

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 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

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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

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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)

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- *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

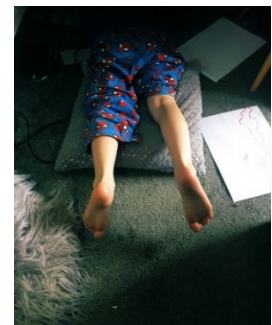
Sat 22 May, broadcast live from the Everyman



How to Use a Den

Created by All Things Considered Theatre, commissioned by the Everyman & Playhouse

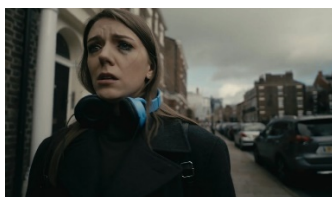
Thu 15 July to Sat 31 Oct 2021, available for digital download



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



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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*



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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.

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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 Communiversities 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.

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- 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.



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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).

REVIEW OF ACTIVITIES

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

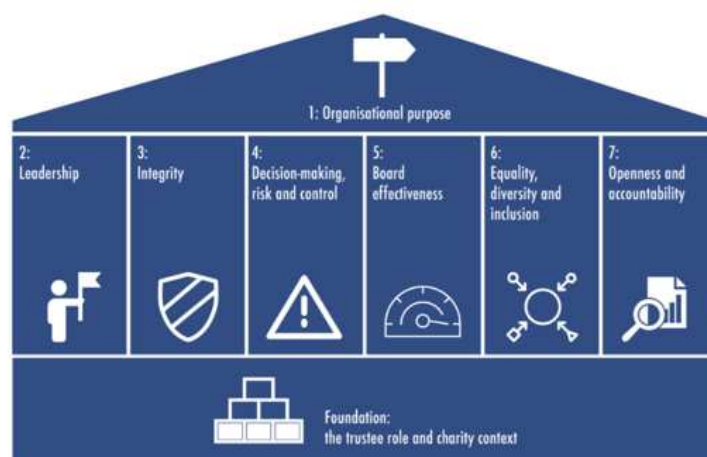
So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's Auditors are unaware, and each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant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

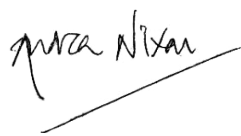
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

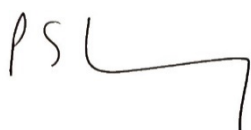
		Group		Company	
	Note	2022 £'000	2021 £'000	2022 £'000	2021 £'000
FIXED ASSETS					
Tangible assets	12	19,314	19,985	19,314	19,985
Investments	13, 26	-	-	-	-
		<u>19,314</u>	<u>19,985</u>	<u>19,314</u>	<u>19,985</u>
CURRENT ASSETS					
Stocks	14	19	8	-	-
Debtors- due in less than one year	15	704	576	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