

LIVERPOOL AND MERSEYSIDE THEATRES TRUST LIMITED

England & Wales · Charity number 1081229

Details

Other names	EVERYMAN THEATRE LIVERPOOL, PLAYHOUSE THEATRE LIVERPOOL
Status	Registered
Legal form	Charitable company
Company number	03802476
Registered	2000-06-22
Register	View on the Charity Commission register

Contact

Address	Liverpool & Merseyside Theatres Trust Ltd The Everyman Theatre 5-11 Hope Street Liverpool
Phone	01517083700
Email	info@everymanplayhouse.com
Website	www.everymanplayhouse.com

Activities

Objects: TO ADVANCE, ENCOURAGE, PROMOTE AND IMPROVE THE CULTURAL AND ARTISTIC EDUCATION OF THE GENERAL PUBLIC BY PRODUCING QUALITY THEATRICAL PRODUCTIONS, INCLUDING THE ARTS OF DRAMA, MIME, DANCING, SINGING AND MUSIC AND WITHIN SUCH OBJECTS MAKE PARTICULAR PROVISION FOR EDUCATIONAL, COMMUNITY AND TRAINING PROGRAMMES FOR THE BENEFIT OF THE PEOPLE OF MERSEYSIDE AND THE NATION AT LARGE AND TO PRESERVE, PROTECT, DEVELOP AND IMPROVE FOR THE BENEFIT OF THE GENERAL PUBLIC THE PLAYHOUSE THEATRE, LIVERPOOL BEING A BUILDING OF HISTORIC INTEREST PROVIDED THAT ALL OBJECTS OF THE TRUST SHALL BE OF A CHARITABLE NATURE

Activities: The Trust manages two theatres, the Liverpool Playhouse and the Everyman Theatre. Both are producing theatres. The Everyman Theatre places an emphasis on the production of new work and new writers. Both theatres also host a programme of visiting companies presenting theatre and dance. A significant element of the theatres' work comprises outreach, education and writer development programmes.

Classification

- **How:** Provides Services
- **What:** Arts/culture/heritage/science
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** MERSEYSIDE AND THE NATION AT LARGE
- Knowsley
- Liverpool City
- Sefton

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£6,716,000	£6,968,000	£19,005,000	273
2024-03-31	£5,288,000	£6,144,000	£19,257,000	263
2023-03-31	£5,798,000	£6,483,000	£20,113,000	251
2022-03-31	£4,911,000	£5,473,000	£20,798,000	81
2021-03-31	£4,514,000	£4,187,000	£21,360,000	170

Trustees

Name	Role	Appointed
Camilla Mankabady	Chair	2020-07-22
Anthony Smith		2021-12-02
Caroline Sanger-Davies		2021-12-02
Councillor Portia Eve Fahey		2023-05-17
James Bierman		2022-11-22
Jillian Margaret Jones		2021-02-24
Julie Ann Lockhart		2024-11-21
Laura Collier		2025-05-22
Mark Elder Da Vanzo		2020-04-01
Paul Anthony Grover		2024-11-21
Paul Maddock		2025-05-22
Paul Stephen Evans		2020-07-22
Saphena Aanaz Aziz		2024-02-22

LIVERPOOL AND MERSEYSIDE THEATRES TRUST LIMITED

England & Wales - Charity number 1081229

Accounts

LIVERPOOL **EVERYMAN & PLAYHOUSE**

The Liverpool and Merseyside Theatres Trust Limited

(A Company Limited by Guarantee)

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025



Company Number: 03802476

Registered Charity Number: 1081229

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TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

For the year ended 31st March 2025

INTRODUCTION

The 2024/25 financial year has been a landmark one for the Liverpool and Merseyside Theatres Trust. Against a backdrop of continued economic uncertainty and sector-wide challenges, we are proud to report a year of exceptional achievement, with record attendances across both the Liverpool Everyman and Playhouse theatres. This success is a testament to the enduring power of live performance, the creativity and resilience of our teams and the deep connection our theatres have with the communities we serve.

Over 146,000 people came through our doors during the year – the highest number in over 10 years – drawn by a bold and diverse programme that celebrated new voices, reimaged classics, and championed stories that resonate with audiences locally and nationally.

The Everyman's 60th anniversary was a particular highlight, marked by a season of work that honoured its radical roots while looking forward with ambition. Our in-house Everyman productions *The Legend of Ned Ludd*, *Tell Me How It Ends*, *The Lieutenant of Inishmore*, *Rapunzel* and *Shirley Valentine* brought together local artists, community participants and national collaborators in a celebration of the theatre's legacy and future. The Playhouse continued to thrive as a vital hub for mid-scale touring, welcoming acclaimed productions including *The Kite Runner*, *Play On!*, *Ghost Stories* and *Tambo & Bones*, each drawing new and diverse audiences.



"I was blown away by the talent of the young actors and the writer. It's wonderful that the Everyman supports and encourages young talent"

Audience Feedback on
Tell Me How It Ends
by Tasha Dowd

Our commitment to young people and communities remains at the heart of our mission. The relaunch of our Young Everyman Playhouse (YEP) programme has already begun to bear fruit, with hundreds of young people accessing free, high-quality theatre training and creative opportunities. We have also been reviewing our community engagement strategy to ensure we maintain its alignment with the Arts Council England's Investment Principles and respond meaningfully to the needs of our diverse audiences.

We were thrilled to welcome Nathan Powell as our new Creative Director, who joined us part-time in August 2024 and took up his role fully in December. Nathan's vision, energy and deep roots in the region's creative community make him ideally placed to lead our artistic programme into the future.

As we look ahead, we are excited to progress plans for the refurbishment of the Playhouse, ensuring it remains a welcoming, accessible and inspiring space for generations to come. The Everyman's 60th anniversary has reminded us of the vital role our theatres play in the cultural life of Liverpool – as places of gathering, imagination and shared experience. None of these achievements would be possible without the support of our audiences, funders, partners, staff, volunteers and trustees. Thank you for your commitment to these wonderful theatres.

Andrea Nixon, Chair

Mark Da Vanzo, Chief Executive



The coming year marks a significant moment of transition for the Trust.

After seven years of dedicated service, Andrea Nixon will be stepping down as Chair in November 2025. Andrea's tenure has been defined by her unwavering commitment to artistic excellence, financial sustainability, and community engagement. She has steered the organisation through some of its most challenging times – including the pandemic and its aftermath – and leaves the Trust in a position of strength, with a clear vision for the future. We are immensely grateful for her leadership, wisdom and passion, and she will be greatly missed by all who have worked alongside her.

Mark Da Vanzo, Chief Executive



OBJECTIVES AND ACTIVITIES

The Trustees present their annual report together with the audited financial statements for the year ended 31 March 2025.

WHAT WE DO

Our theatres are a vital focus for the communities in the Liverpool City Region, telling stories which are compelling locally and nationally, supporting and attracting talent and contributing to Liverpool's reputation as one of the country's most vibrant cultural cities.

Across the two theatres – one a 440-seat thrust, the other a 670-seat proscenium – we produce our own productions, co-create with some of the best theatres and companies across the UK and bring the richest range of work for the widest audience.

We nurture and develop the artists and creative workforce for tomorrow through our award-winning Young Everyman Playhouse programme (YEP). Much more than a youth theatre, YEP is a ground-breaking, multi-disciplinary talent development programme. Our graduates are working in our buildings, appearing on our stages, attending drama school, making movies, writing hit TV shows, forming their own theatre companies, and much more.



OUR VISION

We will be the most relevant change making theatre, artistically innovative, talent enhancing, socially impactful, and representative of everyone.

OUR MISSION

The use of the power of theatre to inspire entertain and nurture positive social change.

OUR VALUES

COLLABORATIVE

We listen, we share, we co-create.

CREATIVE

We believe in the power of creativity to inspire and change lives.

COMPASSIONATE

We are open-hearted, generous and supportive.

COURAGEOUS

We are daring and brave – a voice for things we believe in.

OUR COMMITMENT TO EQUITY, DIVERSITY & INCLUSION

We strive to be an organisation that understands what it means to be a welcoming and safe space for all. We aim to reflect the diversity of our communities through the work on our stages, our workforce, those we partner with, our engagement activities and by ensuring our buildings are as accessible as they can be. Our established Diversity Action Group (DAG) comprised of staff, Board members and paid external co-opted members, agree measurable targets in the short, medium and long-term and

monitor our progress on the journey. We have adopted the Anti-Racism Touring Rider and implemented our own code of conduct and safe spaces charter. We have also signed up for the Liverpool Arts & Culture Race Equality Manifesto alongside 30 other cultural organisations and sit on its steering group.

We truly want everyone who comes through our doors to feel welcome and safe, regardless of their background or means and are committed to profound ongoing change.

OUR COMMITMENT TO THE ENVIRONMENT

We are committed to lessening our impact on the environment and under the recommendations of the Theatre Green Book, we have adopted broad measures to limit our impact, reduce our consumption of water, energy, and other resources, avoid waste, and combat climate change.

We strive to source products locally where possible and from sustainable providers.

We are working with the Zero Carbon Institute (University of Liverpool) using findings to inform the build and design of the Playhouse capital development plans.

PUBLIC BENEFIT

This report demonstrates how we have delivered on its charitable purpose through its activities and the quality of its performance and as a result demonstrates the benefit to the public of the work undertaken by the Trust. The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".



ACHIEVEMENTS & PERFORMANCE

This year, our stages pulsed with bold storytelling, fresh voices, and unforgettable moments that reaffirmed our role at the heart of Liverpool's cultural life. We welcomed a record number of stakeholders through our doors, not just as audiences, but as collaborators, creators, and our wider community.

We opened the year with a renewed commitment to artistic excellence and local talent, with *The Legend of Ned Ludd* by Joe Ward-Munrow, pushing the boundaries of theatre making with a show that was designed to be different every night.



Our programme celebrated the city's emerging talent with the presentation of *Tell Me How It Ends*, a debut play by local writer Tasha Dowd that stunned audiences with its powerful storytelling. Artistic Director of our associate company Chris Sonnex directed an inspired reimagining of Martin McDonagh's *The Lieutenant of Inishmore* to packed houses of laughter that brought national attention to the theatres.

Our co-productions and partnerships flourished, extending our reach and deepening our impact. We worked with partners to present *Tambo and Bones*, *Pig Heart Boy* and the UK premiere of *Play On! The Jazz* musical with our partners at Talawa.

We celebrated a festive season that filled both theatres with joy, laughter, and standing ovations with *Rapunzel* at the Everyman and *The Rocky Horror Show* at the Playhouse. We were absolutely thrilled to be able to work with Willy Russell to showcase a showstopping *Shirley Valentine*, played by local hero Helen Carter that received glowing reviews and has landed Helen with a UK Theatre nomination for Best Performance.

The Playhouse continues to allow us to be the Liverpool home for world class touring theatre and this year was no different. We welcomed productions from imitating the dog, Bristol Old Vic and the Children's Touring Partnership, as well as classics like *The Merchant of Venice* 1936 and 1984, and the return of *The Kite Runner* and *Ghost Stories* which we co-produced for its first outing.

We championed emerging talent through our Young Everyman Playhouse (YEP) programme, nurturing the next generation of theatre-makers with opportunities to lead, learn, and perform across all our stages. Community engagement remained central, with a focus on Art for health. From workshops and residencies to relaxed performances and creative outreach, we continue to break down barriers and invite everyone in.

Behind the scenes, our teams worked tirelessly to innovate and adapt, ensuring our work remained accessible, sustainable, and artistically ambitious. We have implemented longer tech weeks to accommodate better working hours and our partnership with Parents and Carers in Performing Arts (PIPA) means we are a welcoming and accommodating venue to work in for parents and carers. This work has laid the groundwork for future seasons that will be even more daring and diverse.

As we reflect on this year, we celebrate the artists, audiences, and staff who made it possible. Together, we built a programme that speaks to Liverpool's past, present and future, with heart, humour and hope.

Nathan Powell, Creative Director



★★★★★

The Stage

★★★★★

**Arts City
Liverpool**

★★★★★

Wirral Globe

★★★★★

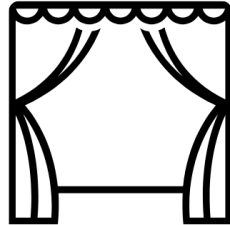
North West End

**on Willy Russell's
*Shirley Valentine***

HIGHLIGHTS 2024-25

437

PERFORMANCES
& EVENTS



8 SHOWS

'Made in Liverpool'
+ 55 visiting shows



138,000



4.6

Performance rating
from audience surveys
compared to 4.5 UK
Benchmark

£71,000

Raised for the
Everyman's
60th Birthday



New Bookers to
the Everyman &
Playhouse

53%



14,000

Tickets to Children
& Young People

YOUNG
**EVERYMAN
PLAYHOUSE**

3,285

Attendances

467

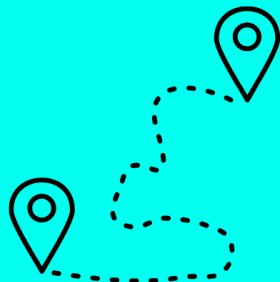
Sessions

9,463

Contact
Hours

72%

Audiences
within
Liverpool
City Region



Audiences
outside
Liverpool
City Region

28%



15

EXHIBITIONS

EMPLOYEES

71 permanent
217 freelance
202 casual



COMMUNITY

2,083

Attendances

292

Sessions

4,207

Contact
Hours

LOCAL IMPACT

£1.60 spent outside
the venues for every
£1 spent on tickets



60

ARTISTS



supported
on talent
pathways

EARNED INCOME



£2.01 per £1

of public funding received

28

Access Supported
Performances

3,339

Access Support Tickets



35

tonnes
in energy
savings



24/25 PROGRAMME

'Made in Liverpool' Homegrown Productions

The Legend of Ned Ludd by Joe Ward Munrow

Tell Me How It Ends by Tasha Dowd

A Monster Calls, Young Everyman Playhouse

The Lieutenant of Inishmore by Martin McDonagh

Play On! A co-production with Talawa Theatre Company

Rapunzel by Jude Christian

Shirley Valentine by Willy Russell

Tambo and Bones, a co-production with Actors Touring Company

Visiting Productions

imitating the dog: *Frankenstein*

The Kite Runner

Potato Milk

My Son's A Queer

Birdsong

After the Act

1984

The Rocky Horror Show

The Merchant of Venice 1936

Ghost Stories

Raven

Sentient by Liz Roche

Paperwork: Lovestruck

For Children & Young People

Charlie Cook's Favourite Book

There's A Monster in Your Show

Wonderboy

Room on the Broom

The Baddies

Children's Touring Partnership:

Pigheart Boy

Music & Cabaret

Tim Rice: *I Know Him So Well, My Life in Musicals*

Showstopper! The Improvised Musical

RUSH: *A Brother with Soul*

The Tiger Lillies

The Spare Rib

The Choir with No name

Secret Jazz Club

Nana Funk

Comedians, Podcasts & Spoken Word

Jon Courtenay, Ivo Graham, Griff Rhys Jones, Tom Davis, Rosie Holt, Scummy Mummies, Jarlath Regan, Uncanny, Hollie McNish, Kiri Pritchard-McLean, Danny Beard, Kane Brown, Andy Parsons, Maisie Adam, Myra Dubois, Nish Kumar, Sarah Keyworth, Tatty Macleod, Grace Campbell, Count Arthur Strong, Ginger Johnson, Paul Foot, Fern Brady, Mark Thomas, Nina Conti, John Shuttleworth, Adam Kay, Lou Sanders, Deirdre O'Kane

An Evening with...

Celia Imrie, Si King, Alison Steadman*, Michael Mansfield, David Morrissey*

[*Everyman 60th Fundraising events]



FINANCIAL PERFORMANCE

The financial results for the year are set out in the attached financial statements. The statements have been prepared in accordance with the accounting policies set out in notes 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

The overall position after depreciation was a deficit of £252k (2024: £856k deficit). In-year depreciation costs were £538k (2024: £670k). The overall deficit position for the year comprised a surplus on unrestricted funds of £216k and a deficit on restricted funds of £468k.

From the operating surplus, the Trustees have designated £204k for the specific purpose of investing in IT systems, capital works and artistic commissions in future years, in line with the business plan.

The restricted funds deficit comprised planned expenditure of £515k in funds held in relation to depreciation (2024: £647k) and planned use of £27k revenue funds held in relation to projects. (2024: £nil).

RAISING FUNDS

Total income for year was £6,716k (2024: £5,288k). Further detail on income is provided in notes 4 to 6 in the accounts.

We continued to receive support from one-off donors and regular givers (£138k) and from learning partners (£20k), totalling £158k (2024: £123k).

Funds from Arts Council England and Liverpool City Council totalled £2,180k (2024: £2,180k). Restricted grant funding increased to £74k (2024: £nil) which included funding from The Foyle Foundation, Backstage Trust and Garfield Weston, along with several smaller grants for our work with young people.

COMMERCIAL ACTIVITY

Income from the trading subsidiary (Liverpool Everyman and Playhouse Trading Limited) totalled £713k (2024: £529k), this included income from bars, events and the Street Café.

The overall contribution from the trading company was £117k (2024: £3k).

ASSETS

At the end of March 2025, net current assets for the Group were £1,339k (2024: £1,190k).

The overall cash in bank position was £2,138k (2024: £1,720k) of this £910k relates to advanced ticket sales.

PRINCIPAL RISKS & UNCERTAINTIES

The Trustees examine major strategic, business and operational risks which the Trust faces on an ongoing basis, confirming that systems have been established to mitigate and lessen them. A risk register is closely monitored and formally reviewed by Trustees annually. Over the past year, identified risks have been allocated to the appropriate governance structure for monitoring. Operational risks are addressed through line management and budget control systems, with comprehensive and regularly reviewed policies in relation to key issues such as safeguarding and health and safety.

Where appropriate, insurance cover complements and supports other risk reduction mechanisms. External risks and questions of compliance are addressed by maintaining a strong relationship with key funders and regular contact with support and regulation agencies, and by promoting positive PR about the Trust and its programme.

The principal risks and uncertainties faced by the Trust (as identified in the current risk register) are:

- External factors adversely impact organisation's ability to operate (e.g. pace of economic recovery, terror attack, global unrest, severe weather event).
- Loss of key funds; including a change in funding approach following spending review and ACE review, or inability to meet budgetary targets and/or insufficient reserves to ensure long-term future viability of the organisation and its going concern status.
- An incident which endangers our business continuity (e.g. significant supplier failures leading to non-delivery of critical product or service or utilities, cyber-attack on our IT systems and the consequent impact).
- A critical part of the Playhouse or Everyman building infrastructure, or piece of equipment, fails which needs urgent and costly repair/replacement.
- Retention/recruitment of key staff or Trustees, inability to recruit core capabilities following staff departures or long-term sick leave (including associated stressors from external factors such as hospital waiting times). Loss of institutional knowledge, low staff morale.

GOING CONCERN

Please refer to the going concern note in the Accounting Policies notes to the Financial Statements. We are a member of the Arts Council England National Portfolio Organisations, with funding confirmed until 2027. We have secured Liverpool City Council (LCC) funding through the Culture and Arts Investment Programme through to 2027. We continue to manage funding risk by maintaining a positive relationship with both funders and by making a visible contribution to the City's profile and its social and economic wellbeing.

The economic climate continues to pose a continued threat, competition for funding and pressure on public finances, remains a constant concern.

Our business plan for 2025/26 aims to carefully balance the risks we have identified, and all opportunities are taken to maximise and diversify income; to secure income for the medium as well as short-term, and to retain a degree of flexibility in order to revise plans in response to any adverse financial situations that arise.

RESERVES

At the end of March 2025, total funds were £19,005k (2024: £18,820). Of this £17,255k related to funds restricted in nature (2024: £17,723k).

The Board of Trustees maintain an appropriate level of reserves to support the Trust's work and its programme of activities. The recommended reserves levels have been determined in accordance with the Charity Commissions' best practice guidance.

The reserves policy enables the Trust to plan effectively, guarantee the sustainability of the organisation and provides appropriate cover against the risk to which the Trust is exposed. The reserves policy considers the following risks:

- the impact of any unforeseen events which may have a detrimental effect on operating cash flows,
- the upkeep and maintenance of the two theatres,
- the risk across a normal programming year where income may be different or lower than budget,
- the potential costs associated with having to wind down the organisation in an emergency situation.

At the end of March 2025, the Trust held £454k (2024: £900k) in designated funds for the following purpose:

- £135k Building Fund – to fund future improvements to the Playhouse.
- £195k Artistic Innovation Fund – to support the future ambition of our business plans.
- £80k Change Management Fund – to support investment in IT systems changes.
- £44k Resource Fund – to support increasing operational costs of programme delivery of our business plan.

The value of free reserves at the end of March 2025 was £837k (2024: £940k). Free reserves are unrestricted operating funds that have not been used to purchase fixed assets, don't include designated funds and are available for use by the Trust to fund activity. The value of free reserves meets the target level of £800k reserves set by Trustees.

The level of free reserves held will be monitored by the Finance & Audit Committee on a quarterly basis. If current reserves fall below the target level, appropriate actions should be taken to replenish them in line with the business strategy.

FUTURE

As one of Arts Council England's National Portfolio Organisations (NPO) we have the security of funding through to at least 2027. Our business plan fully incorporates ACE's Investment Principles and sets out how we will continue to fulfil our charitable objectives and deliver to the outcomes of ACE's Let's Create and the Liverpool City Council's Cultural Strategy (which is currently being reviewed). Through the active management of costs and planned application of funds, our future planning is underpinned by a financial strategy that recognises the rising costs of inflation, employment costs and risk still inherent in the current operating climate.

We are delighted to be welcoming Camilla Mankabady as our new Chair. Camilla brings a wealth of experience in communications, public service and civic leadership, and shares our belief in the transformative power of theatre. Her appointment signals an exciting new chapter for the Trust as we continue to evolve and grow our impact across the city region and beyond.

Following the delivery of the Playhouse Feasibility Study, alongside the successful launch of a companion study on Williamson Square Activation, we are planning how to move to the next phase of our project to undertake a major capital refurbishment of the Playhouse. While the actual work on the theatre is unlikely to begin for several years, we are progressing discussions with major funders and stakeholders to raise the substantial funds required to progress this essential work, ensuring the Playhouse is fit for use over the next 150 years.

RELATED PARTIES & CO-OPERATION WITH OTHER ORGANISATIONS

On 1 April 2020, our Chief Executive was appointed to the Board in accordance with the revised Memorandum and Articles of the Charity. During his appointment, he will continue to receive his usual salary payments and to reclaim approved expenses incurred wholly in his roles as an employee. This is disclosed in Note 23. No other Trustees received remuneration from their work with the Charity.

LMTT is the sole shareholder of two subsidiary companies as follows:

- Liverpool Everyman & Playhouse Trading Limited (LEPT) manages the trading activities for the Everyman and Playhouse Theatres (Company No 08287910).
- Liverpool Everyman & Playhouse Productions Limited (LEPP) through which productions are commissioned in the previous year (Company No 09231907). This company is dormant.

KEY MANAGEMENT PERSONNEL PAY POLICY

The remuneration of key management personnel is determined by the Trustees of the Charity. The Trustees consider the seniority of the post, the expertise and experience of the post holder, the local market conditions and sector market conditions for remuneration, and benchmarking information from similar organisations in determining the remuneration of key management personnel.

FUNDRAISING STANDARDS

In the Financial Year, the Trust contracted fundraising professionals to manage relationships with educational partners, corporate sponsors and individual givers and donors. They also developed and submitted funding applications to Trust and Foundations in line with our Ethical Fundraising Policy. The Trust is registered with the Fundraising Regulator and follows its code of practice.

STRUCTURE, GOVERNANCE & MANAGEMENT

GOVERNING DOCUMENT

LMTT is a company limited by guarantee (No: 3802476), governed by its Memorandum of Association. It is also a registered charity (No: 1081229).

BOARD OF TRUSTEES

The Board of Trustees is collectively responsible for the success of LMTT. The Board works to support the management of the Trust and its subsidiaries and further our Charitable Objectives. It is the responsibility of the Board, in consultation with the Executive, to determine policy, to set strategic policy targets, to implement monitoring and reporting procedures that will ensure their fulfilment, and to approve and monitor annual budgets and business plans.

The Board currently meets four times a year, plus an away day, and has sub-committees including the Finance & Audit committee, Diversity Action Group and a number of Task and Finish groups.

RECRUITMENT & APPOINTMENT OF TRUSTEES

The Board give their time voluntarily; membership includes a wide range of skills to ensure they can best help advise the theatres' management. Trustees are appointed on fixed terms through public advertisement. Service is for up to two consecutive terms of three years.

All Trustees undertake a programme of induction upon commencement and Trustee training is provided on relevant topics at various times in the year. All Trustees are covered by the Charity's directors and officers' insurance.

GOVERNANCE CODE

The Board believes that good governance in charities is fundamental to their success. The Charity Governance Code is a practical tool to help charities, and their Trustees develop high standards of governance as it enables and supports a charity's compliance with the law and relevant regulations. It also promotes a culture

where everything works towards fulfilling the Charity's vision. Through ensuring each element of the Code is met, Trustees hope to both improve the transparency and breadth of reporting and demonstrate exemplary leadership and governance on behalf of staff, stakeholders and supporters.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered office

Everyman Theatre
5-11 Hope Street
Liverpool
Merseyside
L1 9BH

Bankers

Lloyds Bank
Merchant's Court,
2 - 11 Lord Street
Liverpool
L2 ITS

Auditor

DSG Audit
Castle Chambers
43 Castle Street
Liverpool
L2 9TL

DIRECTORS

The Directors of the Charity are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees. The Trustees of the Charity who served during the year and up to the date of this report are listed below:

A Nixon (Chair)	P Evans (Vice Chair)
P Bibby (Vice Chair) (retired on 22 May 2025)	P Fahey
S Aziz	J Jones
J Bierman	P Kallee-Grover (appointed 21 November 2024)
H Blakeman (retired on 20 March 2025)	J Ledder (appointed 21 November 2024)
A Causley (retired on 21 November 2024)	P Maddock (appointed 22 May 2025)
L Collier (appointed 22 May 2025)	C Mankabady (Vice Chair)
M Clarke (retired on 21 November 2024)	N M Russell
M Da Vanzo	C Sanger-Davies
	A Smith

The Liverpool and Merseyside Theatres Trust would like to express its heartfelt thanks to all outgoing Trustees whose passion, dedication and commitment has helped us to achieve the Trust's charitable aims. Our Trustees give their time voluntarily and this is hugely appreciated.

A very warm welcome to our talented new Trustees whom we look forward to working with as we develop and implement our ambitious future plans.

Company Secretary & Chief Executive

M Da Vanzo

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also directors of The Liverpool and Merseyside Theatres Trust Limited for the purposes of company law, are responsible for preparing the Strategic report, the report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees must prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Group for that period.

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

- Select suitable accounting policies and 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, 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 charitable Company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable Company's transactions and 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable Company's website.

STATEMENT OF DISCLOSURE TO THE AUDITORS

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's Auditors are unaware, and each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

The Trustees' report, including the strategic report, was approved by the Board of Trustees on 20th November 2025.



Andrea Nixon

Chair

PHOTOGRAPHY CREDITS

Front cover © DidEyeShutter; P2 *The Lieutenant of Inishmore* © Gary Calton; P3 *Tell Me How It Ends* © AB Photography; P4 *YEP, A Monster Calls* © AB Photography; P6 *ATC, Tambo & Bones* © Jane Hobson; P7 *The Legend of Ned Ludd* © Marc Brenner; P8 *Shirley Valentine* © AB Photography; P11 *Talawa, Play On!* © Ellie Kurtz.

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We are a registered charity (1081229) and gratefully acknowledge the continued support of Arts Council England, Liverpool City Council, our donors, patrons, partners and our audiences.



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LIVERPOOL AND MERSEYSIDE THEATRES TRUST LIMITED

Opinion

We have audited the financial statements of The Liverpool and Merseyside Theatres Trust Limited (the 'parent charitable company') for the year ended 31st March 2025 which comprise the Consolidated Statement of Financial Activities (including Consolidated Income and Expenditure Account), the Group and Company Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 parent charitable company's affairs as at 31 March 2025 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 and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or parent 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 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.

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 director's report and the strategic report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's 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 Group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the Group's and parent 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 Group or parent 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:

Capability of the audit in detecting irregularities, including fraud

Based on our discussions with the Group and parent charitable company's management and the Trustees, we identified that the following laws and regulations are significant to the Group and parent charitable company:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the Group and parent charitable company and therefore may have a material effect on the financial statements include compliance with the charitable objectives, public benefit, fundraising regulations, safeguarding and health and safety legislation.

These matters were discussed amongst the engagement team at the planning stage and the team remained alert to non-compliance throughout the audit.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee meeting minutes; testing the appropriateness of journal entries and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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 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.



Andrew Moss BA FCA (Senior Statutory Auditor)

For and on behalf of DSG Audit

Chartered Accountants, Statutory Auditor

Castle Chambers

43 Castle Street

Liverpool

L2 9TL

20 November 2025

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31st March 2025

		Unrestricted funds £'000	Restricted funds £'000	Total funds 2025 £'000	Total funds 2024 £'000
	Note				
INCOME					
Donations and Legacies		158	-	158	123
Charitable Activities	2,4	5,243	74	5,317	4,244
Other Trading Activities	2,6	713	-	713	529
Other	2	465	-	465	345
Investments		63	-	63	47
TOTAL INCOME		6,642	74	6,716	5,288
EXPENDITURE					
Raising Funds	7	(565)	-	(565)	(496)
Charitable Activities	8	(5,861)	(542)	(6,403)	(5,648)
TOTAL EXPENDITURE		(6,426)	(542)	(6,968)	(6,144)
NET INCOME / (EXPENDITURE)		216	(468)	(252)	(856)
TRANSFERS BETWEEN FUNDS	18	-	-	-	-
NET MOVEMENT IN FUNDS		216	(468)	(252)	(856)
RECONCILIATION OF FUNDS					
Total funds brought forward	18	1,534	17,723	19,257	20,113
Net Income / (Expenditure)		216	(468)	(252)	(856)
Transfer Between Funds		-	-	-	-
TOTAL FUNDS CARRIED FORWARD		1,750	17,255	19,005	19,257

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 25 to 45 form part of these financial statements.

Company Registration Number: 03802476

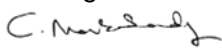
GROUP AND COMPANY BALANCE SHEET

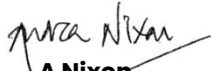
AS AT 31ST MARCH 2025

		Group		Company	
		2025	2024	2025	2024
	Note	£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets	12	17,666	18,067	17,667	18,067
Investments	13, 26	-	-	-	-
		17,666	18,067	17,667	18,067
CURRENT ASSETS					
Stocks	14	16	17	-	-
Debtors- due in less than one year	15	974	781	804	705
Cash at bank and in hand		2,138	1,720	2,138	1,720
		3,128	2,518	2,942	2,425
CURRENT LIABILITIES					
Creditors: falling due within one year	16	(1,789)	(1,328)	(1,789)	(1,328)
		(1,789)	(1,328)	(1,789)	(1,328)
NET CURRENT ASSETS					
		1,339	1,190	1,153	1,097
NET ASSETS					
		19,005	19,257	18,820	19,164
FUNDS OF THE CHARITY:					
Unrestricted funds: Operating	18	1,296	634	1,111	540
Unrestricted funds: Designated	18	454	900	454	900
TOTAL UNRESTRICTED FUNDS	18	1,750	1,534	1,565	1,441
Restricted funds	18	17,255	17,723	17,255	17,723
TOTAL FUNDS		19,005	19,257	18,820	19,164

As permitted by Section 408 of the Companies Act 2006, a separate statement of financial activities for The Liverpool and Merseyside Theatres Trust Limited is not presented. The unrestricted fund for the financial period of the Company was £124k. The restricted fund loss for the period (including depreciation) was £468k. The combined loss for the financial period of the Company was £344k (2024: £858k loss).

These financial statements were approved and authorised for issue by the board of Directors on 20 November 2025. Signed on behalf of the Trustees


C Mankabady
 Director


A Nixon
 Chair

Company Registration Number: 03802476

CONSOLIDATED STATEMENT OF CASHFLOWSFor the year ended 31st March 2025

	Note	2025	2024
		£'000	£'000
NET CASH FROM OPERATING ACTIVITIES	24	<u>557</u>	<u>230</u>
INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(139)	(51)
NET CASH USED IN INVESTING ACTIVITIES		<u>(139)</u>	<u>(51)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS		418	179
Cash and cash equivalents at beginning of year		1,720	1,541
CASH AND CASH EQUIVALENTS AT END OF YEAR		2,138	1,720
Cash and cash equivalents consist of:			
Cash at bank and in hand		<u>2,138</u>	<u>1,720</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		<u>2,138</u>	<u>1,720</u>

NOTES TO THE CONSOLIDATED ACCOUNTS

For the year ended 31st March 2025

1. ACCOUNTING POLICIES

General information

The Liverpool and Merseyside Theatres Trust Limited ("the Company", "the Charity" or "LMTT") was incorporated on 8th July 1999 (Company Registration No. 03802476). It is a private company limited by guarantee and it is governed by its Memorandum of Association dated 17th June 1999 (and as amended 22nd September 2011, 10th November 2005, 23rd February 2005). LMTT is a registered charity (No.1081229) and is domiciled and incorporated in England and Wales.

The address of the Company's registered office is included on page 16, and its principal place of business is at this address with a secondary place of business at the Playhouse Theatre, Williamson Square, Liverpool, L1 1EL.

The Group consists of Liverpool and Merseyside Theatres Trust Limited, Liverpool Everyman and Playhouse Productions Limited and Liverpool Everyman and Playhouse Trading Limited.

Basis of accounting

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The Company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

A summary of the more important Group accounting policies, which have been applied consistently throughout the current and prior financial periods, is set out below.

Going Concern

Overall financial performance for the 2024/25 year was positive. Through continued focus on growing earned income and controlling costs, the Trust delivered an operating surplus of £12k, after designating funds of £204k for the specific purpose of investing in IT systems, capital works and artistic commissions in future years, in line with the business plan. We ended the financial year with unrestricted funds of £1,750k, which included free reserves of £840k in line with our target reserves policy.

To date in 2025/26, financial performance has been in line with the business plan and budget. Should the remainder of the financial year perform as per the budget, we expect to deliver a break-even outturn. As a result, closing unrestricted funds are expected to be £1,637k, including unchanged levels of free reserves. This closing position and fund balance are key to underpinning our financial resilience in future years.

Looking ahead to 2026/27, our business plan anticipates steady growth across audiences. Income is secured through our recurrent funding as a National Portfolio Organisation (NPO) of Arts Council England (ACE) alongside

ongoing revenue funding from the Liverpool City Council (LCC) through their Cultural Arts Investment Programme (CAIP).

In July 2025, ACE confirmed the extension of current NPO funding to March 2027. LCC have notified us that our application for CAIP funding for the period 2026–27 had been successful. While the grant has been awarded on a recurring basis, LCC Cabinet still confirms grant funding annually in March of each year.

The Trustees have carefully considered ongoing support from ACE and LCC, along with the Trust's cash reserves and fund levels. They have also reviewed projected income, expenditure, and cash flows to assess financial resilience.

After consideration of all factors, the view of the Trustees is that the Trust will continue in operational existence for the foreseeable future. The Trustees have concluded that the level of reserves and liquidity for the Trust are sufficient, and that it will be in a position to continue to meet its liabilities as they fall due for at least twelve months from signing these financial statements.

As such, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Reduced disclosures

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements;

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in the statement of financial activities, and
- Section 33 'Related Party Disclosures' – Compensation for key management personnel

Basis of consolidation

The consolidated financial statements incorporate those of The Liverpool and Merseyside Theatres Trust Limited and its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). All financial statements are made up to 31st March 2025.

All intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

Functional and presentational currencies

The consolidated financial statements are presented in sterling which is also the functional currency of the Company and the Group.

Income

Income is recognised only when the 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. Income is measured at the fair value of consideration receivable, less any discounts and VAT deductions.

Ticket income relating to shows is recognised in the financial period the show closes and is held within advanced sales until that time. In respect of productions which span the Charity's year-end, ticket income is apportioned in line with performance dates. Income in respect of theatre tax relief is recognised in the financial year in which set up costs of qualifying production are incurred.

Donations and legacies

Donations and legacies are recognised as income when the Charity is entitled to the income, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably.

Grants received

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the Charity has entitlement to the funds and has met any performance conditions attached to the grant and where it is probable that the income will be received, and the amount can be measured reliably.

In some instances, multi-year funding agreements which result in funds being paid over two years or longer are procured. Provided no conditions attach to the receipt of contributions scheduled to be received in future years, the charity SORP requires the Charity to recognise income from restricted grants in the period in which they are secured rather than the period they are received. If conditions do attach, the charity recognises the income in the year it is received. Grants held within restricted revenue funds are released against expenditure in the period or periods that grant restrictions are met, including requirements for defrayment.

Investment income

Investment income comprises bank interest. Interest income is accrued on a time apportioned basis by reference to the principal invested at the effective interest rate.

Expenditure

Expenditure is charged on an accruals basis and is allocated between:

- expenditure incurred directly in the fulfilment of the Charity's objectives
- expenditure incurred in support costs

Expenditure in respect of productions is held within prepayments and is released to the income and expenditure account in the year in which the performances closes. In respect of productions which span the Charity's year-end, production running costs are apportioned in line with ticket income. Production set up costs are recognised in the financial year in which the first night of the related production takes place.

Support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities, and include building running costs, fundraising and administration costs.

Governance costs include expenditure on administration of the Charity and its subsidiaries and compliance with constitutional and statutory requirements.

Co-production income and costs

For productions which are undertaken as co-productions with other theatre companies, where set-up costs are shared, production costs which are wholly incurred by the Charity may be recharged to the co-producing company depending on the nature of the specific agreement. Any recharged costs are recognised as income related to the production.

Operating leases

Rentals paid under operating leases are charged to the statement of financial activities on a straight-line basis over the period of the lease.

Pension costs

The pension costs charged to the Statement of Financial Activities represent the amount of the contributions payable to defined contribution schemes in respect of the accounting period.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of a production where the final performances fall in the following financial year or are capitalised as a tangible fixed asset.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Tangible fixed assets

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

- Freehold and long leasehold buildings, and building improvements at the rate of 2% – 10% per annum;
- Vehicles and production, office and computer equipment at rates varying between 10% and 25% per annum;
- Fixtures and fittings at 10%.

Residual value is calculated using prices prevailing at the reporting date, after estimated cost of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Impairments of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Group estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. All other impairment losses are recognised in the statement of financial activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in the statement of financial activities. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Fixed asset investments

In the separate accounts of the Company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairments losses or reversals of impairment losses are recognised immediately in the statement of financial activities.

Stock

Stock is included at the lower of cost or selling price less costs to complete and sell. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

At each reporting date, the Group assesses whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in the statement of financial activities.

Reversals of impairment losses are also recognised in the statement of financial activities.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments that are immediately accessible, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The charity only has financial assets and 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.

Restricted Funds

Restricted funds relate to grants and other incoming resources which must be expended on specific activities of the Charity, including the acquisition of tangible fixed assets, as laid down by the donors of the funds.

Unrestricted Funds

The unrestricted fund represents the funds to provide, at the discretion of the Trustees, for the working capital of the Charity and for the purchase of tangible fixed assets which are not funded by restricted funds.

Designated Funds

Designated Funds are unrestricted funds that have been set aside by the Trustees for specific purposes. More details are found in note 18 to the financial statements.

Judgments and key sources of estimation uncertainty

In the application of the Group's accounting policies, the Trustees are required to make judgments, 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, 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.

2. INCOME

	Unrestricted	Restricted		Unrestricted	Restricted	
	funds	funds	2025	funds	funds	2024
	£'000	£'000	£'000	£'000	£'000	£'000
Donations and Legacies	158	-	158	123	-	123
Charitable Activities	5,243	74	5,317	4,244	-	4,244
Other Trading Activities	713	-	713	529	-	529
Other	465	-	465	345	-	345
Investments	63	-	63	47	-	47
	<u>6,642</u>	<u>74</u>	<u>6,716</u>	<u>5,288</u>	<u>-</u>	<u>5,288</u>

3. EXPENDITURE ON ACTIVITIES

	Unrestricted	Restricted		Unrestricted	Restricted	
	funds	funds	2025	funds	funds	2024
	£'000	£'000	£'000	£'000	£'000	£'000
Raising Funds	(565)	-	(565)	(496)	-	(496)
Charitable Activities	(5,861)	(542)	(6,403)	(4,864)	(784)	(5,648)
	<u>(6,426)</u>	<u>(542)</u>	<u>(6,968)</u>	<u>(5,360)</u>	<u>(784)</u>	<u>(6,144)</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	2025	2024
	£'000	£'000
Unrestricted		
Box office income	2,909	1,993
Income from co-productions	104	42
Education and literary income	43	20
Membership	6	5
Other Income	1	4
	<u>3,063</u>	<u>2,064</u>
Restricted and Unrestricted		
Grant income (note 5)	2,254	2,180
	<u>5,317</u>	<u>4,244</u>

5. GRANTS RECEIVABLE

	2025	2024
	£'000	£'000
Unrestricted		
Arts Council England	1,680	1,680
Liverpool City Council	500	500
Other	-	-
	<u>2,180</u>	<u>2,180</u>
Restricted		
Capital	-	-
Revenue	74	-
	<u>74</u>	<u>-</u>
Total grants receivable	<u>2,254</u>	<u>2,180</u>

Restricted revenue grants of £74k were recognised in 2025 from various funders including Garfield Weston, Backstage Trust, The Foyle Foundation and The Ken Dodd Foundation to support specific activity undertaken by the Theatres.

6. OTHER TRADING ACTIVITIES

	2025	2024
	£'000	£'000
Unrestricted		
Catering, events and bars	713	529
LMTT Retail	-	-
Total trading activities income	713	529

7. RAISING FUNDS

	2025	2024
	£'000	£'000
Unrestricted		
Catering, events and bars	(565)	(496)
LMTT Retail	-	-
	<u>(565)</u>	<u>(496)</u>

8. COSTS OF CHARITABLE ACTIVITIES

	Unrestricted	Restricted	2025	Unrestricted	Restricted	2024
	£'000	£'000	£'000	£'000	£'000	£'000
Activities undertaken directly						
Artistic	2,454	27	2,481	1,683	137	1,820
Technical	919	-	919	922	-	922
	<u>3,373</u>	<u>27</u>	<u>3,400</u>	<u>2,605</u>	<u>137</u>	<u>2,742</u>
Support costs						
Operations & commercial	1,169	-	1,169	1,108	-	1,108
Administration & buildings	532	-	532	466	-	466
Marketing & sales	737	-	737	638	-	638
Depreciation & impairment	24	515	539	24	647	670
	<u>2,462</u>	<u>515</u>	<u>2,977</u>	<u>2,236</u>	<u>647</u>	<u>2,882</u>
Governance Costs						
Audit fees	23	-	23	20	-	20
Other fees to auditors	3	-	3	3	-	3
	<u>26</u>	<u>-</u>	<u>26</u>	<u>23</u>	<u>-</u>	<u>23</u>
	<u>5,861</u>	<u>542</u>	<u>6,403</u>	<u>4,864</u>	<u>784</u>	<u>5,648</u>

9. EMPLOYEE INFORMATION

	2025	2024
	£'000	£'000
Wages and salaries	2,437	2,326
Social security costs	199	188
Other pension costs	56	46
	<u>2,692</u>	<u>2,560</u>

The key management personnel of the parent Charity and of the Group is defined as the Trustees together with a Management Group, led by the Executive. The total employee benefits of the key management personnel of the trust were £560k (2024: £510k).

Other than the Chief Executive as explained in note 23, no other Trustee received any remuneration or benefits in kind in respect of their duties as a Trustee. No expenses were paid to Trustees during the year (2024: £nil). One Trustee donated £600 in the year (2024: £nil).

The average number of employees during the period was as follows:

	2025	2024
Theatre activities	260	250
Engagement, Training & Artistic Development	8	7
Catering	5	6
	<u>273</u>	<u>263</u>

The average number of full-time equivalent employees during the period was as follows:

	2025	2024
Theatre activities	77	78
Engagement, Training & Artistic Development	4	4
Catering	4	5
	<u>85</u>	<u>87</u>

The number of employees whose annual remuneration was more than £60,000 was as follows:

	2025	2024
£60k – £70k	-	-
£70k – £80k	-	-
£80k – £90k	1	1
£90k – £100k	-	-
	<u>1</u>	<u>1</u>

One employee was a Trustee during the current year and continued to receive their usual salary payments. See note 23 for further information. Pension contributions totalling £3,860 were paid in respect to these staff into a defined contribution scheme (2024: £3,941).

Total redundancy/termination payments, including ex-gratia compensation payments of £nil (2024: £16,738), amounted to £nil (2024: £50,502) in the year.

10. ANALYSIS OF EXPENDITURE

	2025	2024
	£'000	£'000
Depreciation – owned assets	539	670
Fixed asset Impairment		
Hire of plant and machinery under operating leases		
Hire of other assets under operating leases	<u>2</u>	<u>2</u>
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	23	20
Fees payable to the Group's auditor for the audit of the Subsidiaries annual financial statements	-	-
Fees payable to the Group's auditors for non-audit services:		
– taxation services	<u>3</u>	<u>3</u>
Total non-audit fees	<u>3</u>	<u>3</u>

Fees payable to the Company's auditor for the audit of the company's financial statements include an amount that covers the subsidiaries; thus, the subsidiaries audit fees are paid for by the parent.

11. TAXATION

No provision is made for taxation as the Charity is entitled to the various exemptions afforded by the Corporation Tax Act 2010.

12. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Long- leasehold land and buildings & improvements £'000	Fixtures and fittings £'000	Vehicles and production office and computer equipment £'000	Total £'000
Group and Company					
Cost					
At 1 April 2024	20,769	3,502	856	2,145	27,272
Additions	44	11	-	83	138
Disposals	-	-	-	(16)	(16)
At 31 March 2025	20,813	3,513	856	2,212	27,394
Depreciation					
At 1 April 2024	4,583	1,739	836	2,047	9,205
Eliminated on disposal	-	-	-	(16)	(16)
Impairment	-	-	-	-	-
Charge for the period	415	85	20	18	538
At 31 March 2025	4,998	1,824	856	2,049	9,727
Net book value					
At 31 March 2024	16,186	1,763	20	98	18,067
At 31 March 2025	15,815	1,690	(0)	163	17,666

Freehold land and buildings consist of the land and building at the Everyman Theatre, 5-11 Hope Street, Liverpool. Leasehold land and buildings consist of the Playhouse Theatre, Williamson Square, Liverpool.

13. FIXED ASSET INVESTMENTS

	Company	
	2025	2024
	£	£
Cost and net book amount:		
Subsidiary undertakings	2	2

Details of investments of the Company in its principal subsidiary undertakings at 31 March 2025 are given in note 26.

14. STOCKS

	Group		Company	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Consumables	16	17	-	-

15. DEBTORS

	Group		Company	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	34	183	34	183
Other debtors	241	96	241	96
Amounts owed by Group undertakings	-	-	(169)	(76)
Prepayments	248	254	247	254
Social Security and Other Taxes	451	248	451	248
	974	781	804	705

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Trade creditors	280	275	280	275
Taxation and social security	137	41	137	41
Accruals	475	355	475	355
Deferred income	897	657	897	657
	1,789	1,328	1,789	1,328

Deferred income relates to advanced ticket sales income received in one year which relates to performances that will take place in the following year.

17. FINANCIAL INSTRUMENTS

The carrying amounts of financial instruments as at 31 March 2025 were:

	Group		Company	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Financial assets:				
Debt instruments measured at amortised cost	275	279	105	203
Financial liabilities:				
Measured at amortised cost	755	630	755	630

Financial assets consist of trade and other debtors. Financial liabilities consist of trade creditors and accruals

18. MOVEMENT IN FUNDS

Group	As at 1			Transfer	As at 31
	April 2024	Income	Expenditure	/ Gift Aid	March 2025
	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: Operating	634	6,642	(6,426)	446	1,296
Unrestricted funds: Designated	900		-	(446)	454
Total unrestricted funds	1,534	6,642	(6,426)	-	1,750
Capital grants					
Playhouse refurbishment (LCC/ERDF)	754		(28)		726
Playhouse refurb (English Partnership)	198		(7)		191
Playhouse Acquisition (LCC)	237		(9)		228
Everyman Redevelopment	13,723		(356)		13,367
11 Hope street (Art council)	840		(25)		815
5-9 Hope Street (ACE/NWDA)	1,557		(44)		1,513
Playhouse refurbishment (LCC)	396		(28)		368
Production Equipment (CRF)	18		(18)		-
	17,723	-	(515)	-	17,208
Revenue grants	-	74	(27)		47
Total restricted funds	17,723	74	(542)	-	17,255
Total funds	19,257	6,716	(6,968)	-	19,005
Comprising:					
LMTT	19,163	6,033	(6,402)	26	18,820
LEPP (see note 26)	-			-	-
LEPT (see note 26)	94	683	(566)	(26)	185
Elimination of consolidation entries	-			-	-
	19,257	6,716	(6,968)	-	19,005

MOVEMENT IN FUNDS (CONTINUED)

Group	As at 1 April 2023 £'000	Income £'000	Expenditure £'000	Transfer / Gift Aid £'000	As at 31 March 2024 £'000
Unrestricted funds: Operating	619	5,288	(5,273)		634
Unrestricted funds: Designated	987		(87)		900
Total unrestricted funds	1,606	5,288	(5,360)	-	1,663
Capital grants					
Playhouse refurbishment (LCC/ERDF)	782		(28)		754
Playhouse refurb (English Partnership)	205		(7)		198
Playhouse Acquisition (LCC)	246		(9)		237
Everyman Redevelopment	14,210		(487)		13,723
11 Hope street (Art council)	865		(25)		840
5-9 Hope Street (ACE/NWDA)	1,601		(44)		1,557
Playhouse refurbishment (LCC)	424		(28)		396
Production Equipment (CRF)	37		(19)		18
	18,370	-	(647)	-	17,723
Revenue grants	137	-	(137)		0
Total restricted funds	18,507	-	(784)	-	17,723
Total funds	20,113	5,288	(6,144)	-	19,257
Comprising:					
LMTT	20,021	4,789	(5,647)	-	19,163
LEPP (see note 26)	-			-	-
LEPT (see note 26)	92	499	(497)	-	94
Elimination of consolidation entries	-			-	-
	20,113	5,288	(6,144)	-	19,257

MOVEMENT IN FUNDS

Company	As at 1 April 2024 £'000	Income £'000	Expenditure £'000	Transfer / Gift Aid £'000	As at 31 March 2025 £'000
Unrestricted funds: Operating	540	5,959	(5,860)	472	1,111
Unrestricted funds: Designated	900		-	(446)	454
Total unrestricted funds	1,440	5,959	(5,860)	26	1,565
Capital grants					
Playhouse refurbishment (LCC/ERDF)	754		(28)		726
Playhouse refurb (English Partnership)	198		(7)		191
Playhouse Acquisition (LCC)	237		(9)		228
Everyman Redevelopment	13,723		(356)		13,367
11 Hope street (Art council)	840		(25)		815
5-9 Hope Street (ACE/NWDA)	1,557		(44)		1,513
Playhouse refurbishment (LCC)	396		(28)		368
Production Equipment (CRF)	18		(18)		-
	17,723	-	(515)	-	17,208
Revenue grants	-	74	(27)		47
Total restricted funds	17,723	74	(542)	-	17,255
Total funds	19,163	6,033	(6,402)	26	18,820

MOVEMENT IN FUNDS (CONTINUED)

Company	As at 1	Income	Expenditure	Transfer	As at 31
	April 2023			/ Gift Aid	March 2024
	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: Operating	528	4,789	(4,777)		540
Unrestricted funds: Designated	987		(87)		900
Total unrestricted funds	1,515	4,789	(4,864)	-	1,440
Capital grants					
Playhouse refurbishment (LCC/ERDF)	782		(28)		754
Playhouse refurb (English Partnership)	205		(7)		198
Playhouse Acquisition (LCC)	246		(9)		237
Everyman Redevelopment	14,210		(487)		13,723
11 Hope street (Art council)	865		(25)		840
5-9 Hope Street (ACE/NWDA)	1,601		(44)		1,557
Playhouse refurbishment (LCC)	424		(28)		396
Production Equipment (CRF)	37		(19)		18
	18,370	-	(647)	-	17,723
Revenue grants	137	-	(137)		-
Total restricted funds	18,507	-	(784)	-	17,723
Total funds	20,022	4,789	(5,648)	-	19,163

Previously capital grants have been received from a number of funders including Arts Council England, Liverpool City Council, English Partnerships, Northwest Development Agency and ERDF, for a number of refurbishment and redevelopment projects at the Charity's two theatres in Liverpool: the Everyman Theatre and the Liverpool Playhouse. Capital grants are treated as incoming resources in the year of receipt.

Capital grants expenditure includes £515k (2024: £647k) in relation to depreciation of tangible fixed assets acquired with restricted funds in prior years.

Restricted revenue grants of £74k were recognised in the year (2024: £nil).

	As at 1			As at 31
	April 2024	Transfer	Release	March 2025
Group	£'000	£'000	£'000	£'000
Unrestricted funds: Designated				
Risk fund	650		(650)	-
Building fund	105	30		135
Artistic innovation fund	145	50		195
Resources fund	-	124		124
	900	204	(650)	454

At the end of March 2025, the Trust held £454k (2024: £900k) in designated funds for the following purpose:

- £135k Building Fund – to fund future improvements to the Playhouse.
- £195k Artistic Innovation Fund – to support the future ambition of our business plans.
- £80k Change Management Fund – to support investment in IT systems changes.
- £44k Resource Fund – to support increasing operational costs of programme delivery of our business plan.

Due to changes in the Trust's reserves policy in the year, £650k was released from the designated risk fund and into free reserves.

19. ANALYSIS OF CONSOLIDATED NET ASSETS BETWEEN FUNDS

	Restricted	Unrestricted		Restricted	Unrestricted	
	funds	funds	2025	funds	funds	2024
	£'000	£'000	£'000	£'000	£'000	£'000
Group						
Tangible fixed assets	17,208	459	17,666	17,723	344	18,067
Cash at bank and in hand	47	2,091	2,138	-	1,720	1,720
Grants within other debtors	-	-	-	-	-	-
Other current assets	-	989	989	-	798	798
Current liabilities	-	(1,789)	(1,789)	-	(1,328)	(1,328)
	17,255	1,750	19,005	17,723	1,534	19,257
Company						
Tangible fixed assets	17,208	459	17,667	17,723	344	18,067
Cash at bank and in hand	47	2,091	2,138	-	1,720	1,720
Grants within other debtors	-	-	-	-	-	-
Other current assets	-	804	804	-	705	705
Current liabilities	-	(1,789)	(1,789)	-	(1,328)	(1,328)
	17,255	1,565	18,820	17,723	1,441	19,164

20. OTHER FINANCIAL COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases of the Group are as follows:

	Land and buildings	Other	Total	Land and buildings	Other	Total
	2025	2025	2025	2024	2024	2024
Group and Company	£'000	£'000	£'000	£'000	£'000	£'000
Amounts due:						
- within one year	27	5	32	27	2	29
- between two and five years	42	8	50	63	-	63
- over five years	547	-	547	553	-	553
	<u>616</u>	<u>13</u>	<u>629</u>	<u>643</u>	<u>2</u>	<u>645</u>

The lease payments due over five years of £547k (2024; £553k) relate to the long-term lease of the Playhouse Theatre, Williamson Square, Liverpool, due to expire 2126.

21. CONTINGENT LIABILITIES**Company**

A condition of grants received of £6.2m for the purchase of numbers 5 – 11 Hope Street is made up of fixed and floating charges on the property. In addition, certain grants from the Arts Council and NWDA are repayable in the event of the sale of the property or the liquidation of the Company. The Everyman Theatre redevelopment was part-funded by £5.9m grant from ERDF. A proportion of this grant could become repayable should there be a change in the proportion of the building used for commercial activity.

22. CAPITAL COMMITMENTS

	2025	2024
Group and Company	£'000	£'000
Contracted but not provided for in the financial statements	<u>-</u>	<u>-</u>

23. RELATED PARTY DISCLOSURES

Transactions involving directors

On 1 April 2020 Mr Da Vanzo was appointed to the board as Chief Executive. He received a salary payment and reclaimed approved expenses in his role as an employee, including reimbursement of travel and hospitality costs. There were no balances outstanding at the end of the year. There were no other related party transactions in the year other than disclosed in note 9 and included above.

	2025	2024
	Mr Da Vanzo	Mr Da Vanzo
	Executive	Executive
	Director	Director
Transactions during the period	£	£
Gross salary	83,594	85,217
Employer pension contributions	3,860	3,941
Reimbursement of expenses	-	-
Balance at end of period 31st March 2025	-	-

	2025	2024
	£'000	£'000
Transactions during the period		
<i>Liverpool Everyman and Playhouse Productions Limited</i>		
Production services provided to LMTT	-	-
Production services provided by LMTT	-	-
<i>Liverpool Everyman and Playhouse Trading Limited</i>		
Donation to LMTT	26	-
Payroll recharges from LMTT	(231)	(219)
Service and overhead charges from LMTT	(147)	(119)
Recharge of cost of sales from LMTT	(187)	(158)
Balances at end of period		
Liverpool Everyman and Playhouse Productions Limited	-	-
Liverpool Everyman and Playhouse Trading Limited	(169)	(76)

Transactions and Balances with Trading Subsidiaries

	2025	2024
	£'000	£'000
Transactions during the period		
<i>Liverpool Everyman and Playhouse</i>		
<i>Productions Limited</i>		
Production services provided to LMTT	-	-
Production services provided by LMTT	-	-
<i>Liverpool Everyman and Playhouse Trading</i>		
<i>Limited</i>		
Donation to LMTT	26	-
Payroll recharges from LMTT	(231)	(219)
Service and overhead charges from LMTT	(147)	(119)
Recharge of cost of sales from LMTT	(187)	(158)
Balances at end of period		
Liverpool Everyman and Playhouse		
Productions Limited	-	-
Liverpool Everyman and Playhouse Trading		
Limited	(169)	(76)

24. RECONCILIATION OF NET OUTGOING RESOURCES TO NET CASH USED IN OPERATIONS

	2025	2024
	£'000	£'000
Net Expenditure	(252)	(856)
<i>Adjustments for:</i>		
Depreciation	539	670
Fund Transfers	-	-
Decrease in stocks	1	2
Increase in debtors	(193)	305
Increase/(Decrease) in creditors	461	109
Cash absorbed by operations	557	230

25. RETIREMENT BENEFITS

The Company contributes to defined contribution pension schemes for the benefit of the employees. The assets of the scheme are administered by Trustees in funds independent from those of the Charity.

Pension costs are allocated to activities according to where the related staffing costs have been incurred.

26. SUBSIDIARY UNDERTAKINGS

The subsidiary undertakings consolidated at 31st March 2025 were as follows:

Name of undertaking	Principal Activity	Registered office	Shareholding and voting rights	Class of shares	Country of incorporation
Liverpool Everyman and Playhouse Trading Limited ('LEPT')	Management of commercial activities for the Charity	5-11 Hope Street Liverpool L1 9BH	100%	Ordinary	Great Britain
Liverpool Everyman and Playhouse Productions Limited ('LEPP')	Dormant	5-11 Hope Street Liverpool L1 9BH	100%	Ordinary	Great Britain

In the year ended 31st March 2025, LEPP was dormant and made neither profit nor loss.

The trading results and net assets of LEPP and LEPT for the year ended 31st March 2025 were as follows:

	LEPP		LEPT	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Turnover	-	-	683	499
Operating expenses	-	-	(566)	(497)
Operating profit	-	-	117	2
Gift aid distribution to parent	-	-	(26)	-
Retained profit for the period	-	-	91	2
Net assets	-	-	185	94

LEPP Company Registration Number: 09231907

LEPT Company Registration Number: 08287910

LIVERPOOL AND MERSEYSIDE THEATRES TRUST LIMITED

England & Wales - Charity number 1081229

Accounts

Company Registration Number 03802476
Registered Charity Number 1081229



THE LIVERPOOL AND MERSEYSIDE THEATRES TRUST LIMITED

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31st MARCH 2024

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TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT)

For the year ended 31st March 2024

INTRODUCTION

As was the case with many theatres across the UK, the 2023/24 Financial Year proved to be a year of mixed fortunes for the Trust. Factors such as inflated energy prices, stagnant public subsidy and an ever-increasing cost-base continued to provide challenges which we mitigated through prudent forecasting and proactive risk management. Our NPO (National Portfolio Organisation) status with Arts Council England (ACE) and the recurrent funding in place, alongside the regular support of the Liverpool City Council (LCC) through their Culture and Arts Investment Programme, has provided us with much appreciated financial security which has enabled us to plan with more confidence. Despite some initial challenges with box office expectations not being met in the first half of the year, it was pleasing to conclude the year with a small operating surplus, after accounting for planned expenditure of £87k from designated funds, in line with our budgetary expectations. Many thanks to all Trustees, volunteers and staff alike for their hard work throughout the year to make this financial result possible.

Across our stages we delivered 362 performances across the year as well as 80 accompanying events. The Playhouse continues to play a vital role in the national mid-scale touring network, receiving shows from both subsidised and commercial producers including *I, Daniel Blake*, *My Beautiful Laundrette*, *Unfortunate: The Untold Story of Ursula the Seawitch* and *Metamorphosis*. Our Christmas season (*Cinderella* at the Everyman and *The Woman in Black* at the Playhouse) welcomed over 42,000 audience members to our theatres, many of whom hadn't visited us before. As well as received work, our in-house produced work was positively received and strengthened our relationships with co-producing partners including the Royal Court in London for *Cuckoo*, Plymouth Theatre Royal for *Alice in Wonderland*, 20 Stories High and Graeae for *High Times and Dirty Monsters* and the Rose Theatre Kingston for *Richard III* starring Adjoa Andoh.

We continue to invest in our provision for young people and the communities we serve. During 2023/24 we relaunched our Young Everyman Playhouse (YEP) programme, ensuring free theatre training provision to those young people who need it the most. YEP plays an important part in the career talent pathway, helping young people gain the skills they need to find employment within the cultural sector. In 2024/25 we will be assessing our community outreach work, ensuring it aligns with ACE's Investment Principles, which we have fully adopted, and is fit for purpose for the changing needs of our local communities.

Suba Das stepped down in August 2023 which triggered a recruitment process for a new Creative Director in the latter part of the year. We were delighted to appoint Nathan Powell to the role; he started working for the Trust in August 2024, initially on a part-time basis, and will take up the role fully in December 2024.

In 2024/25 the Everyman will be marking its 60th anniversary and we will be progressing our ambitions for a full refurbishment of the Playhouse over the coming years. As both theatres continue to play a significant part in the national, regional and local cultural ecology, we look forward to the year ahead in which we both celebrate the past and look forward to an exciting future.



Andrea Nixon
Chair



Mark Da Vanzo
Chief Executive

REVIEW OF ACTIVITIES

OBJECTIVES AND ACTIVITIES

The Trustees present their annual report together with the audited financial statements for the year ended 31 March 2024.

The Liverpool and Merseyside Theatres Trust Limited ("the Company", "the Charity", "the Trust" or "LMTT") was incorporated on 8 July 1999 and operates out of its principal offices at the Everyman Theatre, 5-11 Hope Street, Liverpool, L1 9BH. LMTT is a company incorporated in England and Wales. The Company (No.3802476) is limited by guarantee, governed by its Memorandum of Association dated 17 June 1999 (and as amended 22 September 2011, 10 November 2005, 23 February 2005) and is a registered charity (No.1081229).

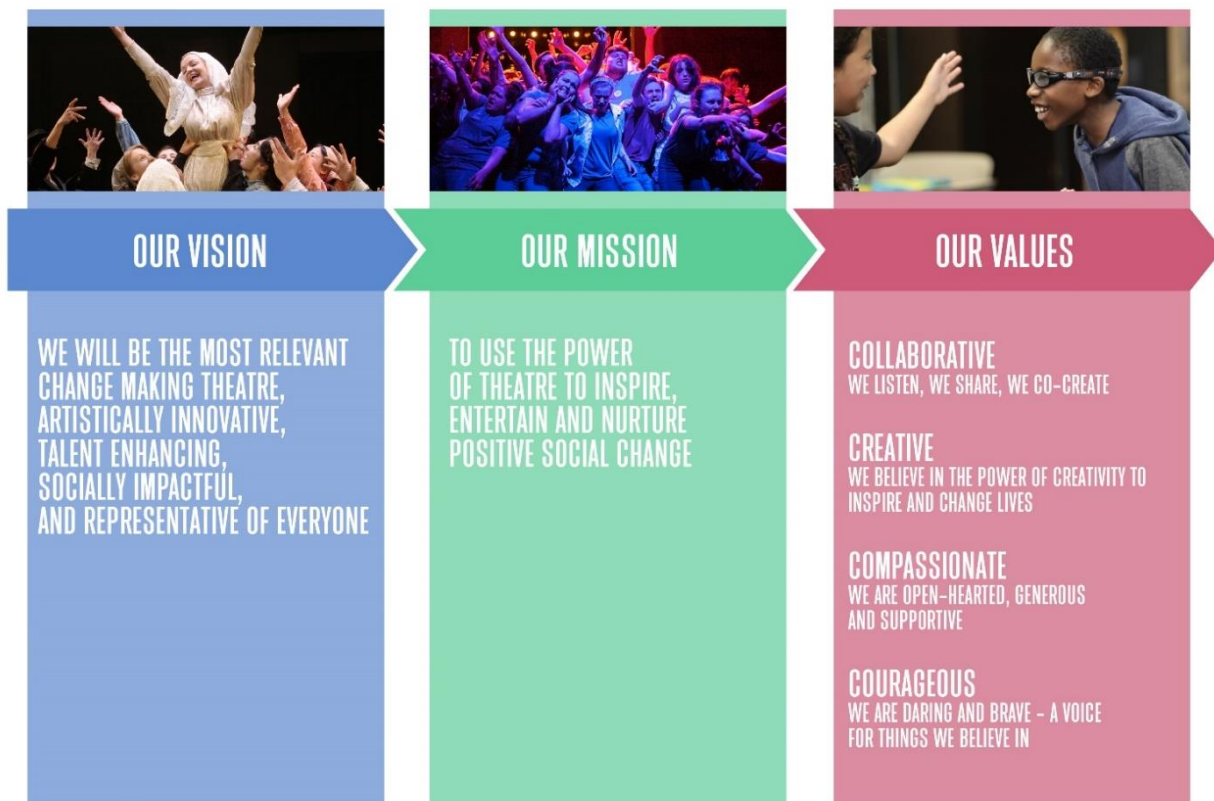
The financial statements have been prepared in accordance with the accounting policies set out in notes 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

This report demonstrates how LMTT has delivered on its charitable purpose through its activities and the quality of its performance and as a result demonstrates the benefit to the public of the work undertaken by the Trust.

The objects of LMTT as identified in its Memorandum of Association are:

To advance, encourage, promote and improve the cultural and artistic education of the general public by producing quality theatrical productions and other arts.

There is also particular provision for educational, community and training programmes for the people of Merseyside and the nation at large, and to protect, develop and improve the Playhouse.



PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

As described in the review of activities during the year, the Trust has provided public benefit in numerous areas by:

- producing a theatrical programme of quality and range, both in partnership and on our own
- investing in new plays and new talent through its work with young people, the community and new artists
- working to maximise accessibility through outreach activities, strategic ticket pricing and close relationships with schools and community groups
- delivering positive social impacts via work with young people and community groups

STRATEGIC REPORT

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

ACHIEVEMENTS AND PERFORMANCE

A full list of the work we produced, received and supported:

In-House Work

Richard III

A co-production with Rose Theatre, in association with Swinging the Lens

6 to 22 April 2023, Liverpool Playhouse

Written by William Shakespeare

Directed by Adjoa Andoh

Cast included Adjoa Andoh, Antonie Azor, Clive Brill, Harry Clarke, Sam Cox, Josh Day, Daniel Hawksford, Liz Kettle, Joseph Kloska, Robin Morrissey, Caroline Parker, Oliver Ryan, Rachel Sanders, Phoebe Shepherd



★★★★★ "*Richard III in Liverpool is perfect*" Liverpool Echo

★★★★★ "*Andoh's bloodthirsty king is a villain for our times*" The i

REVIEW OF ACTIVITIES

Alice in Wonderland

In association with Theatre Royal Plymouth and Stockroom

4 to 22 July 2023, Liverpool Playhouse

Book by Stockroom

Music and Lyrics by Vikki Stone

Directed by Kate Wasserberg



Cast included Daniel Carter-Hope, Leanne Jones, Natasha Lewis, Jerome Lincoln, Myles Miller, Zweyla Mitchell dos Santos, Tomi Ogbaro, Paislie Reid, Steve Simmonds

★★★★ "A witty, family-friendly version with real heart" The Times

★★★★ "Great fun for the entire family" Liverpool ECHO

Cuckoo

In association with The Royal Court Theatre

EVERYMAN

6 to 23 September 2023, Liverpool

Everyman 2023

Written by Michael Wynne

Directed by Vicky Featherstone



Cast included Michelle Butterly, Emma Harrison, Sue Jenkins and Jodie McNee

★★★★★ "This brilliant drama showcases the best home-grown talent" The Reviews Hub

★★★★ "It's the perfect, bittersweet snapshot of our age" The i

High Times and Dirty Monsters

A co-production with 20 Stories High, Graeae Theatre and LEEDS 2023

9 to 14 October 2023, Liverpool Everyman

Written and directed by Keith Saha

Cast included Joséphine-Fransilja Brookman, Chandu Gopalakrishnan, Maisy Gordon, Billy Pearson, Jayden Reid, Grace Savage

★★★★★ *"Skilfully delivered"* The Stage



The Rock 'n' Roll Panto Cinderella

17 November 2023 to 20 January 2024

Written by Luke Barnes

Directed by James Baker

Cast included Folarin Akinmade, Thomas Fabian Parrish, Aminita Francis, Adam Keast, Rebecca Levy, Grace Venus, Ben Welch, Zoe West. Understudies: Lydia Rosa Morales Scully, Adam Scott Pringle



★★★★★ *"Liverpool's legendary Rock 'n' Roll panto is back and it's more fabulous than ever"* Opening Night

★★★★★ *"A show that will have you laughing all evening"* West End Best Friend

Supported Work

Euro Festival: *With Fire and Rage*

1 to 14 May 2023, starting at Liverpool Everyman and walking around the city



You're a Vision

With Sheep Soup

12 May 2023, Liverpool Everyman



Sealskin

Devised by Tmesis Theatre

29 June to 1 July 2023, Liverpool Everyman



Homotopia Queercore

Collaboration with Homotopia

18 November 2023, Playhouse Studio



Crips with Chips: *A Fork in the Road*

In partnership with Graeae

24 February 2024, Liverpool Everyman



Visiting Work

Suzi Ruffell: Snappy	28 April 2023	Liverpool Everyman
imitating the dog: Macbeth	25 to 29 April 2023	Liverpool Playhouse
Actors Touring Company: Family Tree	4 to 6 May 2023	Liverpool Everyman
RUSH: A Joyous Jamaican Journey	18 May 2023	Liverpool Playhouse
WOW Festival: James Hanley - Man Overboard	19 May 2023	Playhouse Studio
Roger Mc Gough: Alive & Gigging	19 May 2023	Liverpool Playhouse
Keith Brymer Jones Live: Life, Clay and Everything	20 May 2023	Liverpool Everyman
An Audience with Travis Alabanza	31 May 2023	Liverpool Everyman
The Choir with No Name: The Big Gig 2023	2 June 2023	Liverpool Everyman
ZOG	30 May to 3 June 2023	Liverpool Playhouse
Tamasha: STARS	22 to 24 June 2023	Liverpool Everyman
Jen Brister: The Optimist	8 September 2023	Liverpool Playhouse
Richard Herring's Leicester Square Theatre Podcast	9 September 2023	Liverpool Playhouse
Jordan Grey: Is it a Bird?	15 September 2023	Liverpool Playhouse
Northern Stage: I, Daniel Blake	19 to 23 September 2023	Liverpool Playhouse
WoMan	3 October 2023	Playhouse Studio
Brian Butterfield [placeholder name] Tour	3 October 2023	Liverpool Playhouse
Tony! The Tony Blair Rock Opera	10 to 14 October 2023	Liverpool Playhouse
Frantic Assembly: Metamorphosis	17 to 21 October 2023	Liverpool Playhouse
National Theatre Scotland: Dracula - Mina's Reckoning	24 to 28 October 2023	Liverpool Playhouse
Tales from Acorn Wood	31 October to 4 November 2023	Liverpool Playhouse
Myra Dubois: Be Well	10 November 2023	Liverpool Playhouse
Reginal D. Hunter: The Man Who Could See Through Sh*t	11 November 2023	Liverpool Playhouse
John Robbins: Howl	17 November 2023	Liverpool Playhouse
Bridget Christie: Who Am I?	18 November 2023	Liverpool Playhouse
Sam Avery: How Not to Be a Terrible Parent	22 November 2023	Liverpool Playhouse
Lucy Beaumont: The Trouble & Strife	24 November 2023	Liverpool Playhouse
The Woman in Black	5 to 30 December 2023	Liverpool Playhouse
The Tiger Who Came to Tea	12 to 17 February 2024	Liverpool Playhouse
Guz Kahn Live	23 February 2024	Liverpool Playhouse
Graeae: Self-Raising	22 to 23 February 2024	Liverpool Playhouse
Babatunde Aléshé: Babahood	24 February 2024	Liverpool Playhouse
Unfortunate: The Untold Story of Ursula the Sea Witch	5 to 9 March 2024	Liverpool Playhouse
Phoenix Dance Theatre: BELONGING - Loss. Legacy. Love	8 March 2024	Liverpool Everyman
Beautiful Evil Things	14 to 15 March 2024	Liverpool Everyman

Pilot Theatre: A Song for Ella Grey	13 to 16 March 2024	Liverpool Playhouse
Tim Vine: Breeep!	16 March 2024	Liverpool Everyman
Rosie Jones: Triple Threat	26 March 2024	Liverpool Everyman
My Beautiful Laundrette	26 to 30 March 2024	Liverpool Playhouse

Young Everyman & Playhouse (YEP)

THIS IS NOT A CRIME (this is just a play...)

A collaboration between Ugly Bucket Theatre and the YEP company

13 to 15 April 2023, Liverpool Everyman



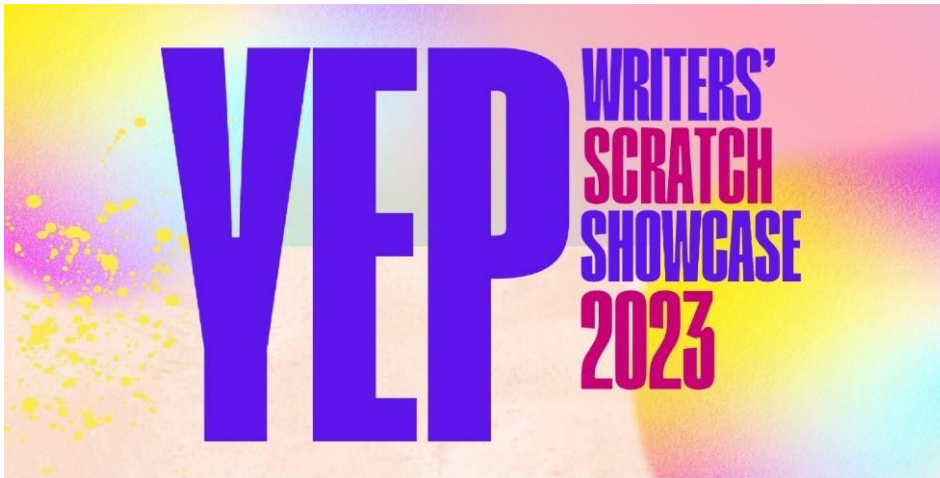
YEP Directors Festival

11 to 29 July 2023, Liverpool Everyman



YEP Writers Showcase

15 to 16 September 2023, Liverpool Everyman

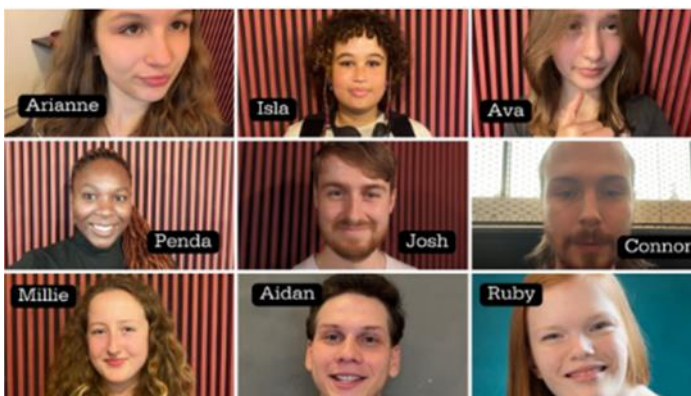


Young Everyman Playhouse (YEP)

Young Everyman Playhouse is our creative training programme for 14-25 year olds. It is a place of playful creativity for young people to be themselves, tell stories and gain opportunities in the creative industry.

In 2023, we took the opportunity to re-evaluate our programme for young people, building on our ten years' impact. We paused the next round of recruitment for YEP to better understand what young people need from us and how we can better tackle barriers to accessing arts careers.

We recruited 9 Young Advisors, aged 14-25, who represent different backgrounds and life experiences living in the Liverpool City Region.



They have played a critical role in helping us explore what we need for the next exciting phase of YEP (informally named 'YEP 2.0'), and in so doing built confidence, skills and networks:

- 23 Applications
- 13 weekly sessions
- 1 training session developing listening and negotiation skills

- 2 creative conversations with youth organisations demonstrating best practice - Mortal Fools and Theatre Porto.
- 3 group conversations with industry professionals exploring their career pathways
- 1 report with Young Advisor recommendations for the future of YEP
- 1 event attended by 40 professionals working with young people

'It is good that the Everyman & Playhouse is collaborating with young people by giving us the opportunity to influence and impact key decisions including the future of YEP. It is not just collaborating it is active engagement and increasing their commitment to young people. As a whole it is really valuable for the young people that get involved in YEP and for us personally. We get to work with the CEO and other senior staff and are actively involved in high level decisions including business plans.' Young Advisors.

April to December 2023



Some key highlights of 2023/24:

- 75% of YEP Technicians have gone on to further training or jobs in the creative arts industry.
- 1 YEP Writer has had their work commissioned for the mainstage, 'Tell me How It Ends' will run for 2 weeks at The Everyman in June 2024.
- 152 young people were consulted as part of the YEP conversations project.
- 9 Young Advisors hosted an event for referral partners and professionals.
- All YEP groups collaborated to perform at Hope Angel Fields Festival.
- 4 social events took place, bringing all our young people together.
- 1 YEP Actor graduate (2013-15) was in the cast of Top Girls, which took place on the mainstage of the Everyman in March 2023.

A breakdown of the 8 shows:

1 YEP Actors mainstage show

18-25 year olds worked with multi-award-winning physical comedy company, Ugly Bucket, to devise the show *This is Not a Crime (this is just a play)*.

6 Directors shows

6 Directors staged performances as part of YEP Directors Festival. Each show had 3 performances.

1 Writers Showcase

New for 2023, 7 writers had their work professionally directed and performed as part of a public showcase. Each writer selected a short duologue or monologue to be presented.



January 2024

In January, YEP was relaunched and opened recruitment for the Class of 2024 to take part in: YEP Actors 14-17, YEP Actors 18-25, YEP Directors, YEP Producers, YEP Technicians 14-17, YEP Technicians 18-25 and YEP Writers.

'Being in a new environment can be scary, especially outside of what you are usually comfortable with. YEP provides a safe space for you to feel comfortable and unlimited.' YEP Member

We had over 300 applications, with 12 referrals from professionals advocating for the young people they work with. The team met all the young people who applied.

- 85 Young People were given a place in YEP.
- 75 sessions delivered with 633 attendances.
- 84% of YEP participants in 0%-60% on the indexes of deprivation.
- 50% (46% only including women in backstage pathways) under-represented and 5% not known.

Creative Communities

We are committed to supporting our community; delivering work that is community led, working in consultation and collaboration with the community. As well as delivery of creative sessions, we also offer discounted tickets, free tours and open workshops for community groups.

- 3162 attendances
- 280 sessions
- 1942 community tickets

Some key collaborations from 2023/24:

- Mandela8 and Taking Shape Association deliver Roots and Wings which supports young people who lack positive role models and are at risk of criminal exploitation, as well as those who are experiencing violent crime or live in fear of violent crime on a daily basis.
- 20 Stories High and Graeae (two of our Associate Companies) deliver creative sessions working with deaf, disabled and neurodivergent young people.
- Alder Hey Children's Hospital, specifically with the young people's mental health unit, to deliver creative sessions and workshops.
- The Greenhouse Project to deliver weekly sessions working with 14-18 year olds to be community curators.
- PSS, a social enterprise that supports people to live happy, healthy and hopeful lives, to deliver weekly drama sessions to adults.
- RAWD, supporting Liverpool adults with disabilities, to grow through life and art.
- Life Rooms, Mersey Care, to deliver creative well-being activities for adults across Southport, Walton and Bootle.

REVIEW OF ACTIVITIES

Education & Learning

We want all young people to experience brilliant theatre, learn what happens behind the scenes, and be inspired by the creative process.

In 2023/24 we offered a wide range of workshops, CPD, events, activities and networking opportunities, which included 93 sessions with 1748 attendances.

We have welcomed many schools, colleges and University students throughout the year.

Some key highlights of 2023/24:

- Along with Liverpool Film Office and the BBC, we supported the delivery of a unique event for students to find out more about careers in TV as part of the outreach for BBC's *Time*. They had workshops from Jimmy McGovern, Locations team at Liverpool Film Office and the Documentary team from the BBC.
- We launched and delivered our first creative sessions focused on sustainability. Delivered to Year 7, 8 and 9 students they looked at The Theatre Green Book and explored how to make creative sustainable choices.
- We delivered a creative workshop exploring the history of Frederick Douglass and supporting students to find their own voice. This work was part of a commemorative project recognising Douglass and his work.



Fundraising & Individual Giving

We are delighted to have 311 regular donors who in 2023/24 have made an average gift of around £10 per month. We have 10 Patrons who have a deeper connection with our Theatres and have supported with donations between £1000 and £2500 per year.

Money Raised from Regular Donations:	
Low-medium Gifts	£53,729
Patrons	£14,212

Individual Gifts

In addition, we received £35,000 from individual giving. Donation pathways mean our audiences can give via our website, as a top up on any ticket purchase, by naming a seat or leaving a legacy. We have now also introduced post show collections after all in-house shows.

Fundraising Events

In October 2023 we held an in-person event to thank all our donors, our first since closing the Theatres during the pandemic. We used a new format for the event, which included discussions from our Young Advisors, several cast members and creatives from the upcoming programme, our CEO and Chair of our Board. This was an incredibly successful event, and we will continue to use this format going forward.



Left to right: Mark Da Vanzo, Andrea Nixon, James Baker, Rebecca Levy, Aminita Francis and Karl Newsam; photograph taken by Chun-Mei Wang.

Restricted Fundraising

We are proud to have received support from the following trusts and foundations in key areas of our programme:

Programme

The Playwrights Programme

Digital Work and Production Costs

Young Everyman Playhouse

Supported by

Garrick Charitable Trust

The Foyle Foundation

Austin and Hope Pilkington Trust

Garfield Weston Foundation

The Ken Dodd Foundation

Attendances

2024/24 saw an ambitious stage programme with two large-scale co-productions at the Playhouse (Richard III and Alice in Wonderland). Post-Covid, drama audiences are still hard to predict and unfortunately neither of these titles achieved the audience numbers we hoped which led to our overall attendances being down for the year (97,527 seats sold across the two venues compared to 112,043 in the previous year). The Playhouse Christmas show (The Woman in Black) exceeded target and overall, the programme across the two theatres welcomed a mix of existing bookers (51%) and new (49%); the popularity of the Rock 'n' Roll panto sees a more loyal audience at the Everyman, with 68% existing bookers.

Our commitment to offering discounted tickets to increase access, particularly for young people and community groups, saw a 25% increase in uptake overall. These tickets included Education groups (6,993 tickets), with 1,273 tickets to Young Everyman Playhouse members, 1,998 tickets to community groups and 2,448 to support accessibility.

We hosted regular free and paid events downstairs at the Everyman which included A Lovely Word, DBY Murder Mysteries, Femme de la Femme comedy nights, the Goddess Project, Mellowtone music nights and Reel Tours Movie Quiz.

Our Commitment to Equity, Diversity & Inclusion

We strive to be an organisation that understands what it means to be a welcoming and safe space for all. We aim to reflect the diversity of our communities through the work on our stages, our workforce, those we partner with, our engagement activities and by ensuring our buildings are as accessible as they can be.

Our established Diversity Action Group (DAG) comprised of staff, Board members and paid external co-opted members, agree measurable targets in the short, medium and long-term and monitor our progress on the journey. We have adopted the Anti-Racism Touring Rider and implemented our own code of conduct and safe spaces charter. We have also signed up for the Liverpool Arts & Culture Race Equality Manifesto alongside 30 other cultural organisations and sit on its steering group. During the year, DAG widened its remit to also consider accessibility and regularly reviews the organisation's commitment to ACE's Inclusivity and Relevance Investment Principle.

In March, we unveiled a plaque on the front of the Everyman, commemorating statesman and abolitionist Frederick Douglass who spoke on the site in 1860. Considered to be one of the most important African Americans of the 19th century and one of the most significant writers and orators in American history, Douglass championed the abolition of slavery, women's rights and freedom for Ireland. Huge thanks to our Diversity Action Group alongside Teena Cartwright-Terry, Laurence Westgaph, Adeyinka Olushonde, Nancy Msiska, Lucy Byrne and Liverpool artist, Vicki Opomu for bringing this project to fruition.

REVIEW OF ACTIVITIES



We truly want everyone who comes through our doors to feel welcome and safe, regardless of their background or means and are committed to profound ongoing change.

Our Commitment to the Environment

We are committed to lessening our impact on the environment and have adopted broad measures to limit our impact, reduce our consumption of water, energy, and other resources, avoid waste, and combat climate change.

We are committed to:

- Taking positive steps to reduce our energy consumption, starting our first phase of LED lighting upgrades and making changes to IT equipment to ensure energy efficiency.
- Implementing the waste hierarchy – reducing, reusing, and recycling materials and consumables wherever possible.
- Promoting awareness of sustainable products and practices amongst our staff, partners and our audiences and encouraging them to be environmentally responsible.
- Sourcing products locally where possible and from sustainable providers, looking at our procurement model to reduce the number of deliveries where possible.
- Making first approaches to address the environmental impact of our buildings and implementing the recommendations of the Theatre Green Book to improve the sustainability of day-to-day operations.
- Improving our understanding, attending the Sustainable Productions Summit and Carbon Literacy Training.
- Being an active member of Shift Liverpool, a sustainability network for cultural organisations in the Liverpool City Region committed to reaching carbon neutrality.
- Working with the Zero Carbon Institute (University of Liverpool) using findings to inform the build and design of the Playhouse capital development plans.
- Monitoring and evaluating our impacts, contributing to industry benchmarking by participating in the Industry Green Scheme run by Julie's Bicycle.

REVIEW OF ACTIVITIES

FINANCIAL PERFORMANCE

The financial results for the year are set out in the attached financial statements. After depreciation, the overall position was a deficit of £856k (2023: £685k deficit). In-year depreciation costs were £670k (2023: £676k). The total deficit for the year, comprised a deficit on restricted funds of £784k and a deficit on unrestricted funds of £72k.

The unrestricted funds deficit is made up of a surplus from operations of £15k (2023: £15k) and the planned expenditure of £87k from designated funds (2023: £77k).

The restricted funds deficit comprised planned expenditure of £647k in funds held in relation to depreciation (2023: £657k) and planned use of £137k revenue funds (2023: £103k).

Raising funds

Total income for year was £5,288k (2023: £6,232k). Further detail on income is provided in notes 4 to 6 in the accounts.

We continued to receive support from one off donors (£35k), regular givers (£68k) and from learning partners (£20k), totalling £123k (2023: £125k).

Funds from Arts Council England and Liverpool City Council totalled £2,180k (2023: £2,396k). Restricted grant funding reduced to £0k from £137k in the prior year (which included funding from The Foyle Foundation and Garfield Weston, along with several smaller grants for our work with young people).

Commercial activity

Income from the trading subsidiary (Liverpool Everyman and Playhouse Trading Company) totalled £529k (2023: £541k), this included income from bars, events and the Street Café.

The overall contribution from the trading company was £3k (2023: £24k).

Assets

Total funds at March 24 were £19,257k (2023: £20,113k). Of this £17,723k related to funds restricted in nature (2023: £18,507k).

Following the release of £63k from the Artistic Innovation Fund and £24k from the Building Reserves Fund, Designated funds were £900k (2023: £987k).

The Risk Reserve Fund remained at £650k.

The overall cash in bank position was £1,720k (vs £1,542k in 2023).

Principal risks and uncertainties

The Trustees examine major strategic, business and operational risks which the Charity faces on an ongoing basis, confirming that systems have been established to mitigate and lessen them. A risk register is closely monitored and formally reviewed by Trustees annually. Over the past year, identified risks have been allocated to the appropriate governance structure for monitoring. Operational risks are addressed through line management and budget control systems, with comprehensive and regularly reviewed policies in relation to key issues such as safeguarding and health and safety.

A report from the Health and Safety Committee is considered by the Trustees at each of their meetings. Financial risks are addressed through regular monitoring by the Finance and Audit Committee and full Board, with the overall budget receiving a full reappraisal on at least a quarterly basis. Where appropriate, insurance cover

complements and supports other risk reduction mechanisms. External risks and questions of compliance are addressed by maintaining a strong relationship with key funders and regular contact with support and regulation agencies, and by promoting positive PR about the Trust and its programme.

The principal risks and uncertainties faced by LMTT (as identified in the current risk register) are:

Risk Category	Risk
External	External factors adversely impact organisation's ability to operate (e.g. election, pace of economic recovery, terror attack, global unrest, cost of living and energy increases, severe weather event)
Financial	Achieving audience growth in a competitive market in order to hit box office and corresponding budgetary targets on both primary and secondary spend
Operational	A critical part of the Playhouse or Everyman building infrastructure, or piece of equipment, fails which needs urgent and costly repair/replacement
Operational	Retention/recruitment of key staff or Trustees, inability to recruit core capabilities following staff departures or long-term sick leave (including associated stressors from external factors such as hospital wait times). Loss of institutional knowledge, low staff morale.
Financial	Loss of key funds; fulfil the terms required by ACE and LCC funding agreements; or meet fundraising budgetary targets and/or insufficient reserves to ensure long-term future viability of the organisation and its Going Concern status.

Going Concern

Please refer to the going concern note in the Accounting Policies notes to the Financial Statements.

We are a member of the Arts Council England (ACE) NPO portfolio, with funding confirmed for 2023-26. We have secured Liverpool City Council (LCC) funding through the Culture and Arts Investment Programme through to 2026, which is confirmed by the LCC Cabinet on an annual basis. We continue to manage funding risk by maintaining a positive relationship with both funders and by making a visible contribution to the City's profile and its social and economic wellbeing.

The economic climate continues to pose a continued threat, competition for funding and pressure on public finances, remains a constant concern.

Our business plan for 2024/25 aims to carefully balance the risks we have identified, and all opportunities are taken to maximise and diversify income; to secure income for the medium as well as short-term, and to retain a degree of flexibility in order to revise plans in response to any adverse financial situations that arise.

REVIEW OF ACTIVITIES

The reserves position of the Charity is set out below.

Reserves

The Trustees maintain reserves in order to ensure the Charity can plan effectively, guarantee the sustainability of the organisation and offset the impact of any unforeseen events which may have a detrimental effect on operating cash flows.

The Trustees have considered it desirable to maintain unrestricted operating funds above £500k and free reserves above £250k, and hold designated funds for:

- the upkeep and maintenance of the two theatres
- investment in its artistic programme and piloting new streams of work
- management of risk across a normal programming year which would see month on month planned losses through the early parts of the year.

At the end of March 24, total funds carried forward were £19,257k, including designated funds of £900k (2023: £987k) comprised of:

- a £650k Risk Fund to protect against the monthly financial run rate, which traditionally sees month on month losses early in the financial year, with a return to financial balance during the Christmas season. The fund is also held to offset future ticket income risks associated with current challenges in the economy and the risk of audience's reduced spend on Theatre visits.
- a £105k Building Fund to fund future improvements to the Playhouse.
- a £145k Artistic Innovation Fund to support the future ambition of our business plans.

The Trustees recognise that should the need arise, the £650k designated risk fund may be used to offset future short-term operating deficits.

The value of free reserves at the end of March 2024 was £290k (2023: £303k). Free reserves are unrestricted operating funds that have not been used to purchase fixed assets, don't include designated funds and are available for use by the Trust to fund activity:

	2024	2023
	£'000	£'000
Unrestricted funds: Operating	634	619
Unrestricted Fixed Assets	(344)	(316)
Free Reserves	290	303

The Charity does not budget on the basis of achieving a surplus year on year, budgets are built on a breakeven position and ensure that adequate uncommitted contingency is built into plans.

The Future

As one of Arts Council England's National Portfolio Organisations (NPO) we have the security of funding through to at least 2026. Our business plan fully incorporates ACE's Investment Principles and sets out how we will continue to fulfil our charitable objectives and deliver to the outcomes of ACE's *Let's Create* and the Liverpool City Council's Cultural Strategy (which is currently being reviewed). Through the active management of costs and planned application of funds, our future planning is underpinned by a financial strategy that recognises the rising costs of inflation, employment costs and risk still inherent in the current operating climate.

With both a new Creative Director, Nathan Powell, and Finance Director, Ros Thomas, we have a reinvigorated and experienced Executive function led by Chief Executive, Mark Da Vanzo. This, coupled with a strong Board of Trustees chaired by Andrea Nixon MBE, provides a stability in both our governance and operational leadership over the coming year.

Following a successful review and relaunch of our Young Everyman Playhouse in 2023/24, we are now reviewing our community programme with the intent of relaunching this important area of our work in 2025. We will continue to develop our Diversity Action Group, with its widened remit to focus on other areas of inclusion, informed by the protected characteristics defined in the Equalities Act 2010. We will also continue to support a Youth Advisory Group to inform our practice and initiatives with Young People.

Following the delivery of the Playhouse Feasibility Study, alongside the successful launch of a companion study on Williamson Square Activation, we are planning how to move to the next phase of our project to undertake a major capital refurbishment of the Playhouse. While the actual work on the theatre is unlikely to begin for several years, we are progressing discussions with major funders and stakeholders to raise the substantial funds required to progress this essential work, ensuring the Playhouse is fit for use over the next 150 years.

Related parties and co-operation with other organisations

On 1 April 2020, our Chief Executive was appointed to the Board in accordance with the revised Memorandum and Articles of the Charity. During his appointment, he will continue to receive his usual salary payments and to reclaim approved expenses incurred wholly in his roles as an employee. This is disclosed in Note 23.

No other Trustees received remuneration from their work with the Charity.

LMTT is the sole shareholder of two subsidiary companies as follows:

- Liverpool Everyman & Playhouse Trading Limited (LEPT) manages the trading activities for the Everyman and Playhouse Theatres (Company No 08287910)
- Liverpool Everyman & Playhouse Productions Limited (LEPP) through which productions are commissioned in the previous year (Company No 09231907)

In March 2022, the Trust decided to wind down LEPP Production company and Theatre Tax Relief claims will be made in future through the parent Charity's accounts.

Key management personnel pay policy

The remuneration of key management personnel is determined by the Trustees of the Charity. The Trustees consider the seniority of the post, the expertise and experience of the post holder, the local market conditions and sector market conditions for remuneration, and benchmarking information from similar organisations in determining the remuneration of key management personnel.

REVIEW OF ACTIVITIES

Fundraising Standards

In the Financial Year 2023/24, the Charity contracted fundraising professionals to manage the relationships with education partners, corporate sponsors and individual givers and donors. They also developed and submitted funding applications to Trust and Foundations in line with our Ethical Fundraising Policy. We are registered with the Fundraising Regulator and follow its code of practice.

Organisation

The Board is ultimately accountable for ensuring the financial integrity and strategic direction of the Charity. It is the responsibility of the Trustees, in consultation with the Executive, to determine policy, to set strategic policy targets, to implement monitoring and reporting procedures that will ensure their fulfilment, and to approve and monitor annual budgets and business plans.

The Board normally meets six times a year to set and review strategic policy and monitor the financial health of the organisation. Suitably skilled sub-committees of the board undertake the scrutiny of detail, each of which report to the main board.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Governance Code

The LMTT board believes that good governance in charities is fundamental to their success. The Charity Governance Code is a practical tool to help charities, and their Trustees develop high standards of governance as it enables and supports a charity's compliance with the law and relevant regulations. It also promotes a culture where everything works towards fulfilling the Charity's vision. Through ensuring each element of the Code is met, Trustees hope to both improve the transparency and breadth of reporting and demonstrate exemplary leadership and governance on behalf of staff, stakeholders and supporters.

Directors

The Directors of the Charity are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees. As noted below, the Trustees of the Charity who served during the year and up to the date of this report are listed below:

Current Directors/Trustees

A Nixon (Chair)	P Evans
P Bibby (Vice Chair)	P Fahey (appointed 17 May 2023)
S Aziz (appointed on 22 February 2024)	J Jones
J Bierman	P Kallee-Grover (appointed 21 November 2024)
H Blakeman	C Mankabady
A Causley (retired on 21 November 2024)	N M Russell
M Clarke (retired on 21 November 2024)	C Sanger-Davies
M Da Vanzo	A Smith

REVIEW OF ACTIVITIES

Board Composition

Trustees' service is for up to two consecutive terms of three years. A board evaluation and skills audit is delivered annually. This is a method of assessing the Charity's changing needs and reviewing the need for additional skills and expertise on the Board. All appointments are publicly advertised, and applicants are considered for their suitability before being interviewed and a proposal being put to the full Board for decision.

Note 23 Related Party Disclosures, details any Trustee interest in the Charity or any of its group companies (together "the Group"), including the Chief Executive who was appointed to the Board in accordance with the revised Memorandum and Articles of the Charity.

The Board may make new appointments within the above parameters at any time, with any such appointees being re-elected at the next Annual General Meeting. Induction of new Trustees includes the issuing of current financial statements and projections, forthcoming artistic programme details, and guidelines for good practice (such as those published by the Charities Commission), in the context of an explanatory meeting with the Company Secretary. All Trustees undertake a programme of induction upon commencement and Trustee training is provided on relevant topics at various times in the year. All Trustees are covered by the Charity's directors and officers insurance.

Company Secretary & Chief Executive

M Da Vanzo

Reference and Administrative Details

Registered office	Bankers	Auditor
Everyman Theatre	Lloyds Bank	DSG Audit
5-11 Hope Street	Merchant's Court,	Castle Chambers
Liverpool	2 - 11 Lord Street	43 Castle Street
Merseyside	Liverpool	Liverpool
L1 9BH	L2 1TS	L2 9TL

DSG resigned as auditor on 11 September 2024. DSG Audit were appointed on 11 September 2024 to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also directors of The Liverpool and Merseyside Theatres Trust Limited for the purposes of company law, are responsible for preparing the Strategic report, the report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees must prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Group for that period.

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

- Select suitable accounting policies and 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, 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 charitable Company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable Company's transactions and 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable Company's website.

Statement of Disclosure to Auditors

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's Auditors are unaware, and each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

The Trustees' report, including the strategic report, was approved by the Board of Trustees on 21st November 2024.



Andrea Nixon
Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LIVERPOOL AND MERSEYSIDE THEATRES TRUST LIMITED

Opinion

We have audited the financial statements of The Liverpool and Merseyside Theatres Trust Limited (the 'parent charitable company') for the year ended 31st March 2024 which comprise the Consolidated Statement of Financial Activities (including Consolidated Income and Expenditure Account), the Group and Company Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 parent charitable company's affairs as at 31 March 2024 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 and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or parent 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the director's report and the strategic report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's 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 Group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic 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 parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the Group's and parent 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 Group or parent 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:

Capability of the audit in detecting irregularities, including fraud

Based on our discussions with the Group and parent charitable company's management and the Trustees, we identified that the following laws and regulations are significant to the Group and parent charitable company:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the Group and parent charitable company and therefore may have a material effect on the financial statements include compliance with the charitable objectives, public benefit, fundraising regulations, safeguarding and health and safety legislation.

These matters were discussed amongst the engagement team at the planning stage and the team remained alert to non-compliance throughout the audit.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee meeting minutes; testing the appropriateness of journal entries and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

A further description of our responsibilities for the audit of the financial statements is located 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 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.



Andrew Moss BA FCA (Senior Statutory Auditor)

For and on behalf of DSG Audit
Chartered Accountants, Statutory Auditor
Castle Chambers
43 Castle Street
Liverpool
L2 9TL

21 November 2024

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31st March 2024

	Note	Unrestricted funds £'000	Restricted funds £'000	Total funds 2024 £'000	Total funds 2023 £'000
INCOME					
Donations and Legacies		123	-	123	125
Charitable Activities	2,4	4,244	-	4,244	5,132
Other Trading Activities	2,6	529	-	529	541
Other	2	345	-	345	434
Investments		47	-	47	-
TOTAL INCOME		<u>5,288</u>	<u>-</u>	<u>5,288</u>	<u>6,232</u>
EXPENDITURE					
Raising Funds	7	(496)	-	(496)	(437)
Charitable Activities	8	(4,864)	(784)	(5,648)	(6,480)
TOTAL EXPENDITURE		<u>(5,360)</u>	<u>(784)</u>	<u>(6,144)</u>	<u>(6,917)</u>
NET INCOME / (EXPENDITURE)		<u>(72)</u>	<u>(784)</u>	<u>(856)</u>	<u>(685)</u>
TRANSFERS BETWEEN FUNDS	18			-	-
NET MOVEMENT IN FUNDS		<u>(72)</u>	<u>(784)</u>	<u>(856)</u>	<u>(685)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward	18	1,606	18,507	20,113	20,798
Net Income / (Expenditure)		(72)	(784)	(856)	(685)
TOTAL FUNDS CARRIED FORWARD		<u>1,534</u>	<u>17,723</u>	<u>19,257</u>	<u>20,113</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 31 to 51 form part of these financial statements.

GROUP AND COMPANY BALANCE SHEET

AS AT 31ST MARCH 2024

	Note	Group 2024 £'000	2023 £'000	Company 2024 £'000	2023 £'000
FIXED ASSETS					
Tangible assets	12	18,067	18,686	18,067	18,686
Investments	13, 26	-	-	-	-
		<u>18,067</u>	<u>18,686</u>	<u>18,067</u>	<u>18,686</u>
CURRENT ASSETS					
Stocks	14	17	19	0	-
Debtors- due in less than one year	15	781	1,086	705	1,012
Cash in bank and in hand		1,720	1,541	1,720	1,543
		<u>2,518</u>	<u>2,646</u>	<u>2,425</u>	<u>2,555</u>
CURRENT LIABILITIES					
Creditors: falling due within one year	16	(1,328)	(1,219)	(1,328)	(1,219)
		<u>(1,328)</u>	<u>(1,219)</u>	<u>(1,328)</u>	<u>(1,219)</u>
NET CURRENT ASSETS		<u>1,190</u>	<u>1,427</u>	<u>1,097</u>	<u>1,336</u>
NET ASSETS		<u>19,257</u>	<u>20,113</u>	<u>19,164</u>	<u>20,022</u>
FUNDS OF THE CHARITY:					
Unrestricted funds: Operating	18	634	619	540	528
Unrestricted funds: Designated	18	900	987	900	987
TOTAL UNRESTRICTED FUNDS	18	<u>1,534</u>	<u>1,606</u>	<u>1,440</u>	<u>1,515</u>
Restricted funds	18	<u>17,723</u>	<u>18,507</u>	<u>17,723</u>	<u>18,507</u>
TOTAL FUNDS		<u>19,257</u>	<u>20,113</u>	<u>19,164</u>	<u>20,022</u>

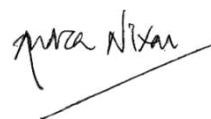
As permitted by Section 408 of the Companies Act 2006, a separate statement of financial activities for The Liverpool and Merseyside Theatres Trust Limited is not presented. The unrestricted fund loss for the financial period of the Company was £74k. The restricted fund loss for the period (including depreciation) was £784k. Therefore, the combined loss for the financial period of the Company was £858k (31 March 2023: £708k loss).

These financial statements were approved and authorised for issue by the board of Directors on 21 November 2024. Signed on behalf of the Trustees

P Bibby
Director



A Nixon
Chair



CONSOLIDATED STATEMENT OF CASHFLOWS

For the year ended 31st March 2024

	Note	2024 £'000	2023 £'000
NET CASH FROM OPERATING ACTIVITIES	24	<u>230</u>	<u>(429)</u>
INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(51)	(48)
NET CASH USED IN INVESTING ACTIVITIES		<u>(51)</u>	<u>(48)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS		179	(477)
Cash and cash equivalents at beginning of year		1,541	2,018
CASH AND CASH EQUIVALENTS AT END OF YEAR		1,720	1,541
Cash and cash equivalents consist of:			
Cash at bank and in hand		<u>1,720</u>	<u>1,541</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		<u>1,720</u>	<u>1,541</u>

NOTES TO THE ACCOUNTS

For the year ended 31st March 2024

1. ACCOUNTING POLICIES

General information

The Liverpool and Merseyside Theatres Trust Limited (“the Company”, “the Charity” or “LMTT”) was incorporated on 8th July 1999 (Company Registration No. 03802476). It is a private company limited by guarantee and it is governed by its Memorandum of Association dated 17th June 1999 (and as amended 22nd September 2011, 10th November 2005, 23rd February 2005). LMTT is a registered charity (No.1081229) and is domiciled and incorporated in England and Wales.

The address of the Company’s registered office is included on page 23 and its principal place of business is at this address with a secondary place of business at the Playhouse Theatre, Williamson Square, Liverpool, L1 1EL.

The Group consists of Liverpool and Merseyside Theatres Trust Limited, Liverpool Everyman and Playhouse Productions Limited and Liverpool Everyman and Playhouse Trading Limited.

Basis of accounting

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The Company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

A summary of the more important Group accounting policies, which have been applied consistently throughout the current and prior financial periods, is set out below.

Going Concern

Despite experiencing a challenging start to 2023/24, we concluded the year in a reasonably strong position, delivering a small operating surplus of £15k, after accounting for planned expenditure of £87k from designated funds, in line with budgetary expectations. We ended the financial year with unrestricted funds of £1,534k (which include specifics funds held for risk £650k, investment in the artistic programme £145k and for buildings £105k) and a cash balance of £1,720k.

To date in 2024/25, financial performance has been in line with the business plan and budget. Should the remainder of the financial year perform as per the budget, we expect to produce an operating surplus of £15k. As a result, closing unrestricted funds are expected to be £1,549k, including unchanged levels of designated reserves. This closing position and fund balance are key to underpinning our financial resilience in future years.

Looking ahead to 2025/26, our business plan anticipates steady growth across audiences. Income is secured by our recurrent funding as a National Portfolio Organisation (NPO) of Arts Council England (ACE) alongside ongoing revenue funding from the Liverpool City Council (LCC) through their Cultural Arts Investment Programme (CAIP).

In November 2022, ACE confirmed a three-year grant of £5.4m in support of the LMTT's activities for the period 1 April 2023 to 31 March 2026. In February 2023, LCC notified us that our application for CAIP funding for the period 2023-26 had been successful. While the grant has been awarded on a recurring basis, LCC Cabinet still confirms grant funding annually in March of each year.

Considering the uncertainty presented by the current economic climate, the Trustees have carefully considered the financial projections and reserves position to satisfy themselves of the financial resilience of the organisation, with no material uncertainty existing over that period. The Trustees have considered ongoing support from Arts Council England (ACE) and Liverpool City Council (LCC), together with cash reserves and level of funds held, and the expected level of income, expenditure and projected cash flows over this period.

Financial risks are addressed through regular monitoring by the Finance & Audit Committee and full Board, with the overall budget receiving a full re-appraisal on a regular basis.

After consideration of all factors, the view of the Trustees is that the Charity will continue in operational existence for the foreseeable future. The Trustees have concluded that the level of reserves and liquidity for the Group and Charity are sufficient, and that it will be in a position to continue to meet its liabilities as they fall due for at least twelve months from signing these financial statements. As such, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Reduced disclosures

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements;

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in the statement of financial activities, and
- Section 33 'Related Party Disclosures' – Compensation for key management personnel

Basis of consolidation

The consolidated financial statements incorporate those of The Liverpool and Merseyside Theatres Trust Limited and its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). All financial statements are made up to 31st March 2024.

All intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

Functional and presentational currencies

The consolidated financial statements are presented in sterling which is also the functional currency of the Company and the Group

Income

Income is recognised when the 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. Ticket income relating to shows is recognised in the financial period the show closes and is held within advanced sales until that time.

Income is measured at the fair value of consideration receivable, less any discounts and VAT deductions.

Donations and legacies

Donations and legacies are recognised as income when the Charity is entitled to the income, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably.

Grants received

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the Charity has entitlement to the funds and has met any performance conditions attached to the grant. And where it is probable that the income will be received, and the amount can be measured reliably.

In some instances, multi-year funding agreements which result in funds being paid over two years or longer are procured. Provided no conditions attach to the receipt of contributions scheduled to be received in future years, the charity SORP requires the Charity to recognise income from restricted grants in the period in which they are secured rather than the period they are received. If conditions do attach, the charity recognises the income in the year it is received. Grants held within restricted revenue funds are released against expenditure in the period or periods that grant restrictions are met, including requirements for defrayment.

Investment income

Investment income comprises bank interest. Interest income is accrued on a time apportioned basis by reference to the principal invested at the effective interest rate.

Expenditure

Expenditure is charged on an accruals basis and is allocated between:

- expenditure incurred directly in the fulfilment of the Charity's objectives
- expenditure incurred in support costs

Expenditure in respect of productions is held within debtors and is released to the income and expenditure account in the year in which the performances closes.

Support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities, and include building running costs, fundraising and administration costs.

Governance costs include expenditure on administration of the Charity and its subsidiaries and compliance with constitutional and statutory requirements.

Co-production income and costs

For productions which are undertaken as co-productions with other theatre companies, where set-up costs are shared, production costs which are wholly incurred by the Charity may be recharged to the co-producing company depending on the nature of the specific agreement. Any recharged costs are recognised as income related to the production.

Operating leases

Rentals paid under operating leases are charged to the statement of financial activities on a straight-line basis over the period of the lease.

Pension costs

The pension costs charged to the Statement of Financial Activities represent the amount of the contributions payable to defined contribution schemes in respect of the accounting period.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of a production where the final performances fall in the following financial year or are capitalised as a tangible fixed asset.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Tangible fixed assets

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

- Freehold and long leasehold buildings, and building improvements at the rate of 2% - 10% per annum;
- Vehicles and production, office and computer equipment at rates varying between 10% and 25% per annum;
- Fixtures and fittings at 10%.

Residual value is calculated using prices prevailing at the reporting date, after estimated cost of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Impairments of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Group estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. All other impairment losses are recognised in the statement of financial activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in the statement of financial activities. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Fixed asset investments

In the separate accounts of the Company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairments losses or reversals of impairment losses are recognised immediately in the statement of financial activities.

Stock

Stock is included at the lower of cost or selling price less costs to complete and sell. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

At each reporting date, the Group assesses whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in the statement of financial activities.

Reversals of impairment losses are also recognised in the statement of financial activities.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments that are immediately accessible, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The charity only has financial assets and 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.

Restricted Funds

Restricted funds relate to grants and other incoming resources which must be expended on specific activities of the Charity, including the acquisition of tangible fixed assets, as laid down by the donors of the funds.

Unrestricted Funds

The unrestricted fund represents the funds to provide, at the discretion of the Trustees, for the working capital of the Charity and for the purchase of tangible fixed assets which are not funded by restricted funds.

Designated Funds

Designated Funds are unrestricted funds that have been set aside by the Trustees for specific purposes. More details are found in note 18 to the financial statements.

Judgments and key sources of estimation uncertainty

In the application of the Group's accounting policies, the Trustees are required to make judgments, 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, 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.

2. INCOME

	Unrestricted funds £'000	Restricted funds £'000	2024 £'000	Unrestricted funds £'000	Restricted funds £'000	2023 £'000
Donations and Legacies	123	-	123	125	-	125
Charitable Activities	4,244	-	4,244	4,995	137	5,132
Other Trading Activities	529	-	529	541	-	541
Other	345	-	345	434	-	434
Investments	47	-	47	-	-	-
	<u>5,288</u>	<u>-</u>	<u>5,288</u>	<u>6,095</u>	<u>137</u>	<u>6,232</u>

3. EXPENDITURE ON ACTIVITIES

	Unrestricted funds £'000	Restricted funds £'000	2024 £'000	Unrestricted funds £'000	Restricted funds £'000	2023 £'000
Raising Funds	(496)	-	(496)	(437)	-	(437)
Charitable Activities	(4,864)	(784)	(5,648)	(5,720)	(760)	(6,480)
	<u>(5,360)</u>	<u>(784)</u>	<u>(6,144)</u>	<u>(6,157)</u>	<u>(760)</u>	<u>(6,917)</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	2024 £'000	2023 £'000
Unrestricted		
Box office income	1,993	735
Income from co-productions	42	1,947
Education and literary income	20	30
Membership	5	5
Other Income	4	-
	<u>2,064</u>	<u>2,717</u>
Restricted and Unrestricted		
Grant income (note 5)	<u>2,180</u>	<u>2,415</u>
	<u>4,244</u>	<u>5,132</u>

5. GRANTS RECEIVABLE

	2024 £'000	2023 £'000
Unrestricted		
Arts Council England	1,680	1,680
Liverpool City Council	500	589
Other	-	9
	<u>2,180</u>	<u>2,278</u>
Restricted		
Capital	-	-
Revenue	-	137
	<u>-</u>	<u>137</u>
Total grants receivable	<u>2,180</u>	<u>2,415</u>

Restricted revenue grants of £137k were recognised in 2023 from various funders including Garfield Weston, The Foyle Foundation and The Ken Dodd Foundation to support specific activity undertaken by the Theatres.

6. OTHER TRADING ACTIVITIES

	2024 £'000	2023 £'000
Unrestricted		
Catering, events and bars	529	541
LMTT Retail	-	-
Total trading activities income	<u>529</u>	<u>541</u>

7. RAISING FUNDS

	2024 £'000	2023 £'000
Unrestricted		
Catering, events and bars	(496)	(437)
LMTT Retail	-	-
	<u>(496)</u>	<u>(437)</u>

8. COSTS OF CHARITABLE ACTIVITIES

	Unrestricted £'000	Restricted £'000	2024 £'000	Unrestricted £'000	Restricted £'000	2023 £'000
Activities undertaken directly						
Artistic	1,683	137	1,820	2,404	106	2,510
Technical	922	-	922	924	-	924
	<u>2,605</u>	<u>137</u>	<u>2,742</u>	<u>3,328</u>	<u>106</u>	<u>3,434</u>
Support costs						
Operations & commercial	1,108	-	1,108	1,169	-	1,169
Administrative & building expenses	466	-	466	576	-	576
Marketing & sales	638	-	638	600	-	600
Depreciation & Impairment	24	647	670	22	654	676
	<u>2,236</u>	<u>647</u>	<u>2,882</u>	<u>2,367</u>	<u>654</u>	<u>3,021</u>
Governance Costs						
Audit fees	20	-	20	22	-	22
Other fees to auditors	3	-	3	3	-	3
	<u>23</u>	<u>-</u>	<u>23</u>	<u>25</u>	<u>-</u>	<u>25</u>
	<u>4,864</u>	<u>784</u>	<u>5,648</u>	<u>5,720</u>	<u>760</u>	<u>6,480</u>

9. EMPLOYEE INFORMATION

	2024	2023
	£'000	£'000
Wages and salaries	2,326	2,422
Social security costs	188	200
Other pension costs	46	45
	<u>2,560</u>	<u>2,667</u>

The key management personnel of the parent Charity and of the Group is defined as the Trustees together with a Management Group, led by the Executive. The total employee benefits of the key management personnel of the trust were £510k (2023: £540k). Other than the Chief Executive as explained in note 23, no other Trustee received any remuneration or benefits in kind in respect of their duties as a Trustee. No expenses were paid to Trustees during the year (2023: £nil).

The average number of employees during the period was as follows:

	2024	2023
Theatre activities	250	229
Engagement, Training & Artistic Development	7	8
Catering	6	14
	<u>263</u>	<u>251</u>

The average number of full-time equivalent employees during the period was as follows:

	2024	2023
Theatre activities	78	76
Engagement, Training & Artistic Development	4	5
Catering	5	6
	<u>87</u>	<u>87</u>

The number of employees whose annual remuneration was more than £60,000 was as follows:

	2024	2023
£60k - £70k	-	1
£70k - £80k	-	2
£80k - £90k	1	-
£90k - £100k	-	-
	<u>1</u>	<u>3</u>

One employee was a Trustee during the current year and continued to receive their usual salary payments. See note 23 for further information. Pension contributions totalling £3,941 were paid in respect to these staff into a defined contribution scheme (2023: £4,611).

Total redundancy/termination payments, including ex-gratia compensation payments of £16,738 (2023: £Nil), amounted to £50,502 (2023: £nil) in the year. These costs have been incurred as part of a programme of work to implement our strategy and ensure we have the right people with the right skills to meet the needs of our beneficiaries effectively.

10. ANALYSIS OF EXPENDITURE

Total expenditure is stated after charging/(crediting):

	2024	2023
	£'000	£'000
Depreciation - owned assets	670	676
Fixed asset Impairment		
Hire of plant and machinery under operating leases		
Hire of other assets under operating leases	<u>2</u>	<u>2</u>
 Fees payable to the Company's auditor for the audit of the Company's annual financial statements	 20	 22
 Fees payable to the Group's auditor for the audit of the Subsidiaries annual financial statements	 -	 -
 Fees payable to the Group's auditors for non-audit services:		
- taxation services	<u>3</u>	<u>3</u>
Total non-audit fees	<u>3</u>	<u>3</u>

Fees payable to the Company's auditor for the audit of the company's financial statements include an amount that covers the subsidiaries; thus, the subsidiaries audit fees are paid for by the parent.

11. TAXATION

No provision is made for taxation as the Charity is entitled to the various exemptions afforded by the Corporation Tax Act 2010.

12. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Long- leasehold land and buildings & Improvem'ts £'000	Fixtures and fittings £'000	Vehicles and production office and computer equipment £'000	Total £'000
Group and Company					
Cost					
At 1 April 2023	20,769	3,500	856	2,096	27,221
Additions		2		49	51
Disposals					-
At 31 March 2024	<u>20,769</u>	<u>3,502</u>	<u>856</u>	<u>2,145</u>	<u>27,272</u>
Depreciation					
At 1 April 2023	4,168	1,654	782	1,931	8,535
Eliminated on disposal	-	-	-	-	-
Impairment	-	-	-	-	-
Charge for the period	<u>415</u>	<u>85</u>	<u>54</u>	<u>116</u>	<u>670</u>
At 31 March 2024	<u>4,583</u>	<u>1,739</u>	<u>836</u>	<u>2,047</u>	<u>9,205</u>
Net book value					
At 31 March 2024	<u>16,186</u>	<u>1,763</u>	<u>20</u>	<u>98</u>	<u>18,067</u>
At 31 March 2023	<u>16,601</u>	<u>1,846</u>	<u>74</u>	<u>165</u>	<u>18,686</u>

Freehold land and buildings consist of the land and building at the Everyman Theatre, 5-11 Hope Street, Liverpool. Leasehold land and buildings consist of the Playhouse Theatre, Williamson Square, Liverpool.

13. FIXED ASSET INVESTMENTS

	Company	
	2024	2023
	£	£
Cost and net book amount:		
Subsidiary undertakings	<u>2</u>	<u>2</u>

Details of investments of the Company in its principal subsidiary undertakings at 31 March 2024 are given in note 26.

14. STOCKS

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Consumables	17	19	-	-

15. DEBTORS

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	183	26	183	26
Other debtors	96	261	96	261
Amounts owed by Group undertakings	-	-	(76)	(74)
Prepayments	254	226	254	226
Social Security and Other Taxes	248	573	248	573
	<u>781</u>	<u>1,086</u>	<u>705</u>	<u>1,012</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade creditors	275	155	275	155
Taxation and social security	41	48	41	48
Accruals	355	744	355	744
Deferred income	657	272	657	272
	<u>1,328</u>	<u>1,219</u>	<u>1,328</u>	<u>1,219</u>

Deferred income relates to advanced ticket sales income received in one year which relates to performances that will take place in the following year.

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Deferred production income brought forward	272	475	272	471
Amounts deferred in year	515	(23)	515	(19)
Amounts released from previous years	(130)	(180)	(130)	(180)
Deferred production income carried forward	<u>657</u>	<u>272</u>	<u>657</u>	<u>272</u>

17. FINANCIAL INSTRUMENTS

The carrying amounts of financial instruments as at 31 March 2024 were:

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
The carrying amounts of financial instruments at 31 March were:				
Financial assets:				
Debt instruments measured at amortised cost	<u>279</u>	<u>287</u>	<u>203</u>	<u>213</u>
Financial liabilities:				
Measured at amortised cost	<u>630</u>	<u>899</u>	<u>630</u>	<u>899</u>

Financial assets consist of trade and other debtors. Financial liabilities consist of trade creditors and accruals.

18. MOVEMENT IN FUNDS

Group	As at 1 April 2023 £'000	Income £'000	Expenditure £'000	Transfer / Gift Aid £'000	As at 31 March 2024 £'000
Unrestricted funds: Operating	619	5,288	(5,273)		634
Unrestricted funds: Designated	987		(87)		900
Total unrestricted funds	1,606	5,288	(5,360)	-	1,534
Capital grants					
Playhouse refurbishment (LCC/ERDF)	782		(28)		754
Playhouse refurb (English Partnership)	205		(7)		198
Playhouse Acquisition (LCC)	246		(9)		237
Everyman Redevelopment	14,210		(487)		13,723
11 Hope street (Art council)	865		(25)		840
5-9 Hope Street (ACE/NWDA)	1,601		(44)		1,557
Playhouse refurbishment (LCC)	424		(28)		396
Production Equipment (CRF)	37		(19)		18
	18,370	-	(647)	-	17,723
Revenue grants	137	-	(137)		0
Total restricted funds	18,507	-	(784)	-	17,723
Total funds	20,113	5,288	(6,144)	-	19,257
Comprising:					
LMTT	20,021	4,789	(5,647)	-	19,163
LEPP (see note 26)	-			-	-
LEPT (see note 26)	92	499	(497)	-	94
Elimination of consolidation entries	-			-	-
	20,113	5,288	(6,144)	-	19,257

MOVEMENT IN FUNDS (CONTINUED)

Group	As at 1 April 2022 £'000	Income £'000	Expenditure £'000	Transfer / Gift Aid £'000	As at 31 March 2023 £'000
Unrestricted funds: Operating	604	6,095	(6,080)		619
Unrestricted funds: Designated	1,064		(77)		987
Total unrestricted funds	1,668	6,095	(6,157)	-	1,606
Capital grants					
Playhouse refurbishment (LCC/ERDF)	810		(28)		782
Playhouse refurb (English Partnership)	212		(7)		205
Playhouse Acquisition (LCC)	255		(9)		246
Everyman Redevelopment	14,708		(498)		14,210
11 Hope street (Art council)	890		(25)		865
5-9 Hope Street (ACE/NWDA)	1,645		(44)		1,601
Playhouse refurbishment (LCC)	452		(28)		424
Production Equipment (CRF)	55		(18)		37
	18,370	-	(657)	-	18,370
Revenue grants	103	137	(103)		137
Total restricted funds	19,130	137	(760)	-	18,507
Total funds	20,113	6,232	(6,917)	-	20,113
Comprising:					
LMTT	20,730	5,700	(6,409)	-	20,021
LEPP (see note 26)	-	-	-	-	-
LEPT (see note 26)	68	532	(508)	-	92
Elimination of consolidation entries	-	-	-	-	-
	20,798	6,232	(6,917)	-	20,113

MOVEMENT IN FUNDS

Company	As at 1 April 2023 £'000	Income £'000	Expenditure £'000	Transfer / Gift Aid £'000	As at 31 March 2024 £'000
Unrestricted funds: Operating	528	4,789	(4,776)		541
Unrestricted funds: Designated	987		(87)		900
Total unrestricted funds	1,515	4,789	(4,864)	-	1,441
Capital grants					
Playhouse refurbishment (LCC/ERDF)	782		(28)		754
Playhouse refurb (English Partnership)	205		(7)		198
Playhouse Acquisition (LCC)	246		(9)		237
Everyman Redevelopment	14,210		(487)		13,723
11 Hope street (Art council)	865		(25)		840
5-9 Hope Street (ACE/NWDA)	1,601		(44)		1,557
Playhouse refurbishment (LCC)	424		(28)		396
Production Equipment (CRF)	37		(19)		18
	18,370	-	(647)	-	17,723
Revenue grants	137	-	(137)		0
Total restricted funds	18,507	-	(784)	-	17,723
Total funds	20,022	4,789	(5,647)	-	19,164

MOVEMENT IN FUNDS (CONTINUED)

Company	As at 1 April 2022 £'000	Income £'000	Expenditure £'000	Transfer / Gift Aid £'000	As at 31 March 2023 £'000
Unrestricted funds: Operating	536	6,095	(6,103)		528
Unrestricted funds: Designated	1,064		(77)		987
Total unrestricted funds	1,600	6,095	(6,180)	-	1,515
Capital grants					
Playhouse refurbishment (LCC/ERDF)	810		(28)		782
Playhouse refurb (English Partnership)	212		(7)		205
Playhouse Acquisition (LCC)	255		(9)		246
Everyman Redevelopment	14,708		(498)		14,210
11 Hope street (Art council)	890		(25)		865
5-9 Hope Street (ACE/NWDA)	1,645		(44)		1,601
Playhouse refurbishment (LCC)	452		(28)		424
Production Equipment (CRF)	55		(18)		37
	19,027	-	(657)	-	18,370
Revenue grants	103	137	(103)		137
Total restricted funds	19,130	137	(760)	-	18,507
Total funds	20,730	6,232	(6,940)	-	20,022

Previously capital grants have been received from a number of funders including Arts Council England, Liverpool City Council, English Partnerships, Northwest Development Agency and ERDF, for a number of refurbishment and redevelopment projects at the Charity's two theatres in Liverpool: the Everyman Theatre and the Liverpool Playhouse. Capital grants are treated as incoming resources in the year of receipt.

Capital grants expenditure includes £647k (2023: £657k) in relation to depreciation of tangible fixed assets acquired with restricted funds in prior years.

No restricted revenue grants were recognised in the year (2023: £137k).

19. ANALYSIS OF CONSOLIDATED NET ASSETS BETWEEN FUNDS

Fund balances at 31 March 2024 are represented by:

	Restricted funds £'000	Unrestricted funds £'000	2024 £'000	Restricted funds £'000	Unrestricted funds £'000	2023 £'000
Group						
Tangible fixed assets	17,723	344	18,067	18,370	316	18,686
Cash at bank and in hand	-	1,720	1,720	137	1,404	1,541
Grants within other debtors	-	-	-	-	210	210
Other current assets	-	798	798	-	895	895
Current liabilities	-	(1,328)	(1,328)	-	(1,219)	(1,219)
	<u>17,723</u>	<u>1,534</u>	<u>19,257</u>	<u>18,507</u>	<u>1,606</u>	<u>20,113</u>
Company						
Tangible fixed assets	17,723	344	18,067	18,372	314	18,686
Cash at bank and in hand	-	1,720	1,720	138	1,405	1,543
Grants within other debtors	-	-	-	-	210	210
Other current assets	-	705	705	-	802	802
Current liabilities	-	(1,328)	(1,328)	-	(1,219)	(1,219)
	<u>17,723</u>	<u>1,441</u>	<u>19,164</u>	<u>18,510</u>	<u>1,512</u>	<u>20,022</u>

20. OTHER FINANCIAL COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases of the Group are as follows:

	Land and buildings 2024 £'000	Other 2024 £'000	Total 2024 £'000	Land and buildings 2023 £'000	Other 2023 £'000	Total 2023 £'000
Group and Company						
Amounts due:						
- within one year	27	2	29	27	7	34
- between two and five years	63	-	63	84	2	86
- over five years	553	-	553	559	-	559
	<u>643</u>	<u>2</u>	<u>645</u>	<u>670</u>	<u>9</u>	<u>679</u>

The lease payments due over five years of £553k (2023; £559k) relate to the long-term lease of the Playhouse Theatre, Williamson Square, Liverpool, due to expire 2126.

21. CONTINGENT LIABILITIES

Company

A condition of grants received of £6.2m for the purchase of numbers 5 – 11 Hope Street is made up of fixed and floating charges on the property. In addition, certain grants from the Arts Council and NWDA are repayable in the event of the sale of the property or the liquidation of the Company. The Everyman Theatre redevelopment was part-funded by £5.9m grant from ERDF. A proportion of this grant could become repayable should there be a change in the proportion of the building used for commercial activity.

22. CAPITAL COMMITMENTS

	2024 £'000	2023 £'000
Group and Company		
Contracted but not provided for in the financial statements	-	-

23. RELATED PARTY DISCLOSURES

Transactions involving directors

On 1 April 2020 M Da Vanzo was appointed to the board as Chief Executive. He received salary payments and reclaimed approved expenses in their roles as employees, including reimbursement of travel and hospitality costs. There were no balances outstanding at the end of the year.

	2024 M Da Vanzo Executive Director £	2023 M Da Vanzo Executive Director £
Transactions during the period		
Gross salary	85,217	78,795
Employer pension contributions	3,941	3,621
Reimbursement of expenses	-	-
Balance at end of period 31st March 2024	-	-

Transactions and Balances with Trading Subsidiaries

	2024 £'000	2023 £'000
Transactions during the period		
<i>Liverpool Everyman and Playhouse Productions Limited</i>		
Production services provided to LMTT	-	-
Production services provided by LMTT	-	-
<i>Liverpool Everyman and Playhouse Trading Limited</i>		
Donation to LMTT		
Payroll recharges from LMTT	(219)	(192)
Service and overhead charges from LMTT	(119)	(144)
Recharge of cost of sales from LMTT	(158)	(172)
Balances at end of period		
Liverpool Everyman and Playhouse Productions Limited	-	-
Liverpool Everyman and Playhouse Trading Limited	(76)	(74)

24. RECONCILIATION OF NET OUTGOING RESOURCES TO NET CASH USED IN OPERATIONS

	2024 £'000	2023 £'000
Net Expenditure	(856)	(685)
<i>Adjustments for:</i>		
Depreciation	670	676
Impairment	-	-
Increase in stocks	2	-
Increase in debtors	305	(382)
Increase/(Decrease) in creditors	109	(38)
Cash absorbed by operations	230	(429)

25. RETIREMENT BENEFITS

The Company contributes to defined contribution pension schemes for the benefit of the employees. The assets of the scheme are administered by Trustees in funds independent from those of the Charity.

Pension costs are allocated to activities according to where the related staffing costs have been incurred.

26. SUBSIDIARY UNDERTAKINGS

The subsidiary undertakings consolidated at 31st March 2024 were as follows:

Name of undertaking	Principle activity	Registered office	Shareholding and voting rights	Class of shares	Country of incorporation
Liverpool Everyman and Playhouse Trading Limited ('LEPT')	Management of commercial activities for the Charity	5-11 Hope Street Liverpool L1 9BH	100%	Ordinary	Great Britain
Liverpool Everyman and Playhouse Productions Limited ('LEPP')	Provision of production services for the Charity	5-11 Hope Street Liverpool L1 9BH	100%	Ordinary	Great Britain

In the year ended 31st March 2024, the cumulative profits of LEPT have been retained by the subsidiary company to support trading activities.

In the year ended 31st March 2024, LEPP was dormant and made neither profit nor loss.

The trading results and net assets of LEPP and LEPT for the year ended 31st March 2024 were as follows:

	LEPP		LEPT	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Turnover	-	-	499	532
Operating expenses	-	-	(497)	(508)
Operating profit	-	-	2	24
Tax credit on ordinary activities	-	-	-	-
Profit for the financial period	-	-	2	24
Net assets	-	-	94	92

LEPP Company Registration Number: 09231907

LEPT Company Registration Number: 08287910

LIVERPOOL AND MERSEYSIDE THEATRES TRUST LIMITED

England & Wales - Charity number 1081229

Accounts

Company Registration Number 03802476
Registered Charity Number 1081229



THE LIVERPOOL AND MERSEYSIDE THEATRES TRUST LIMITED

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31st MARCH 2023

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TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT)

INTRODUCTION

The 2022/23 Financial Year was our first full year of trading with both theatres fully open since the national lockdowns heavily impacted activity during the Covid pandemic. Suba Das joined as Creative Director at the artistic helm of the organisation. Suba formally worked at Leicester Curve and had most recently been the CEO of Hightide, a writer-centred theatre company based in the East of England.

During the year we were also successful in our application to Arts Council England (ACE) to receive recurrent funding as a National Portfolio Organisation (NPO). This was a significant achievement following four years outside NPO funding as we strengthened the organisation's leadership and financial resilience. We'd like to thank all staff and Trustees for their continued dedication and commitment to the theatres and contributing to our successful bid to re-enter the NPO on 1 April 2023. We would like to particularly thank our departing Trustees Bren Hutchinson and Caroline Roberts-Cherry for the immense contribution they have made during their time on the Board.

Given the previous financial year was heavily impacted by Covid-related closures, we have seen an increase in audience numbers during the year with attendances up by 57%. While still not quite back at pre-Covid attendance levels, we were pleased to see that audience confidence is returning, especially between November and January which saw the most successful Christmas season to date with the *Rock n' Roll Panto Red Riding Hood*, at the Everyman and *SIX* at the Playhouse.

We were delighted to continue our commitment to new work, premiering *Corrina, Corrina*, *Our Town Needs a Nandos*, *A Billion Times I Love You*, *Red Riding Hood* and *The Beekeeper of Aleppo* during the year. This was only made possible through our investment of time and resources in new work development over the past five years and we would like to specifically thank Dr Francesca Peschier, our former New Works Associate, for her phenomenal work in this area.

We continue to partner with a wide range of organisations to realise the work on our stages and we would like to thank 20 Stories High, Bristol Old Vic, Bolton Octagon, Cardboard Citizens, Graeae, Headlong Homotopia, New Earth, New Step Theatre, Nottingham Playhouse, Paperwork, Talawa and Theatre by the Lake for their talent and inspiration. Our visiting work is gaining momentum post-Covid with a wonderful array of companies at both theatres throughout the year. While we are still to see the scale of shows that used to tour pre-Covid, confidence is definitely improving in the sector and we look forward to continuing our role as Liverpool's only mid-scale touring venue.

Our commitment to Equity, Diversity and Inclusion continued, with our Diversity Action Group meeting regularly. The Group has now widened its focus to include accessibility. We played an integral role in developing the newly adopted Liverpool Arts & Culture Race Equality Manifesto which over 30 organisations have now signed up to. We also project-led Amal's visit to Liverpool (Amal is a 3-metre-high puppet of a refugee girl), working with a number of Liverpool cultural organisations including the Tate, NML and SOLA. This, coupled with our co-production of *The Beekeeper of Aleppo*, provided an important focus on the plight of refugees in our city and country.

Finally, we send enormous thanks to ACE, LCC and all our donors for their ongoing support of our activities, particularly in these challenging times. We continue more than ever to be committed to the transformational impact of theatre on people in our region and the positive social change it can deliver.



Andrea Nixon
Chair



Mark Da Vanzo
Chief Executive

REVIEW OF ACTIVITIES

OBJECTIVES AND ACTIVITIES

The Trustees present their annual report together with the audited financial statements for the year ended 31 March 2023.

The Liverpool and Merseyside Theatres Trust Limited ("the Company", "the Charity", "the Trust" or "LMTT") was incorporated on 8 July 1999 and operates out of its principal offices at the Everyman Theatre, 5-11 Hope Street, Liverpool, L1 9BH. LMTT is a company incorporated in England and Wales. The Company (No.3802476) is limited by guarantee, governed by its Memorandum of Association dated 17 June 1999 (and as amended 22 September 2011, 10 November 2005, 23 February 2005) and is a registered charity (No.1081229).

The financial statements have been prepared in accordance with the accounting policies set out in notes 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

This report evidences how LMTT has delivered on its charitable purpose through its activities and the quality of its performance and as a result demonstrates the benefit to the public of the work undertaken by the Trust.

The objects of LMTT as identified in its Memorandum of Association are:

To advance, encourage, promote and improve the cultural and artistic education of the general public by producing quality theatrical productions and other arts.

There is also particular provision for educational, community and training programmes for the people of Merseyside and the nation at large, and to protect, develop and improve the Playhouse.



REVIEW OF ACTIVITIES

PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

As described in the review of activities during the year, the Trust has provided public benefit in numerous areas by:

- producing a theatrical programme of quality and range, both in partnership and on our own
- investing in new plays and new talent through its work with young people, the community and new artists
- working to maximise accessibility through outreach activities, strategic ticket pricing and close relationships with schools and community groups
- delivering positive social impacts via work with young people and community groups

KEY ARTISTIC ACTIVITIES

A key strategic ambition for the year was to transition to a new artistic leadership model under Creative Director Suba Das. Suba took up post on 1 April 2022 and oversaw the full programme of artistic delivery including directing both *Red Riding Hood* and *Top Girls* during the year. Suba was supported in this work by the producing and production teams, who did a fantastic job in ensuring both theatres were back up to full speed after the period of Covid closures.

Our commitment to new work continued with five of the seven works produced on the main stage being new writing. We also strengthened our artistic partnerships with a number of organisations to deliver new work. This included 20 Stories High in supporting both *TOUCH + ANTHOLOGY* and *LOOPS* during the year. We also enabled Paperwork Theatre's first mainstage show, *Deep Blue*, as well as celebrating the writing of Patrick Maguire, Homotopia Playwrighting Award Winner, with a production of *A Billion Times I Love You* at the Everyman.

While the touring theatre circuit has been slow to rebuild after Covid, we have been pleased to offer a diverse programme at the Playhouse. Highlights included *Fantastically Great Women Who Changed the World*, *Funeral Flowers*, *The Meaning of Zong*, *Othello*, *The Importance of Being Earnest* and *Noughts and Crosses*. We also received *SIX* the musical over the Christmas period which led to the most financially successful Christmas over the two theatres that the Trust has ever had.

Alongside the work on our stages, we continue to support creative talent through our Playhouse Studio and other performance spaces, a real highlight being *DOGS*, a new work from New Step Theatre (Joe Ward Munrow and Nathan Powell). Our work with young people and in our local communities continues and we were delighted to appoint Hayley Lindley-Thornhill as our new Head of Young People and Community to head up these areas.



REVIEW OF ACTIVITIES

STRATEGIC REPORT

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

ACHIEVEMENTS AND PERFORMANCE

A full list of the work we produced, received and supported:

In-House Work

Corrina, Corrina

A co-production with Headlong

17 May to 4 June 2022, Everyman

Written by Chloë Moss

Directed by Holly Race Roughan

Cast included James Bradwell, David Crellin,
Laura Elsworth, Mike Noble, Angelo Paragoso,
Martin Sarreal



★★★★★ *"You won't see a better piece of theatre"* Liverpool Echo

★★★★★ *"Holly Race Roughan's production has a balletic intensity"* The Stage

Our Town Needs A Nandos

23 June to 2 July 2022, Everyman

Written by Samantha O'Rourke

Directed by Ameera Conrad

Cast included Nadia Anim, Chloe Hughes,
Mali O'Donnell, Kalli Tant, Jada-Li Warrican



★★★★★ *"A funny, touching and riotous showcase of what it's like to be a teenager"* Liverpool Echo

★★★★★ *"Exciting emerging talent"* The Stage

REVIEW OF ACTIVITIES

One Man, Two Guvnors

A co-production with Bolton Octagon and Theatre By The Lake

29 June to 16 July 2022, Playhouse

Written by Richard Bean

Directed by Lotte Wakeham

Cast included Siobhan Athwal, Alexander Bean, Matthew Ganley, Laurie Jamieson, Polly Lister, Qasim Mahmood, Rodney Matthew, Javier Marzan, Jordan Pearson, Karl Seth, Lauren Sturgess



★★★★★ *"An absolute riot"* Arts City Liverpool

★★★★★ *"Full-throated belly laughs from beginning to end"* The Stage

A Billion Times I Love You

27 September to 8 October 2022, Everyman

Written by Patrick Maguire

Directed by Jessica Meade

Cast included Mary Higgins, Melissa Lowe



★★★★★ *"This is certainly a story for everyone, but telling it from the perspective of these two women is of huge importance"* Good News Liverpool

★★★ *"Maguire's writing has plenty of relatable moments and some great comic lines"* The Stage

Red Riding Hood

25 November 2022 to 14 January 2023, Everyman

Written by Peter Rowe

Directed by Suba Das

Cast included Aminita Francis, Keaton Guimaraes-Tolley, Jennifer Hynes, Damien James, Rebecca Levy, Robert Penny, Adam Keast, Paislie Reid, Ben Welch



★★★★★ *"Christmas in Liverpool just isn't Christmas without the Rock 'n' Roll panto"* The Guide ★★★★★
"Joyfully communal, entirely daft fun" The Stage

REVIEW OF ACTIVITIES

The Beekeeper of Aleppo

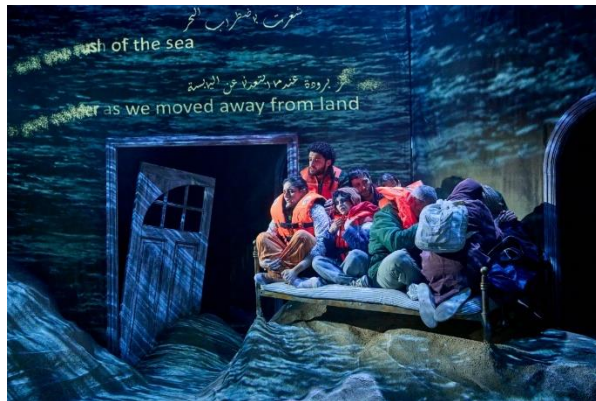
A co-production with Nottingham Playhouse and UK Productions Ltd

1 to 11 March 2022, Playhouse

Adapted for the stage by Nesrin Alrefaai and Matthew Spangler

From the acclaimed novel by Christy Lefteri

Cast included Alfred Clay, Lily Demir, Roxy Faridany, Daphne Kouma, Josphe Long, Elham Mahyoub, Aram Mardourian, Nadia Williams, Fanos Xenofós



★★★★★ *"A truly eye-opening must-see production"* The Reviews Hub

★★★★★ *"Sparklingly assured"* The Telegraph

Top Girls

3 to 25 March 2023, Everyman

Written by Caryl Churchill

Directed by Suba Das

Cast included Nadia Anim, Saffron Dey, Alicya Eyo, Sky Frances, Tal Gouveia, Alisa Joy, Lauren Lane, Natalie Thomas



★★★★★ *"delivered with top-notch timing from the nine strong ensemble cast"* St Helen's Star

★★★★★ *"Caryl Churchill's feminist classic still packs a punch"* The Daily Telegraph

REVIEW OF ACTIVITIES

Supported Work

Footsteps to Change: Abolition & Activism

12 to 14 May 2022

Walking Tour commissioned in support of
The Meaning of Zong, visiting the Playhouse
from Bristol Old Vic



Swing Sister Swing

By Natasha Brown

10 to 11 June 2022, Everyman



DOGS

Created by New Step Theatre

12 to 15 October 2022, Playhouse Studio



REVIEW OF ACTIVITIES

Deep Blue

Created by Paperwork

20 to 22 October 2022, Everyman



TOUCHY + ANTHOLOGY

Created by 20 Stories High

3 to 4 November 2022, Everyman



Queercore Showcase: Try Something New

Collaboration with Homotopia

5 November 2022, Playhouse Studio



LOOPS

Created by 20 Stories High

February 2023, toured schools and community settings



REVIEW OF ACTIVITIES

Visiting Work

<i>Fantastically Great Women Who Changed the World</i>	25 March to 3 April 2022	Playhouse
<i>Sheila's Island</i>	5 to 9 April 2022	Playhouse
<i>The Tiger Who Came to Tea</i>	12 to 16 April 2022	Playhouse
<i>Funeral Flowers</i>	13 to 14 April 2022	Everyman
<i>John Shuttleworth is Back</i>	20 April 2022	Playhouse
<i>Lou Saunders: One Word: WOW</i>	23 April 2022	Playhouse
<i>Animal Farm</i>	26 to 30 April 2022	Playhouse
<i>Count Arthur Strong</i>	4 May 2022	Playhouse
<i>Craig Revel Horwood</i>	5 May 2022	Playhouse
<i>The Meaning of Zong</i>	10 to 14 May 2022	Playhouse
<i>The Rise and Fall of Little Voice</i>	16 to 21 May 2022	Playhouse
<i>As You Like It</i>	24 to 28 May 2022	Playhouse
<i>Zog and the Flying Doctors</i>	2 to 4 June 2022	Playhouse
<i>A Lovely Word Poetry Festival</i>	5 to 9 July 2022	Everyman
<i>The Choir With No Name: The Big Gig</i>	9 September 2022	Everyman
<i>Drunk Women Solving Crime</i>	10 September 2022	Everyman
<i>Melanie C In Conversation</i>	14 September 2022	Everyman
<i>Russell Brand: 33</i>	6 to 7 October 2022	Playhouse
<i>Joanne Mc Nally: Prosecco Express</i>	22 October 2022	Playhouse
<i>The King of Reggae</i>	16 September 2022	Playhouse
<i>Kiri Pritchard McLean: Home Truths</i>	17 September 2022	Playhouse
<i>Jarvis Cocker: Good Pop, Bad Pop</i>	30 September 2022	Playhouse
<i>Othello</i>	4 to 8 October 2022	Playhouse
<i>The Importance of Being Earnest</i>	11 to 15 October 2022	Playhouse
<i>The Smartest Giant in Town</i>	25 to 29 October 2022	Playhouse
<i>An Audience with The Scaffold</i>	29 October 2022	Everyman
<i>Brown Girls Do It Too</i>	4 November 2022	Playhouse
<i>David O'Doherty: whoa is me</i>	11 November 2022	Playhouse
<i>Flo & Joan: Sweet Release</i>	12 November 2022	Playhouse
<i>Mark Thomas: Black and White</i>	16 to 17 November 2022	Playhouse
<i>Les Dawson: Flying High</i>	18 to 19 November 2022	Playhouse
<i>Noughts and Crosses</i>	22 to 26 November 2022	Playhouse
<i>SIX The Musical</i>	6 December 2022 to 8 January 2023	Playhouse
<i>Guz Kahn Live</i>	28 January 2023	Playhouse
<i>Death Drop: Back in the Habit</i>	7 to 11 February 2023	Playhouse
<i>The Very Hungry Caterpillar</i>	14 to 18 February 2023	Playhouse
<i>Danny Beard LIVE</i>	23 February 2023	Playhouse
<i>Magical Bones: Soulful Magic</i>	17 March 2023	Playhouse
<i>The One Like Judi Love</i>	18 March 2023	Playhouse
<i>The Best Exotic Marigold Hotel</i>	21 to 25 March 2023	Playhouse

REVIEW OF ACTIVITIES

Young Everyman & Playhouse (YEP)

***Save the Night* devised by the YEP company**

13 to 14 April 2022, Everyman



YEP Directors Festival 2022

4 to 14 July 2022, Everyman



YEP Graduate Projects

Silent Cicada

28 to 29 October 2022

Sorry You're Not A Winner

11 to 12 November 2022

Service: That week with the Rats **Screening**

25 November 2022

Playhouse Studio



SERVICE

Writer: Moshyn Jones

Director: Martyna Puciato

Producer: Bethany Howells

REVIEW OF ACTIVITIES

Young Everyman Playhouse (YEP)

Our Young Everyman Playhouse (YEP) had another busy year with activity running across six strands: Acting, Directing, Marketing, Producing, Technical and Writing. A real feature of the year was the engagement of external creative practitioners to assist with the delivery of the YEP strands including:

- Hannah Aspinall
- Luke Barnes
- Hayleg Greggs
- Rob Green
- Jonathan Larkin
- Kath McGurk
- Danielle McLauren
- Sean McLoughlin
- Lizzie Nunnery
- Julia Samuels
- Chris Sonnex
- Ugly Bucket Theatre Company
- Harriet Warnock



YEP's proud tradition of staging a large, devised show continued with *Save the Night* – an offbeat cabaret celebration with moments of real poignancy, heart and political resonance. Our commitment to providing opportunities for YEP members to work on main stage shows also continued with Mel Ratcliffe being employed as second director on *Our Town Needs a Nando's*, her first professional directing credit. Our Producers brought us *FEMME*, a studio project with a fresh take on some of classical literature's scorned heroines. Former YEP Technician Kieran Singh now leads our Base Techs alongside YEP Mentor Robert Awork, in supporting YEP activities throughout the year.



Over the summer period we led four weeks of Summer School which ran at capacity with four groups in total. This was followed by two 2nd year productions in the Playhouse Studio – *Silent Cicada*, written and directed by Lorna McCoid and *Sorry, You're not a Winner* directed by Mel Ratcliffe.

Alongside the successful appointment of Hayley Lindley-Thornhill as our new Head of Young People and Community, we also have a newly appointed Young People & Community Producer, Helen Webster. Hayley had most recently worked in the community department at Storyhouse and Helen has worked for the theatres since 2013 in a variety of roles. With YEP in such demand, partly due to the fact that it is free to join, Hayley and Helen are taking time to consider how best to ensure YEP is reaching those young people with the greatest need. They are also ensuring that YEP is joined up with the other areas of the theatre and provides as many opportunities for young people as possible.

REVIEW OF ACTIVITIES

Attendances

2022/23 saw attendances increase by 57% compared to 2021/22 with 112,043 seats sold compared to 71,343 in the previous year. This is however only 81% of pre pandemic sales for 2019/20. Despite some further cancelled shows and projects due to COVID, there was an increase in audience confidence with a 58% increase in bookers compared to 2021/22. This remains 8% lower than pre-pandemic levels and was driven by a very strong performing Christmas at the Playhouse which attracted a significant number of new bookers, and visitors from outside the Liverpool City Region. New bookers at the Playhouse were 38% and at the Everyman 35% of overall audiences, while bookers from outside Liverpool City Region were 24% at the Everyman and 35% at the Playhouse; higher than the 2021/22 figure of 28%.

Average ticket yield increased by 13% from £16.92 in 2021/22 to £19.19. We continued to offer discounted tickets to schools and education groups (6,707 tickets), with 1,161 tickets to Young Everyman Playhouse members, 1,232 tickets to community groups and 2,183 to support accessibility. Thanks to our partnership with Edge Hill University, we were once again able to share the Rock 'n' Roll panto *Red Riding Hood* digitally to patients, families and staff at Alder Hey Children's Hospital.

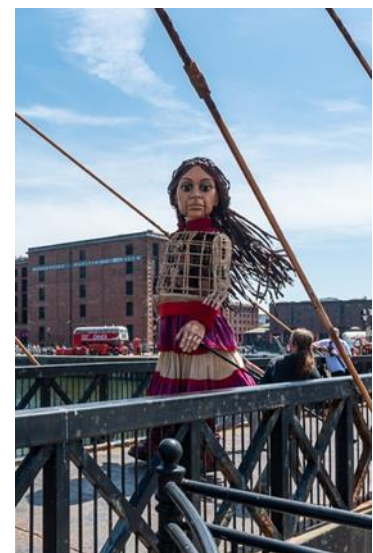
We hosted regular free and paid events downstairs at the Everyman which included Drag Cabaret, A Lovely Word, DBY Murder Mysteries, Mellowtone music nights and Reel Tours Movie Quiz. We tested film screenings at the Playhouse, working with Reel Tours, showing *Hocus Pocus* and *Encanto* for families, and cult movies *The Blues Brothers* and *John Carpenter's The Fog*.

Community

Under the oversight of our new Head of Young People and Community, we have been rethinking the way the Everyman and Playhouse works with its communities, seeking to build on our successful partnerships with established grassroots organisations. It was encouraging to see the return of some of our community audiences (i.e. those eligible to buy a community rate ticket) to productions post-Covid, with 698 tickets booked through our community links for the Rock 'n' Roll Panto *Red Riding Hood*.

Activities included:

- Continuing to work with MerseyCare's Life Rooms initiative, using our front of house spaces to offer creative workshops for their clients with mental health needs. While MerseyCare will be looking to relocate this activity to the Central Library, we will still provide Confidence Through Drama and Creative Writing face to face sessions.
- Employing a relationship manager to work with Sola Arts and deliver family arts sessions with newly arrived refugee families from the Ukraine, Syria, El Salvador. We welcomed over 100 supported young people and their families to see shows throughout the year and provided a range of associated activities. We also worked closely with Sola Arts to bring Amal, a three-metre-high puppet of a refugee girl, to Liverpool. As well as visiting the docks, Amal spent time with children in one of the local schools we work with regularly.
- Delivering sessions on devising plays with Harmonize Academy, who provide alternative education to young people who have struggled in mainstream school.



REVIEW OF ACTIVITIES

- Working with Tiber young people and Tate Liverpool on a family fun day event on Lodge Lane in the summer. The Tiber Young Event Producers group continued their sessions and produced a Christmas event for the public in Tiber Square in Liverpool 8. They had a series of Grottos with elves, Father Christmas and a “Scrooge” section which over 300 local residents and families were able to enjoy.
- Working with young patients at Alder Hey Childrens’ Hospital, exploring different art forms and creative play. Alder Hey Dewi Jones unit brought a group to visit the Everyman for a tour. The group is comprised of young people who are in alternate education provision and their support workers. The group have devised and written a short scene that was performed in Ev1 at the end of February.
- Welcoming Hope University performing arts and education students for a teambuilding day, with tours, workshops and access to rehearsals. We worked with Hope University throughout the year on the development of their community outreach work, leading up to the Angel Fields Festival.
- Launching Rise Music Education Mini Maestros in the street café on Saturdays. A family music session for which we reserve 5 free spaces at each session for families we work with who may not usually be able to engage or pay for this activity.
- Working with PSS to run weekly drama sessions for adults with learning disabilities and delivering sessions with Wilful Misfits for neurodiverse young people.
- Distributing new work, *Thirst Trap*, to carers through ‘My Time,’ an organisation that works to offer breaks and retreats to those who care for loved ones. *Thirst Trap* is delivered in a box to audiences which they experience in their own time, in their own home.
- Working with Barnardo’s Young Adult Carers to offer young adults an opportunity for some “me time” in a safe, neutral, welcoming environment.
- Delivering Weekly play readings with adults over 50 online, with the oldest member of the group having turned 90 this year. She says its “the highlight of her week”. She and several members of the group are donors, others attend plays at the theatres and one member has taken up acting semi-professionally and has appeared on stage and in a film.
- Working with Collective Encounters to support a women’s writing group as well as sessions with looked after children



REVIEW OF ACTIVITIES

Our Commitment to Equity, Diversity & Inclusion

We strive to be an organisation that understands what it means to be a welcoming and safe space for all. We aim to reflect the diversity of our communities through the work on our stages, our workforce, those we partner with, our engagement activities and by ensuring our buildings are as accessible as they can be.

We have listened to our freelance community, practitioners and ex-staff members as they have generously shared their past experiences of working with us. Through these conversations we are aware that we hadn't done enough in the past and are committed to listening, learning and acting, both now and in the future. We currently have a particular focus on ethnic diversity, undertaking a series of positive actions to bring about the change we wish to see in our organisation, with the ultimate goal of engaging and reflecting our ethnically diverse communities, stories and artists.

We have acknowledged the impact of institutional racism in our sector and are working hard to ensure that we are an anti-racist organisation and that our initiatives do not perpetuate inequality.

Our established Diversity Action Group (DAG) made up of staff, board members and paid external co-opted members to agree measurable targets in the short, medium and long-term and monitor our progress on the journey. We have adopted the Anti-Racism Touring Rider and implemented our own code of conduct and safes spaces charter. We have also signed up to the Liverpool Arts & Culture Race Equality Manifesto alongside 30 other cultural organisations.

We truly want everyone who comes through our doors to feel welcome and safe, regardless of their background or means. We are taking some immediate positive actions but are committed to profound ongoing change.

Our Commitment to the Environment

LMTT is committed to lessening its impact on the environment, as evidenced by its approach to building the new Everyman and subsequent initiatives since.

We are committed to minimising our negative impacts on the environment and reducing our carbon footprint in the following ways:

- Creating a Green Team made up of staff across all departments
- Sourcing products locally where possible and from sustainable environments
- Promoting environmental awareness along the supply chain and to our audiences
- Implementing the waste hierarchy – Reduce, Reuse, and Recycle
- Taking positive steps to reduce our energy and water use
- Monitoring and evaluating our impacts, contributing to industry benchmarking by participating in the Industry Green Scheme run by Julie's Bicycle
- Communicating our objectives, activities and achievements
- Being an active member of Shift Liverpool, a new sustainability network for cultural organisations in the Liverpool City Region
- Making first approaches to address the Playhouse's environmental impact and taking practical steps to implement the recommendations of the Theatre Green Book



REVIEW OF ACTIVITIES

FINANCIAL REVIEW

The financial results for the year are set out from page 27 onwards. Our financial result for the year, after depreciation, was a deficit of £685k (2022: £562k deficit). Our in-year depreciation costs were £676k (2022: £678k). The result for the year prior to the depreciation charge was a deficit of £9k (2022: £116k surplus). The total deficit for the year after depreciation of £685k comprised a deficit on restricted funds of £623k and a deficit on unrestricted funds of £62k. The unrestricted funds deficit is made up of a surplus on operating funds of £15k after budgeted expenditure of £77k from designated funds. Prior to the depreciation charge, the deficit for the year of £9k comprised a surplus on restricted funds of £31k and a deficit on unrestricted funds of £40k.

This closing position and fund balance itemised below is key to underpinning our financial resilience as we face continuing box office uncertainty and the rising costs of living.

Reserves policy

The Trustees maintain reserves in order to ensure the Trust can plan effectively, ensure the sustainability of the organisation and offset the impact of any unforeseen events which may have a detrimental effect on operating cash flows. The Trustees have considered it desirable to maintain unrestricted operating funds above £500k (2023: £612k 2022: £604k, 2021: £570k) and free reserves above £250k, and also hold designated funds for:

- the upkeep and maintenance of the two theatres
- investment in artistic innovation and piloting new streams of work
- management of risk across a normal programming year which would see month on month planned losses through the early parts of the year.
- protecting against reduced audiences during uncertain inflationary times

The value of designated funds at 31 March 2023 was £987k (2022: £1,064k) made up of:

- a £650k Risk Fund to protect against the monthly financial run rate, which traditionally sees month on month losses early in the financial year, with a return to financial balance during the Christmas season. The fund is also held to offset future ticket income risks associated with current challenges in the economy and the risk of audience's reduced spend on Theatre visits.
- a £128k Building Fund to fund future improvements to the Playhouse.
- a £209k Artistic Innovation Fund to support the future ambition of our business plans.

In the current economic climate, the Trustees recognise that should the need arise, the £650k designated risk fund may be used to offset future short-term operating deficits.

The value of free reserves on the 31st March 2023 was £303k (2022: £317k). Free reserves are unrestricted operating funds that have not been used to purchase fixed assets, don't include designated funds and are available for use by the Trust to fund activity:

REVIEW OF ACTIVITIES

	2023 £'000	2022 £'000
Unrestricted funds: Operating	619	604
Unrestricted Fixed Assets	(316)	(287)
Free Reserves	303	317

The Charity does not budget on the basis of achieving a large surplus year on year, it does ensure that adequate uncommitted contingency is built into plans. The board will take a view annually on how it commits any unused contingency for future periods

Investment policy

The Charity takes a low-risk approach to investments, with cash required for working capital held in bank current accounts. Surplus cash can be placed on short-term deposit (no more than three months' fixed-term). Such arrangements have a high level of asset security and liquidity is planned for in advance.

Principal risks and uncertainties

The Trustees examine major strategic, business and operational risks which the Charity faces on an ongoing basis, confirming that systems have been established to mitigate and lessen these risks. A risk register is closely monitored and formally reviewed by Trustees annually. Over the past year, identified risks have been allocated to the appropriate governance structure for monitoring. Operational risks are addressed through line management and budget control systems, with comprehensive and regularly reviewed policies in relation to key issues such as safeguarding and health and safety.

A report from the Health and Safety Committee is considered by the Trustees at each of their meetings. Financial risks are addressed through regular monitoring by the Finance and Audit Committee and full Board, with the overall budget receiving a full reappraisal on at least a quarterly basis. Where appropriate, insurance cover complements and supports other risk reduction mechanisms. External risks and questions of compliance are addressed by maintaining a strong relationship with key funders and regular contact with support and regulation agencies, and by promoting positive PR about the Trust and its programme.

REVIEW OF ACTIVITIES

The principal risks and uncertainties faced by LMTT (as identified in the current risk register) are:

Risk Category	Risk
External	External factors adversely impact organisation's ability to operate (e.g. pace of post-COVID economic recovery, Ukraine invasion, audience confidence, cost of living and energy increases)
Operational	Retention/recruitment of key staff, inability to recruit core capabilities following staff departures or long-term sick leave. Loss of institutional knowledge, low staff morale.
Financial	Insufficient reserves to ensure long-term future viability of the organisation and its Going Concern status
Financial	Retain LCC level of funding; fulfil the terms required by ACE and LCC funding agreements; or meet fundraising budgetary targets
Operational	A critical part of the Playhouse or Everyman building infrastructure, or piece of equipment, fails which needs urgent and costly repair/replacement

Arts Council England (ACE) are currently providing funding as a member of their NPO portfolio for 2023-26. We have secured Liverpool City Council (LCC) funding through the Culture and Arts Investment Programme through to 2026, which is confirmed by the LCC Cabinet on an annual basis. We continue to manage funding risk by maintaining a positive relationship with both funders and by making a visible contribution to the City's profile and its social and economic wellbeing.

The economic climate poses a continued threat and it is hard to predict how long it will take consumer confidence to return. Pressures on public funders, especially local authorities, remains a constant concern. All opportunities are taken to maximise and diversify income; to secure income for the medium as well as short-term, and to retain a degree of flexibility in order to revise plans in response to any financial shocks.

Our business plan to March 2024 aims to carefully balance the risks we have identified and build back audience confidence in returning to our theatres.

REVIEW OF ACTIVITIES

The Future

Our application to re-join Arts Council England's National Portfolio of arts organisations was successful, providing certainty of funding through to 2026. Our business plan now fully incorporates ACE's Investment Principles and sets out how we will continue to fulfil our charitable objectives and deliver to the outcomes of ACE's *Let's Create* and the Liverpool City Council's Cultural Strategy. Through the active management of costs and planned application of funds, our future planning is underpinned by a financial strategy that recognises the rising costs of inflation and risk still inherent in the current operating climate.

Suba Das stepped down from his position as Creative Director in August 2023 and the Board are working with ACE and LCC to assess our artistic leadership model going forwards whilst we work with a number of artistic advisors and associate companies. Any future model will continue to grow our partnerships with other creative organisations, who align with our values, to work together in delivering to the communities we serve and achieving the aims of our Business Plan and the outcomes of our charitable objectives and those of our funders.

We will continue to develop our Diversity Action Group, with its widened remit to focus on other areas of inclusion, informed by the protected characteristics defined in the Equalities Act 2010. We will also continue to support a Youth Advisory Group to inform our practice and initiatives with Young People.

While it is still very hard to predict audience patterns following Covid, which in turn make it difficult to programme and budget with certainty, we will continue being a creative beacon for our city, region and country. We thank ACE and LCC for their ongoing support.

Related parties and co-operation with other organisations

On 1 April 2020, our Chief Executive was appointed to the board in accordance with the revised Memorandum and Articles of the Charity. During his appointment, he will continue to receive his usual salary payments and to reclaim approved expenses incurred wholly in his roles as an employee. This is disclosed in Note 23.

No other Trustees received remuneration from their work with the Charity.

LMTT is the sole shareholder of two subsidiary companies as follows:

- Liverpool Everyman & Playhouse Trading Limited (LEPT) manages the trading activities for the Everyman and Playhouse Theatres
- Liverpool Everyman & Playhouse Productions Limited (LEPP) through which productions are commissioned in the previous year

The Trust decided to wind down LEPP Production company and TTR claims will be made in future through the parent Charity's accounts. LEPP was dormant in the period.

Key management personnel pay policy

The remuneration of key management personnel is determined by the Trustees of the Charity. The Trustees consider the seniority of the post, the expertise and experience of the post holder, the local market conditions and sector market conditions for remuneration, and benchmarking information from similar organisations in determining the remuneration of key management personnel.

REVIEW OF ACTIVITIES

Fundraising Standards

The Charity contracts fundraising professionals to manage the relationships with education partners, corporate sponsors and individual givers and donors. They also develop and submit funding applications to Trust and Foundations in line with our Ethical Fundraising Policy. We are registered with the Fundraising Regulator and follow its code of practice.

Organisation

The Board is ultimately accountable for ensuring the financial probity and strategic direction of the Charity. It is the responsibility of the Trustees, in consultation with the Executive, to determine policy, to set strategic policy targets, to implement monitoring and reporting procedures that will ensure their fulfilment, and to approve and monitor annual budgets and business plans.

The Board normally meets six times a year to set and review strategic policy and monitor the financial health of the organisation. The scrutiny of detail is undertaken by suitably skilled subsidiary companies (LEPT and LEPP) or sub-committees of the board, each of which report to the main board.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Governance Code

The LMTT board believes that good governance in charities is fundamental to their success. The Charity Governance Code is a practical tool to help charities and their Trustees develop high standards of governance as it enables and supports a charity's compliance with the law and relevant regulations. It also promotes a culture where everything works towards fulfilling the Charity's vision. Through ensuring each element of the Code is met, Trustees hope to both improve the transparency and breadth of reporting and demonstrate exemplary leadership and governance on behalf of staff, stakeholders and supporters.

Directors

The Directors of the Charity are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees. Except as noted below, the Trustees of the Charity who served during the year and up to the date of this report are listed below:

Current Directors/Trustees

A Nixon (Chair)	P Evans
P Bibby (Vice Chair)	P Fahey (appointed 17 May 2023)
J Bierman (appointed 22 November 2022)	J Jones
H Blakeman	C Mankabady
A Causley	N M Russell
M Clarke	C Sanger-Davies
M Da Vanzo	A Smith

Former Directors/Trustees

B Hutchinson (retired 22 November 2022)	C Roberts-Cherry (resigned 29 March 2022)
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REVIEW OF ACTIVITIES

Board Composition

Trustees' service is for up to two consecutive terms of three years. A board evaluation and skills audit is delivered annually. This is a method of assessing the organisation's changing needs and reviewing the need for additional skills and expertise on the board. All appointments are publicly advertised and proposed board members are considered for their suitability before being interviewed and a proposal being put to the full board for decision.

Note 23 Related Party Disclosures, details any Trustee interest in the Charity or any of its group companies (together "the Group"), including the Chief Executive who was appointed to the board in accordance with the revised Memorandum and Articles of the Charity.

The board may make new appointments within the above parameters at any time, with any such appointees being re-elected at the next Annual General Meeting. Induction of new Trustees includes the issuing of current financial statements and projections, forthcoming artistic programme details, and guidelines for good practice (such as those published by the Charities Commission), in the context of an explanatory meeting with the Company Secretary. All Trustees undertake a programme of induction upon commencement and Trustee training is provided on relevant topics at various times in the year. All Trustees are covered by the Charity's directors and officers insurance.

Company Secretary

M Da Vanzo

Reference and Administrative Details

Registered office	Bankers	Auditor
Everyman Theatre	Lloyds Bank	DSG
5-11 Hope Street	Merchant's Court,	Castle Chambers
Liverpool	2 - 11 Lord Street	43 Castle Street
Merseyside	Liverpool	Liverpool
L1 9BH	L2 1TS	L2 9TL

REVIEW OF ACTIVITIES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees who are also directors of The Liverpool and Merseyside Theatres Trust Limited for the purposes of company law are responsible for preparing the Strategic report, the report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the trustees must prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Group for that period.

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

- Select suitable accounting policies and 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, 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 charitable Company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable Company's website.

Auditor

In accordance with the company's articles, a resolution proposing that DSG be reappointed as auditor of the company will be put at a General Meeting.

Statement of Disclosure to Auditors

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's Auditors are unaware, and each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

The trustees' report, including the strategic report, was approved by the Board of Trustees on 23 November 2023.



Andrea Nixon
Chair

REVIEW OF ACTIVITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LIVERPOOL AND MERSEYSIDE THEATRES TRUST LIMITED

Opinion

We have audited the financial statements of The Liverpool and Merseyside Theatres Trust Limited (the 'parent charitable company') for the year ended 31st March 2023 which comprise the Consolidated Statement of Financial Activities (including Consolidated Income and Expenditure Account), the Group and Company Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 parent 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 and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or parent 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 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

REVIEW OF ACTIVITIES

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for company law purposes, 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 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 Group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic 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 parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the Group's and parent 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 Group or parent 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

REVIEW OF ACTIVITIES

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:

Capability of the audit in detecting irregularities, including fraud

Based on our discussions with the Group and parent charitable company's management and the Trustees, we identified that the following laws and regulations are significant to the Group and parent charitable company:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the Group and parent charitable company and therefore may have a material effect on the financial statements include compliance with the charitable objectives, public benefit, fundraising regulations, safeguarding and health and safety legislation.

These matters were discussed amongst the engagement team at the planning stage and the team remained alert to non-compliance throughout the audit.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee

A further description of our responsibilities for the audit of the financial statements is located 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 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.

Andrew Moss BA FCA (Senior Statutory Auditor)

For and on behalf of DSG Chartered Accountants, Statutory Auditor

Castle Chambers

43 Castle Street

Liverpool

L2 9TL

23 November 2023



REVIEW OF ACTIVITIES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31st March 2023

	Note	Unrestricted funds £'000	Restricted funds £'000	Total funds 2023 £'000	Total funds 2022 £'000
INCOME					
Donations and Legacies		125	-	125	126
Charitable Activities	2,4	4,995	137	5,132	4,495
Other Trading Activities	2,6	541	-	541	290
Investments		-	-	-	-
TOTAL INCOME		<u>5,661</u>	<u>137</u>	<u>5,798</u>	<u>4,911</u>
EXPENDITURE					
Raising Funds	7	(437)	-	(437)	(203)
Charitable Activities	8	(5,286)	(760)	(6,046)	(5,270)
TOTAL EXPENDITURE		<u>(5,723)</u>	<u>(760)</u>	<u>(6,483)</u>	<u>(5,473)</u>
NET INCOME / (EXPENDITURE)		<u>(62)</u>	<u>(623)</u>	<u>(685)</u>	<u>(562)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward	18	1,668	19,130	20,798	21,360
Net Income / (Expenditure)		(62)	(623)	(685)	(562)
Transfer Between Funds		-	-	-	-
TOTAL FUNDS CARRIED FORWARD		<u>1,606</u>	<u>18,507</u>	<u>20,113</u>	<u>20,798</u>

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

All income and expenditure derive from continuing activities.

The notes on pages 30 to 50 form part of these financial statements.

GROUP AND COMPANY BALANCE SHEET

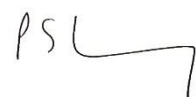
AS AT 31ST MARCH 2023

		Group		Company	
		2023	2022	2023	2022
	Note	£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets	12	18,686	19,314	18,686	19,314
Investments	13, 26	-	-	-	-
		<u>18,686</u>	<u>19,314</u>	<u>18,686</u>	<u>19,314</u>
CURRENT ASSETS					
Stocks	14	19	19	-	-
Debtors- due in less than one year	15	1,086	704	1,012	703
Cash in bank and in hand		1,541	2,018	1,543	1,963
		<u>2,646</u>	<u>2,741</u>	<u>2,555</u>	<u>2,666</u>
CURRENT LIABILITIES					
Creditors: falling due within one year	16	(1,219)	(1,257)	(1,219)	(1,250)
		<u>(1,219)</u>	<u>(1,257)</u>	<u>(1,219)</u>	<u>(1,250)</u>
NET CURRENT ASSETS		<u>1,427</u>	<u>1,484</u>	<u>1,336</u>	<u>1,416</u>
NET ASSETS		<u>20,113</u>	<u>20,798</u>	<u>20,022</u>	<u>20,730</u>
FINANCED BY:					
Unrestricted funds: Operating	18	619	604	528	536
Unrestricted funds: Designated	18	987	1,064	987	1,064
TOTAL UNRESTRICTED FUNDS	18	<u>1,606</u>	<u>1,668</u>	<u>1,515</u>	<u>1,600</u>
Restricted funds	18	18,507	19,130	18,507	19,130
TOTAL FUNDS		<u>20,113</u>	<u>20,798</u>	<u>20,022</u>	<u>20,730</u>

As permitted by Section 408 of the Companies Act 2006, a separate statement of financial activities for The Liverpool and Merseyside Theatres Trust Limited is not presented. The unrestricted fund loss for the financial period of the Company was £85k. The restricted fund loss for the period (including depreciation) was £623k. Therefore, the combined loss for the financial period of the Company was £708k (31 March 2022: £614k loss).

The notes on pages 30 to 50 form part of these financial statements.

These financial statements were approved and authorised for issue by the board of Directors on 23 November 2023.
Signed on behalf of the Trustees



P Bibby
Director



A Nixon
Chair

CONSOLIDATED STATEMENT OF CASHFLOWS

For the year ended 31st March 2023

	Note	2023 £'000	2022 £'000
NET CASH FROM OPERATING ACTIVITIES	24	(429)	352
INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(48)	(7)
		-	-
NET CASH USED IN INVESTING ACTIVITIES		(48)	(7)
NET CHANGE IN CASH AND CASH EQUIVALENTS		(477)	345
Cash and cash equivalents at beginning of year		2,018	1,673
CASH AND CASH EQUIVALENTS AT END OF YEAR		1,541	2,018
Cash and cash equivalents consist of:			
Cash at bank and in hand		1,541	2,018
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		1,541	2,018

1. ACCOUNTING POLICIES

General information

The Liverpool and Merseyside Theatres Trust Limited (“the Company”, “the Charity” or “LMTT”) was incorporated on 8th July 1999 (Company Registration No. 03802476). It is a private company limited by guarantee and it is governed by its Memorandum of Association dated 17th June 1999 (and as amended 22nd September 2011, 10th November 2005, 23rd February 2005). LMTT is a registered charity (No.1081229) and is domiciled and incorporated in England and Wales.

The address of the Company’s registered office is included on page 22 and its principal place of business is at this address with a secondary place of business at the Playhouse Theatre, Williamson Square, Liverpool, L1 1EL.

The Group consists of Liverpool and Merseyside Theatres Trust Limited, Liverpool Everyman and Playhouse Productions Limited and Liverpool Everyman and Playhouse Trading Limited.

Basis of accounting

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 Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015) – (Charities SORP) (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

A summary of the more important Group accounting policies, which have been applied consistently throughout the current and prior financial periods, is set out below.

Going Concern

We concluded 2022/23 in a reasonably strong position, including a favourable post year-end adjustment of £56k relating to our TTR claim. During the 2023/24 year, we have been able to programme a full season of work at both houses. Despite experiencing a difficult start to 2023/24 with two shows underperforming at Box Office and the departure of our Creative Director and associated unbudgeted costs, we are confident that through a continued focus on cost control and prudent use of designated reserves, we will be able to effectively mitigate the position and still deliver a small surplus.

Looking forward to the 2024/25 financial year, we are reassured by our recurrent funding as a National Portfolio Organisation (NPO) of Arts Council England (ACE) alongside ongoing revenue funding from the Liverpool City Council (LCC) through their Cultural Arts Investment Programme (CAIP).

Current Situation ACE

In November 2022, Arts Council England (ACE), confirmed a three-year grant of £5.4m in support of the LMTT’s activities for the period 1 April 2023 to 31 March 2026.

Current Situation LCC

In February 2023, LCC notified us that our application for CAIP funding for the period 2023-26 had been successful and confirmed £500k of funding for 2023/24. While the grant has been awarded on a recurring basis, LCC Cabinet still confirms grant funding annually in March of each year.

In light of the uncertainty presented by the current economic climate, the Trustees have carefully considered the financial projection and reserves position to satisfy themselves of the financial resilience of the organisation, with no material uncertainty existing over that period. The Trustees have considered ongoing support from Arts Council England (ACE) and Liverpool City Council (LCC), together with cash reserves and level funds held, the expected level of income, expenditure, and projected cash flows over this period. ACE and LCC have confirmed that a continued funding commitment is likely into the next financial year. The trustees have considered these matters and have concluded that the level of reserves and liquidity for the Group and Charity are sufficient to enable the organisation to continue trading for a period of at least 12 months from the date of approving the financial statements, and the Trustees do not believe there is a material uncertainty in regards of going concern. Therefore, the financial statements have been prepared on a going concern basis.

Reduced disclosures

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements;

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in the statement of financial activities, and
- Section 33 'Related Party Disclosures' – Compensation for key management personnel

Basis of consolidation

The consolidated financial statements incorporate those of The Liverpool and Merseyside Theatres Trust Limited and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). All financial statements are made up to 31st March 2022.

All intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

Functional and presentational currencies

The consolidated financial statements are presented in sterling which is also the functional currency of the Company and the Group

Income

Income is recognised when the 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. Ticket income relating to shows is recognised in the financial period the show closes, and is held within advanced sales until that time.

Income is measured at the fair value of consideration receivable, less any discounts and VAT deductions.

Donations and legacies

Donations and legacies are recognised as income when the Charity is entitled to the income, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably.

Grants received

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the Charity has entitlement to the funds and has met any performance conditions attached to the grant. And where it is probable that the income will be received and the amount can be measured reliably.

In some instances, multi-year funding agreements which result in funds being paid over two years or longer are procured. Provided no conditions attach to the receipt of contributions scheduled to be received in future years, the charity SORP requires the Charity to recognise income from restricted grants in the period in which they are secured rather than the period they are received. If conditions do attach, the charity recognises the income in the year it is received. Grants held within restricted revenue funds are released against expenditure in the period or periods that grant restrictions are met, including requirements for defrayment.

Investment income

Investment income comprises bank interest. Interest income is accrued on a time apportioned basis by reference to the principal invested at the effective interest rate.

Expenditure

Expenditure net of associated theatre tax credits is charged on an accruals basis and is allocated between:

- expenditure incurred directly in the fulfilment of the Charity's objectives
- expenditure incurred in support costs

Expenditure net of associated theatre tax credits in respect of productions is held within debtors and is released to the income and expenditure account in the year in which the performances closes.

Support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities, and include building running costs, fundraising and administration costs.

Governance costs include expenditure on administration of the Charity and its subsidiaries and compliance with constitutional and statutory requirements.

Co-production income and costs

For productions which are undertaken as co-productions with other theatre companies, where set-up costs are shared, production costs which are wholly incurred by the Charity may be recharged to the co-producing company depending on the nature of the specific agreement. Any recharged costs are recognised as income related to the production.

Operating leases

Rentals paid under operating leases are charged to the statement of financial activities on a straight-line basis over the period of the lease.

Pension costs

The pension costs charged to the Statement of Financial Activities represent the amount of the contributions payable to defined contribution schemes in respect of the accounting period.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of a production where the final performances falls in the following financial year or are capitalised as a tangible fixed asset.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Tangible fixed assets

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

- Freehold and long leasehold buildings, and building improvements at the rate of 2% - 10% per annum;
- Vehicles and production, office and computer equipment at rates varying between 10% and 25% per annum;
- Fixtures and fittings at 10%.

Residual value is calculated using prices prevailing at the reporting date, after estimated cost of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Impairments of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Group estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. All other impairment losses are recognised in the statement of financial activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in the statement of financial activities. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Fixed asset investments

In the separate accounts of the Company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairments losses or reversals of impairment losses are recognised immediately in the statement of financial activities.

Stock

Stock is included at the lower of cost or selling price less costs to complete and sell. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

At each reporting date, the Group assesses whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in the statement of financial activities.

Reversals of impairment losses are also recognised in the statement of financial activities.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments that are immediately accessible, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The charity only has financial assets and 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.

Restricted Funds

Restricted funds relate to grants and other incoming resources which must be expended on specific activities of the Charity, including the acquisition of tangible fixed assets, as laid down by the donors of the funds.

Unrestricted Funds

The unrestricted fund represents the funds to provide, at the discretion of the Trustees, for the working capital of the Charity and for the purchase of tangible fixed assets which are not funded by restricted funds.

Designated Funds

Designated Funds are unrestricted funds that have been set aside by the Trustees for specific purposes. More details are found in note 18 to the financial statements.

Judgments and key sources of estimation uncertainty

In the application of the Group's accounting policies, the Trustees are required to make judgments, 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, 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.

2. INCOME

	Unrestricted funds £'000	Restricted funds £'000	2023 £'000	Unrestricted funds £'000	Restricted funds £'000	2022 £'000
Donations and Legacies	125	-	125	126	-	126
Charitable Activities	4,995	137	5,132	3,727	768	4,495
Other Trading Activities	541	-	541	290	-	290
	<u>5,661</u>	<u>137</u>	<u>5,798</u>	<u>4,143</u>	<u>768</u>	<u>4,911</u>

3. EXPENDITURE ON ACTIVITIES

	Unrestricted funds £'000	Restricted funds £'000	2023 £'000	Unrestricted funds £'000	Restricted funds £'000	2022 £'000
Raising Funds	(437)	-	(437)	(203)	-	(203)
Charitable Activities	(5,338)	(708)	(6,046)	(3,495)	(1,775)	(5,270)
	<u>(5,775)</u>	<u>(708)</u>	<u>(6,483)</u>	<u>(3,698)</u>	<u>(1,775)</u>	<u>(5,473)</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	2023 £'000	2022 £'000
Unrestricted		
Box office income	735	1,269
Income from co-productions	1,947	45
Education and literary income	30	12
Membership	<u>5</u>	<u>5</u>
	<u>2,717</u>	<u>1,331</u>
Restricted and Unrestricted		
Grant income (note 5)	<u>2,415</u>	<u>3,164</u>
	<u>5,132</u>	<u>4,495</u>

5. GRANTS RECEIVABLE

	2023 £'000	2022 £'000
Unrestricted		
Arts Council England	1,680	1,680
Liverpool City Council	589	589
Other	9	127
	<u>2,278</u>	<u>2,396</u>
Restricted		
Capital	-	-
Revenue	137	768
	<u>137</u>	<u>768</u>
Total grants receivable	<u>2,415</u>	<u>3,164</u>

In 2022 Other unrestricted grants include £78k of support received through the Coronavirus Job Retention Scheme, with the corresponding expenditure in unrestricted expenditure on charitable activities.

6. OTHER TRADING ACTIVITIES

	2023 £'000	2022 £'000
Unrestricted		
Catering, events and bars	541	280
LMTT Retail	-	10
Total trading activities income	<u>541</u>	<u>290</u>

7. RAISING FUNDS

	2023 £'000	2022 £'000
Unrestricted		
Catering, events and bars	(437)	(202)
LMTT Retail	-	(1)
	<u>(437)</u>	<u>(203)</u>

8. COSTS OF CHARITABLE ACTIVITIES

	Unrestricted £'000	Restricted £'000	2023 £'000	Unrestricted £'000	Restricted £'000	2022 £'000
Activities undertaken directly						
Artistic	2,404	106	2,510	1,129	1,118	2,247
Technical	924	-	924	892	-	892
Theatre Tax Credits	(434)	-	(434)	(278)	-	(278)
	<u>2,894</u>	<u>106</u>	<u>3,000</u>	<u>1,743</u>	<u>1,118</u>	<u>2,861</u>
Support costs						
Operations & commercial	1,169	-	1,169	1,156	-	1,156
Administrative & building						
expenses	576	-	576	25	-	25
Marketing & sales	600	-	600	527	-	527
Depreciation & Impairment	22	654	676	21	657	678
	<u>2,367</u>	<u>654</u>	<u>3,021</u>	<u>1,729</u>	<u>657</u>	<u>2,386</u>
Governance Costs						
Audit fees	22	-	22	20	-	20
Other fees to auditors	3	-	3	3	-	3
	<u>25</u>	<u>-</u>	<u>25</u>	<u>23</u>	<u>-</u>	<u>23</u>
	<u>5,286</u>	<u>760</u>	<u>6,046</u>	<u>3,495</u>	<u>1,775</u>	<u>5,270</u>

9. EMPLOYEE INFORMATION

	2023	2022
	£'000	£'000
Wages and salaries	2,422	2,127
Social security costs	200	172
Other pension costs	45	42
	<u>2,667</u>	<u>2,341</u>

The average number of employees during the period was as follows:

	2023	2022
Theatre activities	229	210
Engagement, Training & Artistic Development	8	8
Catering	14	27
	<u>251</u>	<u>245</u>

The average number of full-time equivalent employees during the period was as follows:

	2023	2022
Theatre activities	76	70
Engagement, Training & Artistic Development	5	5
Catering	6	6
	<u>87</u>	<u>81</u>

The following table shows remuneration bands of senior employees:

	2023	2022
£60k - £70k	1	1
£70k - £80k	2	1
£80k - £90k	-	-
£90k - £100k	-	-
	<u>3</u>	<u>2</u>

Pension contributions totalling £4,611 were paid in respect to these staff into a defined contribution scheme (2022: £3,799).

One employee was a Trustee during the current year and continued to receive their usual salary payments. See note 23 for further information.

The key management personnel of the parent Charity and of the Group is defined as the Trustees together with a Management Group, led by the Executive. The total employee benefits of the key management personnel of the trust were £540k (2022: £447k). Other than the Chief Executive as explained in note 23, no other Trustee received any remuneration or expenses.

10. ANALYSIS OF EXPENDITURE

	2023	2022
	£'000	£'000
Depreciation - owned assets	676	678
Fixed asset Impairment		
Hire of plant and machinery under operating leases		
Hire of other assets under operating leases	<u>2</u>	<u>8</u>
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	22	20
Fees payable to the Group's auditor for the audit of the Subsidiaries annual financial statements	-	-
Fees payable to the Group's auditors for non-audit services:		
- taxation services	<u>3</u>	<u>3</u>
Total non-audit fees	<u>3</u>	<u>3</u>

Fees payable to the company's auditor for the audit of the company's financial statements include an amount that covers the subsidiaries, thus the subsidiaries audit fees are paid for by the parent.

11. TAX ON PROFIT ON ORDINARY ACTIVITIES

No provision is made for taxation as the Charity is entitled to the various exemptions afforded by the Corporation Tax Act 2010.

12. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Long- leasehold land and buildings & Improvem'ts £'000	Fixtures and fittings £'000	Vehicles and production office and computer equipment £'000	Total £'000
Group and Company					
Cost					
At 1 April 2022	20,769	3,500	840	2,064	27,173
Additions			16	32	48
At 31 March 2023	<u>20,769</u>	<u>3,500</u>	<u>856</u>	<u>2,096</u>	<u>27,221</u>
Depreciation					
At 1 April 2022	3,753	1,567	729	1,810	7,859
Charge for the period	415	87	53	121	676
At 31 March 2023	<u>4,168</u>	<u>1,654</u>	<u>782</u>	<u>1,931</u>	<u>8,535</u>
Net book value					
At 31 March 2023	<u>16,601</u>	<u>1,846</u>	<u>74</u>	<u>165</u>	<u>18,686</u>
At 31 March 2022	<u>17,016</u>	<u>1,933</u>	<u>111</u>	<u>254</u>	<u>19,314</u>

Freehold land and buildings consist of the land and building at the Everyman Theatre, 5-11 Hope Street, Liverpool. Leasehold buildings is in respect of the Playhouse Theatre, Williamson Square, Liverpool.

13. FIXED ASSET INVESTMENTS

	2023 £	2022 £
Cost and net book amount:		
Subsidiary undertakings	<u>2</u>	<u>2</u>

Details of investments of the Company in its principal subsidiary undertakings at 31 March 2023 are given in note 26.

14. STOCKS

	Group		Company	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Consumables	19	19	-	-

15. DEBTORS

	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	26	31	26	31
Other debtors	261	224	261	224
Amounts owed by Group undertakings	-	-	(74)	345
Prepayments	226	74	226	74
Social Security and Other Taxes	573	375	573	29
	<u>1,086</u>	<u>704</u>	<u>1,012</u>	<u>703</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade creditors	155	292	155	292
Taxation and social security	48	47	48	47
Accruals	744	443	744	440
Deferred income	272	475	272	471
	<u>1,219</u>	<u>1,257</u>	<u>1,219</u>	<u>1,250</u>

Deferred income relates to advanced ticket sales income received in one year which relates to performances that will take place in the following year.

	Group		Company	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Deferred production income brought forward	475	285	471	277
Amounts deferred in year	(23)	331	(19)	331
Amounts released from previous years	(180)	(141)	(180)	(137)
Deferred production income carried forward	<u>272</u>	<u>475</u>	<u>272</u>	<u>471</u>

17. FINANCIAL INSTRUMENTS

The carrying amounts of financial instruments as at 31 March 2023 were:

	Group		Company	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
The carrying amounts of financial instruments at 31 March were:				
Financial assets:				
Debt instruments measured at amortised cost	<u>287</u>	<u>255</u>	<u>213</u>	<u>600</u>
Financial liabilities:				
Measured at amortised cost	<u>899</u>	<u>735</u>	<u>899</u>	<u>732</u>

Financial assets consist of trade and other debtors. Financial liabilities consist of trade creditors and accruals.

18. MOVEMENT IN FUNDS

Group	As at 1 April 2022 £'000	Income £'000	Expenditure £'000	Transfer / Gift Aid £'000	As at 31 March 2023 £'000
Unrestricted funds: Operating	604	5,661	(5,646)		619
Unrestricted funds: Designated	1,064		(77)		987
Total unrestricted funds	1,668	5,661	(5,723)	-	1,606
Capital grants					
Playhouse refurbishment (LCC/ERDF)	810		(28)		782
Playhouse refurb (English Partnership)	212		(7)		205
Playhouse Acquisition (LCC)	255		(9)		246
Everyman Redevelopment	14,708		(498)		14,210
11 Hope street (Art council)	890		(25)		865
5-9 Hope Street (ACE/NWDA)	1,645		(44)		1,601
Playhouse refurbishment (LCC)	452		(28)		424
Production Equipment (CRF)	55		(18)		37
	19,027	-	(657)	-	18,370
Revenue grants	103	137	(103)		137
Total restricted funds	19,130	137	(760)	-	18,507
Total funds	20,798	5,798	(6,483)	-	20,113
Comprising:					
LMTT	20,730	5,266	(5,975)	-	20,021
LEPP (see note 26)	-	-	-	-	-
LEPT (see note 26)	68	532	(508)	-	92
Elimination of consolidation entries	-	-	-	-	-
	20,798	5,798	(6,483)	-	20,113

MOVEMENT IN FUNDS (CONTINUED)

Group	As at 1 April 2021 £'000	Income £'000	Expenditure £'000	Transfer / Gift Aid £'000	As at 31 March 2022 £'000
Unrestricted funds: Operating	570	4,143	(3,957)	(152)	604
Unrestricted funds: Designated	653			411	1,064
Total unrestricted funds	1,223	4,143	(3,957)	259	1,668
Capital grants					
Playhouse refurbishment (LCC/ERDF)	838		(28)		810
Playhouse refurb (English Partnership)	219		(7)		212
Playhouse Acquisition (LCC)	264		(9)		255
Everyman Redevelopment	15,206		(498)		14,708
11 Hope street (Art council)	915		(25)		890
5-9 Hope Street (ACE/NWDA)	1,689		(44)		1,645
Playhouse refurbishment (LCC)	480		(28)		452
Production Equipment (CRF)	73		(18)		55
	19,684	-	(657)	-	19,027
Revenue grants	453	768	(859)	(259)	103
Total restricted funds	20,137	768	(1,516)	(259)	19,130
Total funds	21,360	4,911	(5,473)	-	20,798
Comprising:					
LMTT	21,344	4,621	(5,235)	-	20,730
LEPP (see note 26)	-	1,959	(1,959)	-	-
LEPT (see note 26)	16	290	(238)	-	68
Elimination of consolidation entries	-	(1,959)	1,959	-	-
	21,360	4,911	(5,473)	-	20,798

MOVEMENT IN FUNDS

Company	As at 1 April 2022 £'000	Income £'000	Expenditure £'000	Transfer / Gift Aid £'000	As at 31 March 2023 £'000
Unrestricted funds: Operating	536	5,661	(5,669)		528
Unrestricted funds: Designated	1,064		(77)		987
Total unrestricted funds	1,600	5,661	(5,746)	-	1,515
Capital grants					
Playhouse refurbishment (LCC/ERDF)	810		(28)		782
Playhouse refurb (English Partnership)	212		(7)		205
Playhouse Acquisition (LCC)	255		(9)		246
Everyman Redevelopment	14,708		(498)		14,210
11 Hope street (Art council)	890		(25)		865
5-9 Hope Street (ACE/NWDA)	1,645		(44)		1,601
Playhouse refurbishment (LCC)	452		(28)		424
Production Equipment (CRF)	55		(18)		37
	19,027	-	(657)	-	18,370
Revenue grants	103	137	(103)		137
Total restricted funds	19,130	137	(760)	-	18,507
Total funds	20,730	5,798	(6,506)	-	20,022

MOVEMENT IN FUNDS (CONTINUED)

Company	As at 1 April 2021 £'000	Income £'000	Expenditure £'000	Transfer / Gift Aid £'000	As at 31 March 2022 £'000
Unrestricted funds: Operating	554	3,853	(3,719)	(152)	536
Unrestricted funds: Designated	653			411	1,064
Total unrestricted funds	1,207	3,853	(3,719)	259	1,600
Capital grants					
Playhouse refurbishment (LCC/ERDF)	838		(28)		810
Playhouse refurb (English Partnership)	219		(7)		212
Playhouse Acquisition (LCC)	264		(9)		255
Everyman Redevelopment	15,206		(498)		14,708
11 Hope street (Art council)	915		(25)		890
5-9 Hope Street (ACE/NWDA)	1,689		(44)		1,645
Playhouse refurbishment (LCC)	480		(28)		452
Production Equipment (CRF)	73		(18)		55
	19,684	-	(657)	-	19,027
Revenue grants	453	768	(859)	(259)	103
Total restricted funds	20,137	768	(1,516)	(259)	19,130
Total funds	21,344	4,621	(5,235)	-	20,730

Previously capital grants have been received from a number of funders including Arts Council England, Liverpool City Council, English Partnerships, Northwest Development Agency and ERDF, for a number of refurbishment and redevelopment projects at the Charity's two theatres in Liverpool: the Everyman Theatre and the Liverpool Playhouse. Capital grants are treated as incoming resources in the year of receipt.

Capital grants expenditure includes £657k (2022: £657k) in relation to depreciation of tangible fixed assets acquired with restricted funds in prior years.

Restricted revenue grants of £137k were recognised in the year from various funders including Garfield Weston, The Foil Foundation and The Ken Dodd Foundation to support specific activity undertaken by the Theatres. Restrictions vary by funder and targeted areas such as operating during the Covid pandemic, the support of YEP and various engagement work. The closing £137k of restricted revenue funds, is represented by £137k cash.

19. ANALYSIS OF CONSOLIDATED NET ASSETS BETWEEN FUNDS

Fund balances at 31 March 2023 are represented by:

	Restricted funds £'000	Unrestricted funds £'000	2023 £'000	Restricted funds £'000	Unrestricted funds £'000	2022 £'000
Group						
Tangible fixed assets	18,370	316	18,686	19,027	287	19,314
Cash at bank and in hand	137	1,404	1,541	103	1,915	2,018
Grants within other debtors	-	210	210	-	210	210
Other current assets	-	895	895	-	512	513
Current liabilities	-	(1,219)	(1,219)	-	(1,257)	(1,257)
	<u>18,507</u>	<u>1,606</u>	<u>20,113</u>	<u>19,130</u>	<u>1,667</u>	<u>20,798</u>
Company						
Tangible fixed assets	18,372	314	18,686	19,027	287	19,314
Cash at bank and in hand	138	1,405	1,543	103	1,860	1,963
Grants within other debtors	-	210	210	-	210	210
Other current assets	-	802	802	-	492	493
Current liabilities	-	(1,219)	(1,219)	-	(1,250)	(1,250)
	<u>18,510</u>	<u>1,512</u>	<u>20,022</u>	<u>19,130</u>	<u>1,599</u>	<u>20,730</u>

20. OTHER FINANCIAL COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases of the Group are as follows:

	Land and buildings 2023 £'000	Other 2023 £'000	Total 2023 £'000	Land and buildings 2022 £'000	Other 2022 £'000	Total 2022 £'000
Group and Company						
Amounts due:						
- within one year	27	7	34	22	7	29
- between two and five years	84	2	86	102	9	112
- over five years	559	-	559	539	-	539
	<u>670</u>	<u>9</u>	<u>679</u>	<u>663</u>	<u>16</u>	<u>680</u>

The lease payments due over five years of £559k relate to the long-term lease of the Playhouse Theatre, Williamson Square, Liverpool, due to expire 2126.

21. CONTINGENT LIABILITIES

Company

A condition of grants received of £6.2m for the purchase of numbers 5 – 11 Hope Street is made up of fixed and floating charges on the property. In addition, certain grants from the Arts Council and NWDA are repayable in the event of the sale of the property or the liquidation of the Company. The Everyman Theatre redevelopment was part-funded by £5.9m grant from ERDF. A proportion of this grant could become repayable should there be a change in the proportion of the building used for commercial activity.

22. CAPITAL COMMITMENTS

	2023 £'000	2022 £'000
Group and Company		
Contracted but not provided for in the financial statements	-	-

23. RELATED PARTY DISCLOSURES

Transactions involving directors

On 1 April 2020 M Da Vanzo was appointed to the board as Chief Executive. He received salary payments and reclaimed approved expenses in their roles as employees, including reimbursement of travel and hospitality costs. There were no balances outstanding at the end of the year.

	2023 M Da Vanzo Executive Director £	2022 M Da Vanzo Executive Director £
Transactions during the period		
Gross salary	78,795	76,500
Employer pension contributions	3,621	3,799
Reimbursement of expenses	-	521
Balance at end of period 31st March 2023	-	-

Helen Blakeman, Trustee received payment for a commission of new writing. This expenditure was preapproved by the Board:

	2023 £	2022 £
New Writing Commission	-	2,350
Balance at end of period 31st March 2023	-	-

Transactions and Balances with Trading Subsidiaries

	2023 £'000	2022 £'000
Transactions during the period		
<i>Liverpool Everyman and Playhouse Productions Limited</i>		
Production services provided to LMTT	-	1,681
Production services provided by LMTT	-	(1,959)
<i>Liverpool Everyman and Playhouse Trading Limited</i>		
Donation to LMTT		-
Payroll recharges from LMTT	(192)	(79)
Service and overhead charges from LMTT	(144)	(18)
Recharge of cost of sales from LMTT	(172)	-
Balances at end of period		
Liverpool Everyman and Playhouse Productions Limited	-	(346)
Liverpool Everyman and Playhouse Trading Limited	(74)	(1)

24. RECONCILIATION OF NET OUTGOING RESOURCES TO NET CASH USED IN OPERATIONS

	2023 £'000	2022 £'000
Net Expenditure	(685)	(562)
<i>Adjustments for:</i>		
Depreciation	676	678
Increase in stocks	-	(11)
Increase in debtors	(382)	(128)
Increase/(Decrease) in creditors	(38)	375
Cash absorbed by operations	(429)	352

25. RETIREMENT BENEFITS

The Company contributes to defined contribution pension schemes for the benefit of the employees. The assets of the scheme are administered by Trustees in funds independent from those of the Charity.

Pension costs are allocated to activities according to where the related staffing costs have been incurred.

26. SUBSIDIARY UNDERTAKINGS

The subsidiary undertakings consolidated at 31st March 2023 were as follows:

Name of undertaking	Principle activity	Registered office	Shareholding and voting rights	Class of shares	Country of incorporation
Liverpool Everyman and Playhouse Trading Limited ('LEPT')	Management of commercial activities for the Charity	5-11 Hope Street Liverpool L1 9BH	100%	Ordinary	Great Britain
Liverpool Everyman and Playhouse Productions Limited ('LEPP')	Provision of production services for the Charity	5-11 Hope Street Liverpool L1 9BH	100%	Ordinary	Great Britain

In the year ended 31st March 2023, the cumulative profits of LEPT have been retained by LEPT to support the trading arm should the Covid pandemic impact profitability in 2023/24.

In the year ended 31st March 2023, LEPP made neither profit nor loss.

The trading results and net assets of LEPP and LEPT for the year ended 31st March 2023 were as follows:

	LEPP		LEPT	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Turnover	-	1,681	532	290
Operating expenses	-	(1,959)	(508)	(238)
Operating profit	-	(278)	24	52
Tax credit on ordinary activities	-	278	-	-
Profit for the financial period	-	-	24	52
Net assets	-	-	92	68

LEPP Company Registration Number: 09231907

LEPT Company Registration Number: 08287910

LIVERPOOL AND MERSEYSIDE THEATRES TRUST LIMITED

England & Wales - Charity number 1081229

Accounts

Company Registration Number 03802476

Registered Charity Number 1081229



THE LIVERPOOL AND MERSEYSIDE THEATRES TRUST LIMITED

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31st MARCH 2022

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TRUSTEES' ANNUAL REPORT

INTRODUCTION

The 2021/22 Financial Year began with both our theatres closed to the public as a result of a third national lockdown. However, the challenges posed by Covid did not deter us from continuing to produce and receive work, connecting with our local communities and young people. As the year progressed, we were able to slowly expand our delivery from solely digital, to outdoor, to socially distanced indoor and finally back to fuller capacities by Christmas. We met our budgetary expectations, grew our reserves and delivered a modest surplus for the year. All this was only possible through support from Arts Council England (ACE), Liverpool City Council (LCC), the Culture Recovery Fund, Coronavirus Job Retention Scheme and other mitigations, which also meant we were able to retain all of our workforce.

The new Covid context required us to work differently, as we continued to invest in our digital capacity and produce online work. We successfully launched our new digital project, *Everyman Underground*, (which included live digital capture of freelance artists), delivered online sessions for Life Rooms Digital in partnership with Mersey Care and signed a Heads of Terms with Digital Theatre for future international distribution of our work.

A special highlight was the re-opening night of *Our Lady of Blundellsands* during September which served as a poignant reminder of the distance we had come since the show last burst upon our stage in March 2020. We were also delighted to produce Jonathan Larkin's new work *Cherry Jezebel*, co-produce *A Cat on a Hot Tin Roof* with Leicester Curve and welcome an array of wonderful visiting partners including Matthew Bourne's *Midnight Bell* and a new musical from Kenny Wax, *Fantastically Great Women Who Changed the World*. During the year we were also able to open two new performance spaces in the Playhouse Studio and the Everyman Bistro, enabling us to provide even more support and opportunities for local creatives and communities to present their work. For the first time in the history of the Trust, we launched our season in conjunction with the Liverpool Royal Court and the Unity and our working relationships with both theatres continues to strengthen.

Aside from Covid, it was an unusual year in that we transitioned from an Artistic Director to a Creative Director model. We undertook an in-depth recruitment process to identify the best candidate for the position, now ably filled by Suba Das, during which time we also appointed two temporary Artistic Advisers to augment our existing artistic capacity and assist with future planning.

Trustees and senior staff worked to embed the Arts Council's Investment Principles into our activities and consider how our future ambitions will deliver the outcomes of our core funders. A huge and heartfelt thanks to ACE, LCC and all our donors for their ongoing support of our activities, as well as the Garfield Weston Trust for their generous support during Covid. We would like to particularly thank our retiring Trustees Peter-Bennett-Jones, Paul Corcoran and Wendy Simons for the immense contribution they have made during their time on the Board.

Our commitment to Equity, Diversity and Inclusion continued, with our Diversity Action Group meeting regularly. Alongside 36 other Liverpool cultural organisations, we signed a statement detailing our journey towards race equality and collectively recognising the impact that institutional racism has had on our sector. We developed a new Leaders training module with FORM consulting, specifically aimed at potential arts leaders from ethnically diverse backgrounds. We were delighted to commission and produce *The Streets Where We Live*, a walking tour exploring Liverpool's involvement in the transatlantic slave trade. *My White Best Friend – North* saw writers of colour, many of whom have never had commissions from us before, exploring the personal and political of the things we don't dare say on the Everyman stage.

We'd like to take this opportunity to thank all Trustees and staff for their continued dedication and commitment to the theatres. We have been united in facing the challenges presented by Covid and together we have delivered an exciting and growing programme of activity on our stages and within our local communities.



Andrea Nixon
Chair



Mark Da Vanzo
Chief Executive

REVIEW OF ACTIVITIES

OBJECTIVES AND ACTIVITIES

The Trustees present their annual report together with the audited financial statements for the year ended 31 March 2022.

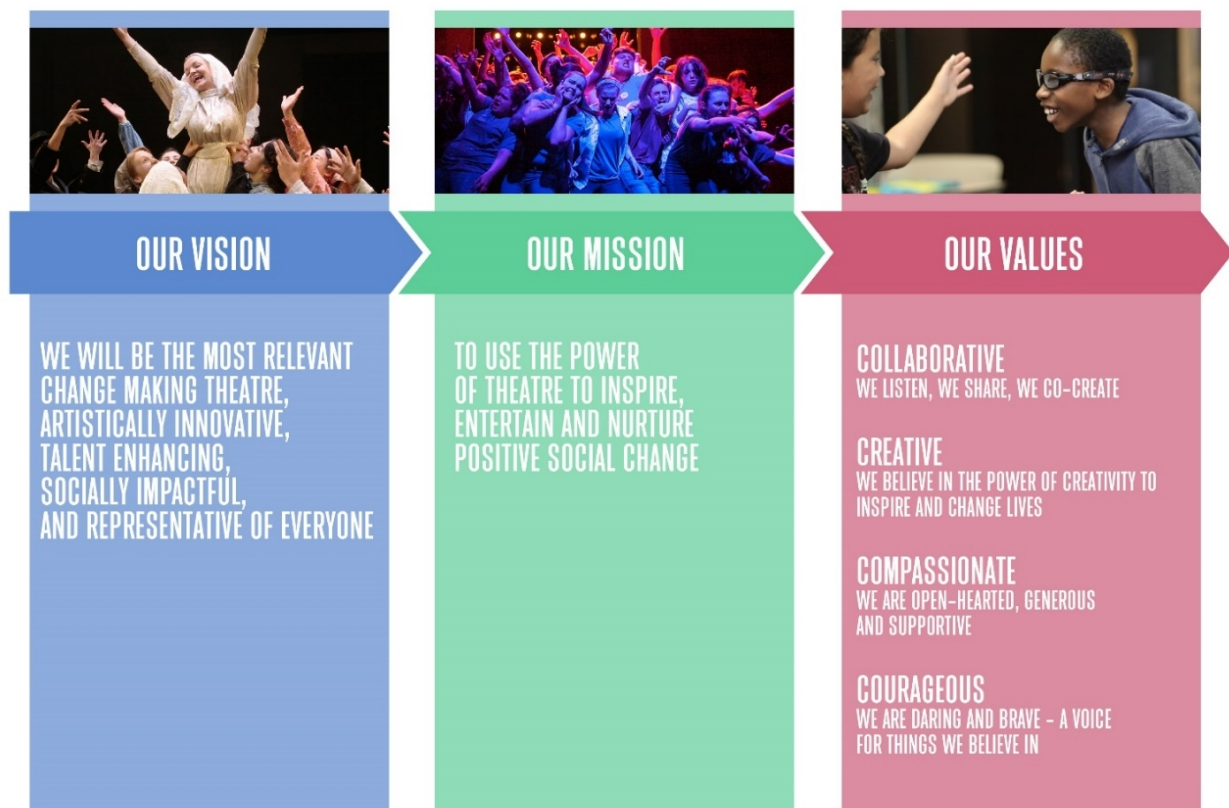
The Liverpool and Merseyside Theatres Trust Limited (“the Company”, “the Charity”, “the Trust” or “LMTT”) was incorporated on 8 July 1999 and operates out of its principal offices at the Everyman Theatre, 5-11 Hope Street, Liverpool, L1 9BH. LMTT is a company incorporated in England and Wales. The Company (No.3802476) is limited by guarantee, governed by its Memorandum of Association dated 17 June 1999 (and as amended 22 September 2011, 10 November 2005, 23 February 2005) and is a registered charity (No.1081229).

The Trustees have prepared this report under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice (SORP), FRS102 and applicable accounting standards. This report evidences how LMTT has delivered on its charitable purpose through its activities and the quality of its performance and as a result demonstrates the benefit to the public of the work undertaken by the Trust.

The objects of LMTT as identified in its Memorandum of Association are:

To advance, encourage, promote and improve the cultural and artistic education of the general public by producing quality theatrical productions and other arts.

There is also particular provision for educational, community and training programmes for the people of Merseyside and the nation at large, and to protect, develop and improve the Playhouse.



REVIEW OF ACTIVITIES

PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

As described in the review of activities during the year, the Trust has provided public benefit in numerous areas by:

- producing a theatrical programme (albeit curtailed by Covid-19) of quality and range
- investing in new plays and new talent through its work with young people, the community and new artists
- working to maximise accessibility through outreach activities, strategic ticket pricing and close relationships with schools and community groups
- delivering positive social impacts via work with young people and community groups

KEY ARTISTIC ACTIVITIES

Following the departure of former Artistic Director Gemma Bodinetz to become the Director of Drama, Dance, Production and Film at the Royal Conservatoire of Scotland, a key strategic ambition for the year was to transition to a new artistic leadership model and appoint a new Creative Director. We undertook an in-depth recruitment process which considered potential candidates both nationally and internationally.

As a result, we were delighted to appoint Suba Das to the role of Creative Director for the Everyman & Playhouse Theatres. Suba is a theatre director and producer and was formally the Artistic Director and CEO of HighTide. Previously Associate Director of Leicester Curve, one of the UK's major producing houses, Suba was Resident Director at the National Theatre Studio and English Touring Theatre, and has directed for the Young Vic, Theatre Royal Stratford East, Nottingham Playhouse, Northern Stage and the Roundhouse. Suba is a Trustee of The Sage, Gateshead, Coram Shakespeare Schools Foundation and the Theatres Trust. Suba formally started his role on 1 April 2022.

While the search for a Creative Director progressed, we continued to open our theatres safely following the third national lockdown. While many of our staff were furloughed and had their income protected through the Coronavirus Job Retention Scheme, we were acutely aware of the many local freelancers who had relied on us for income in previous years and had fallen through the cracks of government support. With this in mind, and despite our reduced capacity, we produced and supported a range of projects online, outdoors and socially distanced to ensure that we were creating as many employment opportunities as possible for freelance creatives. *Everyman Underground*, *The Streets Where We Live*, and *Love Liverpool* were projects specifically designed and delivered to address this sector need during the first months of the year.

As the year progressed, we opened up further to fuller capacity audiences and events in both theatres. We brought back *Our Lady of Blundellsands* to reopen the Everyman, a fitting production to restage given it had been only halfway through its run when the theatres were forced to close their doors on 16 March 2020. We co-produced a wonderful production of *Cat on a Hot Tin Roof* with Leicester Curve and slowly built audience confidence as we geared up to bring the Rock n' Roll Panto, *Robin Hood*, back to the stage and the Liverpool premiere of *Fantastically Great Women Who Changed the World* over Christmas. We concluded our In-House programme of work for the year with Jonathan Larkin's new work *Cherry Jezebel*, a humorous and poignant play giving a rare insight into the Northern drag and trans communities.

We would like to thank our two Artistic Advisers, Stephen Fletcher and Nathan Powell, who augmented our artistic team while the search for our new Creative Director continued.

REVIEW OF ACTIVITIES

ACHIEVEMENTS AND PERFORMANCE

A full list of the work we produced, received and supported:

In-House Work

Love, Liverpool

Thu 5 Aug to Sat 14 Aug 2021, Playhouse

Created by Chloë Moss

With original material by Amina Atiq, Luke Barnes, Roy, Aron Julius, Rhiannon Jones, Mandy Redvers-Rowe, and the people of Liverpool

Directed by Nathan Powell

Cast included Helen Carter, Chloë Clarke, Aron Julius, Nathan McMullen, Jennifer Varda



Our Lady of Blundellsands

Fri 17 Sep to Sat 9 Oct 2021, Everyman

Written by Jonathan Harvey

Directed by Nick Bagnall

Cast included Nana Amoo-Gottfried, Gemma Brodrick, Joanna Howarth, Mickey Jones, Josie Lawrence, Nathan McMullen



★★★★★ "A triumphant return"

★★★★★ "Tear, laughter and acid wit"

Good News Liverpool

The Stage

Cat on a Hot Tin Roof

A co-production with Curve Leicester and English Touring Theatre

Wed 22 Sep to Sat 2 Oct 2021, Playhouse

Written by Tennessee Williams

Directed by Anthony Almedia

Cast included Sam Alexander, Teresa Banham, Peter Forbes, Oliver Johnstone, Sienna Kelly, Suzette Llewellyn, Minal Patel, Shanaya Rafaat



★★★★★ "An imaginative staging of Tennessee Williams' classic"

★★★★★ "completely riveting"

The Guardian

The Stage

REVIEW OF ACTIVITIES

My White Best Friend North

Based on the original concept by Rachel De-Lahay

A collaboration with Eclipse and Manchester Royal Exchange

Fri 15 Oct to Sat 16 Oct 2021, Everyman

With letters from Levi Tafari, Brodie Arthur, Kiara Mohamed Amin, Yasmin Ali, Chantelle Lunt, Dominique Walker and Keith Saha



Robin Hood

The Rock 'n' Roll Panto

Sat 20 Nov 2021 to Sat 15 Jan 2022,
Everyman

Written by Sarah A. Nixon and Mark Chatterton

Directed by Mark Chatterton

Cast included Jessica Dives, Amena El-kindy, Kaine Hatukai, Stephanie Hockley, Adam Keast, Caitlin Lavagna, Peter Mooney, Jamie Noar, Matthew Quinn, Mike Slader, James Wolstenholme



★★★★★ *"It's a riotous night of escapism that, after the last two years, we all need more of."*

Liverpool ECHO

★★★★★ *"The cast are suitably dressed to thrill."* The Stage

Cherry Jezebel

Tue 8 Mar to Sat 26 Mar 2022,
Everyman

Written by Jonathan Larkin

Directed by James Baker

Cast included George Jones, Mickey Jones, Mariah Louca, Stefan Race



★★★★★ *"A stand out play with a big heart."* Wirral Globe

★★★★★ *"It would be camp if it were not so viscous, sentimental if it were not so funny."*

The Guardian

REVIEW OF ACTIVITIES

Supported Work

Y'MAM: Young Man's Angry Movements

Developed with Everyman & Playhouse

Wed 16 June to Sat 26 June 2021, Everyman



The Streets Where We Live

By Falling Doors Theatre and Everyman & Playhouse, in collaboration with Laurence Westgaph

Wed 18 Aug to Sun 29 Aug 2021, Walking Tour



New Works Showcase

2019/20 Playwrights Programme

Blackfest, Everyman & Playhouse and Liverpool's Royal Court

Fri 24 Sep to Sat 25 Sep 2021, Playhouse Studio

An Evening with Nana Funk

Fri 1 Oct to Sat 2 Oct 2021, Playhouse Studio



Queercore Showcase

Collaboration with Homotopia

Fri 12 Nov to Sat 13 Nov 2021, Playhouse Studio

Proud Daddy

By Chase Johnstone-Lynch

Fri 25 Mar to Sat 26 Mar 2021, Playhouse Studio

REVIEW OF ACTIVITIES

Visiting Work

<i>Woke</i>	Playhouse	Thu 24 to Sat 26 Jun 2021
<i>The Greatest Play in the History of the World</i>	Playhouse	Tue 29 Jun to Sat 3 Jul 2021
<i>Tamasha Theatre: Under the Mask</i>	Playhouse	Thu 8 to Sat 10 Jul 2021
<i>The Very Hungry Caterpillar</i>	Playhouse	Thu 15 to Sat 17 Jul 2021
<i>Al Murray: Landlord of Hope & Glory</i>	Playhouse	Tue 9 Sep 2021
<i>All Singing! All Swinging!</i>	Playhouse	Sat 11 Sep 2021
<i>Dial M for Murder</i>	Playhouse	Tue 14 to Sat 18 Sep 2021
<i>Rhum & Clay Theatre Company: The War of the Worlds</i>	Everyman	Tue 19 to Sat 23 Oct 2021
<i>Bimini Bon Boulash: Release the Beast</i>	Playhouse	Thu 7 Oct 2021
<i>The Jinx & DeLa Holiday Show, Live!</i>	Playhouse	Sat 13 Nov 2021
<i>Michael Spicer: The Room Next Door</i>	Playhouse	Sat 9 Oct 2021
<i>Imitating the Dog: Dracula - The Untold Story</i>	Playhouse	Tue 12 to Sat 16 Oct 2021
<i>New Adventures: Matthew Bourne's The Midnight Bell</i>	Playhouse	Tue 19 to Sat 23 Oct 2021
<i>Stickman</i>	Playhouse	Tue 26 to Wed 27 Oct 2021
<i>Fireman Sam</i>	Playhouse	Fri 29 to Sat 30 Oct 2021
<i>One In, One Out: Liverpool's Smallest Gay Bar</i>	Everyman	Thu 4 to Sat 6 Nov 2021
<i>David Suchet: Poirot and More, A Retrospective</i>	Playhouse	Thu 4 to Fri 5 Nov 2021
<i>Sindhu Vee</i>	Playhouse	Sat 6 Nov 2021
<i>Adam Buxton: Rambles</i>	Playhouse	Tue 9 Nov 2021
<i>Ian Ashpitel & Jonty Stephens as Eric & Ern</i>	Playhouse	Thu 18 to Sat 20 Nov 2021
<i>Fantastically Great Women Who Changed The World</i>	Playhouse	Wed 8 Dec 2021 to Sun 2 Jan 2022
<i>Nina Conti: The Dating Show</i>	Playhouse	Wed 2 to Thu 3 Feb 2022
<i>RUSH: A Joyous Jamaican Adventure</i>	Playhouse	Fri 4 to Sat 5 Feb 2022
<i>Flo & Joan: Sweet Release</i>	Playhouse	Wed 9 Feb 2022
<i>Reginald D Hunter: Bombe Shuffleur</i>	Playhouse	Thu 10 Feb 2022
<i>Black is the Colour of My Voice</i>	Everyman	Fri 11 to Sat 12 Feb 2022
<i>Roger McGough: Safety in Numbers</i>	Playhouse	Fri 11 Feb 2022
<i>The Smeds and The Smoos</i>	Playhouse	Thu 24 to Sat 26 Feb 2022

REVIEW OF ACTIVITIES

New Work

Our priority ahead of the appointment of a new Creative Director was to build a robust artistic slate to provide options and range. We looked to diversify our artist cohort and to offer fewer but more cultivated talent development opportunities. We are starting to see the fruits of the last two years of sustained activity, support and engagement with local creatives, both in terms of output and in a growing trust that we are a safe space for artists to engage with. Under our new Creative Director's leadership, we are looking to further streamline our strands of opportunities and to develop more of a brand identity around our talent development and studio.

Artist progression and development

- In June 2021, Playwrights Programme alumni Majid Mehdizadeh's seed commissioned work *Y'Mam* was produced by local producer Alex Ferguson as a supported studio production on the mainstage at the Everyman. The show garnered a host of 4-star reviews and transferred to a national tour before a run at Soho Theatre.
- Jonathan Larkin's seed commissioned play *Cherry Jezebel* was produced as a rehearsed reading in July 2021 before being produced for mainstage in March 2022 to huge public response and a host of 4/5-star reviews.
- Following 2021's online R&D, we came on as commissioning partner to bring writer Natasha Brown into the *Swing Sister Swing* Team. The show then secured Olivier award winning director Miranda Cromwell. The show toured to venues including Bath Theatre Royal and London Arts Depot, as well as playing two nights at the Everyman.
- Mandy Revers Rowe's 2021 R&D of *Shielded and Shafted* is being further developed as a long form arts project with Culture Liverpool and Dada Fest.

Commissions and New Work

Throughout the year, we commissioned and/or employed 77 artists (writers, directors, actors, theatre makers), 29 specialist staff (readers, workshop leaders) and had 34 writers take part in our Playwrights and YEP writers' programmes. We commissioned two works of scale for our main stages/ site specific outdoor projects, three ambitious digital works and gave out eleven seed commissions to help artists take ideas to the next stage.

We collected anonymised data with a 53% return rate. From this data, we can see that 23% of those that returned the survey were from ethnic minority backgrounds. 23% of artists who returned the survey identify as LGBTQ+, with 12% as having a gender identity that differs to the sex they were assigned at birth. In addition, of this snapshot 21% identified as disabled and 12% as neurodiverse.

In terms of our commissioning (across all scales), 67% of writers we worked with this financial year were from the Global Majority, representing a financial investment in this work of upwards of £17k.

Many of our commissions were undertaken as part of creative partnerships, local and national, including with Falling Doors, Homotopia, BlackFest, 24 Kitchen Street, The Unity and Tamasha/Coney.

Writers' Programmes

We delivered 10 YEP Writers Sessions and 23 Playwrights Programme Sessions in this period, both online and in-person. Masterclass leaders included Matthew Xia, Nickie Miles Wildin, Luke Barnes, Maurice Bessman, Nathan Powell, Lizzie Nunnery and Camilla Whitehill on topics including musicality, responsibility of representation, incorporating access, professionalism as an emerging writer, and working with communities. During this period, writers from the last three years of programmes have

REVIEW OF ACTIVITIES

been commissioned by us (*The Streets Where We Live, Everyman Connects, Girl Code*), *The Unity/Homotopia* and *The Bush*, with four selected for the BBC Write Across program. The pilot BBC scheme regional writers' room is also made up of 31% writers from previous YEP and Playwrights Programmes.

Thanks to the generous support of individuals, we were able to bring back our Young Writer on Attachment in February 2022 with Bryony Ann Hodgson receiving a £1k commission to write the first draft of her play about a spiritualist church above a kebab shop in Birkenhead. This is the first YEP Writer on Attachment post we have been able to offer since 2018 (Sam O'Rourke, *Our Town Needs a Nandos*).

In September 2021, we held a New Works showcase of work from the 2019/20 Playwrights Programme that nearly sold out over three nights. Working with four local freelance directors and ten actors to present work from nine writers, this was an invaluable developmental opportunity for these artists.

Supporting Liverpool's Creative Community

We have continued to work in partnership with local grass roots organisations and offer free and/or supported opportunities to local companies and artists with the objective of supporting the city's creative ecology. These include:

- Supporting Liverpool Little Theatre Festival, both financially and with our New Works Associate assisting on the selection panel
- Offering free rehearsal space to local companies and artists free of charge when available
- Continuing to put out our monthly newsletter of opportunities in collaboration with March for the Arts
- Bringing back Scratch Studio from February 2022, with artists now receiving a contribution towards expenses
- Running drop-in taster playwriting program sessions and open-office chats for unsolicited submissions
- Undertaking an unsolicited script window which saw over 100 local writers receive detailed feedback on their work and be matched with in house opportunities including rehearsed readings and seed commissions
- Offering two free, open access playwriting workshops for local writers

New Writing and Talent Development

We undertook and supported:

- Six front facing supported studio shows:
 - *New Works Showcase*
 - *QueerCore* (a showcase of emerging queer artists with Homotopia)
 - BlackFest Writers' Room in association with Boisterous (Liverpool Royal Court)
 - *An Evening with Nana Funk* (a musical show celebrating aging)
 - *Finger Food Shorts* (monologues from a mixture of high profile and emerging writers who don't normally write for theatre)
 - *Proud Daddy* in association with Make it Write Productions
- Two studio RnDs:
 - *Raven* by Playwrights Programme alumni Abi McKenzie (produced by Saphena Aziz, working with local choreographer Eli Randle and puppeteer Ruta Staseviciute)

REVIEW OF ACTIVITIES

- *Girl Code* by Brodie Arthur and Julia Samuels, a verbatim work looking at sex work and brothel ownership in contemporary Liverpool
- One Rehearsed Reading: *Shantaloons* by YEP writers alumni Tom McLean, which was selected anonymously through unsolicited submissions

Digital Work

Everyman Underground

A series of digital performances from Laura Groves, Ni Maxine, Oisin Hassan, The Circus Minds

May 2021, streamed live from downstairs at the Everyman



Get Ready with Me (A Clown Show)

A work in progress presented by Playwell

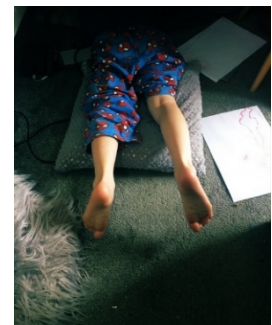
Sat 22 May, broadcast live from the Everyman



How to Use a Den

Created by All Things Considered Theatre, commissioned by the Everyman & Playhouse

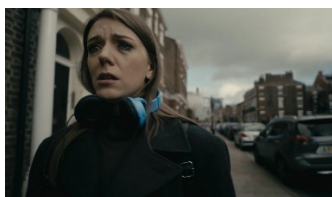
Thu 15 July to Sat 31 Oct 2021, available for digital download



TOLD: The MacKenzie Files

A digital horror series created in collaboration with The Coach House

Fri 29 Oct to Sun 7 Nov 2021, available for digital download



REVIEW OF ACTIVITIES

Young Everyman & Playhouse (YEP)

YEP Directors Festival 2021

31 May to 12 June 2021, Everyman

Macbeth by William Shakespeare

21 July to 25 July 2021, St Luke's

Soap Box devised by the YEP company

3 Nov to 6 Nov 2021, Everyman

Tap, Tap devised by the YEP company

10 Mar to 12 Mar 2022, Playhouse



As with much of our activity, our YEP programme also had to flex to respond to Covid restrictions. Online sessions gave way to in-person, socially distanced sessions and we were delighted to produce an outdoor version of *Macbeth* over Summer which was warmly received by substantial audiences. Our core YEP offer across six strands (Actors, Directors, Writers, Producers, Technicians, Marketeers), made up of 120 young people engaging in weekly sessions, delivered the following highlights:

- *Macbeth* was well received at St Luke's ("the Bombed-Out Church") with sell out shows, strong reviews and performances.
- Young Directors' Festival delivered six productions to the Everyman main stage (*Icing Sugar/White Lilies*, *Eggs*, *Bull*, *Box Clever*, *All Over Lovely*, *Build a Rocket*). This was a rare opportunity for our young directors to produce their work in this space. Young Marketeers produced the images and copy for the Festival and the Young Techs and Base techs assisted with the technical delivery.
- Young Producers took 'Drag Lab' to the European Youth Theatre Festival in Birmingham to great success. Six young actors also went to the festival to take part in workshops and watch performances.
- Young Techs and Base techs assisted with the set-up of *LUX* at the Bombed-Out Church.
- Young Actors delivered a devised show called *Soapbox* at the Everyman, focusing on providing young people with a platform to speak about the issues that matter to them the most.
- Sessions with Harmonise, Tiber and Firefit continued, helping to identify young people from underrepresented communities who may wish to join YEP.
- Second year director Olive Supple-Still successfully obtained an ACE grant for a studio production of *Bull*



REVIEW OF ACTIVITIES

which enabled eight young creatives to get their first professional equity contract with us.

- YEP Producers developed a piece called *Femme* for the Ev1 studio; led by one of our graduates, and Diversity Action Group member, Natasha Patel.
- YEP graduates Jessica Meade and Kaila Sharples were offered employment with the Everyman, working on *Cherry Jezebel* as Assistant Director and Assistant Stage Manager respectively. YEP technician graduates Esther and Liv Johnson were employed for *Tap Tap*, a number of former YEP Technicians have been recruited to work on shows and ex-YEPers Kieran Sing and Christan Cheevers have been offered multi-skilled technician roles with the theatres.
- Supported Roots and Wings, an organisation working to support young men from L8 on the cusp of criminality back into mainstream education.
- And to top off the year and welcome in the 10th anniversary year of YEP, the Young Actors delivered a devised show called *Tap Tap* at the Playhouse which was very well received by audiences. It also signalled the end of an era with a sad farewell to YEP Director, Matt Rutter.



Attendances

2021/22 continued to be a year impacted by the pandemic, with our doors remaining closed until June 2021 and many cancelled performances, especially during the Christmas period. Attendances went up ten-fold with 70,198 seats sold compared to 7,816 in the previous year, but still only 53% of pre pandemic sales for 2019/20. Average ticket yield returned to a similar pre pandemic level of £17.57. We continued to offer discounted tickets to schools and education groups (4,449 tickets), with 623 tickets to Young Everyman Playhouse members and 962 tickets to community groups. We continued to experiment with digital work with six events selling 318 tickets, 61% of who were new bookers with 45% reaching outside Liverpool City Region. In addition the rock n roll panto *Robin Hood* was shared digitally to patients, families and staff at Alder Hey Children's Hospital.

Booker numbers were 16,655 compared to 3,933 in 2020/21, but still only 56% of 2019/20. 58% were new bookers in 2021/22 and 28% of bookers came from outside Liverpool City Region, a similar figure to 2019/20.

In addition, we hosted regular free and paid events downstairs at the Everyman which included Drag Cabaret, A Lovely Word, DBY Murder Mysteries and Reel Tours Movie Quiz.

REVIEW OF ACTIVITIES

Social Change

As Covid restrictions relaxed we were able to expand the work we do in our communities from purely online to hybrid delivery, still focusing on our priority demographics:

- children and young people
- ethnically diverse communities
- mental wellbeing
- areas of high socio-economic disadvantage



It proved to be a very busy year for our Engagement Team with much of our usual activity delivered online, to ensure we could continue to support the communities we serve. In addition to our usual array of outreach work including workshops, tours and community events we have focused much of our engagement work on supporting the refugee and asylum-seeking community within Liverpool in partnership with SOLA Arts. Through this relationship, we coordinated and delivered activities to welcome recently arrived families from Afghanistan, Syria and El Salvador.

Over the year our teams delivered:

- Workshops linked to *Love, Liverpool* with The Vibe, The Communiversality and Life Rooms creating *Love Letters to Liverpool* and supporting community partners to bring harder-to-reach audiences to see the show. We brought together women from diaspora communities to hear about their experiences of finding home in Liverpool; videos of which were included in the final production.
- Through the *Pop Up Panto* we were able to offer complimentary theatre experiences to families and groups of children predominantly from the North of the city and specifically from areas with multiple indices of deprivation. These included: Kinship Carers, Anfield Community Arts, Time Matters UK and refugee/asylum seeking families from: Refugee Women Connect, British Red Cross SNAP Project, SOLA Arts and City Hearts.
- We hosted our first post-show discussion following the pandemic for *The Greatest Show* to a very enthusiastic audience.
- An outreach project at Alder Hey hospital in the Dewi Jones mental health unit produced a digital sketch show called 'Welcome to the Dewi'.
- Creative mental wellbeing activities online for the Mersey Care Life Rooms - Confidence Through Drama, Creative Writing for Wellbeing and Creating and Sharing Stories.
- Working with our HE partners to provide talks, tours and provide insights into theatre production. Large-scale welcome events for students from Edge Hill and Hope universities.
- Workshops in, Kingsley Community School (a doorstep primary) as well as multiple school tours and workshops at both theatres connected to the work on the stages.

REVIEW OF ACTIVITIES

- Partnership with Frantic Assembly offered a two-day intensive physical theatre residency to Gateacre Secondary School
- Hosted our first face-to-face Drama Teachers Forum in November since lockdown 2020
- Judged five categories for the 10-year celebration of the Educate Awards
- Embarked on our first Artsmark support partnership with Holy Trinity Primary School in Garston. The Bass Techs cohort 2020/21 completed and successfully passed their Silver Arts Awards. The theatres have been approached by the home-schooling community to deliver Arts Awards for children educated at home
- A series of workshops which explored the themes of the Christmas productions; *Robin Hood* and *Fantastically Great Women* were delivered across the City Region
- We welcomed Afghan families to the buildings with complimentary tickets to the Christmas productions and established a family/young people's drama group within their temporary accommodation
- Supported the *Roots and Wings* programme for young people from L8 on the verge of criminality using drama and martial arts.
- Worked with TIBER Young Events Producers to explore areas such as thinking as an artist, being an activist in your community, project management and event planning. Aiming to combat the negative impact of Covid on their community, the group planned a magical Christmas grotto on the TIBER Events square, Lodge Lane. The group designed and installed rope light shapes on the railings, providing a perfect space for magical festive selfies. The event included a grotto and elf station, which the young people had designed, installed and managed. Approximately 500 children and their families received a gift from Santa, mainly families who have experienced extreme hardship as a result of the ongoing pandemic.
- Offered heavily discounted 'community rate' tickets, with a particular focus this season on *Robin Hood*, *Fantastically Great Women That Changed the World* and *Cherry Jezebel*. Feedback from a group leader who had attended The Everyman for the first time was: "*It is so much more than a trip to the theatre. It's a new experience, a challenging encounter that encourages some internal reflection, it improves social capital and fosters feelings of being equal.*"
- Delivered 12 pre-panto fun workshops in schools and community centres, mostly based in North Liverpool. It was wonderful to reconnect with long-standing partner organisations after the two-year break.



REVIEW OF ACTIVITIES

Our Commitment to Equity, Diversity & Inclusion

We strive to be an organisation that understands what it means to be a welcoming and safe space for all. We aim to reflect the diversity of our communities through the work on our stages, our workforce, those we partner with, our engagement activities and by ensuring our buildings are as accessible as they can be.

We have listened to our freelance community, practitioners and ex-staff members as they have generously shared their past experiences of working with us. Through these conversations we are acutely aware that we hadn't done enough in the past and are committed to listening, learning and acting both now and in the future. We currently have a particular focus on ethnic diversity, undertaking a series of positive actions to bring about the change we wish to see in our organisation, with the ultimate goal of engaging and reflecting our ethnically diverse communities, stories and artists.

We have acknowledged the impact of institutional racism in our sector and are working hard to ensure that we are an anti-racist organisation and that our initiatives do not perpetuate inequality.

Together, we have established a Diversity Action Group (DAG) made up of staff, board members and paid external co-opted members to agree measurable targets in the short, medium and long-term and monitor our progress on the journey. We have adopted the Anti-Racism Touring Rider and implemented our own code of conduct and safes spaces charter.

We truly want everyone who comes through our doors to feel welcome and safe, regardless of their background or means. We are taking some immediate positive actions but are committed to profound ongoing change.



Our Commitment to the Environment

LMTT is committed to lessening its impact on the environment, as evidenced by its approach to building the new Everyman and subsequent initiatives since.

We are committed to minimising our negative impacts on the environment and reducing our carbon footprint in the following ways:

- Encouraging staff and participants to make sustainable choices throughout their activities
- Creating a Green Team made up of staff across all departments
- Sourcing products locally where possible and from sustainable environments
- Promoting environmental awareness along the supply chain and to our audiences
- Implementing the waste hierarchy – Reduce, Reuse, and Recycle
- Taking positive steps to reduce our energy and water use
- Monitoring and evaluating our impacts, contributing to industry benchmarking by participating in the Industry Green Scheme run by Julie's Bicycle
- Communicating our objectives, activities and achievements
- Being an active member of Shift Liverpool, a new sustainability network for cultural organisations in the Liverpool City Region
- Making first approaches to address the Playhouse's environmental impact and taking practical steps to implement the recommendations of the Theatre Green Book

REVIEW OF ACTIVITIES

FINANCIAL REVIEW

The 2021/22 financial year saw the phased reopening of our theatres, that had been closed to the public during much of the pandemic. We began the year by bringing back our workforce from furlough and opened with digital and socially distanced activity running across the first six months of the year. From September 2021 we began presenting to full capacity audiences, with a full reopening of our front of house spaces from November 2021.

We started the year with a reasonably strong financial position as our focus remained on a sustained financial recovery. Our approach to planning and budgeting for work and our ability to set clear and reasonable targets meant we started 2021/22 with free reserves of £269k and a cash balance of +£1.6m.

Cultural Recovery Fund

As a result of the pandemic, £1.57bn central government support was announced for a Cultural Recovery Fund that looked at longer term financial viability of organisations. Value for Money (VfM) was crucial in the assessment of applications and our rigorous approach to modelling ensured we were successful across three bidding rounds, securing £389k in 2020/21 and a further £668k in 2021/22 (CRF Round 2: £384k and CRF Round 3: £284k). This funding allowed us to:

- reconfigure both our auditoria and stages to support socially distanced productions and further reconfigurations to return to full capacity seating when able
- invest in projection and digital technology to help us reach our audience and develop new revenue streams, through digital capture and live streaming
- continue with our YEP and community engagement activity, including our Life Rooms Partnership with Mersey Care
- support the employment of freelancers and greenlighting of productions by protecting against cancelled shows by creating a ticket income contingency

Despite another year filled with uncertainty we closed the 2021/22 financial year with a £186k unrestricted surplus. This has allowed Trustees to designate a further £152k of funds to help protect against our long-term status as a going concern. In addition, we were also able to designate unutilised ticket income contingency of £259k to protect against risk in 2022/23. The balance of trustee designated funds stands at:

- a £650k Risk Fund to protect against the traditional monthly financial run rate, which traditionally sees month on month losses early in the financial year, with a return to financial balance during the Christmas season. The fund is also held to offset future ticket income risks associated with audience's slow return to Theatre post Covid.
- a £179k Building Fund to fund future improvements to the Playhouse
- a £235k Artistic Innovation Fund to support the future ambition of our business plans as Covid restrictions lessen

This closing unrestricted funds position is key to underpinning our financial resilience for 2021/22 as we face a further year of uncertainty and rising costs of living.

Total unrestricted income for the Group grew by £472k, from £3,671k (2021) to £4,143k (2022). This was the result of the theatres reopening compared to the previous year. Offsetting this, unrestricted expenditure was increased by £844k to £3,957k (2021: £3,113k).

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The financial results for the year are set out from page 30 onwards. The consolidated income and expenditure account reports a deficit of £562k (2021: £327k surplus). Restricted expenditure in year included £657k (2021: £649k) relating to depreciation of fixed assets. As explained in the accounting policies, the charity SORP requires the Charity to recognise fundraising for capital projects within the income and expenditure account in the year of grant, whilst the related spend (depreciation) is recognised over the life of the related assets. This results in a significant mismatch between the timing of income and expenditure recognition.

The Trustees note that the position reported in the consolidated income and expenditure account and balance sheet has the potential to confuse readers. In years with significant fundraising initiatives, net income may appear disproportionately high because, whether for revenue or capital purposes, the charity SORP requires recognition of income based upon entitlement, rather than when the grant is received in cash or when the related expenditure is incurred, whilst requiring recognition of expenditure in the year of spend or use. In years with fewer or non-capital fundraising initiatives, reported expenditure will often exceed reported income because of such timing differences. The following table provides an analysis of funds as presented in the accounts:

Group	1 April 2021 £'000	2022 Results £'000	2022 Transfer £'000	31 March 2022 £'000
Unrestricted funds: Operating	570	186	(152)	604
Unrestricted funds: Designated				
Designated Funds	653	-	411	1,064
Total unrestricted funds	1,223	186	259	1,668
Restricted Funds				
Fixed Assets	19,684	(657)	-	19,027
Other (Revenue)	453	(91)	(259)	103
Total Restricted Funds	20,137	(748)	(259)	19,130
Total Funds	21,360	(562)	-	20,798

Within unrestricted funds, a transfer has been made between operating and designated funds of £152k to fund the three specific funds discussed above. A transfer of £259k has also been made from restricted funds to designated funds in respect of support received under the Cultural Recovery Fund, which allowed for unrestricted funds reflation for any unused ticket income contingency. In year results for restricted funds shows a net reduction of £1,007k. In addition to the £259k transfer, this included £657k depreciation against restricted fixed assets, receipt of £768k restricted income, less utilisation of restricted funds of £859k.

When reviewing restricted funds, Trustees believe a more representative assessment of the Charity's financial position is obtained by considering restricted funds which are available to fund the Charity's activities and by disregarding those funds which have either already been applied to fund large building projects or which will not be received in cash until a future date. The following table provides a reconciliation between reported restricted funds and Trustees' view:

REVIEW OF ACTIVITIES

	2022 £'000	2021 £'000	2020 £'000
Reported Restricted Funds			
Everyman redevelopment	14,708	15,206	15,715
Other capital projects	4,319	4,478	4,545
Revenue projects	103	453	218
Total reported restricted funds	<u>19,130</u>	<u>20,137</u>	<u>20,478</u>
 Funds included in fixed assets at 31st March so not available to fund Trust activities	(19,027)	(19,684)	(20,260)
 Funds included in other debtors at 31st March so not available to fund Trust activities	-	(70)	(20)
 Restricted Funds available to fund Trust activities	<u>103</u>	<u>383</u>	<u>198</u>

[Reserves policy](#)

The Trustees consider it prudent to maintain reserves in order to ensure the Trust can plan effectively, ensure the sustainability of the organisation and offset the impact of any unforeseen events which may have a detrimental effect on operating cash flows. The Trustees have considered it desirable to maintain unrestricted operating funds above £500k (2022: £604k 2021: £570k, 2020: £555k) and free reserves above £250k, and also hold designated funds for:

- the upkeep and maintenance of the two theatres
- investment in artistic innovation and piloting new streams of work
- management of risk across a normal programming year which would see month on month planned losses through the early parts of the year
- protecting against reduced audiences post-Covid

The value of designated funds at 31 March 2022 was £1,064k (2021: £653k) which includes a £650k risk fund. In the current economic climate and in light of the Theatres reopening during uncertain times for the sector at large, the Trustees recognise that should the need arise, the £650k designated risk fund may be used to offset future short-term operating deficits.

The value of free reserves on the 31st March 2022 was £317k (2021: £269k). Free reserves are unrestricted operating funds that have not been used to purchase fixed assets, don't include designated funds and are available for use by the Trust to fund activity:

	2022 £'000	2021 £'000
Unrestricted funds: Operating	604	570
Unrestricted Fixed Assets	(287)	(301)
Free Reserves	<u>317</u>	<u>269</u>

REVIEW OF ACTIVITIES

The Charity does not budget on the basis of achieving a large surplus year on year, it does ensure that adequate uncommitted contingency is built into plans. The board will take a view annually on how it commits any unused contingency for future periods.

Investment policy

The Charity takes a low-risk approach to investments, with cash required for working capital held in bank current accounts. Surplus cash can be placed on short-term money market deposit (no more than three months' term). Such arrangements have a high level of asset security and liquidity is planned for in advance.

Principal risks and uncertainties

The Trustees examine major strategic, business and operational risks which the Charity faces on an ongoing basis, confirming that systems have been established to mitigate and lessen these risks. A risk register is closely monitored and formally reviewed by Trustees annually. Over the past year, identified risks have been allocated to the appropriate governance structure for monitoring. Operational risks are addressed through line management and budget control systems, with comprehensive and regularly reviewed policies in relation to key issues such as safeguarding and health and safety.

A report from the Health and Safety Committee is considered by the Trustees at each of their meetings. Financial risks are addressed through regular monitoring by the Finance and Audit Committee and full Board, with the overall budget receiving a full reappraisal on at least a quarterly basis. Where appropriate, insurance cover complements and supports other risk reduction mechanisms. External risks and questions of compliance are addressed by maintaining a strong relationship with key funders and regular contact with support and regulation agencies, and by promoting positive PR about the Trust and its programme.

The principal risks and uncertainties faced by LMTT (as identified in the current risk register) are:

Risk Category	Risk
External	External factors adversely impact organisation's ability to operate (e.g. pace of post-COVID economic recovery, war in Ukraine, audience confidence, cost of living and energy increases)
Financial	Failure to achieve NPO status, retain LCC level of funding, fulfil the terms required by ACE and LCC funding agreements, or meet fundraising budgetary targets
Financial	Insufficient reserves to ensure long-term future viability of the organisation and its Going Concern status
Operational	A critical part of the Playhouse or Everyman building infrastructure, or piece of equipment, fails which needs urgent and costly repair/replacement
Operational	Significant supplier failure or over-dependence on third parties (incl. visiting companies), leading to non-delivery of critical product or service

Arts Council England (ACE) are currently providing grant funding in support of the 2020-22 Business Plan. We have a conditional funding offer through ACE's NPO portfolio for 2023-26. We have secured Liverpool City Council (LCC) funding through the Culture and Arts Investment Programme through to

REVIEW OF ACTIVITIES

2023, which is confirmed by the LCC Cabinet on an annual basis. We continue to manage funding risk by maintaining a positive relationship with both funders and by making a visible contribution to the City's profile and its social and economic wellbeing.

The economic climate, especially in light of Covid-19, poses a continued threat and it is hard to predict how long it will take consumer confidence to return, once the theatres return to full capacity. Pressures on public funders, especially local authorities, remains a constant concern. All opportunities are taken to maximise and diversify income; to secure income for the medium as well as short-term, and to retain a degree of flexibility in order to revise plans in response to any financial shocks.

Our business plan through to March 2023 aims to carefully balance the risks of reopening post-Covid and building back audience confidence in returning to our theatres.

Following the outbreak of war in the Ukraine, we have considered any potential impacts there may be on LMTT over the next year and have updated the Risk Register accordingly. We are anticipating that recent energy prices hikes will continue for the medium-term while new supply chains are identified. We also envisage that other costs will increase given the level of uncertainty in the global economy. Other considerations include supply chain, staff morale, artistic decision-making, insurance and cyber threat.

The Future

In July 2022 we submitted a three-year plan to ACE as part of our application to re-join the National Portfolio of arts organisations. Starting from April 2023, this plan set out how we would continue to fulfil our charitable objectives and deliver to the outcomes of ACE's *Let's Create* and the Liverpool City Council's Cultural Strategy. Through the active management of costs and planned application of funds, our future planning is underpinned by a financial strategy that recognises the rising costs of inflation and risk still inherent in the current operating climate.

Our recent appointment of Suba Das as Creative Director signals not only a change in artistic leadership but a change to how we produce work for our stages in future. The Creative Director is empowered to form partnerships with other creative organisations, who align with our values, to work together in delivering to the communities we serve and achieving the aims of our Business Plan and the outcomes of our charitable objectives and those of our funders.

The streamlining of our governance structures continues with the winding up of our production company (Liverpool Everyman and Playhouse Productions) as all production income and expenditure will now be transacted through the parent charity. LMTT and LEPT (Liverpool Everyman and Playhouse Trading Ltd) will continue, albeit LEPT will have far more of an advisory role as required with two directors who are also Trustees of the parent charity.

We will continue to develop our Diversity Action Group, broadening its remit to focus on other areas of inclusion, informed by the protected characteristics defined in the Equalities Act 2010. We have also established a Youth Advisory Group to inform our practice and initiatives with Young People.

We look forward to starting the 2023/24 financial year back in the NPO portfolio and continue being a creative beacon for our city, region and country. We thank ACE and LCC for their ongoing support.

Related parties and co-operation with other organisations

On 1 April 2020, our Chief Executive was appointed to the board in accordance with the revised Memorandum and Articles of the Charity. During his appointment, he will continue to receive his usual salary payments and to reclaim approved expenses incurred wholly in his roles as an employee. This is disclosed in Note 23.

REVIEW OF ACTIVITIES

No other Trustees received remuneration from their work with the Charity with the exception of Helen Blakeman who was commissioned to write a script. This decision was approved by the Board in advance.

LMTT is the sole shareholder of two subsidiary companies as follows:

- Liverpool Everyman & Playhouse Trading Limited (LEPT) manages the trading activities for the Everyman and Playhouse Theatres
- Liverpool Everyman & Playhouse Productions Limited (LEPP) through which productions are commissioned

The Trust has decided to wind down LEPP Production company.

Key management personnel pay policy

The remuneration of key management personnel is determined by the Trustees of the Charity. The Trustees consider the seniority of the post, the expertise and experience of the post holder, the local market conditions and sector market conditions for remuneration, and benchmarking information from similar organisations in determining the remuneration of key management personnel.

Fundraising Standards

The Charity directly employs a fundraising Development team to manage the relationships with education partners, corporate sponsors and individual givers and donors. The team also develop and submit funding applications to Trust and Foundations in line with our Ethical Fundraising Policy. We are registered with the Fundraising Regulator and follow its code of practice.

Organisation

The Board is ultimately accountable for ensuring the financial probity and strategic direction of the Charity. It is the responsibility of the Trustees, in consultation with the Executive, to determine policy, to set strategic policy targets, to implement monitoring and reporting procedures that will ensure their fulfilment, and to approve and monitor annual budgets and business plans.

The Board normally meets six times a year to set and review strategic policy and monitor the financial health of the organisation. The scrutiny of detail is undertaken by suitably skilled subsidiary companies (LEPT and LEPP) or sub-committees of the board, each of which report to the main board.

Statement of Disclosure to Auditors

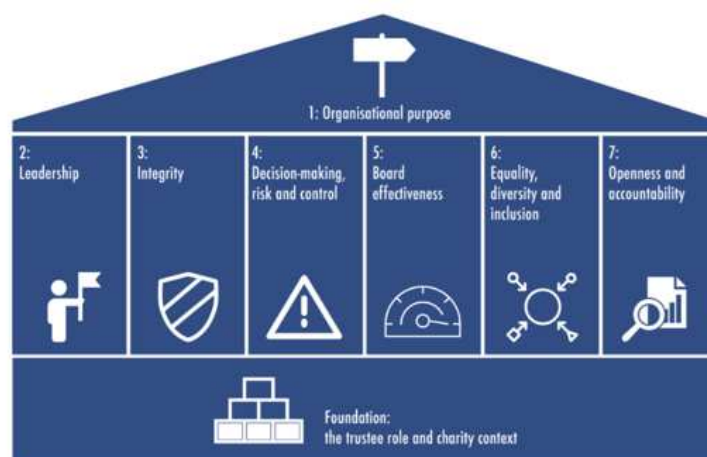
So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's Auditors are unaware, and each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

REVIEW OF ACTIVITIES

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Governance Code

The LMTT board believes that good governance in charities is fundamental to their success. The Charity Governance Code is a practical tool to help charities and their Trustees develop high standards of governance as it enables and supports a charity's compliance with the law and relevant regulations. It also promotes a culture where everything works towards fulfilling the Charity's vision.



Through ensuring each element of the Code is met (see above diagram), Trustees hope to both improve the transparency and breadth of reporting and demonstrate exemplary leadership and governance on behalf of staff, stakeholders and supporters.

The Trustee Role and Charity Context

All LMTT Trustees:

- are committed to LMTT's cause and have joined the board because they want to help the charity deliver its purposes most effectively for public benefit
- recognise that meeting LMTT's stated public benefit is an ongoing requirement
- understand their roles and legal responsibilities, and, in particular, have read and understand:
 - the Charity Commission's guidance The Essential Trustee (CC3)
 - their charity's governing document
 - are committed to good governance and want to contribute to LMTT's continued improvement

With continued improvement in mind, the LMTT board aspire to deliver the principles of the Governance Code as outlined below.

1: Organisational Purpose

The Board is clear about the charity's aims and ensures that these are being delivered effectively and sustainably.

2: Leadership

Every Charity is headed by an effective board that provides strategic leadership in line with the Charity's aims and values.

3: Integrity

The Board acts with integrity, adopting values and creating a culture which helps achieve the organisation's charitable purposes. The Board is aware of the importance of the public's confidence and trust in charities, and Trustees undertake their duties accordingly.

REVIEW OF ACTIVITIES

4: Decision-Making, Risk and Control

The Board makes sure that its decision-making processes are informed, rigorous and timely, and that effective delegation, control and risk-assessment, and management systems are set up and monitored.

5: Board Effectiveness

The Board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions.

6: Equality, Diversity & Inclusion

The Board has a clear, agreed and effective approach to supporting equality, diversity and inclusion throughout the organisation and in its own practice. This approach supports good governance and the delivery of the organisation's charitable purposes.

7: Openness and Accountability

The Board leads the organisation in being transparent and accountable.

Directors

The Directors of the Charity are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees. Except as noted below, the Trustees of the Charity who served during the year and up to the date of this report are listed below:

Current Directors/Trustees

A Nixon (Chair)	B Hutchinson
P Bibby (Vice Chair)	J Jones
H Blakeman	C Mankabady
A Causley	N M Russell
M Clarke	C Sanger-Davies (appointed 2 December 2021)
M Da Vanzo	A Smith (appointed 2 December 2021)
P Evans	

Former Directors/Trustees

P Bennett-Jones (retired 2 December 2021)
 C Roberts-Cherry (retired 24 May 2022)
 P Corcoran (Vice Chair – retired 2 December 2021)
 Cllr W Simon (resigned 8 December 2021)

Company Secretary

M Da Vanzo

Reference and Administrative Details

Registered office	Bankers	Auditor
Everyman Theatre 5-11 Hope Street Liverpool Merseyside L1 9BH	Lloyds Bank Merchant's Court, 2 - 11 Lord Street Liverpool L2 1TS	DSG Castle Chambers 43 Castle Street Liverpool L2 9TL



Andrea Nixon

Chair

DATE: 22 November 2022

REVIEW OF ACTIVITIES

STATEMENT OF TRUSTEE RESPONSIBILITIES

The Trustees who are also directors of The Liverpool and Merseyside Theatres Trust Limited for the purposes of company law are responsible for preparing the report of the Trustees 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 charitable Company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent; 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 proper 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.

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.

Board Composition

At the Annual General Meeting on 10th November 2005, a Special Resolution was passed to limit Trustees' service to up to two consecutive terms of three years. A board evaluation and skills audit is delivered annually. This is a method of assessing the organisation's changing needs and reviewing the need for additional skills and expertise on the board. If a need is identified then new members are sought in the appropriate areas. All proposed board members are considered for their suitability before being interviewed and a proposal being put to the full board for decision.

Note 23 Related Party Disclosures, details any Trustee interest in the Charity or any of its group companies (together "the Group"), including the Chief Executive who was appointed to the board in accordance with the revised Memorandum and Articles of the Charity.

The board may make new appointments within the above parameters at any time, with any such appointees being re-elected at the next Annual General Meeting. Induction of new Trustees includes the issuing of current financial statements and projections, forthcoming artistic programme details, and guidelines for good practice (such as those published by the Charities Commission), in the context of an explanatory meeting with the Company Secretary. All Trustees undertake a programme of induction upon commencement and Trustee training is provided on relevant topics at various times in the year. All Trustees are covered by the Charity's directors and officers insurance.



Andrea Nixon

Chair

DATE: 22 November 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LIVERPOOL AND MERSEYSIDE THEATRES TRUST LIMITED

Opinion

We have audited the financial statements of The Liverpool and Merseyside Theatres Trust Limited (the 'parent charitable company') for the year ended 31st March 2022 which comprise the Consolidated Statement of Financial Activities (including Consolidated Income and Expenditure Account), the Group and Company Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 parent charitable company's affairs as at 31 March 2022 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 and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or parent 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 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

REVIEW OF ACTIVITIES

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for company law purposes, 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 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 Group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic 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 parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the Group's and parent 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 Group or parent 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

REVIEW OF ACTIVITIES

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:

Capability of the audit in detecting irregularities, including fraud

Based on our discussions with the Group and parent charitable company's management and the Trustees, we identified that the following laws and regulations are significant to the Group and parent charitable company:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the Group and parent charitable company and therefore may have a material effect on the financial statements include compliance with the charitable objectives, public benefit, fundraising regulations, safeguarding and health and safety legislation.

These matters were discussed amongst the engagement team at the planning stage and the team remained alert to non-compliance throughout the audit.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee

A further description of our responsibilities for the audit of the financial statements is located 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 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.

Andrew Moss BA FCA (Senior Statutory Auditor)



For and on behalf of DSG Chartered Accountants, Statutory Auditor

Castle Chambers

43 Castle Street

Liverpool

L2 9TL

22 November 2022

REVIEW OF ACTIVITIES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31st March 2022

	Note	Unrestricted funds £'000	Restricted funds £'000	Total funds 2022 £'000	Total funds 2021 £'000
INCOME					
Donations and Legacies		126	-	126	147
Charitable Activities	2,4	3,727	768	4,495	4,298
Other Trading Activities	2,6	290	-	290	69
Investments		-	-	-	-
TOTAL INCOME		<u>4,143</u>	<u>768</u>	<u>4,911</u>	<u>4,514</u>
EXPENDITURE					
Raising Funds	7	(203)	-	(203)	(69)
Charitable Activities	8	<u>(3,754)</u>	<u>(1,516)</u>	<u>(5,270)</u>	<u>(4,118)</u>
TOTAL EXPENDITURE		<u>(3,957)</u>	<u>(1,516)</u>	<u>(5,473)</u>	<u>(4,187)</u>
NET INCOME / (EXPENDITURE)		<u>186</u>	<u>(748)</u>	<u>(562)</u>	<u>327</u>
TRANSFERS BETWEEN FUNDS	18	259	(259)	-	-
NET MOVEMENT IN FUNDS		<u>445</u>	<u>(1,007)</u>	<u>(562)</u>	<u>327</u>
RECONCILIATION OF FUNDS					
Total funds brought forward	18	1,223	20,137	21,360	21,033
Net Income / (Expenditure)		186	(748)	(562)	327
Transfer Between Funds		<u>259</u>	<u>(259)</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS CARRIED FORWARD		<u>1,668</u>	<u>19,130</u>	<u>20,798</u>	<u>21,360</u>

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

All income and expenditure derive from continuing activities.

The notes on pages 30 to 52 form part of these financial statements.

GROUP AND COMPANY BALANCE SHEET

AS AT 31ST MARCH 2022

		Group		Company	
	Note	2022 £'000	2021 £'000	2022 £'000	2021 £'000
FIXED ASSETS					
Tangible assets	12	19,314	19,985	19,314	19,985
Investments	13, 26	-	-	-	-
		<u>19,314</u>	<u>19,985</u>	<u>19,314</u>	<u>19,985</u>
CURRENT ASSETS					
Stocks	14	19	8	-	-
Debtors- due in less than one year	15	704	576	703	570
Cash in bank and in hand		<u>2,018</u>	<u>1,673</u>	<u>1,963</u>	<u>1,659</u>
		<u>2,741</u>	<u>2,257</u>	<u>2,666</u>	<u>2,229</u>
CURRENT LIABILITIES					
Creditors: falling due within one year	16	<u>(1,257)</u>	<u>(882)</u>	<u>(1,250)</u>	<u>(870)</u>
		<u>(1,257)</u>	<u>(882)</u>	<u>(1,250)</u>	<u>(870)</u>
NET CURRENT ASSETS		<u>1,484</u>	<u>1,375</u>	<u>1,416</u>	<u>1,359</u>
NET ASSETS		<u><u>20,798</u></u>	<u><u>21,360</u></u>	<u><u>20,730</u></u>	<u><u>21,344</u></u>
FINANCED BY:					
Unrestricted funds: Operating	18	604	570	536	554
Unrestricted funds: Designated	18	<u>1,064</u>	<u>653</u>	<u>1,064</u>	<u>653</u>
TOTAL UNRESTRICTED FUNDS	18	<u>1,668</u>	<u>1,223</u>	<u>1,600</u>	<u>1,207</u>
Restricted funds	18	<u>19,130</u>	<u>20,137</u>	<u>19,130</u>	<u>20,137</u>
TOTAL FUNDS		<u><u>20,798</u></u>	<u><u>21,360</u></u>	<u><u>20,730</u></u>	<u><u>21,344</u></u>

As permitted by Section 408 of the Companies Act 2006, a separate statement of financial activities for The Liverpool and Merseyside Theatres Trust Limited is not presented. The unrestricted fund surplus for the financial period of the Company was £393k. The restricted fund loss for the period (including depreciation) was £1,007k. Therefore, the combined loss for the financial period of the Company was £614k (31 March 2021: £330k gain).

The notes on pages 30 to 52 form part of these financial statements.

These financial statements on pages 30 to 52 were approved and authorised for issue by the board of Directors on 22 November 2022.

Signed on behalf of the Trustees



P Bibby
Director



A Nixon
Chair

REVIEW OF ACTIVITIES

CONSOLIDATED STATEMENT OF CASHFLOWS

For the year ended 31st March 2022

	Note	2022 £'000	2021 £'000
NET CASH FROM OPERATING ACTIVITIES	24	<u>352</u>	<u>640</u>
INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(7)	(73)
		<u>-</u>	<u>-</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>(7)</u>	<u>(73)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS		345	567
Cash and cash equivalents at beginning of year		1,673	1,106
CASH AND CASH EQUIVALENTS AT END OF YEAR		2,018	1,673
Cash and cash equivalents consist of:			
Cash at bank and in hand		<u>2,018</u>	<u>1,673</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		<u>2,018</u>	<u>1,673</u>

1. ACCOUNTING POLICIES

General information

The Liverpool and Merseyside Theatres Trust Limited (“the Company”, “the Charity” or “LMTT”) was incorporated on 8th July 1999 (Company Registration No. 03802476). It is a private company limited by guarantee and it is governed by its Memorandum of Association dated 17th June 1999 (and as amended 22nd September 2011, 10th November 2005, 23rd February 2005). LMTT is a registered charity (No.1081229) and is domiciled and incorporated in England and Wales.

The address of the Company’s registered office is included on page 22 and its principal place of business is at this address with a secondary place of business at the Playhouse Theatre, Williamson Square, Liverpool, L1 1EL.

The Group consists of Liverpool and Merseyside Theatres Trust Limited, Liverpool Everyman and Playhouse Productions Limited and Liverpool Everyman and Playhouse Trading Limited.

Basis of accounting

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 Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015) – (Charities SORP) (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

A summary of the more important Group accounting policies, which have been applied consistently throughout the current and prior financial periods, is set out below.

Going Concern

We concluded 2021/22 in a reasonably strong position, and during 2022/23 year have been able to programme a full season of work at both houses. We are confident that through a continued focus on financial efficiency and cost control, we will deliver the planned £15k unrestricted surplus that we set out in our business plan.

Looking forward to the 2023/24 financial year, we have developed a detailed financial plan to support our successful application to re-join the National Portfolio of Arts Organisations (NPO). The same approach has been taken for our application to the Liverpool City Council for revenue funding through their Cultural Arts Investment Programme (CAIP), the results of which will be announced in March 2023.

Current Situation ACE

In November 2022, Arts Council England (ACE), confirmed a three-year grant of £5.0m in support of the LMTT’s activities for the period 1 April 2023 to 31 March 2026.

Current Situation LCC

LMTT continues to be supported in 2022/23 with £589k of grant funding from Liverpool City Council through CAIP. LCC have indicated that there is likely to be a grant reduction for 2023/24 which has been worked into our sensitivity modelling.

NOTES TO THE FINANCIAL STATEMENTS

In light of the uncertainty presented by the current economic climate, the Trustees have carefully considered the financial projections to March 2024 to satisfy themselves of the financial resilience of the organisation. The Trustees have considered ongoing support from Arts Council England (ACE) and Liverpool City Council (LCC), together with the level of funds held, the expected level of income, expenditure, and projected cash flows over this period. The Trustees have considered these matters and have concluded that the level of reserves and liquidity for the Group and Charity are sufficient to enable the organisation to continue trading for a period of at least 12 months from the date of approving the financial statements. The Trustees do not believe there is a material uncertainty in regards of going concern, therefore the financial statements have been prepared on a going concern basis.

Reduced disclosures

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements;

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in the statement of financial activities, and
- Section 33 'Related Party Disclosures' – Compensation for key management personnel

Basis of consolidation

The consolidated financial statements incorporate those of The Liverpool and Merseyside Theatres Trust Limited and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). All financial statements are made up to 31st March 2022.

All intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

Functional and presentational currencies

The consolidated financial statements are presented in sterling which is also the functional currency of the Company and the Group.

Income

Income is recognised when the 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. Ticket income relating to shows is recognised in the financial period the show closes, and is held within advanced sales until that time.

Income is measured at the fair value of consideration receivable, less any discounts and VAT deductions.

Donations and legacies

Donations and legacies are recognised as income when the Charity is entitled to the income, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS

Grants received

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the Charity has entitlement to the funds and has met any performance conditions attached to the grant. And where it is probable that the income will be received and the amount can be measured reliably.

In some instances, multi-year funding agreements which result in funds being paid over two years or longer are procured. Provided no conditions attach to the receipt of contributions scheduled to be received in future years, the charity SORP requires the Charity to recognise income from restricted grants in the period in which they are secured rather than the period they are received. If conditions do attach, the charity recognises the income in the year it is received. Grants held within restricted revenue funds are released against expenditure in the period or periods that grant restrictions are met, including requirements for defrayment.

Investment income

Investment income comprises bank interest. Interest income is accrued on a time apportioned basis by reference to the principal invested at the effective interest rate.

Expenditure

Expenditure net of associated theatre tax credits is charged on an accruals basis and is allocated between:

- expenditure incurred directly in the fulfilment of the Charity's objectives
- expenditure incurred in support costs

Expenditure net of associated theatre tax credits in respect of productions is held within debtors and is released to the income and expenditure account in the year in which the performances closes.

Support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities, and include building running costs, fundraising and administration costs.

Governance costs include expenditure on administration of the Charity and its subsidiaries and compliance with constitutional and statutory requirements.

Co-production income and costs

For productions which are undertaken as co-productions with other theatre companies, where set-up costs are shared, production costs which are wholly incurred by the Charity may be recharged to the co-producing company depending on the nature of the specific agreement. Any recharged costs are recognised as income related to the production.

Operating leases

Rentals paid under operating leases are charged to the statement of financial activities on a straight-line basis over the period of the lease.

Pension costs

The pension costs charged to the Statement of Financial Activities represent the amount of the contributions payable to defined contribution schemes in respect of the accounting period.

NOTES TO THE FINANCIAL STATEMENTS

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of a production where the final performances falls in the following financial year or are capitalised as a tangible fixed asset.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Tangible fixed assets

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

- Freehold and long leasehold buildings, and building improvements at the rate of 2% - 10% per annum;
- Vehicles and production, office and computer equipment at rates varying between 10% and 25% per annum;
- Fixtures and fittings at 10%.

Residual value is calculated using prices prevailing at the reporting date, after estimated cost of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Impairments of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Group estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. All other impairment losses are recognised in the statement of financial activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in the statement of financial activities. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Fixed asset investments

In the separate accounts of the Company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairments losses or reversals of impairment losses are recognised immediately in the statement of financial activities.

Stock

Stock is included at the lower of cost or selling price less costs to complete and sell. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

NOTES TO THE FINANCIAL STATEMENTS

At each reporting date, the Group assesses whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in the statement of financial activities.

Reversals of impairment losses are also recognised in the statement of financial activities.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments that are immediately accessible, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The charity only has financial assets and 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.

Restricted Funds

Restricted funds relate to grants and other incoming resources which must be expended on specific activities of the Charity, including the acquisition of tangible fixed assets, as laid down by the donors of the funds.

Unrestricted Funds

The unrestricted fund represents the funds to provide, at the discretion of the Trustees, for the working capital of the Charity and for the purchase of tangible fixed assets which are not funded by restricted funds.

Designated Funds

Designated Funds are unrestricted funds that have been set aside by the Trustees for specific purposes. More details are found in note 18 to the financial statements.

Judgments and key sources of estimation uncertainty

In the application of the Group's accounting policies, the Trustees are required to make judgments, 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, 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.

2. INCOME

	Unrestricted funds £'000	Restricted funds £'000	2022 £'000	Unrestricted funds £'000	Restricted funds £'000	2021 £'000
Donations and Legacies	126	-	126	147	-	147
Charitable Activities	3,727	768	4,495	3,455	843	4,298
Other Trading Activities	290	-	290	69	-	69
	<u>4,143</u>	<u>768</u>	<u>4,911</u>	<u>3,671</u>	<u>843</u>	<u>4,514</u>

NOTES TO THE FINANCIAL STATEMENTS

3. EXPENDITURE ON ACTIVITIES

	Unrestricted funds £'000	Restricted funds £'000	2022 £'000	Unrestricted funds £'000	Restricted funds £'000	2021 £'000
Raising Funds	(203)	-	(203)	(69)	-	(69)
Charitable Activities	(3,495)	(1,775)	(5,270)	(3,044)	(1,074)	(4,118)
	<u>(3,698)</u>	<u>(1,775)</u>	<u>(5,473)</u>	<u>(3,113)</u>	<u>(1,074)</u>	<u>(4,187)</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	2022 £'000	2021 £'000
Unrestricted		
Box office income	1,269	121
Income from co-productions	45	-
Education and literary income	12	3
Membership	5	4
	<u>1,331</u>	<u>128</u>
Restricted and Unrestricted		
Grant income (note 5)	<u>3,164</u>	<u>4,170</u>
	<u>4,495</u>	<u>4,298</u>

5. GRANTS RECEIVABLE

	2022 £'000	2021 £'000
Unrestricted		
Arts Council England	1,680	1,680
Liverpool City Council	589	589
Other	127	1,058
	<u>2,396</u>	<u>3,327</u>
Restricted		
Capital	-	-
Revenue	768	843
	<u>768</u>	<u>843</u>
Total grants receivable	<u>3,164</u>	<u>4,170</u>

Other unrestricted grants include £78k of support received through the Coronavirus Job Retention Scheme (2021: £1,022k), with the corresponding expenditure in unrestricted expenditure on charitable activities.

NOTES TO THE FINANCIAL STATEMENTS

6. OTHER TRADING ACTIVITIES

	2022 £'000	2021 £'000
Unrestricted		
Catering, events and bars	280	69
LMTT Retail	10	-
Total trading activities income	<u>290</u>	<u>69</u>

The 2021 catering, events and bars income of £280k includes £15k in business support grants that was transacted through the trading subsidiary to offset catering, events and bars costs.

7. RAISING FUNDS

	2022 £'000	2021 £'000
Unrestricted		
Catering, events and bars	(202)	(69)
LMTT Retail	(1)	-
	<u>(203)</u>	<u>(69)</u>

8. COSTS OF CHARITABLE ACTIVITIES

	Unrestricted £'000	Restricted £'000	2022 £'000	Unrestricted £'000	Restricted £'000	2021 £'000
Activities undertaken directly						
Artistic	1,129	1,118	2,247	402	424	826
Technical	892	-	892	646	-	646
Theatre Tax Credits	(278)	-	(278)	(69)	-	(69)
	<u>1,743</u>	<u>1,118</u>	<u>2,861</u>	<u>979</u>	<u>424</u>	<u>1,403</u>
Support costs						
Operations & commercial	1,156	-	1,156	1,254	-	1,254
Administrative & building expenses	25	-	25	339	-	339
Marketing & sales	527	-	527	423	-	423
Depreciation & Impairment	21	657	678	26	650	676
	<u>1,729</u>	<u>657</u>	<u>2,386</u>	<u>2,042</u>	<u>650</u>	<u>2,692</u>
Governance Costs						
Audit fees	20	-	20	20	-	20
Other fees to auditors	3	-	3	3	-	3
	<u>23</u>	<u>-</u>	<u>23</u>	<u>23</u>	<u>-</u>	<u>23</u>
	<u>3,495</u>	<u>1,775</u>	<u>5,270</u>	<u>3,044</u>	<u>1,074</u>	<u>4,118</u>

NOTES TO THE FINANCIAL STATEMENTS

9. EMPLOYEE INFORMATION

	2022	2021
	£'000	£'000
Wages and salaries	2,127	2,354
Social security costs	172	165
Other pension costs	42	42
	<u>2,341</u>	<u>2,561</u>

The number of employees during the period was as follows:

	2022	2021
Theatre activities	210	137
Engagement, Training & Artistic Development	8	10
Catering	27	23
	<u>245</u>	<u>170</u>

Note: Should the number of casual staff be reflected using period worked in year, the headcount staff number would be 91 (2021: 100)

The average number of full-time equivalent employees during the period was as follows:

	2022	2021
Theatre activities	70	67
Engagement, Training & Artistic Development	5	8
Catering	6	10
	<u>81</u>	<u>85</u>

The following table shows remuneration bands of senior employees:

	2022	2021
£60k - £70k	1	1
£70k - £80k	1	1
£80k - £90k	-	-
£90k - £100k	-	1
	<u>2</u>	<u>3</u>

Pension contributions totalling £3,799 were paid in respect to these staff into a defined contribution scheme (2021: £5,063).

One employee was a Trustee during the current year and continued to receive their usual salary payments. See note 23 for further information.

The key management personnel of the parent Charity and of the Group is defined as the Trustees together with a Management Group, led by the Executive. The total employee benefits of the key management personnel of the

NOTES TO THE FINANCIAL STATEMENTS

trust were £447k (2021: £636k). Other than the Chief Executive as explained in note 23, no other Trustee received any remuneration or expenses.

10. ANALYSIS OF EXPENDITURE

	2022 £'000	2021 £'000
Depreciation - owned assets	678	676
Fixed asset Impairment		-
Hire of plant and machinery under operating leases		-
Hire of other assets under operating leases	<u>8</u>	<u>23</u>
 Fees payable to the Company's auditor for the audit of the Company's annual financial statements	 20	 20
 Fees payable to the Group's auditor for the audit of the Subsidiaries annual financial statements	 -	 -
 Fees payable to the Group's auditors for non-audit services:		
- taxation services	<u>3</u>	<u>3</u>
Total non-audit fees	<u>3</u>	<u>3</u>

Fees payable to the company's auditor for the audit of the company's financial statements include an amount that covers the subsidiaries, thus the subsidiaries audit fees are paid for by the parent.

11. TAX ON PROFIT ON ORDINARY ACTIVITIES

No provision is made for taxation as the Charity is entitled to the various exemptions afforded by the Corporation Tax Act 2010.

NOTES TO THE FINANCIAL STATEMENTS

12. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Long- leasehold land and buildings & Improvem'ts £'000	Fixtures and fittings £'000	Vehicles and production office and computer equipment £'000	Total £'000
Group and Company					
Cost					
At 1 April 2021	20,769	3,500	840	2,057	27,166
Additions				7	7
Disposals					-
At 31 March 2022	<u>20,769</u>	<u>3,500</u>	<u>840</u>	<u>2,064</u>	<u>27,173</u>
Depreciation					
At 1 April 2021	3,338	1,480	677	1,686	7,181
Eliminated on disposal	-	-	-	-	-
Impairment	-	-	-	-	-
Charge for the period	415	87	52	124	678
At 31 March 2022	<u>3,753</u>	<u>1,567</u>	<u>729</u>	<u>1,810</u>	<u>7,859</u>
Net book value					
At 31 March 2022	<u>17,016</u>	<u>1,933</u>	<u>111</u>	<u>254</u>	<u>19,314</u>
At 31 March 2021	<u>17,431</u>	<u>2,020</u>	<u>163</u>	<u>371</u>	<u>19,985</u>

Freehold land and buildings consist of the land and building at the Everyman Theatre, 5-11 Hope Street, Liverpool. Leasehold buildings is in respect of the Playhouse Theatre, Williamson Square, Liverpool.

13. FIXED ASSET INVESTMENTS

	Company 2022 £	2021 £
Cost and net book amount:		
Subsidiary undertakings	<u>2</u>	<u>2</u>

Details of investments of the Company in its principal subsidiary undertakings at 31 March 2022 are given in note 26.

NOTES TO THE FINANCIAL STATEMENTS

14. STOCKS

	Group		Company	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Consumables	19	8	-	-

At 31 March 2022, the total amount of stock recognised as an expense was £123k (2021: £6k).

15. DEBTORS

	Group		Company	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	31	6	31	5
Other debtors	217	193	224	172
Amounts owed by Group undertakings	-	-	345	256
Prepayments	74	79	74	79
Social Security and Other Taxes	306	298	29	58
	<u>628</u>	<u>576</u>	<u>703</u>	<u>570</u>
Amounts falling due after more than one year:				
Social security and other taxes	69	-	-	-
Other debtors	7	-	-	-
	<u>704</u>	<u>576</u>	<u>703</u>	<u>570</u>

Other debtors include Liverpool City Council's final grant instalment of £118k (2021: £59k), £85k relating to Arts Council England (2021: £70k), and £7k relating to income associated with a production from 2018, which given the length of time outstanding, has been offset by a bad debt provision of £7k.

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade creditors	292	199	292	198
Taxation and social security	47	49	47	49
Accruals	443	349	440	346
Deferred income	475	285	471	277
	<u>1,257</u>	<u>882</u>	<u>1,250</u>	<u>870</u>

NOTES TO THE FINANCIAL STATEMENTS

Deferred income relates to advanced ticket sales income received in one year which relates to performances that will take place in the following year.

	Group		Company	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Deferred production income brought forward	285	407	277	394
Amounts deferred in year	331	58	331	63
Amounts released from previous years	(141)	(180)	(137)	(180)
Deferred production income carried forward	<u>475</u>	<u>285</u>	<u>471</u>	<u>277</u>

17. FINANCIAL INSTRUMENTS

The carrying amounts of financial instruments as at 31 March 2022 were:

	Group		Company	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
The carrying amounts of financial instruments at 31 March were:				
Financial assets:				
Debt instruments measured at amortised cost	<u>255</u>	<u>199</u>	<u>600</u>	<u>433</u>
Financial liabilities:				
Measured at amortised cost	<u>735</u>	<u>548</u>	<u>732</u>	<u>544</u>

Financial assets consist of trade and other debtors. Financial liabilities consist of trade creditors and accrual

18. MOVEMENT IN FUNDS

Group	As at 1 April 2021 £'000	Income £'000	Expenditure £'000	Transfer / Gift Aid £'000	As at 31 March 2022 £'000
Unrestricted funds: Operating	570	4,143	(3,957)	(152)	604
Unrestricted funds: Designated	653			411	1,064
Total unrestricted funds	1,223	4,143	(3,957)	259	1,668
Capital grants					
Playhouse refurbishment (LCC/ERDF)	838		(28)		810
Playhouse refurb (English Partnership)	219		(7)		212
Playhouse Acquisition (LCC)	264		(9)		255
Everyman Redevelopment	15,206		(498)		14,708
11 Hope street (Art council)	915		(25)		890
5-9 Hope Street (ACE/NWDA)	1,689		(44)		1,645
Playhouse refurbishment (LCC)	480		(28)		452
Production Equipment (CRF)	73		(18)		55
	19,684	-	(657)	-	19,027
Revenue grants	453	768	(859)	(259)	103
Total restricted funds	20,137	768	(1,516)	(259)	19,130
Total funds	21,360	4,911	(5,473)	-	20,798
Comprising:					
LMTT	21,344	4,621	(5,235)	-	20,730
LEPP (see note 26)	-	1,959	(1,959)	-	-
LEPT (see note 26)	16	290	(238)	-	68
Elimination of consolidation entries	-	(1,959)	1,959	-	-
	21,360	4,911	(5,473)	-	20,798

NOTES TO THE FINANCIAL STATEMENTS

MOVEMENT IN FUNDS (CONTINUED)

Group	As at 1 April 2020 £'000	Income £'000	Expenditure £'000	Transfer / Gift Aid £'000	As at 31 March 2021 £'000
Unrestricted funds: Operating	555	3,671	(3,113)	(543)	570
Unrestricted funds: Designated	-	-	-	653	653
Total unrestricted funds	555	3,671	(3,113)	110	1,223
Capital grants					
Playhouse refurbishment (LCC/ERDF)	866		(28)	-	838
Playhouse refurb (English Partnership)	226		(7)	-	219
Playhouse Acquisition (LCC)	273		(9)	-	264
Everyman Redevelopment	15,715		(509)	-	15,206
11 Hope street (Art council)	940		(25)	-	915
5-9 Hope Street (ACE/NWDA)	1,733		(44)	-	1,689
Playhouse refurbishment (LCC)	507		(27)	-	480
Production Equipment (CRF)	-		-	73	73
	20,260	-	(649)	73	19,684
Revenue grants	218	843	(425)	(183)	453
Total restricted funds	20,478	843	(1,074)	(110)	20,137
Total funds	21,033	4,514	(4,187)	0	21,360
Comprising:					
LMTT	21,014	4,447	(4,117)	-	21,344
LEPP (see note 26)	-	653	(653)	-	-
LEPT (see note 26)	19	67	(70)	-	16
Elimination of consolidation entries	-	(653)	653	-	-
	21,033	4,514	(4,187)	-	21,360

MOVEMENT IN FUNDS

Company	As at 1 April 2021 £'000	Income £'000	Expenditure £'000	Transfer / Gift Aid £'000	As at 31 March 2022 £'000
Unrestricted funds: Operating	554	3,853	(3,719)	(152)	536
Unrestricted funds: Designated	653			411	1,064
Total unrestricted funds	1,207	3,853	(3,719)	259	1,600
Capital grants					
Playhouse refurbishment (LCC/ERDF)	838		(28)		810
Playhouse refurb (English Partnership)	219		(7)		212
Playhouse Acquisition (LCC)	264		(9)		255
Everyman Redevelopment	15,206		(498)		14,708
11 Hope street (Art council)	915		(25)		890
5-9 Hope Street (ACE/NWDA)	1,689		(44)		1,645
Playhouse refurbishment (LCC)	480		(28)		452
Production Equipment (CRF)	73		(18)		55
	19,684	-	(657)	-	19,027
Revenue grants	453	768	(859)	(259)	103
Total restricted funds	20,137	768	(1,516)	(259)	19,130
Total funds	21,344	4,621	(5,235)	-	20,730

NOTES TO THE FINANCIAL STATEMENTS

MOVEMENT IN FUNDS (CONTINUED)

Company	As at 1 April 2020 £'000	Income £'000	Expenditure £'000	Transfer / Gift Aid £'000	As at 31 March 2021 £'000
Unrestricted funds: Operating	536	3,605	(3,044)	(543)	554
Unrestricted funds: Designated	-	-	-	653	653
Total unrestricted funds	536	3,605	(3,044)	110	1,207
Capital grants					
Playhouse refurbishment (LCC/ERDF)	866		(28)	-	838
Playhouse refurb (English Partnership)	226		(7)	-	219
Playhouse Acquisition (LCC)	273		(9)	-	264
Everyman Redevelopment	15,715		(509)	-	15,206
11 Hope street (Art council)	940		(25)	-	915
5-9 Hope Street (ACE/NWDA)	1,733		(44)	-	1,689
Playhouse refurbishment (LCC)	507		(27)	-	480
Production Equipment (CRF)	-		-	73	73
	20,260	-	(649)	73	19,684
Revenue grants	218	843	(425)	(183)	453
Total restricted funds	20,478	843	(1,074)	(110)	20,137
Total funds	21,014	4,448	(4,118)	-	21,344

Previously capital grants have been received from a number of funders including Arts Council England, Liverpool City Council, English Partnerships, North West Development Agency and ERDF, for a number of refurbishment and redevelopment projects at the Charity's two theatres in Liverpool: the Everyman Theatre and the Liverpool Playhouse. Capital grants are treated as incoming resources in the year of receipt.

Capital grants expenditure includes £657k (2021: £649k) in relation to depreciation of tangible fixed assets acquired with restricted funds in prior years.

Restricted revenue grants of £768k were recognised in the year from Arts Council England, Cultural Recovery Fund, Ken Dodd Foundation, Backstage Trust and Granada to support specific activity undertaken by the Theatres. Restrictions vary by funder and targeted areas such as operating during the Covid pandemic, the support of YEP and various engagement work. The closing £103k of restricted revenue funds, is represented by £103k cash. A transfer of £259k has been made from restricted funds to designated funds in respect of support received under the Cultural Recovery Fund, which allowed for an unrestricted funds reflation for any unused ticket income contingency contained within the bid. This fund is being held within a designated risk fund to recognise the continual level of uncertainty presented by the pandemic.

NOTES TO THE FINANCIAL STATEMENTS

19. ANALYSIS OF CONSOLIDATED NET ASSETS BETWEEN FUNDS

Fund balances at 31 March 2022 are represented by:

	Restricted funds £'000	Unrestricted funds £'000	2022 £'000	Restricted funds £'000	Unrestricted funds £'000	2021 £'000
Group						
Tangible fixed assets	19,027	287	19,314	19,684	301	19,985
Cash at bank and in hand	103	1,915	2,018	383	1,290	1,673
Grants within other debtors	-	210	210	70	66	136
Other current assets	-	512	513	-	448	448
Current liabilities	-	(1,257)	(1,257)	-	(882)	(882)
	<u>19,130</u>	<u>1,667</u>	<u>20,798</u>	<u>20,137</u>	<u>1,223</u>	<u>21,360</u>
Company						
Tangible fixed assets	19,027	287	19,314	19,684	301	19,985
Cash at bank and in hand	103	1,860	1,963	383	1,276	1,659
Grants within other debtors	-	210	210	70	66	136
Other current assets	-	492	493	-	434	434
Current liabilities	-	(1,250)	(1,250)	-	(870)	(870)
	<u>19,130</u>	<u>1,599</u>	<u>20,730</u>	<u>20,137</u>	<u>1,207</u>	<u>21,344</u>

20. OTHER FINANCIAL COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases of the Group are as follows:

	Land and buildings 2022 £'000	Other 2022 £'000	Total 2022 £'000	Land and buildings 2021 £'000	Other 2021 £'000	Total 2021 £'000
Group and Company						
Amounts due:						
- within one year	22	7	29	9	8	17
- between two and five years	102	9	112	28	15	43
- over five years	539	-	539	544	-	544
	<u>663</u>	<u>16</u>	<u>680</u>	<u>581</u>	<u>23</u>	<u>604</u>

The lease payments due over five years of £539k relate to the long term lease of the Playhouse Theatre, Williamson Square, Liverpool, due to expire 2126.

21. CONTINGENT LIABILITIES

Company

A condition of grants received of £6.2m for the purchase of numbers 5 – 11 Hope Street is made up of fixed and floating charges on the property. In addition, certain grants from the Arts Council and NWDA are repayable in the event of the sale of the property or the liquidation of the Company. The Everyman Theatre redevelopment was part-funded by £5.9m grant from ERDF. A proportion of this grant could become repayable should there be a change in the proportion of the building used for commercial activity.

NOTES TO THE FINANCIAL STATEMENTS

22. CAPITAL COMMITMENTS

	2022 £'000	2021 £'000
Group and Company		
Contracted but not provided for in the financial statements	-	-

23. RELATED PARTY DISCLOSURES

Transactions involving directors

On 1 April 2020 M Da Vanzo was appointed to the board as Chief Executive. He received salary payments and reclaimed approved expenses in their roles as employees, including reimbursement of travel and hospitality costs. There were no balances outstanding at the end of the year.

	2022 M Da Vanzo Executive Director £	2021 M Da Vanzo Executive Director £
Transactions during the period		
Gross salary	76,500	75,000
Employer pension contributions	3,799	3,750
Reimbursement of expenses	521	-
Balance at end of period 31st March 2022	-	-

Helen Blakeman Trustee received payment for a commission of new writing. This expenditure was preapproved by the Board:

	2022 £	2021 £
New Writing Commission	2,350	5,168
Balance at end of period 31st March 2022	-	-

NOTES TO THE FINANCIAL STATEMENTS

Transactions and Balances with Trading Subsidiaries

	2022 £'000	2021 £'000
Transactions during the period		
<i>Liverpool Everyman and Playhouse Productions Limited</i>		
Production services provided to LMTT	1,681	654
Production services provided by LMTT	(1,959)	(723)
<i>Liverpool Everyman and Playhouse Trading Limited</i>		
Donation to LMTT		-
Payroll recharges from LMTT	(79)	(56)
Service and overhead charges from LMTT	(18)	-
Recharge of cost of sales from LMTT		-
Balances at end of period		
Liverpool Everyman and Playhouse Productions Limited	346	258
Liverpool Everyman and Playhouse Trading Limited	<u>(1)</u>	<u>(2)</u>

24. RECONCILIATION OF NET OUTGOING RESOURCES TO NET CASH USED IN OPERATIONS

	2022 £'000	2021 £'000
Net (Expenditure) / Income	(562)	327
<i>Adjustments for:</i>		
Depreciation	678	676
Impairment	-	-
Increase in stocks	(11)	(5)
Increase in debtors	(128)	(223)
Increase in creditors	375	(135)
Cash generated from operations	<u>352</u>	<u>640</u>

NOTES TO THE FINANCIAL STATEMENTS

25. RETIREMENT BENEFITS

The Company contributes to defined contribution pension schemes for the benefit of the employees. The assets of the scheme are administered by Trustees in funds independent from those of the Charity.

Pension costs are allocated to activities according to where the related staffing costs have been incurred.

The employer's contribution made to the scheme for 2022 was £42k (2021: £42k). Outstanding contributions at year end were £17k (2021: £15k).

26. SUBSIDIARY UNDERTAKINGS

The subsidiary undertakings consolidated at 31st March 2022 were as follows:

Name of undertaking	Principle activity	Registered office	Shareholding and voting rights	Class of shares	Country of incorporation
Liverpool Everyman and Playhouse Trading Limited ('LEPT')	Management of commercial activities for the Charity	5-11 Hope Street Liverpool L1 9BH	100%	Ordinary	Great Britain
Liverpool Everyman and Playhouse Productions Limited ('LEPP')	Provision of production services for the Charity	5-11 Hope Street Liverpool L1 9BH	100%	Ordinary	Great Britain

In the year ended 31st March 2022, the cumulative profits of LEPT have been retained by LEPT to support the trading arm should the Covid pandemic impact profitability in 2022/23.

In the year ended 31st March 2022, LEPP made neither profit nor loss.

The trading results and net assets of LEPP and LEPT for the year ended 31st March 2022 were as follows:

	LEPP		LEPT	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Turnover	1,681	654	290	66
Operating expenses	(1,959)	(723)	(238)	(69)
Operating profit	(278)	(69)	52	(3)
Tax credit on ordinary activities	278	69	-	-
Profit for the financial period	-	-	52	(3)
Net assets	-	-	68	16

LEPP Company Registration Number: 09231907

LEPT Company Registration Number: 08287910

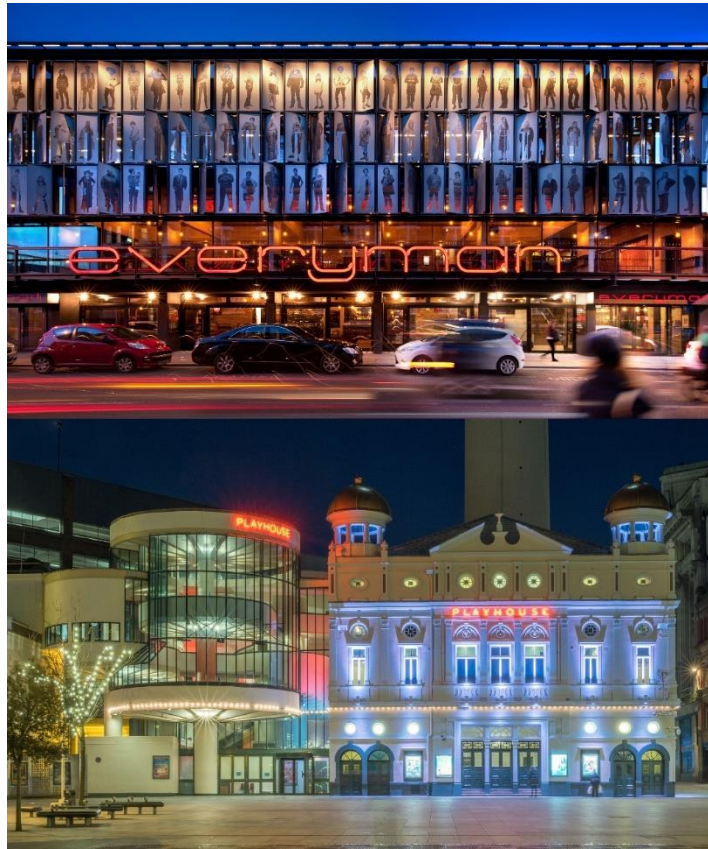
LIVERPOOL AND MERSEYSIDE THEATRES TRUST LIMITED

England & Wales - Charity number 1081229

Accounts

Company Registration Number 03802476

Registered Charity Number 1081229



THE LIVERPOOL AND MERSEYSIDE THEATRES TRUST LIMITED

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31st MARCH 2021

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TRUSTEES' ANNUAL REPORT

INTRODUCTION

As for cultural institutions the world over, the 2020/21 Financial Year was extraordinary. No one could have predicted the global pandemic that forced the closure of our theatres for the majority of the year and as a result the Liverpool and Merseyside Theatres Trust (LMTT) has had to play a different role within the arts ecology based on the challenges to our sector presented by Covid-19. While our physical doors were closed, we looked to open different routes to our work and to actively support our staff, audiences, partners and in particular the local freelance community. We sought opportunities to reach our audiences and the communities we serve through digital, outdoor and socially distanced means to stay connected and play our part in the city's recovery from the pandemic.

We were fortunate to be able to open over the Christmas period and perform to a socially distanced audience. During that time we staged three socially distanced shows; *A Christmas Carol*, *Everyman & Friends* and *A Christmas Cabaret*. Each artistic production was very well received and we were delighted to be able to bring some festive joy to the region in between the second and third national lockdowns.

Our long-serving Artistic Director Gemma Bodinetz decided it was the right time for her to explore new opportunities and step away from the theatres. We are indebted to Gemma for the amazing contribution she has made both to our organisation and to the city. We were delighted that she had the opportunity to direct *A Christmas Carol* for us before she left, and we wish her all the very best for the future.

We have been further developing our Board and were delighted to welcome Natasha Bucknor, Paul Evans, Jill Jones and Camilla Mankabady to the Board. On a sadder note we were devastated by the untimely death of our much-loved Trustee, Matt Dunham during the year. Matt made a huge contribution during his time as a Trustee and chair of our Finance Committee and we miss him dearly.

It has been a difficult year to navigate financially as our ability to generate income through box office and commercial trading ceased before the financial year began. Despite this we have managed to retain the majority of our workforce and support our casual staff through the year, a combined total of over 200 individuals. We have also managed to strengthen our financial position, providing a level of security for the year ahead. Our organisation continues to meet the challenges posed by Covid-19. We will continue to innovate and bring new theatrical experiences to our audiences, to care for our staff and reach out to our local communities. We remain invested in talent, and will continue to commission new work and nurture young people through our Young Everyman and Playhouse programme.

The murder of George Floyd sent shock-waves across the globe and demanded positive societal change. Like many in our sector, we have been undertaking a series of initiatives (including the establishment of a Diversity Action Group) to bring about the change we wish to see in our organisation, with the ultimate goal of engaging and reflecting our ethnically diverse communities, stories and artists.

We are indebted to all of those who have supported us throughout the year. We couldn't have survived without the help of the Culture Recovery Fund and the Coronavirus Job Retention Scheme and the generosity of our donors, audiences and supporters. Our major funders, Arts Council England and Liverpool City Council have continued to support us financially and have been hugely helpful in navigating this challenging year for our sector.

Finally we'd like to take this opportunity to thank our Trustees and staff for their continued dedication and commitment to LMTT. You have been extraordinary – thank you.



Andrea Nixon
Chair



Mark Da Vanzo
Chief Executive

REVIEW OF ACTIVITIES

OBJECTIVES AND ACTIVITIES

The Trustees present their annual report together with the audited financial statements for the year ended 31 March 2021.

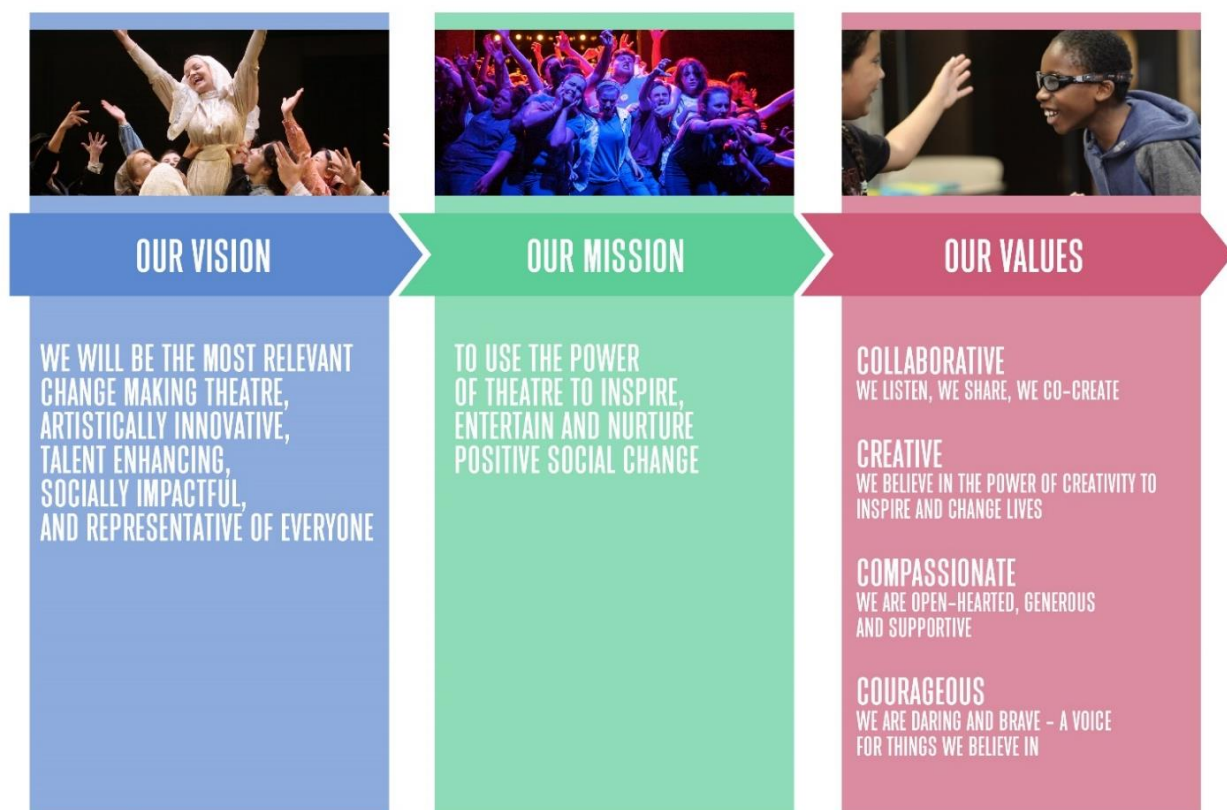
The Liverpool and Merseyside Theatres Trust Limited (“the Company”, “the Charity”, “the Trust” or “LMTT”) was incorporated on 8 July 1999 and operates out of its principal offices at the Everyman Theatre, 5-11 Hope Street, Liverpool, L1 9BH. LMTT is a company incorporated in England and Wales. The Company (No.3802476) is limited by guarantee, governed by its Memorandum of Association dated 17 June 1999 (and as amended 22 September 2011, 10 November 2005, 23 February 2005) and is a registered charity (No.1081229).

The Trustees have prepared this report under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice (SORP), FRS102 and applicable accounting standards. This report evidences how LMTT has delivered on its charitable purpose through its activities and the quality of its performance and as a result demonstrates the benefit to the public of the work undertaken by the Trust.

The objects of LMTT as identified in its Memorandum of Association are:

To advance, encourage, promote and improve the cultural and artistic education of the general public by producing quality theatrical productions and other arts.

There is also particular provision for educational, community and training programmes for the people of Merseyside and the nation at large, and to protect, develop and improve the Playhouse.



REVIEW OF ACTIVITIES

PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

As described in the review of activities during the year the Trust has provided public benefit in numerous areas by:

- producing a theatrical programme (albeit curtailed by Covid-19) of quality and range
- investing in new plays and new talent through its work with young people, the community and new artists
- working to maximise accessibility through outreach activities, strategic ticket pricing and close relationships with schools and community groups
- delivering positive social impacts via work with young people and community groups

KEY ARTISTIC ACTIVITIES

With the enforced lockdown conditions due to Covid-19 our main priorities throughout the year have been:

- resolving issues arising from the cancellation and rescheduling of productions
- raising funding to ensure the continued security of the theatres and to support ongoing creative activity
- maintaining creative contact with our many partners, freelance artists, communities and audiences
- offering pastoral support to our furloughed teams and members of Young Everyman Playhouse (YEP)
- producing digital and live activity that support our Vision, Mission and Values, such as *Love, Liverpool*
- future scenario and programme planning set against an ever-changing landscape

We are proud of the way in which we continued to reach our audiences and communities during this extraordinary year. It was doubtful as to whether we would be able to present anything on our stages in December, however Liverpool came out of the second national lockdown in Tier 2 which meant that we could once again perform to socially-distanced audiences.

A Christmas Carol was a hugely enjoyable production that rose to the challenges of rehearsing during the lockdown and adhering to social-distancing measures. Thanks to the investment in our digital capabilities and through the support of the Culture Recovery Fund, the production was also enjoyed by patients at Alder Hey Children's Hospital during Christmas week.

Everyman & Friends ran for three performances featuring local freelance artists; *A Lovely Word*, *Disabilitease*, *Ugly Bucket*, and the *Sense of Sound* choir. These were diverse and well received productions in the reconfigured Everyman cabaret.

Everyman Christmas Cabaret had a successful run of nine performances, curated by Musical Director and Arranger George Francis with local performers Emma Bispham, Gillian Hardie, Kelly Sweeney and Kenny Thompson. It was a joyous show and a Christmas treat enjoyed by everyone.

REVIEW OF ACTIVITIES

Our ability to open over Christmas provided numerous employment opportunities for creative freelancers and front of house staff.

With the Government announcement on 4 January 2021 of the third national lockdown, all productions that were scheduled for the February and March period unfortunately had to be rescheduled.

We progressed the ambitions of the wider Review of Liverpool Theatres by connecting with our local building-based producing theatres and working together on shared outcomes such as joint promotion, young people's initiatives, collaborative commissioning, community outreach and talent development.

Despite a tumultuous year we were delighted to win the Liverpool City Region Tourist Award for Best Entertainment Venue and the Liverpool Echo Arts & Performance Award for our digital series *Love, Liverpool*.

ACHIEVEMENTS AND PERFORMANCE

In-House Work

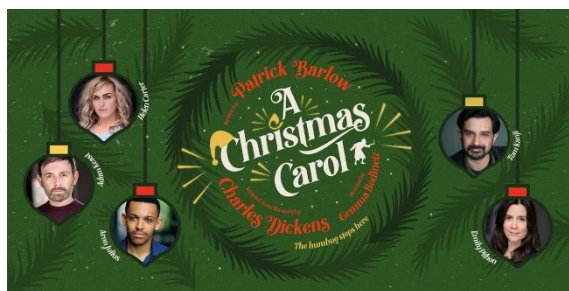
A Christmas Carol

Sat 5 Dec to Thu 24 Dec 2020

Written by Patrick Barlow

Adapted from the story by Charles Dickens

Directed by Gemma Bodinetz



★★★★★ "A brilliant new version of a festive classic" Liverpool ECHO

★★★★★ "Clever socially distanced Dickens that balances wistful warmth with razor-sharp wit" The Stage

Everyman & Friends

Thu 10 Dec to Sat 12 Dec 2020

Hosted by Matt Rutter and Paislie Read.

Acts included *A Lovely Word* (featuring Gerry Clarkson, Lyndsay Price, Amina Atiq, Levi Tafari & Felix Mufti), burlesque show *DisabiliTease* (hosted by Little Peaches and Arielle Firecracker), *Sense of Sound* and *Ugly Bucket Theatre Company*.



REVIEW OF ACTIVITIES

The Everyman Christmas Cabaret

Thu 17 Dec to Thu 24 Dec 2020

Creative & Musical Director George Francis

Performers included Emma Bispham, Gillian Hardie, Kelly Sweeney and Kenny Thompson with musicians Danny Millar and Vidar Norheim.



Love, Liverpool: An A to Z of Hope

A podcast series of seven episodes was released, with 3,333 downloads within the financial year including 10% from outside the UK.



Visiting Work

Due to restrictions the following productions were all streamed live from the Everyman:

Daniel Kitson's Dot. Dot. Dot.

Wed 4 Nov to Sat 7 Nov 2020



Homotopia & Friends' Fabulous Cabaret

Fri 13 Nov 2020

Everyman Double Bill - Sound Cistem and S/he/it Happens

Sat 14 Nov 2020

In addition, we provided marketing support for the following digital productions:

- Mark Thomas - *Lockdown Live*
- Wise Children - *Romantics Anonymous* and *The Flying Lovers of Vitebsk*
- ThickSkin Productions - *Petrichor*
- Sheffield Theatres - *The Band Plays On*

Young Everyman & Playhouse (YEP)

The Visit

A radio play in seven instalments
10 July – 19 September 2020



REVIEW OF ACTIVITIES

Attendances

2020/21 was a year dominated by the pandemic, with our doors only physically open to the public for one month out of twelve. This impacted significantly on attendances with only 7,816 seats being sold, which is just 6% of the previous year. This included 3,709 tickets sold for productions presented online. Overall average ticket yield dropped from £17.48 to £15.73 in part due to smaller-scale performances and the introduction of a 'Pay What You Can Scheme' for the In-House productions in December. The scheme was targeted at communities and groups, selling 296 tickets at an average yield of £5.03. In addition we were able to welcome 3 small school groups (58 tickets) and 60 tickets went to audiences with access needs; this represents just 1% of the previous year. The ability to share our production of *A Christmas Carol* digitally, allowed us to reach 1,270 patients, families and staff at Alder Hey Children's Hospital.

Booker numbers were just 13% of 2019/20, of which 53% were new; a similar percentage to the previous year. This was driven by Daniel Kitson's production, which was streamed internationally; not only attracting new bookers (77%) but 83% bookers from outside Liverpool City Region, with 10% international. This led to an increase in attracting bookers from outside Liverpool City Region to our work across the year, which was 48% (compared to 28% in 2019/20).

New Work

We continued to centre relevance and stories that matter to Liverpool across our artistic programming. The productivity of our New Works department was relatively unaffected by Covid-19 as we looked to place our artists and community at the centre of our commissioning and development programmes.

Commissions and New Work

We worked with 57 creative artists (writers, actors, theatre makers) and 19 guest practitioners (workshop leaders, freelance representatives, consultants) between March 2020 and April 2021 on projects ranging in scale from seed commissions, supported R&D and full commissions. Of the creative artists we worked with, 47% were from mixed heritage and/or ethnically diverse backgrounds.

We commissioned 32 projects which included the Theatre for Good project. Four artists were engaged to spend a week in their communities using art for positive social change including running singing lessons for children in Princes Park and writers' workshops in Norris Green. Feedback was overwhelmingly positive with some great resultant legacy, such as this from one of our artists, who used her grant to run a DJ workshop in L8:

"DJing is pretty inaccessible and expensive to get into so to be able to take my equipment and teach them for free meant a lot! Off the back of doing this, I then got involved and decided to work on a project called Celebrate L8, a radio / audio show sharing people's experiences growing up in Toxteth."
(Gaia Ahuja)

We co-commissioned with new partners including Sphinx Theatre (Ginni Manning) and we also hosted a series on online and offline events in an alternative New Works program during lockdown including *Love Liverpool*, *A Lovely Word* (digital and on location in St James Gardens), a filmed reading of Maria Nwoko's verbatim play *Sweet Mother* and accompanying discussion on the importance of Black Oral History for Black History Month, Black Fest live at the Palm House and an evening of arts and music at the Baltic Quarter in collaboration with the Unusual Arts Sourcing Company.

REVIEW OF ACTIVITIES

Writers' Programmes

We delivered 20 YEP Writers sessions and 25 Playwrights Programme Sessions. Guest presenters included Lime Pictures, Paddy Hughes, Tim Crouch, Paula Varjack, Ava Wong Davies, Nathan Powell and Matthew Xia, Chinonyerem Obdima and Gill Greer.

This year applications for the 2020/21 YEP and Playwrights Programmes included two open-to-all taster workshops. This offered a simplified application process with a longer application window to improve accessibility. We also collaborated with local universities (Hope, LIPA) and groups (The Goddess Project) to offer tailored specific workshops. In recruiting our final Playwrights Programme cohort of 11 participants, we received a much wider, diverse range of applications including 14% from ethnically diverse writers and 8% from writers with disclosed disabilities.

We were happy to support 2019/20 YEP writer Mostywn Jones through a seed commission that resulted in the play *That Week with the Rats*, which won the Edge Hill prize for playwriting, including a cash prize for a reading. We hope to stage this piece as a Granada supported studio play in 2022.

A collaboration with Black Fest and Boisterous Theatre (Royal Court Liverpool) to support the Black Fest Writers' Room, a weekly writers' group modelled after a TV writers' room, led by playwright Maurice Beeseman has been delayed from Spring 21 to Autumn 21.

Supporting Liverpool's Creative Community

In response to the pandemic we worked closely with our artistic community to support:

- working with the March for The Arts project to create a working practice agreement between freelancers and organisations
- offering monthly Script Surgeries online in conjunction with Paperwork Theatre, giving free dramaturgical support to emerging writers in lockdown
- delivering a series of storytelling sessions, an online theatre book club and an improvisation session with PlayWell Theatre company as part of Life Rooms
- collaboration with the Unity Theatre on their Open Call programme, directly sponsoring two spaces and working across the theatres to select the latest cohort and offer them support. In March we selected three artists to support, *RAWD: Phone Home*: a live production with a cast of 19 disabled artists, and *Mixed Signals* (Alexis Maxwell): exploring the fluidity of race, culture and the role 'code switching' plays in the Black and ethnic minority identity. We also supported Playwrights programme alumni Tom Kinney to have a rehearsed reading in the Unity's new series of Scratch new-writing nights

New Writing and Talent Development

We supported three online R&D projects:

- A Collective Encounters' project with writer Denise Kennedy on *Can you Hear the Heat*, which took place in the Liverpool Metropolitan Cathedral
- Mandy Redvers Rowe's *Shielded and Shafted*, a new verbatim work created in collaboration with Collective Encounters and Graeae
- *Swing Sister Swing* with Emily Aboud and Liverpool/ US dance company Swing Sister.

REVIEW OF ACTIVITIES

Social Change

In what has been an extraordinary year, the impetus of our Social Change work has been to continue to promote creative, healthy lives for all within our priority demographics:

- children and young people
- ethnically diverse communities
- mental wellbeing
- areas of high socio-economic disadvantage

Our commitment to maintaining participatory work with individuals and groups meant that the majority of our work moved online. Through this, we have continued to listen and respond to our diverse communities in the City Region and learnt new ways of working to maintain and extend our reach.

Children and Young People

Young Everyman and Playhouse (YEP) were able to switch from face-to-face to online sessions for all strands of the programme (Young Actors, Directors, Writers, Marketing, Producers, Technicians and Drop-In activity). The YEP Members from all strands created a seven part radio drama series *The Visit* which was devised, created and released entirely through the first lockdown in collaboration with Liverpool Arts Bar. Members have also participated in master classes led by industry professionals including Ellie Hurt (YEP Alumni), Gemma Bodinetz, Matthew Xia and Emma Bramley. This included Grace Goulding's weekly 'midday move' sessions delivered via Instagram Live enabling YEP members to keep in touch and be physically active. Across the year, the YEP Team have delivered 149 YEP online sessions.

Outreach projects have continued at Harmonise Academy and the Dewi Jones Mental Health Unit in Alder Hey Children's Hospital culminating in a digital alternative nativity. Young people also worked on a sketch show *Welcome to the Dewi*.

We have continued to collaborate with our education partners at all levels throughout the year. We found that we shared many of the same challenges with the education sector during Covid-19 as new solutions had to be found in order to deliver blended and online learning.

To support families with home learning we have created an area on the website containing resources and activities for children. *EveryPlayTime* has three subject areas:

- Build A Play – designed to meet Key Stage 2 English Creative Writing and Drama aims, tasks and prompts support the child through the building blocks of play writing. The tasks can work as stand-alone exercises or can be used together to create a full play.
- Drama Games – a suite of digital drama games to keep little ones entertained.
- Craft Corner – craft challenges hosted by a pantomime Fairy Sparkles.

During the first two months of being live (April – June) *EveryPlayTime* received over 5,256 views. It has had subsequent peaks of activity which have coincided with subsequent lockdown periods.

Creative Wellbeing

In response to service-users' needs, and following a successful pilot of *Life Rooms at the Playhouse* with partner Mersey Care, we introduced live interactive creative sessions which had significant impact in supporting mental health and preventing crisis. Online versions of Confidence Through

REVIEW OF ACTIVITIES

Drama, Singing for Wellbeing, Creative Writing and Play-readings were part of a weekly programme which also included occasional film clubs and quizzes.

Weekly Confidence Through Drama and Creative Writing sessions facilitated by Emma Bird and in partnership with University of Liverpool English Department have continued. Some individuals who began their wellbeing journey through *Life Rooms at the Playhouse* now take on an enhanced role within sessions. The Drama group have created and performed two pieces of theatre online and the Writers group created an anthology of work. We have facilitated 230 Creative Wellbeing sessions online.

Play readings have continued as part of the regular Play Group standalone programme. The group is for people aged 50+ with many of its members forced to shield during Covid-19 leading to issues arising from isolation. Five volunteers were trained to lead sessions, preparing introductions and using Zoom. The group has recently expanded and is working well.

In the 12 days leading up to Christmas, a team of volunteers alongside Mersey Care spread a little cheer across the City Region to people in need of a festive treat. Supported by Culture Liverpool, our volunteers visited up to 3 destinations a day performing to 329 people. These included people who found themselves isolated or lonely over Christmas, NHS staff and front line workers.



Ethnically Diverse Communities

We partnered with Culture Liverpool and the Confucius Institute to produce a weekend of live and recorded activities celebrating Chinese Culture and the arts. Our three placements from the University of Liverpool helped to produce and deliver the events, many of which are now archived on our website for future spring festival events. Increased traffic to our website demonstrated that our online reach extends well beyond the boundaries of Merseyside as 39% bookers were from outside the City Region.



Funding from Our Liverpool created an opportunity for families from refugee and asylum seeking communities to come together and explore theatre and the arts together. Families, originally from Syria and El Salvador, were supported to attend *The Missing Light* at the Everyman and felt inspired by puppetry to tell their own stories. Meeting online throughout the pandemic was the impetus for speaking English and helped significantly with home learning for their children. Prop-maker Laura Pullig and puppeteer Eilidh Bryan helped create a live action filmed puppet show *An Advice for a Camel*.

We also celebrated Festival 31 and Refugee Week by working with Culture Liverpool and Sola Arts commissioning 10 artists including those with lived experience of being an asylum seeker and refugee. The stories, films and performances allowed us to explore the world through the eyes of others, culminating in an interactive Q&A, chaired by Ngunan Adamu for BBC Radio Merseyside.

REVIEW OF ACTIVITIES

Our Commitment to Equality, Diversity & Inclusion

Since the murder of George Floyd, we have been undertaking a series of positive actions to bring about the change we wish to see in our organisation, with the ultimate goal of engaging and reflecting our ethnically diverse communities, stories and artists. We are acutely aware that we hadn't done enough in the past and are committed to listening, learning and acting both now and in the future.

So far we have:

- met with freelancers, practitioners and ex-staff members who generously shared their personal and often painful experiences. We would like to publicly thank all of those who contributed
- accepted that as two major public buildings in Liverpool, we should be a welcoming and safe space for everyone; it has become apparent that this has not always been the case and for this we are deeply sorry
- recognised that change must come from the top. We felt that the Board needed to be more diverse and have taken steps to address its composition
- established a Diversity Action Group made up of staff, board members and external co-opted members to agree measurable targets in the short, medium and long-term and monitor our progress on the journey
- acknowledged the impact of institutional racism in our sector and working hard to ensure that we are an anti-racist organisation and that our initiatives do not perpetuate inequality
- worked with our board of Trustees to solidify our commitment to bring about positive change throughout our organisation. To demonstrate this, we have recurrently allocated 1% of our annual turnover to initiatives that promote diversity, inclusion and social progression. So far we have invested in schemes to directly support ethnically diverse artists e.g. Theatre for Good, Unity Crowdfunder, and we have joined the Ally for Change programme of Inc Arts which will help us to integrate our ambitions into our business planning and assist with the creation of an anti-racism policy
- worked with the Anthony Walker Foundation as a corporate partner, to further our work in being an anti-racist organisation
- arranged for anti-racist training for both our board and staff over the coming year and we are developing an emergent leaders course aimed at upskilling and empowering individuals from ethnically diverse backgrounds
- with the help of the Diversity Action Group we are undertaking a root and branch review of each of our functional areas, including artistic, procurement, recruitment and training, to ensure we are not missing opportunities to embrace diversity



Original artwork by Sumuyya Khader

REVIEW OF ACTIVITIES

- been awarded a grant through Creative Access' Mo Siewcharran Fund to employ a New Works Associate from an ethnically diverse background
- reached out to local and national EDI experts and advocates for guidance and identified potential local partners
- worked closely with our local cultural partners and formed a Liverpool Arts Regeneration Consortium (LARC) Race Equality Action Group

Changing attitudes and established working practices does not happen overnight but the first step is to acknowledge that change must happen and we have taken that first step. With the help of our Diversity Action Group, we are working to ensure that all our initiatives are embedded and delivered with a clear measurement framework in place.

Our Commitment to the Environment

LMTT is committed to lessening its impact on the environment, as evidenced by its approach to building the new Everyman and subsequent initiatives since.

We are committed to minimising our negative impacts on the environment and reducing our carbon footprint in the following ways:

- Encouraging staff and participants to make sustainable choices throughout their activities
- Creating a Green Team made up of staff across all departments
- Sourcing products locally where possible and from sustainable environments
- Promoting environmental awareness along the supply chain and to our audiences
- Implementing the waste hierarchy – to Reduce, Reuse, and Recycle
- Taking positive steps to reduce our energy and water use
- Monitoring and evaluating our impacts, and contribute to industry benchmarking by participating in the Industry Green Scheme run by Julie's Bicycle
- Communicating our objectives, activities and achievements
- Being an active member of Shift Liverpool, a new sustainability network for cultural organisations in the Liverpool City Region
- Making first approaches to address the Playhouse's environmental impact

In reviewing our impact on environmental sustainability, we have taken into account the following UN sustainability goals:

- *Affordable and Clean Energy* – our recent work with the Zero Carbon Institute has provided us with a pathway to reach net zero carbon and only use clean energy
- *Responsible Consumption and Production* – we continually review our consumption and wastage (as per our key measures) and the partners we work with to ensure they have similar aspirations.
- *Climate Action* – we aspire to be net zero carbon in our own right and future Playhouse development has environmental sustainability at its heart.
- *Partnership for the Goals* – we work alongside our local and national cultural partners through a variety of environmental forums

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FINANCIAL REVIEW

The 2020/21 financial year has been a very different year to the one we envisaged and set out in our Business Plan. Our theatres have had to remain closed to the public, with most of our workforce on Furlough under the Coronavirus Job Retention Scheme (CJRS)

We started the 2020/21 financial year in a reasonably strong position as the previous two years had focussed on sustained financial recovery. These years were marked by significant organisational change that included changes in senior leadership, a full staffing restructure, strengthening of the finance function and a change in approach to planning and budgeting for artistic work. As a result we started 2020/21 with free reserves of £226k and a cash balance of +£1.1m.

At the start of 2020/21 and in response to the theatres' forced closure and certain loss of all earned income and Theatre Tax Relief, the following management actions were implemented to protect the long-term sustainability of the organisation:

- preparation of an emergency budget assuming a period of safe hibernation, potentially for the whole year
- removal of all variable production and staffing costs, ceasing service contracts we could and cutting all discretionary non-pay spend
- initiated a freeze on recruitment and rolled out a voluntary redundancy scheme
- undertook a staffing review of our commercial trading arm resulting in some redundancies
- the Coronavirus Job Retention Scheme was utilised – with all but a core skeleton staff on furlough during dark periods, adopting a flexible approach as activity and restrictions allowed
- encouraged audiences to donate the value of their tickets or credit their account for future use, in favour of refunds for cancelled shows
- introduced one page giving online as part of a revised fundraising campaign targeting funds to support our recovery and future resilience

ACE Emergency Response Fund and Cultural Recovery Fund

During April 2020 ACE announced a £90m support package for cultural organisations adversely affected by the pandemic. This support was designed for organisations that would be in a critical financial position and facing closure by September 2020. After discussion with our relationship manager at ACE, the decision was taken to not apply for funds, given that the mitigating steps we'd put in place above had secured our position in the short term.

A further £1.57bn was announced for a Cultural Recovery Fund that looked at longer term financial viability with a view to reopening. Value for Money (VfM) was crucial in the assessment of applications and our rigorous approach to modelling this ensured a successful outcome for the Trust. Our application was approved in full (£389k) on the 12th October 2020 allowing us to:

- reconfigure both our auditoria and stages to support socially distanced productions for a partial re-opening
- invest in projection technology to transform our stages at much reduced cost when compared to historical production methods
- invest in digital technology to help us reach our audience and develop new revenue streams, through digital capture and live streaming

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- trial and develop a cabaret model at the Everyman that would eventually secure a long-term home in our commercial Bistro space
- continue with our community engagement activity, including our Life Rooms Partnership with Mersey Care
- protect against loss of ticket income at the risk of a second lockdown, by creating a ticket income contingency

Despite the unprecedented levels of uncertainty we closed the 2020/21 financial year with a £558k unrestricted surplus which allowed Trustees to protect against our long term status as a going concern, and designate £653k to three specific Funds:

- a £325k Risk Fund to protect against the traditional monthly financial run rate, which consistently sees month on month losses early in the financial year, with a return to financial balance during the Christmas season
- a £179k Building Fund with respect to much needed repairs that could not take place during the financial year and to fund future improvements to the Playhouse
- a £149k Artistic Innovation Fund to support the ambitions of the 2022/23 business plan as Covid restrictions lessen allowing a return to a full-year artistic programme

This closing unrestricted funds position is key to underpinning our financial resilience for 2021/22 as we face a further year of uncertainty and easing of restrictions.

Total unrestricted income for the Group significantly fell by £1,775k, from £5,446k (2020) to £3,671k (2021). This was the result of the theatres closure on lost ticket income and reduced commercial income when compared to the previous year. To offset this, unrestricted expenditure was reduced by £2,325k to £3,113k (2020: £5,438k).

The financial results for the year are set out from page 27 onwards. The consolidated income and expenditure account reports a surplus of £327k (2020: £458k deficit). Restricted expenditure in year included £650k (2020: £673k) relating to depreciation of fixed assets. As explained in the accounting policies, the charity SORP requires the Charity to recognise fundraising for capital projects within the income and expenditure account in the year of grant, whilst the related spend (depreciation) is recognised over the life of the related assets. This results in a significant mismatch between the timing of income and expenditure recognition.

The Trustees note that the position reported in the consolidated income and expenditure account and balance sheet has the potential to confuse readers. In years with significant fundraising initiatives, net income may appear disproportionately high because, whether for revenue or capital purposes, the charity SORP requires recognition of income based upon entitlement, rather than when the grant is received in cash or when the related expenditure is incurred, whilst requiring recognition of expenditure in the year of spend or use. In years with fewer or non-capital fundraising initiatives, reported expenditure will often exceed reported income because of such timing differences. The following table provides an analysis of funds as presented in the accounts:

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Group	1 April 2020 £'000	2021 Results £'000	2021 Transfer £'000	31 March 2021 £'000
Unrestricted funds: Operating	555	558	(543)	570
Unrestricted funds: Designated				
Designated Funds	-	-	653	653
Total unrestricted funds	555	558	110	1,223
Restricted Funds				
Fixed Assets	20,260	(649)	73	19,684
Other (Revenue)	218	418	(183)	453
Total Restricted Funds	20,478	(231)	(110)	20,137
Total Funds	21,033	327	-	21,360

Within unrestricted funds, a transfer has been made between operating and designated funds of £543k to largely fund the three specific funds discussed above. A transfer of £110k has also been made from restricted funds to designated funds in respect of support received under the Cultural Recovery Fund, which allowed for a unrestricted funds reflation for any unused ticket income contingency as set out within the bid. In year results for restricted funds shows a net reduction of £341k. This included £649k depreciation against restricted fixed assets, receipt of £843k restricted income, less utilisation of restricted funds of £425k. A transfer between restricted revenue and fixed asset funds was made due to the purchase of digital equipment funded through the Cultural Recovery Fund that was recognised in the accounting records as capital expenditure. The closing balance of restricted revenue funds of £453k includes a grant of £390k from the Garfield Weston Foundation to fund artistic activity during 2021/22.

When reviewing restricted funds, Trustees believe a more representative assessment of the Charity's financial position is obtained by considering restricted funds which are available to fund the Charity's activities and by disregarding those funds which have either already been applied to fund large building projects or which will not be received in cash until a future date. The following table provides a reconciliation between reported restricted funds and Trustees' view:

	2021 £'000	2020 £'000	2019 £'000
Reported Restricted Funds			
Everyman redevelopment	15,206	15,715	16,248
Other capital projects	4,478	4,545	4,685
Revenue projects	453	218	11
Total reported restricted funds	20,137	20,478	20,944
Funds included in fixed assets at 31st March so not available to fund Trust activities	(19,684)	(20,260)	(20,933)
Funds included in other debtors at 31st March so not available to fund Trust activities	(70)	(20)	-
Restricted Funds available to fund Trust activities	383	198	11

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Reserves policy

The Trustees consider it prudent to maintain reserves in order to ensure the Trust can plan effectively, ensure the sustainability of the organisation and offset the impact of any unforeseen events which may have a detrimental effect on operating cash flows. The Trustees have considered it desirable to maintain unrestricted operating funds above £500k (2021: £570k, 2020: £555k, 2019: £547k) free reserves above £250k, and also hold designated funds for:

- the upkeep and maintenance of the two theatres
- investment in artistic innovation and piloting new streams of work
- management of risk across a normal programming year which would see month on month planned losses through the early parts of the year
- protecting against reduced audiences post-Covid

The value of designated funds at 31 March 2021 was £653k (2020: £nil) which includes a £325k risk fund. In the current economic climate and in light of the Theatres reopening during uncertain times for the sector at large, the Trustees recognise that should the need arise, the £325k designated risk fund may be used to offset future short-term operating deficits.

The value of free reserves on the 31st March 2021 was £269k (2020: £226k). Free reserves are unrestricted operating funds that have not been used to purchase fixed assets, don't include designated funds and are available for use by the Trust to fund activity:

	2021 £'000	2020 £'000
Unrestricted funds: Operating	570	555
Unrestricted Fixed Assets	(301)	(328)
Free Reserves	269	226

The Charity does not budget on the basis of achieving a large surplus year on year, it does ensure that adequate uncommitted contingency is built into plans. The board will take a view annually on how it commits any unused contingency for future periods.

Investment policy

The Charity takes a low-risk approach to investments, with cash required for working capital held in bank current accounts. Surplus cash can be placed on short-term money market deposit (no more than three months' term). Such arrangements have a high level of asset security and liquidity is planned for in advance.

Principal risks and uncertainties

The Trustees examine major strategic, business and operational risks which the Charity faces on an ongoing basis and confirm that systems have been established to mitigate and lessen these risks. A risk register is closely monitored and formally reviewed by Trustees twice annually. Over the past year identified risks have been allocated to the appropriate governance structure for monitoring. Operational risks are addressed through line management and budget control systems and through comprehensive and regularly reviewed policies in relation to key issues such as safeguarding and health and safety.

A report from the Health and Safety Committee is considered by the Trustees at each of their meetings. Financial risks are addressed through regular monitoring by the Finance and Audit

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Committee and full board, with the overall budget receiving a full reappraisal on at least a quarterly basis. Where appropriate, insurance cover complements and supports other risk reduction mechanisms. External risks and questions of compliance are addressed by maintaining a strong relationship with key funders and regular contact with support and regulation agencies, and by promoting positive PR about the Trust and its programme.

The principal risks and uncertainties faced by LMTT are:

Risk Category	Risk
Operational	Drop in footfall as a direct consequence of Covid-19 and corresponding drop in income.
External	External factors adversely impact organisation's ability to operate (e.g. COVID-19)
Financial	Insufficient reserves to ensure long-term future viability of the organisation and its Going Concern status
Operational	Adverse impact from a delay in appointing the Creative Director position
Financial	Failure to achieve in-year fundraising targets and secure Development pipeline beyond 21/22

Arts Council England (ACE) are providing grant funding in support of the 2020/22 Business Plan, although this is now likely to be extended through to 2023 in light of Covid-19. We have secured Liverpool City Council (LCC) funding through the Culture and Arts Investment Programme through to 2022 which is confirmed by the LCC Cabinet on an annual basis. We continue to manage funding risk by maintaining a positive relationship with both funders and by making a visible contribution to the city's profile and its social and economic wellbeing.

The economic climate, especially in light of Covid-19, poses a continued threat and it is hard to predict how long it will take consumer confidence to return once the theatres return to full capacity. Pressures on public funders, especially local authorities, remains a constant concern. All opportunities are taken to maximise and diversify income; to secure income for the medium as well as short-term, and to retain a degree of flexibility in order to revise plans in response to any financial shocks.

Our business plan through to March 2023 aims to carefully balance the risks of reopening post-Covid and building back audience confidence in returning to our theatres.

The Future

At the time of writing, we are slowly reopening the theatres as social-distancing measures relax. We are anticipating that audience numbers will be slow to recover as people's confidence rebuilds in attending larger gatherings. Thankfully, through the Coronavirus Job Retention Scheme and the continued generosity of our core funders and donors, the majority of staff have been able to be retained and the organisation remains stable.

With challenge comes opportunity as we look to new ways of working with the help of new partners. Our commitment to embracing digital technologies continues with the appointment of a Digital

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Producer and a new ground-breaking relationship with Digital Theatre which has the potential to extend our reach internationally.

Our work with the Diversity Action Group over the past year has been illuminating as we have explored how we can bring about positive change. The recommendations from this work will inform our forward business planning as we look to be an anti-racist organisation that is welcoming to all, regardless of background. We have enlisted the further help of Inc. Arts and the Anthony Walker Foundation to help us on our journey.

We are recruiting for a new Creative Director who will bring a fresh and exciting perspective, forming a collaborative artistic vision and programme and further developing our artistic role and voice. Over the course of the coming year we will be embedding Arts Council England's new Investment Principles and preparing our application for the next NPO round.

Related parties and co-operation with other organisations

On 1 April 2020, the new Chief Executive was appointed to the board in accordance with the revised Memorandum and Articles of the Charity. During his appointment, he will continue to receive his usual salary payments and to reclaim approved expenses incurred wholly in his roles as an employee. This is disclosed in Note 23.

No other Trustees received remuneration from their work with the Charity with the exception of Helen Blakeman who was commissioned to write a script. This decision was approved by the Board in advance.

LMTT is the sole shareholder of two subsidiary companies as follows:

- Liverpool Everyman & Playhouse Trading Limited manages the trading activities for the Everyman and Playhouse Theatres
- Liverpool Everyman & Playhouse Productions Limited through which productions are commissioned

Key management personnel pay policy

The remuneration of key management personnel is determined by the Trustees of the charity. The Trustees consider the seniority of the post, the expertise and experience of the post holder, the local market conditions and sector market conditions for remuneration, and benchmarking information from similar organisations in determining the remuneration of key management personnel.

Fundraising Standards

The Charity directly employs a fundraising Development team to manage the relationships with education partners, corporate sponsors and individual givers and donors. The team also develop and submit funding applications to Trust and Foundations in line with our Ethical Fundraising Policy. We are registered with the Fundraising Regulator and follow its code of practice.

Organisation

The board is ultimately accountable for ensuring the financial probity and strategic direction of the Charity. It is the responsibility of the Trustees, in consultation with the Executive, to determine policy, to set strategic policy targets, to implement monitoring and reporting procedures that will ensure their fulfilment, and to approve and monitor annual budgets and business plans.

The board normally meets six times a year to set and review strategic policy and monitor the financial health of the organisation. The scrutiny of detail is undertaken by suitably skilled subsidiary companies (LEPT and LEPP) or sub-committees of the board, each of which report to the main board.

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Statement of Disclosure to Auditors

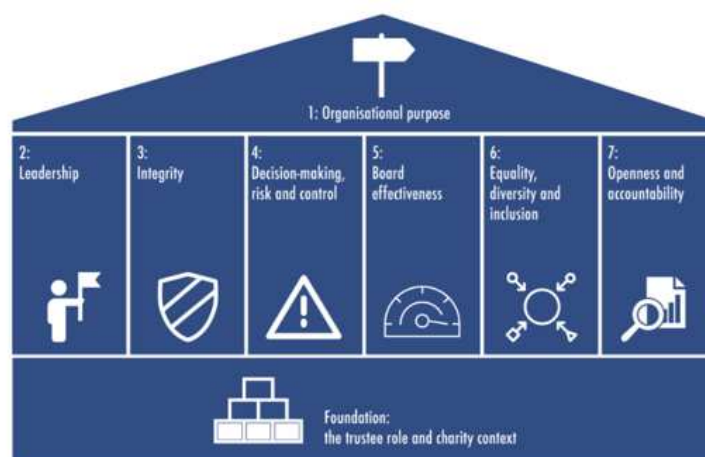
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

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STRUCTURE, GOVERNANCE AND MANAGEMENT

The Governance Code

The LMTT board believes that good governance in charities is fundamental to their success. The Charity Governance Code is a practical tool to help charities and their Trustees develop high standards of governance as it enables and supports a charity's compliance with the law and relevant regulations. It also promotes a culture where everything works towards fulfilling the charity's vision.



Through ensuring each element of the Code is met (see above diagram), Trustees hope to both improve the transparency and breadth of reporting and demonstrate exemplary leadership and governance on behalf of staff, stakeholders and supporters.

The Trustee Role and Charity Context

All LMTT Trustees:

- are committed to LMTT's cause and have joined the board because they want to help the charity deliver its purposes most effectively for public benefit
- recognise that meeting LMTT's stated public benefit is an ongoing requirement
- understand their roles and legal responsibilities, and, in particular, have read and understand:
 - the Charity Commission's guidance The Essential Trustee (CC3)
 - their charity's governing document
 - are committed to good governance and want to contribute to LMTT's continued improvement

With continued improvement in mind, the LMTT board aspire to deliver the principles of the Governance Code as outlined below. A Governance Code working group has been established and assessed LMTT's performance against each of the following principles.

1: Organisational Purpose

The board is clear about the charity's aims and ensures that these are being delivered effectively and sustainably.

2: Leadership

Every charity is headed by an effective board that provides strategic leadership in line with the charity's aims and values.

3: Integrity

The board acts with integrity, adopting values and creating a culture which helps achieve the organisation's charitable purposes. The board is aware of the importance of the public's confidence and trust in charities, and trustees undertake their duties accordingly.

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4: Decision-Making, Risk and Control

The board makes sure that its decision-making processes are informed, rigorous and timely, and that effective delegation, control and risk-assessment, and management systems are set up and monitored.

5: Board Effectiveness

The board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions.

As a result of its assessment the board have identified a number of areas of improvement including the review of certain policies, the implementation of a Stakeholder Advocacy Plan and the publication of different Board documentation to ensure transparency.

6: Equality, Diversity & Inclusion

The board has a clear, agreed and effective approach to supporting equality, diversity and inclusion throughout the organisation and in its own practice. This approach supports good governance and the delivery of the organisation's charitable purposes.

7: Openness and Accountability

The board leads the organisation in being transparent and accountable.

Directors

The directors of the Charity are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees. Except as noted below, the Trustees of the Charity who served during the year and up to the date of this report are listed below:

Current Directors/Trustees

A Nixon (Chair)	M Dunham *
P Bennett-Jones	P Evans (appointed 22 July 20)
P Bibby (Vice Chair)	B Hutchinson
H Blakeman	J Jones (appointed 24 February 21)
A Causley	C Mankabady (appointed 22 July 20)
M Clarke	C Roberts-Cherry
P Corcoran (Vice Chair)	N M Russell (appointed 22 July 20)
M Da Vanzo (CEO – appointed 1 April 20)	Cllr W Simon

Former Directors/Trustees

**Sadly, M. Dunham passed away on the 12th July 2020 which was formally recorded by the Board at its meeting on the 22nd July 2020.*

Company Secretary

M Da Vanzo

Reference and Administrative Details

Registered office	Bankers	Auditor
Everyman Theatre 5-11 Hope Street Liverpool Merseyside L1 9BH	Lloyds Bank Merchant's Court, 2 - 11 Lord Street Liverpool L2 1TS	DSG Castle Chambers 43 Castle Street Liverpool L2 9TL



Andrea Nixon

Chair

DATE: 2 December 2021

REVIEW OF ACTIVITIES

Statement of Trustees' Responsibilities

The Trustees who are also directors of The Liverpool and Merseyside Theatres Trust Limited for the purposes of company law are responsible for preparing the report of the Trustees 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 charitable Company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent; 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 proper 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.

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.

Board Composition

At the Annual General Meeting on 10th November 2005, a Special Resolution was passed to limit Trustees' service to up to two consecutive terms of three years. A board evaluation and skills audit is delivered annually. This is a method of assessing the organisation's changing needs and reviewing the need for additional skills and expertise on the board. If a need is identified then new members are sought in the appropriate areas. All proposed board members are considered for their suitability before being interviewed and a proposal being put to the full board for decision.

Note 23 Related Party Disclosures, details any Trustee interest in the Charity or any of its group companies (together "the Group"), including the Chief Executive who was appointed to the board in accordance with the revised Memorandum and Articles of the Charity.

The board may make new appointments within the above parameters at any time, with any such appointees being re-elected at the next Annual General Meeting. Induction of new Trustees includes the issuing of current financial statements and projections, forthcoming artistic programme details, and guidelines for good practice (such as those published by the Charities Commission), in the context of an explanatory meeting with the Company Secretary. All Trustees undertake a programme of induction upon commencement and Trustee training is provided on relevant topics at various times in the year. All Trustees are covered by the Charity's directors and officers insurance.



Andrea Nixon

Chair

DATE: 2 December 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LIVERPOOL AND MERSEYSIDE THEATRES TRUST LIMITED

Opinion

We have audited the financial statements of The Liverpool and Merseyside Theatres Trust Limited (the 'parent charitable company') for the year ended 31st March 2021 which comprise the Consolidated Statement of Financial Activities (including Consolidated Income and Expenditure Account), the Group and Company Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 parent charitable company's affairs as at 31 March 2021 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 and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or parent 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 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

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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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for company law purposes, 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 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 Group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic 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 parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit
-

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the Group's and parent 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 Group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

REVIEW OF ACTIVITIES

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:

Capability of the audit in detecting irregularities, including fraud

Based on our discussions with the Group and parent charitable company's management and the Trustees, we identified that the following laws and regulations are significant to the Group and parent charitable company:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the Group and parent charitable company and therefore may have a material effect on the financial statements include compliance with the charitable objectives, public benefit, fundraising regulations, safeguarding and health and safety legislation.

These matters were discussed amongst the engagement team at the planning stage and the team remained alert to non-compliance throughout the audit.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee

A further description of our responsibilities for the audit of the financial statements is located 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 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.

Andrew Moss BA FCA (Senior Statutory Auditor)



For and on behalf of DSG Chartered Accountants, Statutory Auditor

Castle Chambers

43 Castle Street

Liverpool

L2 9TL

2 December 2021

REVIEW OF ACTIVITIES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31st March 2021

	Note	Unrestricted funds £'000	Restricted funds £'000	Total funds 2021 £'000	Total funds 2020 £'000
INCOME					
Donations and Legacies		147	-	147	133
Charitable Activities	2,4	3,455	843	4,298	5,216
Other Trading Activities	2,6	69	-	69	703
Investments		-	-	-	-
TOTAL INCOME		<u>3,671</u>	<u>843</u>	<u>4,514</u>	<u>6,052</u>
EXPENDITURE					
Raising Funds	7	(69)	-	(69)	(563)
Charitable Activities	8	(3,044)	(1,074)	(4,118)	(5,947)
TOTAL EXPENDITURE		<u>(3,113)</u>	<u>(1,074)</u>	<u>(4,187)</u>	<u>(6,510)</u>
NET INCOME / (EXPENDITURE)		<u>558</u>	<u>(231)</u>	<u>327</u>	<u>(458)</u>
TRANSFERS BETWEEN FUNDS	18	110	(110)	-	-
NET MOVEMENT IN FUNDS		<u>668</u>	<u>(341)</u>	<u>327</u>	<u>(458)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward	18	555	20,478	21,033	21,491
Net Income / (Expenditure)		558	(231)	327	(458)
Transfer Between Funds		110	(110)	-	-
TOTAL FUNDS CARRIED FORWARD		<u>1,223</u>	<u>20,137</u>	<u>21,360</u>	<u>21,033</u>

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

All income and expenditure derive from continuing activities.

The notes on pages 30 to 50 form part of these financial statements.

GROUP AND COMPANY BALANCE SHEET

AS AT 31ST MARCH 2021

		Group		Company	
	Note	2021 £'000	2020 £'000	2021 £'000	2020 £'000
FIXED ASSETS					
Tangible assets	12	19,985	20,588	19,985	20,588
Investments	13, 26	-	-	-	-
		<u>19,985</u>	<u>20,588</u>	<u>19,985</u>	<u>20,588</u>
CURRENT ASSETS					
Stocks	14	8	3	-	-
Debtors- due in less than one year	15	576	353	570	370
Cash in bank and in hand		<u>1,673</u>	<u>1,106</u>	<u>1,659</u>	<u>1,028</u>
		<u>2,257</u>	<u>1,462</u>	<u>2,229</u>	<u>1,398</u>
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	16	<u>(882)</u>	<u>(1,017)</u>	<u>(870)</u>	<u>(972)</u>
		<u>(882)</u>	<u>(1,017)</u>	<u>(870)</u>	<u>(972)</u>
NET CURRENT ASSETS		<u>1,375</u>	<u>445</u>	<u>1,359</u>	<u>426</u>
NET ASSETS		<u>21,360</u>	<u>21,033</u>	<u>21,344</u>	<u>21,014</u>
FINANCED BY:					
Unrestricted funds: Operating	18	570	555	554	536
Unrestricted funds: Designated	18	<u>653</u>	<u>-</u>	<u>653</u>	<u>-</u>
TOTAL UNRESTRICTED FUNDS	18	<u>1,223</u>	<u>555</u>	<u>1,207</u>	<u>536</u>
Restricted funds	18	<u>20,137</u>	<u>20,478</u>	<u>20,137</u>	<u>20,478</u>
TOTAL FUNDS		<u>21,360</u>	<u>21,033</u>	<u>21,344</u>	<u>21,014</u>

As permitted by Section 408 of the Companies Act 2006, a separate statement of financial activities for The Liverpool and Merseyside Theatres Trust Limited is not presented. The unrestricted fund surplus for the financial period of the Company was £671k. The restricted fund loss for the period (including depreciation) was £341k. Therefore, the combined gain for the financial period of the Company was £330k (31 March 2020: £458k loss),

The notes on pages 30 to 50 form part of these financial statements.

These financial statements on pages 27 to 50 were approved and authorised for issue by the board of Directors on 2 December 2021.

Signed on behalf of the Trustees



P Bibby
Director



A Nixon
Chair

REVIEW OF ACTIVITIES

CONSOLIDATED STATEMENT OF CASHFLOWS

For the year ended 31st March 2021

	Note	2021 £'000	2020 £'000
NET CASH FROM OPERATING ACTIVITIES	24	<u>640</u>	<u>531</u>
INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(73)	-
		<u>-</u>	<u>-</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>(73)</u>	<u>-</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS		567	531
Cash and cash equivalents at beginning of year		1,106	575
CASH AND CASH EQUIVALENTS AT END OF YEAR		1,673	1,106
Cash and cash equivalents consist of:			
Cash at bank and in hand		<u>1,673</u>	<u>1,106</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		<u>1,673</u>	<u>1,106</u>

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

General information

The Liverpool and Merseyside Theatres Trust Limited (“the Company”, “the Charity” or “LMTT”) was incorporated on 8th July 1999 (Company Registration No. 03802476). It is a private company limited by guarantee and it is governed by its Memorandum of Association dated 17th June 1999 (and as amended 22nd September 2011, 10th November 2005, 23rd February 2005). LMTT is a registered charity (No.1081229) and is domiciled and incorporated in England and Wales.

The address of the Company’s registered office is included on page 22 and its principal place of business is at this address with a secondary place of business at the Playhouse Theatre, Williamson Square, Liverpool, L1 1EL.

The Group consists of Liverpool and Merseyside Theatres Trust Limited, Liverpool Everyman and Playhouse Productions Limited and Liverpool Everyman and Playhouse Trading Limited.

Basis of accounting

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 Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015) – (Charities SORP) (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

A summary of the more important Group accounting policies, which have been applied consistently throughout the current and prior financial periods, is set out below.

Going Concern

We have concluded this financial year (2020/21) in a reasonably strong position as our focus on sustained financial recovery continues. LMTT has been fortunate in gaining support from both the Cultural Recovery Fund and Garfield Weston Foundation. Successful applications to date have allowed us to continue to produce work digitally, outdoors and to socially distanced audiences during the pandemic. We have invested in digital equipment and technology, and recently were able to safely reopen our theatres to larger capacity audiences. To date we have received:

- Cultural Recovery Round 1 - £389k
- Cultural Recovery Round 2 - £384k
- Garfield Weston Foundation - £390k

NOTES TO THE FINANCIAL STATEMENTS

The key assumptions we've made for the 2022/23 year are a return to a full season of work at both houses. We have projected activity from Commercial Trading in line with the artistic programme, but applied prudence to the levels of contribution this generates. We are confident that through a continued focus on financial efficiency and cost control, we can conclude the 2022/23 financial year with the planned £15k unrestricted surplus that we set out in our business plan.

Current Situation ACE

In March 2020, Arts Council England (ACE), confirmed a multi-year grant of £3.33m in support of the LMTT Business Plan for the period 1 April 2020 to 31 March 2022. LMTT has recently submitted its indicative 2022/23 Business Plan and Budget to ACE to release funding for an additional extension year through to 31 March 2023. While this will not be approved until December 2021, ACE have responded positively following receipt of the Business Plan and Budget. It is expected that LMTT will start an NPO application process for 2023-26 in March 2022.

Current Situation LCC

LMTT continues to be supported in 2021/22 with £589k of grant funding from Liverpool City Council (LCC) via Culture Liverpool. This funding is through a Cultural Arts Investment Programme grant. While the grant has awarded on a recurring basis, LCC Cabinet still confirms grant funding annually in March. LCC has indicated that there is not likely to be a grant reduction for 2022/23.

In light of the uncertainty presented by the COVID-19 pandemic, the Trustees have carefully considered the financial projections to March 2023 to satisfy themselves of the financial resilience of the organisation, with no material uncertainty existing over that period. The Trustees have considered ongoing support from Arts Council England (ACE) and Liverpool City Council (LCC), together with the level of funds held, and the expected level of income, expenditure and projected cash flows over this period. ACE and LCC have indicated that a continued funding commitment is likely into the next financial year. The Trustees have considered these matters and have concluded that the level of reserves and liquidity for the Group and Charity are sufficient to enable the organisation to continue trading for a period of at least 12 months from the date of approving the financial statements, and Trustees do not believe there is a material uncertainty in regards of going concern. Therefore, the financial statements have been prepared on a going concern basis.

Reduced disclosures

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements;

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in the statement of financial activities, and
- Section 33 'Related Party Disclosures' – Compensation for key management personnel

Basis of consolidation

The consolidated financial statements incorporate those of The Liverpool and Merseyside Theatres Trust Limited and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). All financial statements are made up to 31st March 2021.

All intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

NOTES TO THE FINANCIAL STATEMENTS

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

Functional and presentational currencies

The consolidated financial statements are presented in sterling which is also the functional currency of the Company and the Group.

Income

Income is recognised when the 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. Ticket income relating to shows is recognised in the financial period the show closes, and is held within advanced sales until that time.

Income is measured at the fair value of consideration receivable, less any discounts and VAT deductions.

Donations and legacies

Donations and legacies are recognised as income when the Charity is entitled to the income, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably.

Grants received

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the Charity has entitlement to the funds and has met any performance conditions attached to the grant. And where it is probable that the income will be received and the amount can be measured reliably.

In some instances, multi-year funding agreements which result in funds being paid over two years or longer are procured. Provided no conditions attach to the receipt of contributions scheduled to be received in future years, the charity SORP requires the Charity to recognise income from restricted grants in the period in which they are secured rather than the period they are received. If conditions do attach, the charity recognises the income in the year it is received. Grants held within restricted revenue reserves are released against expenditure in the period or periods that grant restrictions are met, including requirements for defrayment.

Investment income

Investment income comprises bank interest. Interest income is accrued on a time apportioned basis by reference to the principal invested at the effective interest rate.

Expenditure

Expenditure net of associated theatre tax credits is charged on an accruals basis and is allocated between:

- expenditure incurred directly in the fulfilment of the Charity's objectives
- expenditure incurred in support costs

Expenditure net of associated theatre tax credits in respect of productions is held within debtors and is released to the income and expenditure account in the year in which the performances closes.

Support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities, and include building running costs, fundraising and administration costs.

NOTES TO THE FINANCIAL STATEMENTS

Governance costs include expenditure on administration of the Charity and its subsidiaries and compliance with constitutional and statutory requirements.

Co-production income and costs

For productions which are undertaken as co-productions with other theatre companies, where set-up costs are shared, production costs which are wholly incurred by the Charity may be recharged to the co-producing company depending on the nature of the specific agreement. Any recharged costs are recognised as income related to the production.

Operating leases

Rentals paid under operating leases are charged to the statement of financial activities on a straight-line basis over the period of the lease.

Pension costs

The pension costs charged to the Statement of Financial Activities represent the amount of the contributions payable to defined contribution schemes in respect of the accounting period.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of a production where the final performances falls in the following financial year or are capitalised as a tangible fixed asset.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

NOTES TO THE FINANCIAL STATEMENTS

Tangible fixed assets

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

- Freehold and long leasehold buildings, and building improvements at the rate of 2% - 10% per annum;
- Vehicles and production, office and computer equipment at rates varying between 10% and 25% per annum;
- Fixtures and fittings at 10%.

Residual value is calculated using prices prevailing at the reporting date, after estimated cost of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Impairments of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Group estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. All other impairment losses are recognised in the statement of financial activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in the statement of financial activities. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Fixed asset investments

In the separate accounts of the Company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment losses or reversals of impairment losses are recognised immediately in the statement of financial activities.

Stock

Stock is included at the lower of cost or selling price less costs to complete and sell. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

At each reporting date, the Group assesses whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in the statement of financial activities.

Reversals of impairment losses are also recognised in the statement of financial activities.

NOTES TO THE FINANCIAL STATEMENTS

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments that are immediately accessible, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The charity only has financial assets and 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.

Restricted Funds

Restricted funds relate to grants and other incoming resources which must be expended on specific activities of the Charity, including the acquisition of tangible fixed assets, as laid down by the donors of the funds.

Unrestricted Funds

The unrestricted fund represents the funds to provide, at the discretion of the Trustees, for the working capital of the Charity and for the purchase of tangible fixed assets which are not funded by restricted funds.

Designated Funds

Designated Funds are unrestricted funds that have been set aside by the Trustees for specific purposes. More details are found in note 18 to the financial statements.

Judgments and key sources of estimation uncertainty

In the application of the Group's accounting policies, the Trustees are required to make judgments, 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, 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.

NOTES TO THE FINANCIAL STATEMENTS

2. INCOME

	Unrestricted funds £'000	Restricted funds £'000	2021 £'000	Unrestricted funds £'000	Restricted funds £'000	2020 £'000
Donations and Legacies	147	-	147	133	-	133
Charitable Activities	3,455	843	4,298	4,610	606	5,216
Other Trading Activities	69	-	69	703	-	703
	<u>3,671</u>	<u>843</u>	<u>4,514</u>	<u>5,446</u>	<u>606</u>	<u>6,052</u>

3. EXPENDITURE ON ACTIVITIES

	Unrestricted funds £'000	Restricted funds £'000	2021 £'000	Unrestricted funds £'000	Restricted funds £'000	2020 £'000
Raising Funds	(69)	-	(69)	(563)	-	(563)
Charitable Activities	(3,044)	(1,074)	(4,118)	(4,875)	(1,072)	(5,947)
	<u>(3,113)</u>	<u>(1,074)</u>	<u>(4,187)</u>	<u>(5,438)</u>	<u>(1,072)</u>	<u>(6,510)</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	2021 £'000	2020 £'000
Unrestricted		
Box office income	121	2,157
Income from co-productions	-	134
Education and literary income	3	25
Membership	4	11
	<u>128</u>	<u>2,327</u>
Restricted and Unrestricted		
Grant income (note 5)	<u>4,170</u>	<u>2,889</u>
	<u>4,298</u>	<u>5,216</u>

NOTES TO THE FINANCIAL STATEMENTS

5. GRANTS RECEIVABLE

	2021 £'000	2020 £'000
Unrestricted		
Arts Council England	1,680	1,650
Liverpool City Council	589	633
Other	1,058	-
	<u>3,327</u>	<u>2,283</u>
Restricted		
Capital	-	-
Revenue	843	606
	<u>843</u>	<u>606</u>
Total grants receivable	<u>4,170</u>	<u>2,889</u>

Other unrestricted grants receivable includes £1,022k of support received through the Coronavirus Job Retention Scheme, with the corresponding expenditure in unrestricted expenditure on charitable activities.

6. OTHER TRADING ACTIVITIES

	2021 £'000	2020 £'000
Unrestricted		
Catering, events and bars	69	673
LMTT Retail	-	30
Total trading activities income	<u>69</u>	<u>703</u>

The 2021 catering, events and bars income of £69k includes £17k in business support grants and £33k from the Coronavirus Job Retention Scheme that were both transacted through the trading subsidiary to offset catering, events and bars costs.

7. RAISING FUNDS

	2021 £'000	2020 £'000
Unrestricted		
Catering, events and bars	(69)	(546)
LMTT Retail	-	(17)
	<u>(69)</u>	<u>(563)</u>

NOTES TO THE FINANCIAL STATEMENTS

8. COSTS OF CHARITABLE ACTIVITIES

	Unrestricted £'000	Restricted £'000	2021 £'000	Unrestricted £'000	Restricted £'000	2020 £'000
Activities undertaken directly						
Artistic	402	424	826	1,511	399	1,910
Technical	646	-	646	882	-	882
Theatre Tax Credits	(69)	-	(69)	(255)	-	(255)
	<u>979</u>	<u>424</u>	<u>1,403</u>	<u>2,407</u>	<u>2,407</u>	<u>2,407</u>
Support costs						
Operations & commercial	1,254	-	1,254	916	-	916
Administrative & building expenses	339	-	339	1,004	-	1,004
Marketing & sales	423	-	423	658	-	658
Depreciation & Impairment	26	650	676	132	673	805
	<u>2,042</u>	<u>650</u>	<u>2,692</u>	<u>2,539</u>	<u>2,539</u>	<u>2,539</u>
Governance Costs						
Audit fees	20	-	20	24	-	24
Other fees to auditors	3	-	3	3	-	3
	<u>23</u>	<u>-</u>	<u>23</u>	<u>27</u>	<u>-</u>	<u>27</u>
	<u>3,044</u>	<u>1,074</u>	<u>4,118</u>	<u>4,875</u>	<u>1,072</u>	<u>5,947</u>

9. EMPLOYEE INFORMATION

	2021 £'000	2020 £'000
Wages and salaries	2,354	2,589
Social security costs	165	203
Other pension costs	42	45
	<u>2,561</u>	<u>2,837</u>

The average monthly number of employees during the period was as follows:

	2021	2020
Theatre activities	137	169
Engagement, Training & Artistic Development	10	11
Catering	23	41
	<u>170</u>	<u>221</u>

Note: Should the number of casual staff be reflected using period worked in year, the headcount staff number would be 100 (2019: 110)

NOTES TO THE FINANCIAL STATEMENTS

The average number of full time equivalent employees during the period was as follows:

	2021	2020
Theatre activities	67	83
Engagement, Training & Artistic Development	8	10
Catering	10	13
	<u>85</u>	<u>106</u>

The following table shows remuneration bands of senior employees:

	2021	2020
£60k - £70k	1	2
£70k - £80k	1	-
£80k - £90k	-	1
£90k - £100k	1	-
£100k - £110k	-	-
£110k - £120k	-	1
	<u>3</u>	<u>4</u>

Pension contributions totalling £5,063 were paid in respect to these staff into a defined contribution scheme (2020: £2,493).

One employee was a Trustee during the current year and continued to receive their usual salary payments. See note 23 for further information.

The key management personnel of the parent Charity and of the Group is defined as the Trustees together with a Management Group, led by the Executive. The total employee benefits of the key management personnel of the trust were £636k (2020: £575k). Representation at the Management Group was expanded during 2021 to include two additional staff that had previously not been included in the membership. Other than the Chief Executive as explained in note 23, no other Trustee received any remuneration or expenses.

10. ANALYSIS OF EXPENDITURE

	2021 £'000	2020 £'000
Depreciation - owned assets	676	738
Fixed asset Impairment	-	67
Hire of plant and machinery under operating leases	-	-
Hire of other assets under operating leases	<u>23</u>	<u>20</u>
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	20	24
Fees payable to the Group's auditor for the audit of the Subsidiaries annual financial statements	-	-
Fees payable to the Group's auditors for non-audit services:		
- taxation services	<u>3</u>	<u>3</u>
Total non-audit fees	<u>3</u>	<u>3</u>

NOTES TO THE FINANCIAL STATEMENTS

Fees payable to the company's auditor for the audit of the company's financial statements include an amount that covers the subsidiaries, thus the subsidiaries audit fees are paid for by the parent.

11. TAX ON PROFIT ON ORDINARY ACTIVITIES

No provision is made for taxation as the Charity is entitled to the various exemptions afforded by the Corporation Tax Act 2010.

12. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Long- leasehold land and buildings & Improvem'ts £'000	Fixtures and fittings £'000	Vehicles and production office and computer equipment £'000	Total £'000
Group and Company					
Cost					
At 1 April 2020	20,769	3,500	840	1,984	27,093
Additions	-	-	-	73	73
Disposals	-	-	-	-	-
At 31 March 2021	<u>20,769</u>	<u>3,500</u>	<u>840</u>	<u>2,057</u>	<u>27,166</u>
Depreciation					
At 1 April 2020	2,922	1,384	623	1,576	6,505
Eliminated on disposal	-	-	-	-	-
Impairment	-	-	-	-	-
Charge for the period	<u>416</u>	<u>96</u>	<u>54</u>	<u>110</u>	<u>676</u>
At 31 March 2021	<u>3,338</u>	<u>1,480</u>	<u>677</u>	<u>1,686</u>	<u>7,181</u>
Net book value					
At 31 March 2021	<u>17,431</u>	<u>2,020</u>	<u>163</u>	<u>371</u>	<u>19,985</u>
At 31 March 2020	<u>17,847</u>	<u>2,116</u>	<u>217</u>	<u>408</u>	<u>20,588</u>

Freehold land and buildings consists of the land and building at the Everyman Theatre, 5-11 Hope Street, Liverpool.

Leasehold buildings is in respect of the Playhouse Theatre, Williamson Square, Liverpool.

NOTES TO THE FINANCIAL STATEMENTS

13. FIXED ASSET INVESTMENTS

	Company	
	2021	2020
	£	£
Cost and net book amount:		
Subsidiary undertakings	<u>2</u>	<u>2</u>

Details of investments of the Company in its principal subsidiary undertakings at 31 March 2021 are given in note 26.

14. STOCKS

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Consumables	<u>8</u>	<u>3</u>	<u>-</u>	<u>-</u>

At 31 March 2021, the total amount of stock recognised as an expense was £6k (2020: £232k).

15. DEBTORS

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	6	38	5	30
Other debtors	193	74	172	52
Amounts owed by Group undertakings	-	-	256	222
Prepayments	79	66	79	65
Social Security and Other Taxes	<u>298</u>	<u>175</u>	<u>58</u>	<u>1</u>
	<u>576</u>	<u>353</u>	<u>570</u>	<u>370</u>

Other debtors include Liverpool City Council's final instalment of £59k (2020: £63k), £70k relating to Arts Council England (2020: £0k), and £77k relating to income associated with the Coronavirus Job Retention Scheme (2020: £35k). This is partially offset by net a bad debt provision of £13k (2020: £24k).

NOTES TO THE FINANCIAL STATEMENTS

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Trade creditors	199	165	198	153
Taxation and social security	49	64	49	46
Accruals	349	381	346	379
Deferred income	285	407	277	394
	<u>882</u>	<u>1,017</u>	<u>870</u>	<u>972</u>

Deferred income relates to advanced ticket sales income received in one year which relates to performances that will take place in the following year. Ticket sales relating to a number of shows paid for in 2020 have been rescheduled to the 2021/22 financial year, and therefore remain within deferred income.

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Deferred production income brought forward	407	345	394	307
Amounts deferred in year	58	407	63	394
Amounts released from previous years	(180)	(345)	(180)	(307)
Deferred production income carried forward	<u>285</u>	<u>407</u>	<u>277</u>	<u>394</u>

17. FINANCIAL INSTRUMENTS

The carrying amounts of financial instruments at 31 March 2021 were:

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
The carrying amounts of financial instruments at 31 March 2020 were:				
Financial assets:				
Debt instruments measured at amortised cost	<u>199</u>	<u>112</u>	<u>433</u>	<u>304</u>
Financial liabilities:				
Measured at amortised cost	<u>548</u>	<u>546</u>	<u>544</u>	<u>532</u>

Financial assets consist of trade and other debtors. Financial liabilities consist of trade creditors and accruals.

NOTES TO THE FINANCIAL STATEMENTS

18. MOVEMENT IN FUNDS

Group	As at 1 April 2020 £'000	Income £'000	Expenditure £'000	Transfer / Gift Aid £'000	As at 31 March 2021 £'000
Unrestricted funds: Operating	555	3,671	(3,113)	(543)	570
Unrestricted funds: Designated	-	-	-	653	653
Total unrestricted funds	555	3,671	(3,113)	110	1,223
Capital grants					
Playhouse refurbishment (LCC/ERDF)	866		(28)	-	838
Playhouse refurb (English Partnership)	226		(7)	-	219
Playhouse Acquisition (LCC)	273		(9)	-	264
Everyman Redevelopment	15,715		(509)	-	15,206
11 Hope street (Art council)	940		(25)	-	915
5-9 Hope Street (ACE/NWDA)	1,733		(44)	-	1,689
Playhouse refurbishment (LCC)	507		(27)	-	480
Production Equipment (CRF)	-		-	73	73
	20,260	-	(649)	73	19,684
Revenue grants	218	843	(425)	(183)	453
Total restricted funds	20,478	843	(1,074)	(110)	20,137
Total funds	21,033	4,514	(4,187)	-	21,360
Comprising:					
LMTT	21,014	4,447	(4,117)	-	21,344
LEPP (see note 26)	-	653	(653)	-	-
LEPT (see note 26)	19	67	(70)	-	16
Elimination of consolidation entries	-	(653)	653	-	-
	21,033	4,514	(4,187)	-	21,360

NOTES TO THE FINANCIAL STATEMENTS

MOVEMENT IN FUNDS (CONTINUED)

Group	As at 1 April 2019 £'000	Income £'000	Expenditure £'000	Transfer / Gift Aid £'000	As at 31 March 2020 £'000
Unrestricted funds: Operating	547	5,446	(5,438)	-	555
Unrestricted funds: Designated	-	-	-	-	-
Total unrestricted funds	547	5,446	(5,438)	-	555
Capital grants					
Playhouse refurbishment (LCC/ERDF)	894	-	(28)	-	866
Playhouse refurb (English Partnership)	233	-	(7)	-	226
Playhouse Acquisition (LCC)	282	-	(9)	-	273
Everyman Redevelopment	16,248	-	(533)	-	15,715
11 Hope street (Art council)	965	-	(25)	-	940
5-9 Hope Street (ACE/NWDA)	1,777	-	(44)	-	1,733
Playhouse refurbishment (LCC)	534	-	(27)	-	507
	20,933	-	(673)	-	20,260
Revenue grants	11	606	(399)	-	218
Total restricted funds	20,944	606	(1,072)	-	20,478
Total funds	21,491	6,052	(6,510)	-	21,033
Comprising:					
LMTT	21,480	5,513	(5,979)	-	21,014
LEPP (see note 26)	-	2,199	(2,199)	-	-
LEPT (see note 26)	11	569	(561)	-	19
Elimination of consolidation entries	-	(2,229)	2,229	-	-
	21,491	6,052	(6,510)	-	21,033

NOTES TO THE FINANCIAL STATEMENTS

MOVEMENT IN FUNDS

Company	As at 1 April 2020 £'000	Income £'000	Expenditure £'000	Transfer / Gift Aid £'000	As at 31 March 2021 £'000
Unrestricted funds: Operating	536	3,605	(3,044)	(543)	554
Unrestricted funds: Designated	-	-	-	653	653
Total unrestricted funds	536	3,605	(3,044)	110	1,207
Capital grants					
Playhouse refurbishment (LCC/ERDF)	866		(28)	-	838
Playhouse refurb (English Partnership)	226		(7)	-	219
Playhouse Acquisition (LCC)	273		(9)	-	264
Everyman Redevelopment	15,715		(509)	-	15,206
11 Hope street (Art council)	940		(25)	-	915
5-9 Hope Street (ACE/NWDA)	1,733		(44)	-	1,689
Playhouse refurbishment (LCC)	507		(27)	-	480
Production Equipment (CRF)	-		-	73	73
	20,260	-	(649)	73	19,684
Revenue grants	218	843	(425)	(183)	453
Total restricted funds	20,478	843	(1,074)	(110)	20,137
Total funds	21,014	4,448	(4,118)	-	21,344

NOTES TO THE FINANCIAL STATEMENTS

MOVEMENT IN FUNDS (CONTINUED)

Company	As at 1 April 2019 £'000	Income £'000	Expenditure £'000	Transfer / Gift Aid £'000	As at 31 March 2020 £'000
Unrestricted funds: Operating	536	4,907	(4,907)	-	536
Unrestricted funds: Designated	-	-	-	-	-
Total unrestricted funds	536	4,907	(4,907)	-	536
Capital grants					
Playhouse refurbishment (LCC/ERDF)	894	-	(28)	-	866
Playhouse refurb (English Partnership)	233	-	(7)	-	226
Playhouse Acquisition (LCC)	282	-	(9)	-	273
Everyman Redevelopment	16,248	-	(533)	-	15,715
11 Hope street (Art council)	965	-	(25)	-	940
5-9 Hope Street (ACE/NWDA)	1,777	-	(44)	-	1,733
Playhouse refurbishment (LCC)	534	-	(27)	-	507
	20,933	-	(673)	-	20,260
Revenue grants	11	606	(399)	-	218
Total restricted funds	20,944	606	(1,072)	-	20,478
Total funds	21,480	5,513	(5,979)	-	21,014

Previously capital grants have been received from a number of funders including Arts Council England, Liverpool City Council, English Partnerships, North West Development Agency and ERDF, for a number of refurbishment and redevelopment projects at the Charity's two theatres in Liverpool: the Everyman Theatre and the Liverpool Playhouse. Capital grants are treated as incoming resources in the year of receipt.

Capital grants expenditure includes £650k (2020: £673k) in relation to depreciation of tangible fixed assets acquired with restricted funds in prior years.

Restricted revenue grants of £843k were recognised in the year from, Garfield Weston Foundation, Arts Council England, Cultural Recovery Fund, Backstage Trust, Liverpool City Council and Idlewild Trust to support specific activity undertaken by the Theatres. Restrictions vary by funder and targeted areas such as operating during the Covid pandemic, the support of YEP and various engagement work. The closing £453k of restricted revenue funds, is represented by £383k cash and £70k Debtors. During the year £73k of digital equipment was purchased from funds secured under the Cultural Recovery Fund. As this expenditure was accounted for as expenditure on fixed assets, a transfer between restricted revenue funds and restricted capital grants was made. Future depreciation of these assets will be accounted for as capital grant expenditure as with other fixed assets acquired with restricted funds. A transfer of £110k has also been made from restricted funds to designated funds in respect of support received under the Cultural Recovery Fund, which allowed for an unrestricted funds reflation for any unused ticket income contingency contained within the bid. This fund is being held within a designated risk fund to recognise the continual level of uncertainty presented by the pandemic.

NOTES TO THE FINANCIAL STATEMENTS

19. ANALYSIS OF CONSOLIDATED NET ASSETS BETWEEN FUNDS

Fund balances at 31 March 2021 are represented by:

	Restricted funds £'000	Unrestricted funds £'000	2021 £'000	Restricted funds £'000	Unrestricted funds £'000	2020 £'000
Group						
Tangible fixed assets	19,684	301	19,985	20,260	328	20,588
Cash at bank and in hand	383	1,290	1,673	198	908	1,106
Grants within other debtors	70	66	136	20	7	27
Other current assets	-	448	448	-	329	329
Current liabilities	-	(882)	(882)	-	(1,017)	(1,017)
	<u>20,137</u>	<u>1,223</u>	<u>21,360</u>	<u>20,478</u>	<u>555</u>	<u>21,033</u>
Company						
Tangible fixed assets	19,684	301	19,985	20,260	328	20,588
Cash at bank and in hand	383	1,276	1,659	198	830	1,028
Grants within other debtors	70	66	136	20	7	27
Other current assets	-	434	434	-	343	343
Current liabilities	-	(870)	(870)	-	(972)	(972)
	<u>20,137</u>	<u>1,207</u>	<u>21,344</u>	<u>20,478</u>	<u>536</u>	<u>21,014</u>

20. OTHER FINANCIAL COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases of the Group are as follows:

	Land and buildings 2021 £'000	Other 2021 £'000	Total 2021 £'000	Land and buildings 2020 £'000	Other 2020 £'000	Total 2020 £'000
Group and Company						
Amounts due:						
- within one year	9	8	17	9	-	9
- between two and five years	28	15	43	28	-	28
- over five years	544	-	544	544	-	544
	<u>581</u>	<u>23</u>	<u>604</u>	<u>581</u>	<u>-</u>	<u>581</u>

The lease payments due over five years of £544k relate to the long term lease of the Playhouse Theatre, Williamson Square, Liverpool, due to expire 2126.

21. CONTINGENT LIABILITIES

Company

A condition of grants received of £6.2m for the purchase of numbers 5 – 11 Hope Street is made up of fixed and floating charges on the property. In addition, certain grants from the Arts Council and NWDA are repayable in the event of the sale of the property or the liquidation of the Company. The Everyman Theatre redevelopment was part-funded by £5.9m grant from ERDF. A proportion of this grant could become repayable should there be a change in the proportion of the building used for commercial activity.

NOTES TO THE FINANCIAL STATEMENTS

22. CAPITAL COMMITMENTS

	2021 £'000	2020 £'000
Group and Company		
Contracted but not provided for in the financial statements	-	-

23. RELATED PARTY DISCLOSURES

Transactions involving directors

On 1 April 2020 M Da Vanzo was appointed to the board as Chief Executive, as Interim Chief Executive F Gibson stepped down. They received salary payments and reclaimed approved expenses in their roles as employees, including reimbursement of travel and hospitality costs. There were no balances outstanding at the end of the year. G Bodinetz resigned from the Board in May 2019, but continued to be paid as an employee until March 2021.

	2021		
	M Da Vanzo Executive Director	G Bodinetz, Artistic Director	F Gibson Executive Director
Transactions during the period	£	£	£
Gross salary	75,000	-	-
Employer pension contributions	3,750	-	-
Reimbursement of expenses	-	-	-
Balance at end of period 31st March 2021	-	-	-

	2020		
	M Da Vanzo Executive Director	G Bodinetz, Artistic Director	F Gibson Executive Director
Transactions during the period	£	£	£
Gross salary	-	82,400	116,198
Employer pension contributions	-	1,316	-
Reimbursement of expenses	-	0	480
Balance at end of period 31st March 2020	-	-	-

A Nixon, Chair of the Board, received payment for consulting services to the Trust in the Year ended 31st March 2020, but not in 2021. This expenditure was preapproved by the Board:

	2021 £	2020 £
Consulting Services	-	9,800
Reimbursement of expenses	-	-
Balance at end of period 31st March 2021 (2020)	-	-

NOTES TO THE FINANCIAL STATEMENTS

Helen Blakeman Trustee received payment for a commission of new writing. This expenditure was preapproved by the Board:

	2021	2020
	£	£
New Writing Commission	5,168	-
Balance at end of period 31st March 2021 (2020)	-	-

Transactions and Balances with Trading Subsidiaries

	2021	2020
	£'000	£'000
Transactions during the period		
<i>Liverpool Everyman and Playhouse Productions Limited</i>		
Production services provided to LMTT	654	2,199
Production services provided by LMTT	(723)	(2,395)
<i>Liverpool Everyman and Playhouse Trading Limited</i>		
Donation to LMTT	-	-
Payroll recharges from LMTT	(56)	(301)
Service and overhead charges from LMTT	-	(30)
Recharge of cost of sales from LMTT	-	-
Balances at end of period		
Liverpool Everyman and Playhouse Productions Limited	258	197
Liverpool Everyman and Playhouse Trading Limited	(2)	26

24. RECONCILIATION OF NET OUTGOING RESOURCES TO NET CASH USED IN OPERATIONS

	2021	2020
	£'000	£'000
Net expenditure	327	(458)
<i>Adjustments for:</i>		
Depreciation	676	739
Impairment	-	66
Increase in stocks	(5)	11
Increase in debtors	(223)	195
Decrease in creditors	(135)	(22)
Cash generated from operations	640	531

NOTES TO THE FINANCIAL STATEMENTS

25. RETIREMENT BENEFITS

The Company contributes to defined contribution pension schemes for the benefit of the employees. The assets of the scheme are administered by Trustees in funds independent from those of the Charity.

Pension costs are allocated to activities according to where the related staffing costs have been incurred.

The employer's contribution made to the scheme for 2021 was £42k (2020: £45k). Outstanding contributions at year end were £15k (2020: £9k).

26. SUBSIDIARY UNDERTAKINGS

The subsidiary undertakings consolidated at 31st March 2021 were as follows:

Name of undertaking	Principle activity	Registered office	Shareholding and voting rights	Class of shares	Country of incorporation
Liverpool Everyman and Playhouse Trading Limited ('LEPT')	Management of commercial activities for the Charity	5-11 Hope Street Liverpool L1 9BH	100%	Ordinary	Great Britain
Liverpool Everyman and Playhouse Productions Limited ('LEPP')	Provision of production services for the Charity	5-11 Hope Street Liverpool L1 9BH	100%	Ordinary	Great Britain

In the year ended 31st March 2021, the cumulative profits of LEPT have been retained by LEPT to support the trading arm during COVID-19. In the year ended 31st March 2021, LEPP made neither profit nor loss. The trading results and net assets of LEPP and LEPT for the year ended 31st March 2021 were as follows:

	LEPP		LEPT	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Turnover	654	2,199	66	569
Operating expenses	(723)	(2,396)	(69)	(561)
Operating profit	(69)	(197)	(3)	8
Tax credit on ordinary activities	69	197	-	-
Profit for the financial period	-	-	(3)	8
Net assets	-	-	16	19

LEPP Company Registration Number: 09231907

LEPT Company Registration Number: 08287910