

Charity registration number 1095371

Company registration number 04476928 (England and Wales)

**THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**  
**PAGES FOR FILING WITH REGISTRAR**

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr CJ P McKeown Ms S Williams Miss G Kearney
<b>Charity number</b>	1095371
<b>Company number</b>	04476928
<b>Registered office</b>	Old St Lawrence School Westminster Road Liverpool Merseyside United Kingdom L4 3TQ
<b>Independent examiner</b>	Sedulo Liverpool Limited 5th Floor Walker House Exchange Flags Liverpool Merseyside United Kingdom L2 3YL

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# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

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# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## TRUSTEE REPORT (INCLUDING DIRECTORS' REPORT)

### *FOR THE YEAR ENDED 30 SEPTEMBER 2022*

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The trustees present their annual report and financial statements for the year ended 30 September 2022.

The financial statements have been prepared in accordance with the accounting policies to the financial statements and comply with the charity's deed of trust, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### **Objectives and activities**

##### **Mission Statement**

Our mission is to maintain excellence in education and service provision. To pay attention to the detail of our student's needs, in the design and delivery of our courses, and the needs of our clients, in the set up and execution of our services. To afford our students, and our clients, every advantage and opportunity in the realisation of their goals. We value our clients, and we love film. Our mission is to honour both.

##### **LFAET Aims**

The charity is a company limited by guarantee. The charity's objects are to provide professional media, digital and creative training, personal development, professional and personal mentoring, guidance, advocacy and group educational activities to young and old people on Merseyside regardless of any social, financial or geographical restrictions.

The Educational Trust aims to provide quality industry standard training and personal development to each of the participants on our courses. The trust will play its full part in the economic, cultural and social life of Merseyside through its development plan to deliver a quality service by contributing and subsidising leisure facilities, advocacy services and training support to the local community.

The Educational Trust also hosts and subsidises Liverpool start up creative businesses in an effort to nurture an impressive cluster of skills and talent here in North Liverpool and in response feed directly back into local life and economy here in the Northwest with a particular focus on the sub-region of North Liverpool.

The Liverpool Film Academy Educational Trust (LFAET) is a charitable educational trust that was established 21 years ago and has a long established history of providing education and training programmes tailored to the film and television industry with a view of developing the creative talent pool.

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## TRUSTEE REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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### **LFAET Objectives**

- embrace all forms of diversity
- develop new creative talent for film and television
- create real world learning opportunities for students and trainees on professional productions
- provide a parallel academic experiences that allows students to reflect on their practice
- provide a friendly, professional working environment that treats everyone with dignity and respect
- provide opportunities for students to develop key communication and networking skills that enhance their professional opportunities and standing

### **Competitive advantage**

- commitment to the local community/region and the youth of the community
- high quality of education and training working alongside three times Emmy, BAFTA (2018) and numerous regional and national RTS award winning sister company LA Productions
- working on live productions mentoring by industry professionals
- working at the centre of the film and television industry provides numerous professional and networking opportunities
- development of critical and reflective skills working academic staff employed by the Academy

### **Unique Selling Point**

The USP for LFAET is its relationship with LA Productions and the opportunities that provides to trainees for real employment opportunities in the film and television industry. In addition LFAET staff have access to the wealth of expertise and resources LA Productions make available to their trainees. From the point of view of a trainee they get an outstanding experience in that they are supported in their educational development by professional educators in LFAET and are able to access mentors working at the top of their profession in film and television.

### **Partnerships**

We have concentrated our efforts on fewer placements for longer periods. This involves a higher resource but the outcome is much better in getting trainees and students on the employment ladder. In 2022, we took 30 trainees/students with the demand growing even higher in the current round in 2023. BBC commended the quality of the work of the Academy in supporting the bursary funded placement. We continue to offer this range of placements but experience tells us that longer term training and placements are more productive so we have broadened our efforts in this direction and in collaborative community projects as below.

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## TRUSTEE REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2022

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#### **Schools:**

Script to Screen is our longest standing training programme that remains available to schools where LFAET and LA Production staff go into schools and workshop pupils to develop short stories and films about social issues.

#### **University:**

We continue to work with all four the local universities and this year we have partnered with an additional two universities:

- Liverpool John Moores University
- Edge Hill University
- Liverpool University
- Liverpool Hope University
- Yorkville University Canada
- Salford University

With our Masterclass and Industry Talk's programmes we have been particularly active this year with Edge Hill University and Liverpool John Moores University. These events generally comprise half a day or a day with a group of senior staff including the CEO attending the University for workshop and talks. They will conclude by engaging informally with students for advice and guidance on working in the industry and always with the offer of hosting interested students who would like to visit LA Productions and the offer of placements to the right candidates. Following a highly successful placement from the Business School at Edge Hill University that resulted in full time employment, we are working with the School to offer another accounts placement. What is not often appreciated by students is the breath of roles in the film and television industry. We have also worked with Salford University as external examiners for a PhD on the Media Industry, specifically Children's Television.

This year and last year, we have been active with Hugh Baird Creative and Media Departments. Staff from Media have visited LA Productions and LFAET staff have attended Hugh Baird Open Evenings and exhibitions. This year we have given taster sessions to several students from Hugh Baird and placed students from Hugh Baird on reception at LA Productions.

#### **BBC Bursary Scheme**

LA Productions have been awarded a paid bursary from the BBC for BAME trainees/students to be paid to work on all productions. The experience is invaluable. Again the time, resources and energy afforded to managing and properly monitoring these projects is substantial on the staff at LA Productions and LFA responsible for the development of the trainee.

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## TRUSTEE REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2022

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#### Projects:

##### Granite Harbour - BBC Scotland & BBC1 (2022)

These placements were for five episodes of the whole series working with a different director and cast on every episode. BBC also provided a similar bursary on previous projects with trainees working in Directing, Camera and Costume and feedback from trainees was that they had an outstanding experience.

This Scheme is highly successful and feedback from students indicates it is invaluable in gaining professional training and again requires substantial work and commitment from both LA Productions/LFAET.

##### Manchester Metropolitan University (MMU)/Industry Partners

Partnership with MMU on 2018 Arts and Humanities Research Council (AHRC) creative industries bid to work in partnership with the University. Success for the bid would have led to a wide range of education and collaborative projects.

#### National Educational Networks include:

- National Film and Television School (NFTS)
- London Film School

#### International Networks include:

- New York Film Academy (NYFA): Colin McKeown, CEO of LA Productions visited the School in New York early 2018 and currently in collaboration for ongoing projects
- Film Academy of Miroslav Ondreich (FAMO): agreed to take placements from this School to LFA.
- Current director of the School has served on the Polish National Theatre, Film and Television School annual Film Festival jury, Hong Kong and Chinese Region Film Festival jury and The Russian National Film and Television School (VGIK) jury and relationships exist with all of these Schools and others internationally.
- Toronto Film School

As required by Section 17(5) of the Charities Act. The Trust, in shaping the objectives for the year and planning the Trust's activities, the trustees have considered the Charity Commission's guidance on public benefit and fee charging, The Company provide subsidised office space for Liverpool start up creative businesses.

As the Trust operates from the same site as Liverpool Academy Productions Limited, it continues to benefit from the various members of the LA Productions team who volunteer their time and the use of space and equipment. This allows for an exceptional quality of volunteer that would not be available if based elsewhere.

#### Achievements and performance

##### Financial review

The Charity's reserves (excluding restricted funds) held as at the balance sheet date are in deficit by £17,856 (2021: surplus £73,736).

Unrestricted funds, where available, can be used in accordance with the charitable objectives at the discretion of the trustees.

We continue to pursue funding from various sources including The National Lottery and The Morgan Foundation, with the expert help and guidance of Sedulo Liverpool Limited.

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## TRUSTEE REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2022

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The trustees have assessed the major risks to which the trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### Plans for future periods

Although 2022 was the post-covid period, we are confident we continued to expand our effectiveness within the scope of our resources. Our strategy for fewer (30) longer-term placements is an effective, though a more costly and ambitious one.

The balance of education and training at the Academy favours an applied approach in line with a Film School style of delivery. Our aim of developing new creative talent for the film and television industry remains steadfast. Industry operates to the highest quality standards and audiences are unforgiving if these are not reached.

Our experience shows that even with university graduates there is a significant gap between what they learn in education and the requirements of even entry level industry roles. To get paid work you must have experience but getting that initial training can be a 'Catch 22' situation for many. Those fortunate enough to get a placement in the industry are lucky.

Considering the size of the Academy we proudly punch above our weight in placing so many student trainees.

We have also expanded our training partnerships to include not only the BBC England but also BBC Scotland and Channel 4 with one year placements part funded by them and 50% plus on-costs and training funded by the Academy and LA Productions. These are ambitious new projects.

We have also ambitions with regard expansion of our International Film School Partnerships to include the Toronto Film School and Yorkville University where we have taken one 3 month placement in one 6 month placement to report in 2023 with wider ambitions to explore here.

Our focus on depth is also apparent in our engagement with the local University sector. In 2022 we have strengthened our links with Liverpool John Moores University with significant live developments to report in 2023. We are currently working with them on a Screen Skills bid and continue to deliver talks and master classes to take significant student placements.

Activity with Schools and Colleges remains healthy particularly with Hugh Baird College and Edge Hill University where we continue to offer talks and master classes and take placements.

We are also happy with our community engagement. In 2022 we did some significant work for further projects with the police service which again is an ambitious activity currently live to be reported on in 2023.

Our master class programme remained live and we did a successful series that included a class with John Yorke. Our ambition in 2023 into 2024 is to expand on this with our University Partners. We continue to offer a highly successful series we offer to schools and universities.

We remain supportive financially to the Boxing Club which we host and the various community organisations housed here in the School building.

We are confident our activities are reflective of our mission, aims, objectives and values. Our current plans are to appoint two additional trustees, strengthen our current partnerships, continue with more effective longer term placements at a challenging 30 per annum, remain engaged with the education sector contributing to media education and training offering talks, master classes and employer engagement.

With new trustees in place in 2024 embark on a three year strategic plan which will continue with the above and potentially new ideas and development of marketable courses that could off-set the cost of the charity work we do.

#### Structure, governance and management

The charity is controlled by its Articles and Association and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## TRUSTEE REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2022

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

Mr CJ P McKeown

Ms S Williams

Miss G Kearney

#### **Recruitment and appointment of trustees**

I take this opportunity to thank all trustees who have served on the Board during the past year.

At the Educational Trust we are always eager to recruit trustees to the board and new members to the Trust. The Board of trustees may appoint any person nominated by any member of the Association as a member of the Board of trustees.

No person who is not a member of the Association shall in any circumstances be eligible to hold office as a member of the Board of trustees.

A meeting of Trustees is scheduled for September 2023 to discuss inviting new trustees to the board. We would like to be in a position to appoint two new trustees by the end of 2023 or early 2024. The board will identify and review the risks to which the charity is exposed and ensure appropriate controls are in place to mitigate risk. Trustees will identify and review gaps of knowledge, skills and experience of the board and identify interests that should be represented.

As Trustees serve as a means of communication with communities that a charity exists to serve, it is important we consider the composition and diversity of the board. Expanding and diversifying the composition of trustees will enhance the good management and senior staffing of the charity by bringing in fresh expertise and experience. After deliberations and consideration of our strategic plan and aims going forward we would:

- Identify skills gaps in our existing body of trustees
- Draft a job description and person specification
- Discuss advertising and nomination strategy
- Receive and shortlist applications
- Interview applicants
- Appointment of new Trustees
- Induction of new Trustees
- Evaluate these appointments in our next annual report

Existing trustees will conduct interviews with a set of agreed questions for all candidates. Notes of interviews will be kept. Successful candidates will be approved by all trustees and appointed subject to positive references. Trustees must also be satisfied in writing that candidates have:

- Not previously been disqualified from acting as trustees
- No existing or potential conflicts of interest
- No Disclosure and Barring issues that would prevent candidates from taking up the role

Once the above procedure is followed to the satisfaction of the board, the existing Trustees would be in a position to appoint the new Trustee. The Chair of Trustees would then write to the successful candidate outlining their duties as members of the Board. They would be invited to participate in the next meeting and be allocated a mentor who would support them through a formal induction process where they would get full information of the charity and meet staff and participants.

#### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## TRUSTEE REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

***FOR THE YEAR ENDED 30 SEPTEMBER 2022***

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The trustee report was approved by the Board of Trustees.

Mr CJ P McKeown

**Trustee**

29 September 2023

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

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I report to the trustees on my examination of the financial statements of The Liverpool Film Academy Educational Trust (the trust) for the year ended 30 September 2022.

#### **Responsibilities and basis of report**

As the trustees of the trust (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the trust's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the trust as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Hilene Henry FCA  
Sedulo Liverpool Limited

5th Floor  
Walker House  
Exchange Flags  
Liverpool  
Merseyside  
L2 3YL  
United Kingdom

Dated: 29 September 2023

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Notes							
<b>Income from:</b>							
Donations and legacies	3	2,600	-	2,600	-	-	-
<u>Charitable activities</u>							
Creative Skillset - Script to Screen	4	-	21	21	-	28	28
Investment income	4	25,908	-	25,908	25,953	-	25,953
<b>Total income</b>		28,508	21	28,529	25,953	28	25,981
<b>Expenditure on:</b>							
Raising funds	5	750	-	750	999	-	999
Charitable activities	6	110,140	9,080	119,220	161,864	10,597	172,461
Other	10	152	-	152	195	-	195
<b>Total expenditure</b>		111,042	9,080	120,122	163,058	10,597	173,655
<b>Net outgoing resources before transfers</b>		(82,534)	(9,059)	(91,593)	(137,105)	(10,569)	(147,674)
Gross transfers between funds		(9,059)	9,059	-	(22,279)	22,279	-
<b>Net expenditure for the year/ Net movement in funds</b>		(91,593)	-	(91,593)	(159,384)	11,710	(147,674)
Fund balances at 1 October 2021		73,736	-	73,736	233,120	(11,710)	221,410
<b>Fund balances at 30 September 2022</b>		(17,857)	-	(17,857)	73,736	-	73,736

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

All income and expenditure derive from continuing activities.

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

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## BALANCE SHEET

**AS AT 30 SEPTEMBER 2022**

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	12		557,860		571,676
<b>Current assets</b>					
Debtors	13	-		189	
Cash at bank and in hand		-		2,533	
				2,722	
<b>Creditors: amounts falling due within one year</b>	15	(69,166)		(70,739)	
Net current liabilities			(69,166)		(68,017)
<b>Total assets less current liabilities</b>			488,694		503,659
<b>Creditors: amounts falling due after more than one year</b>	16		(506,551)		(429,923)
<b>Net (liabilities)/assets</b>			(17,857)		73,736
<b>Income funds</b>					
Unrestricted funds			(17,857)		73,736
			(17,857)		73,736

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## BALANCE SHEET (CONTINUED)

***AS AT 30 SEPTEMBER 2022***

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 September 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 29 September 2023

Mr CJ P McKeown  
**Trustee**

**Company registration number 04476928**

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 SEPTEMBER 2022

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#### 1 Accounting policies

##### Charity information

The Liverpool Film Academy Educational Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Old St Lawrence School, Westminster Road, Liverpool, Merseyside, L4 3TQ, United Kingdom.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities SORP (FRS 102), the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The trust is a Public Benefit Entity as defined by FRS 102.

The trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trust.

##### 1.4 Income

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

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

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

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2022

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#### 1 Accounting policies

(Continued)

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### 1.5 Tangible fixed assets

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

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

Leasehold improvements	2% on cost
Plant and equipment	20% on cost
Fixtures and fittings	25% on reducing balance
Motor vehicles	33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.6 Impairment of fixed assets

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

#### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

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

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

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

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### 1 Accounting policies

(Continued)

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

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

#### 2 Critical accounting estimates and judgements

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

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

#### 3 Donations and legacies

	Unrestricted funds	Total
	2022	2021
	£	£
Donations and gifts	2,600	-

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 4 Charitable activities

	Creative Skillset - Script to Screen 2022 £	Investment income 2022 £	Total 2022 £	Creative Skillset - Script to Screen 2021 £	Investment income 2021 £	Total 2021 £
Charitable rental income	-	25,908	25,908	-	25,953	25,953
Other income	21	-	21	28	-	28
	<u>21</u>	<u>25,908</u>	<u>25,929</u>	<u>28</u>	<u>25,953</u>	<u>25,981</u>
<b>Analysis by fund</b>						
Unrestricted funds	-	25,908	25,908	-	25,953	25,953
Restricted funds	21	-	21	28	-	28
	<u>21</u>	<u>25,908</u>	<u>25,929</u>	<u>28</u>	<u>25,953</u>	<u>25,981</u>

### 5 Raising funds

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<u>Trading costs</u>		
Other trading activities	750	999
	<u>750</u>	<u>999</u>

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 6 Charitable activities

	General fund	Building fund	Creative Skillset - Script to Screen	Total 2022	General fund	Building fund	Creative Skillset - Script to Screen	Total 2021
	2022	2022	2022		2021	2021	2021	
	£	£	£	£	£	£	£	£
Depreciation and impairment	4,871	9,059	21	13,951	4,925	10,569	28	15,522
Share of support costs (see note 7)	102,054	-	-	102,054	154,229	-	-	154,229
Share of governance costs (see note 7)	3,215	-	-	3,215	2,710	-	-	2,710
	<u>110,140</u>	<u>9,059</u>	<u>21</u>	<u>119,220</u>	<u>161,864</u>	<u>10,569</u>	<u>28</u>	<u>172,461</u>
<b>Analysis by fund</b>								
Unrestricted funds	110,140	-	-	110,140	161,864	-	-	161,864
Restricted funds	-	9,059	21	9,080	-	10,569	28	10,597
	<u>110,140</u>	<u>9,059</u>	<u>21</u>	<u>119,220</u>	<u>161,864</u>	<u>10,569</u>	<u>28</u>	<u>172,461</u>

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 7 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Wages	78,335	-	78,335	84,442	-	84,442
Rent and rates	13,925	-	13,925	17,092	-	17,092
Repairs and renewals	1,468	-	1,468	644	-	644
Sundries	-	-	-	55	-	55
Establishment expenses	4,548	-	4,548	3,879	-	3,879
Travel expenses	297	-	297	276	-	276
Administration expenses	3,291	-	3,291	54,000	-	54,000
Accountancy and professional	-	3,215	3,215	-	2,710	2,710
	<u>101,864</u>	<u>3,215</u>	<u>105,079</u>	<u>160,388</u>	<u>2,710</u>	<u>163,098</u>
Analysed between						
Charitable activities	<u>116,828</u>	<u>3,215</u>	<u>118,006</u>	<u>154,229</u>	<u>2,710</u>	<u>156,939</u>

### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the trust during the year.

### 9 Employees

The average monthly number of employees during the year was:

2022	2021
Number	Number
<u>3</u>	<u>3</u>

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

### 10 Other

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Financing costs	152	195
	<u>152</u>	<u>195</u>

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### 11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

#### 12 Tangible fixed assets

	Leasehold improvements	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 October 2021	688,618	47,434	6,091	1,250	743,393
At 30 September 2022	688,618	47,434	6,091	1,250	743,393
<b>Depreciation and impairment</b>					
At 1 October 2021	117,532	47,434	5,366	1,250	171,582
Depreciation charged in the year	13,770	-	181	-	13,951
At 30 September 2022	131,302	47,434	5,547	1,250	185,533
<b>Carrying amount</b>					
At 30 September 2022	557,316	-	544	-	557,860
At 30 September 2021	570,951	-	725	-	571,676

#### 13 Debtors

	2022	2021
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	-	189

#### 14 Loans and overdrafts

	2022	2021
	£	£
Bank loans	3,592	6,358
Payable within one year	2,766	2,730
Payable after one year	826	3,628

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 14 Loans and overdrafts

(Continued)

The bank loan has been secured in line with the following security schedule:

Security Type	Granted By	Security Address/Description
1. 1st Legal Charge	Liverpool Film Academy Educational Trust	Old St. Lawrence School, Westminster Road, Liverpool and the associated assets
2. Guarantee for £236,000	Liverpool Academy Productions Limited	
Supported by:		
(a). Debenture	Liverpool Academy Productions Limited	

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

	Notes	2022 £	2021 £
Bank loans	14	2,766	2,730
Other taxation and social security		515	3,795
Deferred income	17	62	83
Trade creditors		2,063	5,546
Accruals and deferred income		63,760	58,585
		<u>69,166</u>	<u>70,739</u>

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

	Notes	2022 £	2021 £
Bank loans	14	826	3,628
Other creditors		505,725	426,295
		<u>506,551</u>	<u>429,923</u>

### 17 Deferred income

	2022 £	2021 £
Other deferred income	62	83
	<u>62</u>	<u>83</u>

Deferred income is included in the financial statements as follows:

# THE LIVERPOOL FILM ACADEMY EDUCATIONAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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17    Deferred income	(Continued)	
	2022	2021
	£	£
Deferred income is included within:		
Current liabilities	62	83
	=====	=====
Movements in the year:		
Deferred income at 1 October 2021	83	110
Released from previous periods	(21)	(27)
	-----	-----
Deferred income at 30 September 2022	62	83
	=====	=====

## 18    Related party transactions

### Transactions with related parties

Included in other creditors is an amount of £505,725 (2021: £425,872) owed to LA Productions Limited, a company in which one of the trustees Colin McKeown is a director. This amount has arisen due to the financial support provided by LA Productions Limited over the years.