone into ensuring Unity's resilience in what has continued to be extremely challenging circumstances. The long tail of the COVID 19 pandemic has had a crushing effect on many combined arts venues like our own, yet our exceptionally dedicated and skilled team of staff, freelancers and trustees have remained unwavering in their commitment to delivering on Unity's core charitable aims to benefit and enrich the lives of our local audiences, creatives, and communities.

Despite the challenges in the sector, we have been able to deliver a diverse and exciting programme, that upholds our value of promoting an accessible and supportive society, with a string of new successful projects and initiatives supporting our community in Liverpool, and beyond. Highlights of these included the return of our Youth Theatre in association with 20 Stories High, the dance production 'Little Murmur' with musical supervision from Nitin Sawhney, acclaimed national touring productions from Graeae, Vamos and Actors Touring Company, co-productions with local companies Ugly Bucket and All Things Considered and the return of Disabled Artist led festival, DadaFest, and Queer Arts Festival, Homotopia. Our Talent Development programme, 'Creative Pool' funded by Esmée Faribairn Foundation started its second year and has proved rapidly successful despite devastating impact of the pandemic upon touring creative productions. The aim of the programme is to train creatives in producing skills so as to enable them to tour their work nationally. To date 85% of supported artists have embarked upon national tours. Our community artist programme Open Call again supported over 20 individual companies, each receiving a guaranteed income, rehearsal space, technical support and mentoring from our team. All of these have had their work filmed so as to appear on Unity's sector leading 'ProPortal' database for venues to programme work from. I am most pleased that we are the only known theatre to make all of their programme 100% accessible either through BSL interpretation, captioning, audio description or streamed production. This was a significant learning for Unity during the pandemic and one we have steadfastly held onto. We were also delighted to receive regional recognition as winners of the Liverpool City Region Arts Organisation of the Year in March which reflects the scale of positive impact Unity has had on our community during the challenges of recent years and the high regard in which our organisation is held locally.

This level and quality of output throughout a period when the landscape has remained precarious is a remarkable achievement and can be directly attributed to the efforts of the wonderfully talented staff team at Unity. Our Unity team members have had to adapt to working within a leaner structure post-pandemic, but have remained fully committed, continuing to drive innovative and creative ideas forward and delivering outcomes for the benefit of our stakeholders.

Despite these successes and whilst the organisation has remained focussed on our strategic aims, we have observed fluctuation in audience numbers since reopening the building which has impacted on our forecasted income in some areas. We understand that this is in line with the industry as a whole and are pleased that we have been able to largely offset discrepancies against forecast with additional income in other areas such as venue hire. However, this does mean that we fall short of our target for financial reserves at year end and whilst we are still in a comfortable position, endeavour to address this in the coming financial year by pursuing additional avenues of income.

At this point, it feels appropriate to give thanks to our long-standing trustee and chair, Chris Bliss, who stepped down in October 2021, leaving behind the legacy of a strong executive team supported by an engaged and proficient board. Whilst I stand as Acting Chair, until the AGM 2022, I would also like to extend my thanks to my fellow trustees who have continued to be generous with their time, knowledge and in giving their diverse perspectives. Their support has been invaluable as we have re-adapted post-pandemic to ensure we continue to add value to the organisation in strategic and generative governance modes, as well as providing our guidance on operational matters as required.

UNITY THEATRE

CHAIR'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

Unity could not survive without its members and supporters, and we remain extremely grateful for their ongoing support and donations which has enabled us to reopen the doors and build on our programme for the public benefit. I want to give particular thanks to those that have continued to fund Unity's work in an increasingly challenging environment, most significantly Arts Council England for regular funding and Cultural Recovery Funds, Liverpool City Council, Esmée Fairbairn Foundation, Garfield Weston, and Granada.

In the coming months, I look forward to welcoming our new chair and continuing on the board as a proud trustee of Unity Theatre, providing ongoing governance and support with my fellow board members to help the organisation deliver on its strategic commitments. I anticipate the upcoming programme with excitement as we welcome back our much-valued partner organisations including: RAWD; 20 Stories High, Graeae Theatre Company; Tamasha Theatre Company; Paines Plough; and LUNG, along with our diversity-led festival partners: Homotopia; DaDa Fest; Liverpool Arab Arts Festival; and Physical Fest.



Liz Edwards

Acting Chair, October 2021- December 2022

UNITY THEATRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Objectives and activities

The charitable objectives are:

“To advance the education of the public in all aspects of the art of drama, dance, mime and music and to develop the public appreciation of such art and to provide and manage a theatre within the postal district of Liverpool without distinction of age, sex, race, political or religious or other opinions, by associating with statutory authorities, voluntary organisations, institutions and inhabitants and to promote all or any objects for the benefit of the community which now or hereafter may be deemed by law to be charitable.”

Unity Theatre aims to:

- Advance the education of the public in all aspects of the art of drama, dance, mime, and music.
- Provide and manage a theatre; to promote all other objects for the benefit of the community which now or hereafter may be deemed by law to be charitable.

Our purpose is to share the stories of diverse individuals, working across three core areas:

- Providing high quality creative experiences
- Developing and supporting local artists
- Platforming and celebrating local communities

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

Public benefit

Unity exists for the communities of Liverpool – diversity is part of our history and remains at the heart of our ambitions to create excellent creative experiences. We have an industry-leading reputation for high-quality programming that is fully informed by the experience of our communities. Our approach to creation is dynamic and responsive. This in turn ensures relevancy for a broad range of audiences both in Merseyside and nationwide, who represent cultural, geographic, and socio-economic diversity.

All of Unity's artistic offerings are designed in close consultation with Merseyside creative communities, with strong feedback loops built in at all levels of planning. Close partnership work with organisations specialising in diversity and access ensures that our aim to see 70% of creatives involved in our programmes come from diverse backgrounds, is consistently met and exceeded. We remain committed to making our programme accessible to audiences, through:

- Low ticket prices, with 15% given free via partners, supported by our online streaming platform that allows anyone to access Unity wherever they live
- Developing integrated partnerships with those working with artists from diverse backgrounds
- A commitment to 100% accessible productions in-person (BSL/captioned/relaxed/audio-described) and online (captioned/audio-described)
- Integrated community advocacy, running targeted activity with key partners (The Spider Project, Wirral; Knowsley Carers).

The trustees have been consulted in compliance with the Charity Commission guidance on public benefit, in determining the fees for performances.

UNITY THEATRE

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

FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

We re-opened our venue on Hope Place in May 2021, 13 months after closing during the first national lockdown. It was poignant that the first event held in our spaces after reopening was an open day for 20 local creatives featured in our Open Call season; this celebration of Merseyside talent offered those taking part generous box office deals and in-kind support to get their work back on a stage post-pandemic. The resulting productions and projects were seen by over 5,717 audience members in person, and a further 1,243 online. Many of the artists featured were unknown to us but have since become integral members of our creative community.

We have worked hard to build back our creative programme, welcoming audiences back to our building to celebrate diverse storytelling from talented companies from across the country. Creatives featured in our programme this year have included Graeae, Vamos, Paines Plough and Actors Touring Theatre, as well as Liverpool-based acclaimed festivals Homotopia and DaDa Fest. We also collaborated on 20 Stories High's online film series, Touchy, charting the journey of six characters as they navigated young adulthood, which won the 2022 OnComm Award.

During the pandemic we realigned our work, so that it fully reflected access and excellence for all, and the reopening of our building was supported by range of initiatives designed to grow equality of opportunity for artists and audiences:

- 100% of our performances, both in person and online, were made accessible through BSL interpretation and captioning. This is a commitment we strive to continue as we welcome back full-capacity audiences to our building
- Gave 15% of our tickets away for free via community partners; 96% of those on our 2022 **Community Ticket Pilot** were first-time attendees
- Integrated community advocacy across our programmes, running targeted activity with key partners (The Spider Project, Wirral, Knowsley Carers)
- We launched **Unity Online**, our digital performance platform which features all our locally produced work, filmed in our spaces, and hosted online to bring Merseyside talent to a national audience. 32% of those engaging with paid online content were from outside north-west England, and 7% were watching internationally
- Our first **Associate Producer** (funded by the Esmée Fairbairn Foundation) Kirsten Peters Roebuck joined Unity in January 2021 and has been integral in building our programme of support for artists, as well as strengthening relationships with creatives and organisations across the city.

Through Open Call and other lockdown projects, we ensured the survival of over 90 local artists by investing £55,000 in their work and development. This led to us being awarded Liverpool City Region Arts Organisation of the Year 2021.

"Working with Unity has been a revelation. They always go the extra mile to make theatre more accessible to underserved communities and we can't wait to come back to Merseyside." – Matt Woodhead, LUNG

Developed in consultation with our artists and community members, during the year we have:

- Made our **Open Call** season an annual initiative, aiming to open our stages to the very best performance talent from across all six boroughs of Merseyside
- Began a long-term partnership with our friends at **20 Stories High** to host their hugely successful Youth Theatre at Unity, inviting young people aged 14-21 to make plays that mash up dance, spoken word, music, song, street dance and puppetry
- Given **RAWD**, a company who shares our dedication to providing opportunities in the arts, a Liverpool home to run year-round weekly creative sessions for learning disabled participants, leading to an annual performance on our main stage
- Run the first full year of our talent development programme **Creative Pool**, comprising over 120 workshops and events for creatives wanting to increase their producing skills. These have ranged from 1:1's held with our team and networking sessions involving over 20 local producers. Over 600 artists from across Merseyside have engaged so far, with 56% being new to the creative industry
- Launched **ProPortal**, our free-to-access online library of touring work (Wise Children, Complicite, emerging companies) promoted to 200+ programmers nationwide (V&A Museum, Slung Low, Manchester Royal Exchange).

UNITY THEATRE

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

FOR THE YEAR ENDED 31 MARCH 2022

Over the year, Creative Pool and ProPortal have directly supported over 20 tours including:

- Multidisciplinary artist Dorcas Seb's Vice Versa (co-produced with HOME and Eclipse Theatre)
- Physical theatre company Ugly Bucket's Good Grief (supported by Slung Low)
- Dance artist Fabiola Santana's A Home for Grief (co-produced with Contact).

The Impact of Covid

Despite an abundance of successful projects and initiatives to support our communities, creatives, and audiences this period has continued to be a huge challenge in the face of the global pandemic.

With a huge team effort, we were able to reopen our spaces in May, ensuring that the safety of our audiences and staff remained the priority throughout with clear communications and a substantial investment in PPE. Although we were able to welcome back many audiences and artists, a reduced capacity remained in place for the remainder of the year and an additional national lockdown cancelled most of our festive season. This resulted in our box office income reflecting only 28% of that achieved in a normal year. The additional staffing required to run a socially distanced venue alongside our commitment to honouring staff pay during show cancellations also resulted in considerable, and unanticipated, expense in these areas.

Despite these challenges, the structural changes we had made in 2020 alongside our reserve's levels have allowed us to continue with our commitment to deliver a high-quality artistic experience and truly accessible community work that speaks to the people of Liverpool. A move to outsource our finance function has greatly strengthened our work in this area, with our newly appointed consultants 'Adding Value' bringing in modernised processes across budget setting, bookkeeping and payroll. More transparent financial reporting has allowed members of our team from across the business to feel more secure and empowered in making financial decisions, supported by robust checks and balances.

We remain confident that our business model is fully sustainable, with the hard work put in place over the last two years meaning that our reputation for presenting and supporting ground-breaking creative experiences only continues to grow. What's more we are proud that this work has empowered a new generation of diverse Merseyside artists to develop ambitious work that tells their own unique stories, seen by an increasingly national audience.

Ensuring Financial and Business Sustainability

Throughout lockdown, our Board increased frequency of meetings from quarterly to monthly to offer support to the staff team as they navigated the changing covid and financial landscape. With the theatre reopening in May 2021, the Board reverted to the quarterly structure though remained meeting remotely until January 2022.

Our Chair Chris Bliss extended his tenure during the period to ensure continuity before stepping down in October 2021, after seven years of service. At the 2021 AGM, HR consultant and existing Board member Liz Edwards was elected Acting Chair and is leading on a permanent Chair recruitment, we are approaching internal and external candidates for election in December 2022. As part of her tenure, Liz has reviewed our committee meeting structure to allow Board meetings to focus on strategy, consolidating into one quarterly meeting that reviews finance, risk and staffing in detail. Apart from a Committee Chair, membership is rolling with all trustees attending annually at minimum to encourage interrogation of core operations. Additional working groups are formed when required (major policy change, funding applications, business planning etc).

UNITY THEATRE

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

FOR THE YEAR ENDED 31 MARCH 2022

Financial review

Overview

Unity's prompt and considered action in 2020/21 to reduce overheads whilst maintaining a talented and dedicated core team of staff, proved pivotal in 2021/22. 2021/22 was the hardest year ever experienced as our organisation. We relied upon the reserves built up in the year prior to survive the further lengthy closures, reduced trading, reduced capacities, higher operating costs and frequent covid related cancellations. We continue to face the widely felt impact of political uncertainties and economic fall out of the pandemic. We have been sustained by our reduced overheads and more agile approach, supported by achievable, yet ambitious income targets across the board including growing opportunities in fundraising and commercial income.

Thanks to the efforts in 2020/21 to secure funds to enable us to survive through the ongoing challenges of 2021/22 without emergency support, we end the year with unrestricted funds of £86,267 and plans to build further unrestricted funds to ensure ongoing sustainability.

Reserves

Unity has set a target for free reserves (unrestricted funds not invested in fixed assets or otherwise designated) for the charity of 12 weeks operating costs, judged to be £123k. This takes account of the funding and trading environment in which the charity operates, and of its strategic plans. The unprecedented circumstances of 2021/22, with the ongoing pandemic and economic fallout have been severely challenging to trade in. As of March 2022, free reserves were £86,267 equivalent to 70% of the target level.

Principal funding sources

Key funders for our core activity in the period were Arts Council England and Liverpool City Council. We have secured funding from the Esmée Fairbairn Foundation to support the development of our Creative 'Pool talent development programme until December 2023.

The Senior Management team are working to further diversify our income streams in the coming year through private fundraising and commercial opportunities. They are supported by our Business Development Manager (who looks after individual and corporate giving alongside box office income and communications strategy) and a freelance Fundraising Consultant who works with our Executive Director to develop funding bids.

Investment policy and review

Due to the current percentage of income received from statutory sources and fundraising, the appetite for investment risk is judged as low. This appetite is reviewed annually by the Board and may change as income streams continue to diversify. All future investments will be agreed between the AD/CEO and Chair of Finance Committee, signed off at Board level. Unity currently holds all funds in accounts connected with HSBC, split between standard current accounts and a deposit account. To aid with petty cash spending, the team have introduced SOLDO pre-payment cards to key budget holders; individual debit cards have a fixed monthly spend cap, imbursement from the organisation's main bank account.

UNITY THEATRE

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

FOR THE YEAR ENDED 31 MARCH 2022

Risk management

The risks faced by the organisation are reviewed regularly throughout the year. A comprehensive risk register encompassing all areas of the business is kept and updated regularly by the CEO and Executive Director and is scrutinised at every Risk and Compliance Sub-Committee before going to Board each quarter.

Our risk management policy is supported by wider organisational policies including finance, fundraising, HR, and safeguarding. Risk management is factored into all organisational decisions including business planning, artistic programming, audit, finance management and commercial and fundraising opportunities. Risks are split into five key categories:

- **Artistic Reputation** – including consideration of Unity's standing within the sector regarding programming and participation activities; the continued understanding of trends in performance and presentation; the standard and risks associated with artistic partnerships.
- **Financial Diversity** – including the range and variety of income streams coming into the organisation; Unity's relationships with key funders; strength of financial controls; progress against reserves policy; external factors such as current government policy.
- **Audience Development** – considering quality of communications and strength of brand; strength of engagement with current audience and participants; size and growth of engaged database; audience engagement in the face of external factors such as the pandemic and a cost-of-living crisis.
- **Staffing and Governance** – including regular review of expertise held within Board of Trustees, Senior Management, and wider staff base; staff retention rates; review of diversity of Board and staff team ensuring they reflect organisation equality and diversity policies.
- **Organisational** – encompassing wider business considerations such as health and safety and data management.

Going concern

The financial statements have been prepared on a going concern basis. The organisation has been able to successfully negotiate the economic disruption caused by Covid-19 pandemic through careful management of costs, obtaining funding commitments from core funders, together with fundraising and cash flow management. The trustees have considered the level of funds held and the expected level of income and expenditure for the twelve months from authorising these accounts. The trustees assess the charity to be a going concern based on review of financial performance of the 202/23 year to date, the management accounts forecast for the remainder of 22/23, the rolling cash flow forecast, and future funding commitments. As a result, the trustees are confident about the financial future of the charity and satisfied that these accounts are prepared on a going concern basis.

UNITY THEATRE

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

FOR THE YEAR ENDED 31 MARCH 2022

FUTURE PLANS

Our team and Board have interrogated our work over the last 5 years, bringing together learnings on community representation, accessible creative experiences and developing diverse artists; as Covid forced us to strip down our work to its essentials, we realised the vital role these elements play in our work. It has pushed us to consider who our work is for and how we grow the diverse and geographic representation of our audience and artists.

High Quality Creative Experiences

Over the next 18 months, we look forward to welcoming back regular collaborators including Graeae, Tamasha, 20 Stories High and Paines Plough, alongside diversity-led festival partners Homotopia, DaDa Fest, Arab Arts Festival and Physical Fest. As ever our productions will be further explored through a programme of exhibitions, workshops, and events, seeking to explore their themes and bring them to a wider audience.

We will:

- Continue our commitment to showcasing diverse and relatable narratives, with a minimum 70% of work on stages featuring artists and creatives from diverse backgrounds, alongside a commitment to ensuring 50% of the work we programme is by artists from Merseyside.
- Grow our online and digital activity, including featuring approx. 70% of work programmed in our venue on our online platform Unity Online, introducing national audiences to our innovative programming.
- Strengthen the quality and quantity of productions and creative experiences available to Merseyside families, specifically children and young people aged 12 and under. We will work with festival partners to source family productions that explore a range of societal themes, alongside supporting local talent to grow their ambitions and knowledge around family touring.
- Work with long-term partners Homotopia to develop wraparound activity for the LGBTQIA+ community, including our monthly Queer Creative Meet Up

All locally produced work will feature on our online platform - Unity Online and be featured on ProPortal our library of touring work promoted to national programmers.

Develop and Support Local Artists

Our work with Merseyside artists and creatives will continue to grow dynamically, with a core priority of seeing local artists playing a leading role in the strengthening of the Liverpool performance ecology. We will support promising work to tour to partners across the country, putting Merseyside talent front and centre of England's excellent cultural offer.

At the centre of this ambition will remain our Creative Pool programme, funded by the Esmée Fairbairn Foundation, and featuring entry-level courses and masterclasses through to intensive training and paid shadowing opportunities. Our artist support initiatives will continue to be run and managed by our Associate Producer – our second placement will start in the summer of 2022, with a mid-career producer joining the team to build on the successes of our first Associate, Kirsten Peters Roebuck.

We will also:

- Host a further 20 Merseyside artists through our Open Call season across full programming slots, a new works festival and co-created community activity.
- Strengthen partnerships with John Moore University and LIPA, offering their students essential hands-on learning throughout their BA and MA courses through guest lecturing, hosting student and graduate performances alongside mentoring support.
- Develop our ProPortal platform, building a library of high-quality touring work made by talented artists, accessible to 200+ programmers from venues and festivals from across the country.

UNITY THEATRE

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

FOR THE YEAR ENDED 31 MARCH 2022

Platform and Celebrate Local Communities

Post-lockdown we have re-evaluated how we strengthen community ownership of our building through:

- Community programme - community groups and charities supported to run activities and workshops (dementia-friendly socials; parent-and-baby groups)
- Social-themed programming – across events, workshops, and exhibitions
- Offsite performance and activity - visiting community spaces across all 6 Merseyside boroughs

We will increase repeat engagement and the number of first-time visitors to our venue, with a focus on geographic representation, through:

- Growth of Community Ticket Schemes and associated community partners
- Community-focused online campaigns featuring artists and audiences from all 6 Merseyside boroughs
- Commissions for national touring artists to develop co-created community projects
- Growing digital resources and engagement, seeing 20% of in-venue audiences interacting with our Unity Online offer
- Joint audience campaigns with Everyman and Playhouse and the Royal Court

We will grow our commitment to D/deaf, disabled and neurodivergent creatives and audiences, strengthening our reputation as a recognised safe space to see and create work.

Take Your Seat (with HOME) will bring together global majority creatives across Manchester and Liverpool via free tickets for productions and masterclasses, building on our collaboration on Eclipse's Slate programme.

Youth Theatre with 20 Stories High

Unity has joined forces with 20 Stories High to deliver a weekly Youth Theatre for working class and culturally diverse young people aged 14-21 who meet at Unity to make challenging plays with a difference. The young people are given the opportunity to tell their stories through a mash up of dance, spoken word, music, song, street dance and puppetry.

RAWD Liverpool

Following a successful 2022 pilot, RAWD, a company who shares our dedication to providing opportunities in the arts, will run year-round weekly creative sessions for learning disabled participants, leading to an annual performance on our main stage.

Ensuring Financial and Organisational Viability

Our structure empowers all staff to co-create work that responds directly to community and artist needs. Everyone is given time to work on specific projects, motivating them to take responsibility for the ethos of the company. Our projects speak to multiple objectives rather than having one team for community work, another for artistic and so on. This way of working affords adaptability for dynamic change.

After 4 years at Unity our previous Executive Director left in June 2022, this role was replaced in December 2022. Following a review of organisation needs, we took the opportunity to review reporting structures into the executive team streamlining them so that our full fundraising function reports into the new Executive Director, whilst the Artistic Director/CEO continues to manage all artistic and commercial facing roles. This allows a wider scope for each team, evaluating the full range of opportunities within these two crucial areas.

The Executive Director continues to work closely with financial consultants 'Adding Value' to provide support and financial clarity to budget holders and our board Risk and Compliance Sub-Committee. As part of the continued modernising of financial practices, during the 2022-26 business planning process, we identified key financial drivers across the business to allow for more efficient budget and target setting which are ambitious but still achievable. Monthly meetings with all budget holders will allow for these to be fine-tuned to continue strengthening financial sustainability for future years.

UNITY THEATRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

Governing document

The charity is a company limited by guarantee governed by its Memorandum and Articles of Association dated March 11 1997, as amended by special resolutions dated May 1 1997 and September 27 2016. It is a registered charity with the Charity Commission.

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

| | |
|----------------|-----------------------------|
| Ms G Buttoo | |
| Mr L Clark | (Appointed 13 July 2021) |
| Ms E Edwards | |
| Mr D Fletcher | (Appointed 13 July 2021) |
| Ms M Jennings | (Resigned 26 October 2021) |
| Ms S Jones | |
| Ms A Marshall | (Appointed 13 July 2021) |
| Mr G Millar | |
| Ms L Mooney | (Appointed 13 July 2021) |
| Mr G Pengelly | (Resigned 6 December 2022) |
| Ms A Perera | (Appointed 13 July 2021) |
| Ms Y Bottomley | (Retired 13 July 2021) |
| Mr M Cavanagh | (Retired 13 July 2021) |
| Mr D Sebuyange | (Appointed 27 January 2022) |

Appointment of trustees

The directors, who are the trustees of the charity, are appointed by the members in general meeting. The Directors have the power to co-opt to fill a casual vacancy and such persons hold office until the next AGM. The directors are appointed initially for a three-year term and are eligible for re-election for a second consecutive three-year term. In extraordinary circumstances a director may be, with the Board's approval, appointed for a third consecutive three-year term but not beyond that.

Only retiring directors or those proposed by the Board are eligible for election at the general meeting unless due notice has been given by a member of their intention to propose someone.

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

UNITY THEATRE

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

FOR THE YEAR ENDED 31 MARCH 2022

Trustee induction and training

All new Trustees receive an induction prior to starting their first term, led by a member of the Risk and Compliance Committee and/or Executive Director. This induction covers the history of the organisation, its current work and the role and expectations required of a Trustee.

Shortly after the election of a new group of Trustees, a training session is arranged covering governance and current charity legislation, run by an external consultant.

We have meaningfully improved diversity in the last 5 years, particularly around disability and cultural representation, and age has dropped significantly – our Chair is 34, with ages spanning 26-49 - meaning lived experiences fully reflect our communities. Though core skillsets of creative industry, HR, finance, fundraising and digital are all represented, we prioritise curating a diverse range of viewpoints and experience, with our Chair creating a supportive culture to aid collective problem-solving.

Organisation

The Board, which must be no less than three and not more than 15 people, meets as required and normally 4 times per year. Day to day management of the charity is delegated to the Chief Executive and the other members of the Senior management team who together with the directors constitute the key management personnel of the charity.

Pay and remuneration for senior staff

All roles are formally reviewed prior to each vacancy being advertised, with adjustments made to ensure our structure meets the business' current and future needs. Where there is a vacancy in our senior team, pay and remuneration packages are benchmarked against a minimum of three regional peer venues and advertised within a range to remain competitive.

Staff pay at all levels of the organisation is reviewed annually to achieve fair salary bands and avoid discrimination.

Co-operation with other organisations/charities

Unity is regularly funded by Arts Council England and Liverpool City Council.

Across our networks we foster a commitment to diversity and the employment of local creatives within communities. We are core members of the Liverpool Arts Regeneration Consortium and Shift sustainability network, plus Big Imaginations, Dance Consortium Northwest and Venues North. Regular local creative partners include Homotopia, DaDa Fest and 20 Stories High. We work closely with Liverpool's Everyman and Playhouse and Royal Court to strengthen the city's creative ecology.

Related parties

We have no related parties that we require to be disclosed.

Auditor

MHA Moore and Smalley were appointed as auditor to the company during the year.

This report has been prepared in accordance with special provisions of Part 15 of the Companies Act 2006 relating to small companies.

UNITY THEATRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



Ms E Edwards

Trustee

Dated: 21 December 2022

UNITY THEATRE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors of Unity Theatre for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

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

UNITY THEATRE

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF UNITY THEATRE

Opinion

We have audited the financial statements of Unity Theatre (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet and the 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

UNITY THEATRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF UNITY THEATRE

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 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 directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its 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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

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.

UNITY THEATRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF UNITY THEATRE

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.

- Enquiry of management, those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business'.

We identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; Theatres and Premises Licensing Act; Safeguarding, Independent Theatre Council contracting and payment for Creatives; employment law (including the Working Time Directive); anti-bribery and corruption; and compliance with the UK Companies Act and Charity Commission rules.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Nicola Mason

Nicola Mason (Senior Statutory Auditor)
for and on behalf of MHA Moore and Smalley

21/12/2022
.....

Chartered Accountants
Statutory Auditor

Richard House
9 Winckley Square
Preston
PR1 3HP

UNITY THEATRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

| | Notes | Unrestricted funds general 2022 £ | Unrestricted funds designated 2022 £ | Restricted funds 2022 £ | Total 2022 £ | Unrestricted funds general 2021 £ | Unrestricted funds designated 2021 £ | Restricted funds 2021 £ | Total 2021 £ |
|-------------------------------------------|-------|--------------------------------------------|-----------------------------------------------|-------------------------------|--------------------|--------------------------------------------|-----------------------------------------------|-------------------------------|--------------------|
| <u>Income and endowments from:</u> | | | | | | | | | |
| Donations and legacies | 3 | 375,368 | - | 43,600 | 418,968 | 525,427 | - | 137,297 | 662,724 |
| Charitable activities | 4 | 63,681 | - | - | 63,681 | 3,097 | - | 116,825 | 119,922 |
| Other trading activities | 5 | 9,209 | - | - | 9,209 | 3,586 | - | - | 3,586 |
| Other income | 6 | 164 | - | - | 164 | 24 | - | - | 24 |
| Total income | | 448,422 | - | 43,600 | 492,022 | 532,134 | - | 254,122 | 786,256 |
| <u>Expenditure on:</u> | | | | | | | | | |
| Raising funds | 7 | 18,484 | - | - | 18,484 | 15,240 | - | - | 15,240 |
| Charitable activities | 8 | 475,358 | 30,174 | 106,620 | 612,152 | 374,393 | 32,003 | 71,752 | 478,148 |
| Total resources expended | | 493,842 | 30,174 | 106,620 | 630,636 | 389,633 | 32,003 | 71,752 | 493,388 |
| Gross transfers between funds | | 10,169 | (20,426) | 10,257 | - | 32,730 | 32,270 | (65,000) | - |
| Net movement in funds | | (35,251) | (50,600) | (52,763) | (138,614) | 175,231 | 267 | 117,370 | 292,868 |
| Fund balances at 1 April 2021 | | 121,518 | 1,794,575 | 117,369 | 2,033,462 | (53,714) | 1,794,308 | - | 1,740,594 |
| Fund balances at 31 March 2022 | | 86,267 | 1,743,975 | 64,606 | 1,894,848 | 121,517 | 1,794,575 | 117,370 | 2,033,462 |

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

All income and expenditure derive from continuing activities.

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

UNITY THEATRE

BALANCE SHEET

AS AT 31 MARCH 2022

| | Notes | 2022 £ | £ | 2021 £ | £ |
|-------------------------------------------------------|-------|-----------|-----------|-----------|-----------|
| Fixed assets | | | | | |
| Tangible assets | 12 | | 1,743,973 | | 1,764,574 |
| Current assets | | | | | |
| Stocks | 13 | 1,811 | | 1,995 | |
| Debtors | 14 | 85,656 | | 113,466 | |
| Cash at bank and in hand | | 105,892 | | 220,345 | |
| | | | 193,359 | | 335,806 |
| Creditors: amounts falling due within one year | 15 | (42,484) | | (66,918) | |
| Net current assets | | | 150,875 | | 268,888 |
| Total assets less current liabilities | | | 1,894,848 | | 2,033,462 |
| Income funds | | | | | |
| Restricted funds | 16 | 64,606 | | 117,370 | |
| Unrestricted funds - designated | | 1,743,975 | | 1,794,575 | |
| Unrestricted funds - general | | 86,267 | | 121,517 | |
| | | | 1,894,848 | | 2,033,462 |

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

The financial statements were approved by the Trustees on 21 December 2022



Ms E Edwards
Trustee

Company Registration No. 03333987

UNITY THEATRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Unity Theatre is a private company limited by guarantee incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office is 1 Hope Place, Liverpool, L1 9BG.

1.1 Accounting convention

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

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

The financial statements have been prepared under the historical cost convention.

The principal accounting policies adopted are set out below.

1.2 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity available to continue as a going concern.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

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

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

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

UNITY THEATRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

1.5 Expenditure

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

Costs of raising funds: including those associated with fundraising activities.

Charitable activities: costs of undertaking the work of the Charity.

The Charity is registered for VAT and can recover all input tax charged. Costs are stated exclusive of VAT where charged.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources

1.6 Tangible fixed assets

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

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

| | |
|------------------------------|------------------------------|
| Leasehold land and buildings | Over the period of the lease |
| Fixtures and fittings | 25% straight line |
| Computers | Over 7 years |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

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

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

UNITY THEATRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

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

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

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

Derecognition of financial liabilities

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

1.11 Employee benefits

When employees have rendered services to the charity, short term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

2 Critical accounting estimates and judgements

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

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

UNITY THEATRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Donations and legacies

| | Unrestricted funds general 2022 £ | Restricted funds 2022 £ | Total 2022 £ | Unrestricted funds general 2021 £ | Restricted funds 2021 £ | Total 2021 £ |
|------------------------------------|-----------------------------------------------|----------------------------------|--------------------|-----------------------------------------------|----------------------------------|--------------------|
| Donations and gifts | 2,052 | - | 2,052 | 7,376 | 10,124 | 17,500 |
| Revenue & Covid Funding | 373,316 | 43,600 | 416,916 | 518,051 | 127,173 | 645,224 |
| | <u>375,368</u> | <u>43,600</u> | <u>418,968</u> | <u>525,427</u> | <u>137,297</u> | <u>662,724</u> |
| Revenue & Covid funding | | | | | | |
| Arts Council England | 277,005 | - | 277,005 | 277,005 | - | 277,005 |
| Liverpool City Council | 74,400 | - | 74,400 | 74,400 | - | 74,400 |
| Austin & Hope Pickington Trust | - | - | - | 1,000 | - | 1,000 |
| Garfield Weston Foundation | - | - | - | 40,000 | - | 40,000 |
| ACE Emergency funding | - | - | - | - | 62,173 | 62,173 |
| ACE CRF1 | - | - | - | - | 65,000 | 65,000 |
| ACE CRF2 | - | 38,057 | 38,057 | - | - | - |
| Liverpool City Council | 8,000 | - | 8,000 | 104,215 | - | 104,215 |
| HMRC - CJRS | 11,244 | - | 11,244 | 2,000 | - | 2,000 |
| Granada Foundation | - | - | - | 19,431 | - | 19,431 |
| Other | 2,667 | 5,543 | 8,210 | - | - | - |
| | <u>373,316</u> | <u>43,600</u> | <u>416,916</u> | <u>518,051</u> | <u>127,173</u> | <u>645,224</u> |

UNITY THEATRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

| | Theatre | Ancillary | Total | Theatre | Projects & Outreach | Total |
|------------------------------------|---------|-----------|--------|---------|---------------------|---------|
| | 2022 | 2022 | 2022 | 2021 | 2021 | 2021 |
| | £ | £ | £ | £ | £ | £ |
| Sales within charitable activities | 43,437 | 20,244 | 63,681 | 597 | 119,325 | 119,922 |
| Details: | | | | | | |
| Box office | 43,437 | - | 43,437 | 597 | - | 597 |
| Bar sales | - | 20,244 | 20,244 | - | - | - |
| Esmee Fairbairn Foundation | - | - | - | - | 112,825 | 112,825 |
| Granada Foundation | - | - | - | - | 4,000 | 4,000 |
| Participation activity | - | - | - | - | 2,500 | 2,500 |
| | 43,437 | 20,244 | 63,681 | 597 | 119,325 | 119,922 |
| Analysis by fund | | | | | | |
| Unrestricted funds - general | 43,437 | 20,244 | 63,681 | 597 | 2,500 | 3,097 |
| Restricted funds | - | - | - | - | 116,825 | 116,825 |
| | 43,437 | 20,244 | 63,681 | 597 | 119,325 | 119,922 |

5 Other trading activities

| | Unrestricted funds general 2022 £ | Unrestricted funds general 2021 £ |
|-------------------------|-----------------------------------|-----------------------------------|
| Trading activity income | 9,209 | 3,586 |

Included within these balances are commercial hire sales income for £8,627 (2021: £4,000)

UNITY THEATRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

6 Other income

| | Unrestricted funds general 2022 £ | Unrestricted funds general 2021 £ |
|--------------|----------------------------------------------------------|----------------------------------------------------------|
| Other income | 164 | 24 |
| | <u>164</u> | <u>24</u> |

7 Raising funds

| | Unrestricted funds general 2022 £ | Unrestricted funds general 2021 £ |
|----------------------------------|----------------------------------------------------------|----------------------------------------------------------|
| <u>Fundraising and publicity</u> | | |
| Direct costs | 3,755 | 4,272 |
| Support costs | 14,729 | 10,968 |
| | <u>18,484</u> | <u>15,240</u> |
| Fundraising and publicity | 18,484 | 15,240 |
| | <u>18,484</u> | <u>15,240</u> |

UNITY THEATRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Charitable activities

| | Theatre & performance 2022 £ | Project costs 2022 £ | Ancillary trading 2022 £ | Total 2022 £ | Theatre & performance 2021 £ | Project costs 2021 £ | Ancillary trading 2021 £ | Total 2021 £ |
|----------------------------------------|---------------------------------------|-------------------------------|-----------------------------------|--------------------|---------------------------------------|-------------------------------|-----------------------------------|--------------------|
| Staff costs | 115,352 | 61,795 | 35,430 | 212,577 | 129,268 | 36,277 | - | 165,545 |
| Direct costs | 73,011 | 48,693 | 11,599 | 133,303 | 31,518 | 10,002 | 425 | 41,945 |
| Project costs | (43,600) | 43,600 | - | - | (62,173) | 62,173 | - | - |
| | <u>144,763</u> | <u>154,088</u> | <u>47,029</u> | <u>345,880</u> | <u>98,613</u> | <u>108,452</u> | <u>425</u> | <u>207,490</u> |
| Share of support costs (see note 9) | 183,089 | 26,164 | 25,537 | 234,790 | 226,468 | 11,563 | - | 238,031 |
| Share of governance costs (see note 9) | 22,038 | 4,722 | 4,722 | 31,482 | 29,365 | 1,631 | 1,631 | 32,627 |
| | <u>349,890</u> | <u>184,974</u> | <u>77,288</u> | <u>612,152</u> | <u>354,446</u> | <u>121,646</u> | <u>2,056</u> | <u>478,148</u> |
| Analysis by fund | | | | | | | | |
| Unrestricted funds - general | 319,716 | 78,354 | 77,288 | 475,358 | 322,443 | 49,894 | 2,056 | 374,393 |
| Unrestricted funds - designated | 30,174 | - | - | 30,174 | 32,003 | - | - | 32,003 |
| Restricted funds | - | 106,620 | - | 106,620 | - | 71,752 | - | 71,752 |
| | <u>349,890</u> | <u>184,974</u> | <u>77,288</u> | <u>612,152</u> | <u>354,446</u> | <u>121,646</u> | <u>2,056</u> | <u>478,148</u> |

UNITY THEATRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Support costs

| | Support costs £ | Governance costs £ | 2022 £ | Support costs £ | Governance costs £ | 2021 £ |
|------------------------------|--------------------|-----------------------|----------------|--------------------|-----------------------|----------------|
| Staff costs | 68,967 | - | 68,967 | 107,943 | - | 107,943 |
| Depreciation | 30,174 | - | 30,174 | 32,003 | - | 32,003 |
| Staff related costs | 5,571 | - | 5,571 | 1,268 | - | 1,268 |
| Marketing salaries | 72,751 | - | 72,751 | 51,644 | - | 51,644 |
| Marketing costs | 30,322 | - | 30,322 | 29,827 | - | 29,827 |
| BO system & other subs | 10,228 | - | 10,228 | 1,557 | - | 1,557 |
| Insurance | 8,495 | - | 8,495 | 8,246 | - | 8,246 |
| Office & other support costs | 10,942 | - | 10,942 | 9,517 | - | 9,517 |
| Bank & other charges | 3,118 | - | 3,118 | 6,994 | - | 6,994 |
| Trustees expenses | 189 | - | 189 | - | - | - |
| Other | 8,762 | - | 8,762 | - | - | - |
| Audit fees | - | 29,415 | 29,415 | - | 26,761 | 26,761 |
| Legal and professional | - | 2,067 | 2,067 | - | 3,866 | 3,866 |
| Support salaries | - | - | - | - | 2,000 | 2,000 |
| | <u>249,519</u> | <u>31,482</u> | <u>281,001</u> | <u>248,999</u> | <u>32,627</u> | <u>281,626</u> |
| Analysed between | | | | | | |
| Fundraising | 14,729 | - | 14,729 | 10,968 | - | 10,968 |
| Charitable activities | 234,790 | 31,482 | 266,272 | 238,031 | 32,627 | 270,658 |
| | <u>249,519</u> | <u>31,482</u> | <u>281,001</u> | <u>248,999</u> | <u>32,627</u> | <u>281,626</u> |

Governance costs includes payments to the auditors of £4,500 (2021- £3,100) for audit fees.

10 Trustees

Trustees expenses

None of the trustees (or any persons connected with them) received any remuneration during the year for their role as trustee. Trustees were reimbursed for expenses the value of £189 during the year. (2021: none)

UNITY THEATRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Employees

The average monthly number of employees during the year was:

| | 2022 Number | 2021 Number |
|-------------------------|----------------|----------------|
| Average no of employees | 27 | 40 |

Employment costs

| | 2022 £ | 2021 £ |
|-----------------------|-----------|-----------|
| Wages and salaries | 328,319 | 281,157 |
| Social security costs | 22,773 | 14,979 |
| Other pension costs | 5,480 | 5,439 |
| | 356,572 | 301,575 |

There were no employees whose annual remuneration was £60,000 or more.

12 Tangible fixed assets

| | Leasehold land and buildings £ | Fixtures and fittings £ | Computers £ | Total £ |
|------------------------------------|-----------------------------------------|-------------------------------|----------------|------------|
| Cost | | | | |
| At 1 April 2021 | 2,057,677 | 261,846 | - | 2,319,523 |
| Additions | - | 624 | 8,950 | 9,574 |
| At 31 March 2022 | 2,057,677 | 262,470 | 8,950 | 2,329,097 |
| Depreciation and impairment | | | | |
| At 1 April 2021 | 301,383 | 253,566 | - | 554,949 |
| Depreciation charged in the year | 20,577 | 8,319 | 1,279 | 30,175 |
| At 31 March 2022 | 321,960 | 261,885 | 1,279 | 585,124 |
| Carrying amount | | | | |
| At 31 March 2022 | 1,735,717 | 585 | 7,671 | 1,743,973 |
| At 31 March 2021 | 1,756,294 | 8,280 | - | 1,764,574 |

13 Stocks

| | 2022 £ | 2021 £ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 1,811 | 1,995 |

UNITY THEATRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

14 Debtors

| | 2022 £ | 2021 £ |
|--------------------------------------|---------------|----------------|
| Amounts falling due within one year: | | |
| Trade debtors | 1,444 | 5,579 |
| Other debtors | 845 | 11,328 |
| Prepayments and accrued income | 83,367 | 96,559 |
| | <u>85,656</u> | <u>113,466</u> |

15 Creditors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------------|---------------|---------------|
| Other taxation and social security | 9,302 | 1,742 |
| Trade creditors | 12,243 | 7,334 |
| Other creditors | - | 5,142 |
| Accruals and deferred income | 20,939 | 52,700 |
| | <u>42,484</u> | <u>66,918</u> |

There is no deferred income at the year end (2021: £32,462). Last years comprised of £2,462 of room hire paid in advance and a £30,000 advance payment of a Arts Council of England grant.

UNITY THEATRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

16 Restricted funds

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

| | Movement in funds | | | | Movement in funds | | | |
|----------------------------|--------------------|--------------------|-----------------|-------------------------|--------------------|--------------------|---------------|--------------------------|
| | Incoming resources | Resources expended | Transfers | Balance at 1 April 2021 | Incoming resources | Resources expended | Transfers | Balance at 31 March 2022 |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| ACE Emergency fund | 62,173 | (62,173) | - | - | - | - | - | - |
| ACE CRF1 | 65,000 | - | (65,000) | - | - | - | - | - |
| Opencall Programme | 10,124 | (124) | - | 10,000 | - | (20,210) | 10,210 | - |
| Esmee Fairbairn Foundation | 112,825 | (9,455) | - | 103,369 | - | (38,763) | - | 64,606 |
| Granada Foundation | 4,000 | - | - | 4,000 | - | (4,047) | 47 | - |
| ACE CRF2 | - | - | - | - | 38,057 | (38,057) | - | - |
| National M&G | - | - | - | - | 5,543 | (5,543) | - | - |
| | <u>254,122</u> | <u>(71,752)</u> | <u>(65,000)</u> | <u>117,369</u> | <u>43,600</u> | <u>(106,620)</u> | <u>10,257</u> | <u>64,606</u> |

- ACE Emergency: This was to cover costs associated with sustaining Unity following the financial and operational impact of the pandemic.
- ACE CRF 1: This was to cover costs associated with sustaining Unity following the financial and operational impact of the pandemic.
- Opencall Programme: This was to provide Liverpool and City Region Artists with paid creative opportunities. The trustees have agreed to fund part of the expenses from the general fund.
- Esmee Fairbairn Foundation: This funds "Creative Pool", Unity's programme for development of creatives, including the salary of our Associate Producer.
- Granada Foundation: Contribution towards our Theatre Access programme, to enable our performances to be captioned, BSL interpreted or audio described.
- ACE CRF2: This was to cover costs associated with sustaining Unity following the financial and operational impact of the pandemic.
- National M&G: This was for the benefit of one Kick Start position.

UNITY THEATRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

17 Analysis of net assets between funds

| | Unrestricted funds 2022 £ | Designated funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ | Unrestricted funds 2021 £ | Designated funds 2021 £ | Restricted funds 2021 £ | Total 2021 £ |
|----------------------------------------------------|------------------------------------|----------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|----------------------------------|--------------------|
| Fund balances at 31 March 2022 are represented by: | | | | | | | | |
| Tangible assets | - | 1,743,973 | - | 1,743,973 | - | 1,764,574 | - | 1,764,574 |
| Current assets/(liabilities) | 86,269 | - | 64,606 | 150,875 | 121,519 | 30,000 | 117,369 | 268,888 |
| | <u>86,269</u> | <u>1,743,973</u> | <u>64,606</u> | <u>1,894,848</u> | <u>121,519</u> | <u>1,794,574</u> | <u>117,369</u> | <u>2,033,462</u> |

UNITY THEATRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

18 Operating lease commitments

Lessee

Amounts recognised in profit or loss as an expense during the period in respect of operating lease arrangements are as follows:

| | 2022 | 2021 |
|-----------------------------------------------|-------------------|-------------------|
| | £ | £ |
| Minimum lease payments under operating leases | - | 278 |
| | <u> </u> | <u> </u> |

19 Capital commitments

The Charity had no capital commitments at the year end (2021: none).

20 Related party transactions

Remuneration of key management personnel

The key management of the charity comprise of the trustees and senior staff.

The remuneration of key management personnel is as follows.

| | 2022 | 2021 |
|------------------------|-------------------|-------------------|
| | £ | £ |
| Aggregate compensation | 127,028 | 88,251 |
| | <u> </u> | <u> </u> |

No trustees received remuneration for their services as trustees.

On February 4 2020, the Chief Executive Officer G Millar was appointed as a trustee and director of the Company. He did not receive any remuneration for acting as a trustee. His employment benefits in the year were £53,618 (2021: £53,393).