

Company registration number 05988546 (England and Wales)

Charity registration number 1129007 (England and Wales)

ROYAL COURT LIVERPOOL TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

ROYAL COURT LIVERPOOL TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr J M Falkingham Ms H E Summers Mr K E Dunn Ms J Fisher Ms C Mbirimi	(Appointed 16 May 2024)
Chief Executive	Miss G Miller	
Secretary	Miss G Miller	
Charity number	1129007	
Company number	05988546	
Registered office	Royal Court Theatre 1 Roe Street Liverpool L1 1HL	
Auditor	DSG Audit Castle Chambers 43 Castle Street Liverpool L2 9TL	

ROYAL COURT LIVERPOOL TRUST LIMITED

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ROYAL COURT LIVERPOOL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

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

Objectives and activities

The Trust's objectives are:

- To conserve and preserve historic buildings and other structures for the benefit of the public, without prejudice to the generality of the foregoing in particular the Royal Court Theatre in Liverpool.
- To advance the education of the public in the arts, including but not exclusively theatre and the performing arts.
- To promote for the benefit of the inhabitants of Merseyside and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have the need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants and members of the general public in drama, opera, music and other arts.

Public benefit

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

Achievements and performance

The focus of Royal Court Liverpool Trust over this accounting period is to concentrate on preserving, maintaining and developing the estate of buildings owned and leased by the charity. With the formation of Royal Court Liverpool Limited, an independent charity set up to oversee the operation of the theatre, tickets sales, marketing, food and drink, Royal Court Liverpool Trust has focussed on these major capital initiatives:

- **The Everton Mint** is a £5.5m project to create a production facility for the North of England;
- **Fit For The Future** is £0.75m investment in capital improvements to Royal Court Theatre; and
- **The Sir Ken Dodd Happiness Centre** - a £15.5m project to create a new heritage museum and centre for happiness reflecting the life and work of Liverpool's greatest entertainer, Sir Ken Dodd.

The Everton Mint

Royal Court Liverpool Trust has planning permission for the £5.5m scheme until September 2025. Royal Court Liverpool Trust has achieved head leases with operating charity Royal Court Liverpool Ltd and with owners of the workshop buildings. Fundraising continues to deliver the project and work on the training and skills component of the project continues.

A series of cultivation events to raise awareness of the project took place during the period with leading councillors and MPs in the area.

We await further capital funding opportunities to try and secure public funding to support this project.

ROYAL COURT LIVERPOOL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

The **Fit For The Future** capital project was funded directly by Arts Council England through a grant approved in April 2022 and has been used to provide:

- upgraded heating and installing cooling systems;
- a more energy efficient building through SMART systems and installing solar panels on the roof;
- LED lighting throughout the building on timers to reduce cost and carbon footprint;
- improved access to the theatre for audiences and performers; and
- new technical and production equipment to make the theatre more sustainable and to reduce its carbon outputs.

The capital elements of the programme were completed in the financial year 2024/25 with the solar panels being connected to the national grid in June 2025.

The Sir Ken Dodd Happiness Centre

During the year, the Trust continued to develop plans for the Sir Ken Dodd Happiness Centre, an ambitious project intended to create a permanent home for the Sir Ken Dodd collection and celebrate Liverpool's rich comedy heritage. The Centre was also envisaged as a hub for community wellbeing, offering creative programmes such as workshops, performances, and seminars.

Royal Court Liverpool Trust worked in partnership with the Ken Dodd Charitable Foundation and The Comedy Trust to shape the vision and content for the proposed building. Award-winning architects, Allford Hall Monaghan Morris, who have supported the Trust's theatre renovations over the past 14 years, developed a detailed and costed design. Planning permission was secured in July 2024, and the project progressed to RIBA Stage 3, supported by funding from the Ken Dodd Charitable Foundation.

Despite these achievements, the Trust was unable to secure the necessary public funding to deliver the project. An application to the National Heritage Lottery Fund for £3.5m was unsuccessful in December 2024, and with no alternative significant funding sources available, the Ken Dodd Charitable Foundation decided to redirect its resources. As a result, the Trustees made the decision to halt the project indefinitely.

All costs incurred to date in relation to the development, including professional fees, design work, and associated legal costs, have been written off in the financial statements for the year. The Trustees remain grateful for the support received and will continue to seek opportunities to promote Liverpool's comedy heritage and community wellbeing through other initiatives.

2025 and beyond

RCLT continues to seek capital funding from a range of public and private sources. We are working to re-design the Everton Mint project into a phased scheme so that tenants, Royal Court Liverpool Ltd can continue to operate throughout any building improvements. We are also keen to repurpose buildings where possible rather than knock down existing buildings just to re-build on the site. We have discussed initial ideas with LCC planning department and will continue to develop plans and re-submit a planning application in 2025.

We continue to seek city centre buildings and spaces to house our youth theatre and community engagement programmes in close proximity to the Royal Court Theatre.

Financial review

The Trust had total incoming resources in the sum of £471,870 (2024: £331,994) and expended £902,763 (2024: £348,018) resulting in net expenditure for the year of £430,893 (2024: £16,024). The net expenditure of £430,893 is after depreciation of £244,309 and a one off write off of prior development costs for the Sir Ken Dodd Happiness Centre of £270,861.

At the period end, the Trust had net assets of £7,127,362 (2024: £7,558,255). Of this £6,911,031 (2024: £7,247,178) is in the designated fund for the net book value of the tangible fixed assets used by the charity, with a balance of free reserves held of £216,331 (2024: £311,077).

ROYAL COURT LIVERPOOL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Going concern

The trustees have considered the Trust's financial position as at 31 March 2025 together with detailed cash flow forecasts for at least the twelve-month period from the date of approval of these financial statements. At year-end, the Trust reported unrestricted net assets of £7,127,362, comprising a designated tangible fixed-asset fund of £6,911,031 and free reserves of £216,331. The trustees note that a significant proportion of reserves is invested in fixed assets, and therefore immediate liquidity is driven by cash, receivables and inter-entity balances repayable on demand.

The Trust's operating model is based on leasing and re-leasing its estate: 25-year leases are in place for Birkett Street and Mansfield Street, with aligned sub-leases to Royal Court Liverpool Limited (RCLL). Rental and premises costs are recharged to tenants, supporting cash neutrality for ongoing property operations. Inter-entity balances include receivables from RCLL (£605,113) and Liverpool Food Company (Theatre) Ltd (£238,440), and a payable to Simply Tickets Ltd (£456,000), each interest-free and repayable on demand. Trustees have considered settlement profiles for these balances in their cash flow forecasts.

In reaching their conclusion, the trustees assessed severe but plausible downside scenarios including delays in securing capital grants and reduced tenant contributions, and identified mitigating actions available to the Trust: scaling discretionary spend, phasing or deferring capital projects (e.g. Everton Mint), pursuing alternative fundraising avenues, and rationalising the asset base if required. The trustees also note the one-off write-off of prior development costs for the Sir Ken Dodd Happiness Centre (£555,588) in the current year and confirm that no further commitments exist without confirmed funding.

On the basis of the above and after reviewing detailed budgets and cash flow forecasts, the trustees are satisfied that the Trust has adequate resources to meet its obligations as they fall due for at least twelve months from the date of approval. Accordingly, the financial statements have been prepared on a going concern basis. The trustees have not identified any material uncertainties that may cast significant doubt on the Trust's ability to continue as a going concern.

Reserves policy

To ensure the organisation can continue in its operations for 12 months. To do this the amount of reserves held is deemed to be the rent and associated costs due to external parties in a 12 month period. The minimum reserves amount for the organisation shall be £60,000.

Principal funding sources

Capital grants are the principle source of funding.

Major risks

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.

Our risk register is reviewed on a regular basis by the Trustees and senior management. Mitigating actions are taken to minimise the likelihood and impact of all risks. The following are the key risks and uncertainties facing the charity:

- Capital development costs exceeding budget
- Unexpected major repair costs
- Loss of key senior staff and consultants

Structure, governance and management

The Trust is a company limited by guarantee and a registered charity. Its governing document is its Memorandum and Articles of Association as amended by special resolution dated 11 May 2009.

ROYAL COURT LIVERPOOL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr J M Falkingham	
Mr M J Best	(Resigned 2 May 2024)
Mr M P Featherstone-Witty	(Resigned 2 May 2024)
Ms H E Summers	
Mr K E Dunn	
Ms J Fisher	
Ms V Park	(Appointed 16 May 2024 and resigned 4 August 2025)
Ms C Mbirimi	(Appointed 16 May 2024)

Recruitment and appointment of trustees

New Trustees are elected at a meeting of the board of Trustees and are appointed on merit for their standing in the community and particular skills and success in their own field of work and in relation to the aims and objectives of the Trust.

Other matters

Current trustees receive continual training support to ensure they have the necessary skills to oversee the governance of the organisation. Training includes charity governance and management.

The Board of Trustees govern the policy of the charity. All trustees give of their time freely and no remuneration was paid in the year.

The management of the charity is delegated to the Chief Executive Officer, G Miller who is responsible to the board of Trustees for all aspects of the operation of the charity.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute up to £10 in the event of a winding up.

Relationship with related parties

Royal Court Liverpool Limited is related due to a common trustee sitting on both boards, and having a CEO in common.

Auditor

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

Disclosure of information to auditor

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

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



Ms J Fisher
Trustee

26 January 2026

ROYAL COURT LIVERPOOL TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

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

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

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

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

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

ROYAL COURT LIVERPOOL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ROYAL COURT LIVERPOOL TRUST LIMITED

Opinion

We have audited the financial statements of Royal Court Liverpool Trust Limited (the 'Trust') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its 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 Trust 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 Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

ROYAL COURT LIVERPOOL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ROYAL COURT LIVERPOOL TRUST LIMITED

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

ROYAL COURT LIVERPOOL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ROYAL COURT LIVERPOOL TRUST LIMITED

Capability of the audit in detecting irregularities, including fraud

Based on our discussions with the charity's management and the Trustees, we identified that the following laws and regulations are significant to the entity:

- 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 charity and therefore may have a material effect on the financial statements include compliance with the charitable objectives, public benefit, fundraising regulations, safeguarding and health and safety legislation.

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

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

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

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

Use of our report

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



Andrew Moss BA FCA (Senior Statutory Auditor)

For and on behalf of DSG Audit, Statutory Auditor

Chartered Accountants

Castle Chambers

43 Castle Street

Liverpool

L2 9TL

26 January 2026

ROYAL COURT LIVERPOOL TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:							
Donations and legacies	3	-	390,851	390,851	20	224,666	224,686
Charitable activities	4	80,994	-	80,994	107,000	-	107,000
Investments	5	25	-	25	308	-	308
Total income		81,019	390,851	471,870	107,328	224,666	331,994
Expenditure on:							
Raising funds	6	22,600	-	22,600	8,800	-	8,800
Charitable activities	7	324,575	-	324,575	304,723	34,495	339,218
Other material expenditure	8	555,588	-	555,588	-	-	-
Total expenditure		902,763	-	902,763	313,523	34,495	348,018
Net income/(expenditure)		(821,744)	390,851	(430,893)	(206,195)	190,171	(16,024)
Transfers between funds		390,851	(390,851)	-	224,666	(224,666)	-
Net movement in funds	10	(430,893)	-	(430,893)	18,471	(34,495)	(16,024)
Reconciliation of funds:							
Fund balances at 1 April 2024		7,558,255	-	7,558,255	7,539,784	34,495	7,574,279
Fund balances at 31 March 2025		7,127,362	-	7,127,362	7,558,255	-	7,558,255

ROYAL COURT LIVERPOOL TRUST LIMITED

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	14		6,911,031		7,247,178
Current assets					
Debtors	15	505,153		383,237	
Cash at bank and in hand		25,467		19,368	
		<u>530,620</u>		<u>402,605</u>	
Creditors: amounts falling due within one year	16	<u>(314,289)</u>		<u>(91,528)</u>	
Net current assets			216,331		311,077
Total assets less current liabilities			<u>7,127,362</u>		<u>7,558,255</u>
The funds of the Trust					
Unrestricted funds	18		7,127,362		7,558,255
			<u>7,127,362</u>		<u>7,558,255</u>

The financial statements were approved by the trustees on 26 January 2026

Jacqueline Fisher

Ms J Fisher
Trustee

ROYAL COURT LIVERPOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Royal Court Liverpool Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Royal Court Theatre, 1 Roe Street, Liverpool, L1 1HL.

1.1 Basis of preparation

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

1.2 Going concern

The financial statements have been prepared on a going concern basis. At the time of approving the financial statements, the trustees have assessed the Trust's ability to continue as a going concern for a period of at least twelve months from the date of approval of these financial statements. The assessment considered the Trust's reserves and liquidity, cash flow forecasts, lease and covenant commitments, and inter-entity balances that are repayable on demand.

The trustees have also reviewed severe but plausible downside scenarios, including reductions in capital grant funding, delays to fundraising, and risks arising from tenant performance under the Trust's sub-leases. Mitigating actions available to the trustees include scaling discretionary expenditure, phasing or deferring capital projects, pursuing alternative fundraising options, and rationalising the asset base where appropriate.

Based on these considerations, the trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the trustees continue to adopt the going concern basis of accounting. No material uncertainties have been identified that may cast significant doubt on the Trust's ability to continue as a going concern.

1.3 Charitable funds

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

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

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

1.4 Income

Income is recognised when the 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.

ROYAL COURT LIVERPOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

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.

Income from Government and other grants, whether capital grants or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. In respect of the furlough grant; all conditions, with respect to the eligible costs being claimed, need to be met.

1.5 Expenditure

Expenditure is accounted for on an accruals basis.

1.6 Tangible fixed assets

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

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

Land and buildings	2% straight line
Leasehold improvements	2% straight line
Fixtures, fittings, equipment & computers	3 years and 10 years straight line

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.

Depreciation is not charged on assets under construction.

1.7 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).

1.8 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.

1.9 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.

ROYAL COURT LIVERPOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Trust transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors 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.

1.10 Employee benefits

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 Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

ROYAL COURT LIVERPOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	-	-	-	20	-	20
Grants	-	390,851	390,851	-	224,666	224,666
	-	390,851	390,851	20	224,666	224,686
Grants						
Ticket Levy Fund	-	84,450	84,450	-	-	-
The Ken Dodd Charitable Foundation	-	222,877	222,877	-	104,434	104,434
Arts Council England - Capital Funding	-	83,524	83,524	-	120,232	120,232
	-	390,851	390,851	-	224,666	224,666

The charity receives donations in kind for administrative services from the Royal Court Liverpool Limited, the value of which could not be quantified and therefore has not been included in these financial statements.

4 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Charitable rental income	80,994	107,000

ROYAL COURT LIVERPOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	25	308

6 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising and publicity		
Fundraising agents	22,600	8,800

7 Expenditure on charitable activities

	Charitable activities 2025 £	Charitable activities 2024 £
Direct costs		
Depreciation and impairment	244,309	227,961
Rent, rates and utilities	24,341	41,944
Insurances	34,474	37,202
Sundry expenses	598	148
Legal and professional fees	9,153	791
Other support costs	-	23,322
	312,875	331,368
Share of support and governance costs (see note 9)		
Governance	11,700	7,850
	324,575	339,218
Analysis by fund		
Unrestricted funds - general	324,575	304,723
Restricted funds	-	34,495
	324,575	339,218

ROYAL COURT LIVERPOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

8 Other material expenditure

Write-off of Development Costs

During the year, the trustees reviewed the viability of the proposed Ken Dodd Happiness Centre project, which aimed to create a major cultural and wellbeing hub adjacent to the Royal Court Theatre in Liverpool. The project was developed in partnership with the Ken Dodd Charitable Foundation and had secured planning approval and initial funding commitments. However, despite extensive efforts to secure additional funding, the trustees concluded in August 2025 that the project could not proceed due to the challenging economic climate and the inability to obtain sufficient external support.

As a result, all costs incurred to date in relation to the development, including professional fees, design work, and associated legal costs, have been written off. These costs, which total £555,588, were previously treated as work in progress and capitalised within tangible fixed assets. Given the decision to discontinue the project, these costs no longer provide future economic benefit and have therefore been expensed as an exceptional item in the Statement of Financial Activities.

The trustees consider this disclosure appropriate to provide a clear understanding of the financial impact of this one-off decision on the charity's results for the year.

9 Support costs allocated to activities

	2025 £	2024 £
Governance costs	11,700	7,850
Analysed between:		
Charitable activities	11,700	7,850

Governance costs include payments to the auditors of £11,700 (2024: £7,850) in respect of audit fees.

10 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	11,700	7,850
Depreciation of owned tangible fixed assets	244,309	227,961

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the Trust during the year (2024: £nil).

None of the trustees were reimbursed expenses from the Trust during the year (2024: £nil).

ROYAL COURT LIVERPOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

12 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Total	-	-
	=====	=====

Employees are now remunerated from Royal Court Liverpool Limited. The charity receives donations in kind for their services from the Royal Court Liverpool Limited, the value of which could not be quantified and therefore has not been included in these financial statements.

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

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025 £	2024 £
Aggregate compensation	-	-
	=====	=====

The CEO is remunerated from Royal Court Liverpool Limited. The charity receives donations in kind for her services from the Royal Court Liverpool Limited, the value of which could not be quantified and therefore has not been included in these financial statements.

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

ROYAL COURT LIVERPOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

14 Tangible fixed assets

	Land and buildings	Leasehold improvements	Assets under construction	Fixtures, fittings, equipment & computers	Total
	£	£	£	£	£
Cost					
At 1 April 2024	1,212,773	6,758,701	283,728	745,195	9,000,397
Additions	-	-	288,227	175,523	463,750
Disposals	-	-	(555,588)	-	(555,588)
Other changes	-	-	(1,800)	1,800	-
At 31 March 2025	1,212,773	6,758,701	14,567	922,518	8,908,559
Depreciation and impairment					
At 1 April 2024	177,873	1,275,601	-	299,745	1,753,219
Depreciation charged in the year	24,255	135,174	-	84,880	244,309
At 31 March 2025	202,128	1,410,775	-	384,625	1,997,528
Carrying amount					
At 31 March 2025	1,010,645	5,347,926	14,567	537,893	6,911,031
At 31 March 2024	1,034,900	5,483,100	283,728	445,450	7,247,178

Liverpool City Council and The Arts Council of England each have a legal charge over the goodwill, property and all other assets of the charity.

15 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	-	21,136
Other debtors	440,605	281,222
Prepayments and accrued income	64,548	80,879
	505,153	383,237

16 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	277,553	84,228
Accruals and deferred income	36,736	7,300
	314,289	91,528

ROYAL COURT LIVERPOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

17 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
Ticket Levy Fund	-	84,450	-	(84,450)	-
Arts Council England - Capital	-	83,524	-	(83,524)	-
The Ken Dodd Charitable Foundation	-	222,877	-	(222,877)	-
	-	390,851	-	(390,851)	-
Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Arts Council England - Capital	-	120,232	-	(120,232)	-
The Ken Dodd Charitable Foundation	-	104,434	-	(104,434)	-
National Foundation for Youth Music	29,508	-	(29,508)	-	-
Oases Project	4,987	-	(4,987)	-	-
	34,495	224,666	(34,495)	(224,666)	-

Arts Council England Capital grant for Fit 4 Future Project. The Agreed Project has delivered a new stair lift to join backstage to front of house for disabled performers and participants; an electric van to make touring more environmentally sustainable; and better equipment to deliver work outside the theatre and in the community.

As the charity expended these funds in line with the purpose of the donation this discharged the restriction on the funds and therefore the assets have been transferred to designated unrestricted funds.

The Ken Dodd Charitable Foundation. Royal Court Liverpool Trust was working in partnership with The Comedy Trust and The Ken Dodd Charitable Foundation to create a new attraction for the Liverpool City Region in the form of a new building adjacent to the Theatre which would have functioned as the Happiness Centre.

During the year, having reviewed the viability and despite extensive efforts to secure additional funding, it was decided to not proceed with the projects due to challenging economic climate and the inability to obtain sufficient external funding. Refer to note 8 for additional information.

Ticket Levy Fund

The charity recognised restricted grant income of £84,450 from Royal Court Liverpool Limited, representing Ticket Levy funds allocated to support the Happiness Centre development project.

The funds are restricted and have been applied to project expenditure in accordance with the donor restriction.

ROYAL COURT LIVERPOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

17 Restricted funds

(Continued)

National Foundation for Youth Music - A project to give FREE access to music for young people

Oases Project - Outdoor and sustainability education specialists project.

18 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2025 £
Tangible fixed asset fund	7,247,178	-	-	(336,147)	6,911,031
General funds	311,077	81,019	(902,763)	726,998	216,331
	<u>7,558,255</u>	<u>81,019</u>	<u>(902,763)</u>	<u>390,851</u>	<u>7,127,362</u>
Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2024 £
Tangible fixed asset fund	7,183,073	-	-	64,105	7,247,178
General funds	356,711	107,328	(313,523)	160,561	311,077
	<u>7,539,784</u>	<u>107,328</u>	<u>(313,523)</u>	<u>224,666</u>	<u>7,558,255</u>

In order to accurately show the reserves tied up in fixed assets held by the charity, a designated tangible fixed asset fund has been created. The fund reflects the net book value of the tangible fixed assets used operationally by the charity.

19 Financial commitments, guarantees and contingent liabilities

The Trust may be required to repay funding if it fails to comply with conditions laid down by funding providers. Liverpool City Council and The Arts Council of England have a legal charges over the goodwill, property and all other assets of the charity.

ROYAL COURT LIVERPOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

20 Operating lease commitments

Lessee

At the reporting end date the Trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	122,424	32,000
Between two and five years	489,696	128,000
In over five years	5,842,170	3,592,000
	<u>6,454,290</u>	<u>3,752,000</u>

Lessor

At the reporting end date the Trust had contracted with tenants for the following minimum lease payments:

	2025 £	2024 £
Within one year	85,000	-
Between two and five years	340,000	-
In over five years	1,678,750	-
	<u>2,103,750</u>	<u>-</u>

The underleases with the tenants have been put in place during the year which have formalised prior arrangements.

ROYAL COURT LIVERPOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

21 Related party transactions

Royal Court Liverpool Limited

Royal Court Liverpool Limited is related due to Jacqueline Fisher sitting on both boards of trustees together with a common Chief Executive in Gillian Miller.

During the year Royal Court Liverpool Trust Limited had the following transactions:

- received rent (net of VAT) of £60,327 (2024: £45,000) from Royal Court Liverpool Limited. No formal lease is in place.
- recharged £250,399 (2024: £146,368) in respect of premises costs to Royal Court Liverpool Limited.
- passed over grants and other income of £166,030 (2024: £90,338) to Royal Court Liverpool Limited
- recognised restricted grant income of £84,450 from Royal Court Liverpool Limited, representing Ticket Levy funds allocated to the Happiness Centre project. The income is recorded within Restricted Incoming Resources.

The charity receives a donation in kind for administrative services from the Royal Court Liverpool Limited, the value of which could not be quantified and therefore has not been included in these financial statements.

At the year end Royal Court Liverpool Trust Limited was owed £605,113 by Royal Court Liverpool Limited (2024: £250,567). There is no interest charged on this and the balance is repayable on demand.

Liverpool Food Company (Theatre) Limited

Liverpool Food Company (Theatre) Limited is a 100% subsidiary of the Royal Court Liverpool Limited.

During the year the Royal Court Liverpool Trust Limited had the following transactions:

- received rent (net of VAT) of £20,667 (2024: £62,000) from Liverpool Food Company (Theatre) Limited. No formal lease is in place
- recharged £16,421 (2024: £45,676) in respect of premises costs to Liverpool Food Company (Theatre) Limited.

At the year end Royal Court Liverpool Trust Limited was owed £238,440 (2024: £193,588) by Liverpool Food Company (Theatre) Limited. There is no interest charged on this and the balance is repayable on demand.

Simply Tickets Limited

Simply Tickets Limited is a 100% subsidiary of the Royal Court Liverpool Limited

Simply Tickets Limited advanced £273,000 (2024: £183,000) during the year to Royal Court Liverpool Trust Limited.

At the year end Royal Court Liverpool Trust Limited owed £456,000 (2024: £183,000) to Simply Tickets Limited. There is no interest charged on this and the balance is repayable on demand.

Kirkhill Ltd & MW SIPP Trustees Ltd

During the year, two properties "44 Birkett Street" and "46 Birkett Street & 19 Mansfield Street" rented by Royal Court Liverpool Trust Limited were purchased by Kirkhill Limited and by MW SIPP Trustees Limited respectively. Kevin Fearon is a director of Kirkhill Limited and Kevin Fearon and Gillian Miller are members of the MW SIPP Trustees Limited pension scheme. Royal Court Liverpool Trust Limited have agreed 25 year leases for the properties at £35,000 per annum for 44 Birkett Street and £50,000 per annum for 46 Birkett Street & 19 Mansfield Street. There are sub-leases for the properties with Royal Court Liverpool Limited, covering the same period and at the same rent.

The charges payable for the year were £8,944 for 44 Birkett Street and £13,185 for 46 Birkett Street & 19 Mansfield Street. The same amounts were charged on to Royal Court Liverpool Limited and are included in the figures of the Royal Court Liverpool Limited paragraphs above.