

Charity registration number 1199206

Company registration number 13652600 (England and Wales)

ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023

ROYAL COURT LIVERPOOL LTD

COMPANY LIMITED BY GUARANTEE

LEGAL AND ADMINISTRATIVE INFORMATION

Honorary Patron Dame Judi Dench

Trustees	M Bessman	(Appointed 21 March 2022)
	J Bird	(Appointed 21 March 2022)
	L A Clark	(Appointed 21 March 2022)
	J Eme Power	(Appointed 1 August 2022)
	J A Fisher	(Appointed 1 July 2022)
	J Hargreaves	(Appointed 21 March 2022)
	K M Johnson	(Appointed 15 April 2022)
	C Pavlou (Chair)	(Appointed 20 July 2022)
L Saunders	(Appointed 21 March 2022)	

Secretary G I Miller

Senior management	Gillian Miller	CEO
	Kevin Fearon	Executive Producer
	Jess Bolger	Creative Producer
	Miriam Mussa	Head of Community Participation
	Iain Christie	Head of Marketing and Sales
	Sean Gannon	Head of Technical and Production
	Thomas Wright	Head of Operations
	Gary O'Connor	Head of Finance

Charity number 1199206

Company number 13652600

Principal address Royal Court Theatre
1 Roe Street
Liverpool
L1 1HL

Registered office Royal Court Theatre
1 Roe Street
Liverpool
L1 1HL

Auditor DSG
Castle Chambers
43 Castle Street
Liverpool
L2 9TL

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ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE PERIOD ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the period ended 31 March 2023.

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 charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The objects of Royal Court Liverpool Ltd as defined in its Articles of Association are to advance the arts for the public benefit by the promotion in particular, but not exclusively, of the art of drama. On 1 April 2022, Royal Court Liverpool Ltd entered into an agreement to become the operator of the Royal Court Theatre. From this date, Royal Court Liverpool Ltd operates under the trading name of Liverpool's Royal Court.

The charitable company aims to promote, maintain, improve and advance education through the production of plays and the encouragement of the arts of drama, dance, singing and music and to formulate, prepare and establish schemes provided that all the objects are to produce accomplished, innovative and relevant plays that are artistically excellent and tour them nationally and to develop a love and understanding for the theatre as an art form through performance, training and other developmental methods.

Royal Court Liverpool Ltd will aim to advance the education of the public by making theatre that is accessible by all and celebrates, inspires and challenges; developing the desire and ability to express ideas and break down social and cultural barriers. Royal Court Liverpool Ltd will aim to increase access to the arts by focusing on attracting audiences who would not class themselves as theatre audience members.

Our Belief

That our brand of theatre production and participation programmes can be enjoyed by most people, and have a powerful impact on their lives, whether they have had previous theatre experiences or not.

Our Vision

We make a difference to people's lives through entertainment, emotion and education. We put Liverpool lives on stage and present our work in a unique way to engage non-traditional theatre audiences. We enrich the lives of our audiences and participants culturally, socially and economically by connecting people to Liverpool.

Mission

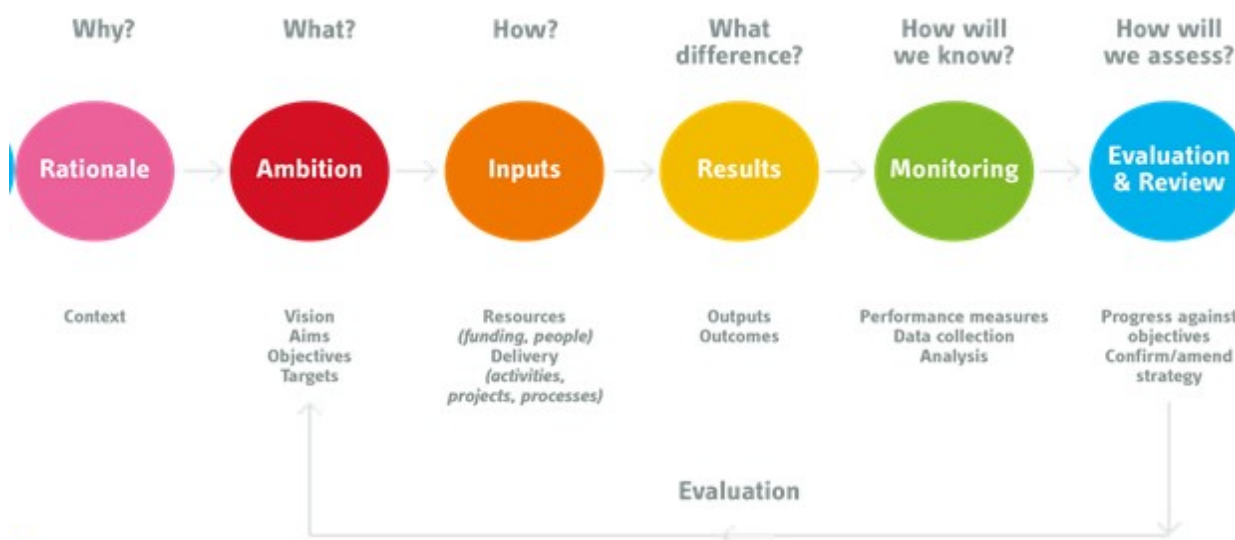
To be open to everyone and offer anyone a seat. To be known throughout the UK as a leading producer of quality theatre and inspiring engagement programmes for non-traditional theatre audiences. To become a key organisation through which audiences can develop a love for theatre in all its forms through attendance, participation and skills development.

**ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023**

Criteria used for assessing success

We have developed a robust evaluation framework which addressed the needs of our stakeholders. The framework focusses on our overall mission as an organisation.

Evaluation Logic Model



Our Evaluation scoping Matrix and Methodology Matrix capture qualitative and quantitative data sets to ensure that we are meeting targets set out in our Business Plan 2023-2026 and are delivering against targets set by public funders.

The Board of Trustees continually assess success at each Board meeting.

Public benefit

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

ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023

Achievements and performance

Significant activities and achievements against objectives

In the year to 31 March 2023 Liverpool's Royal Court delivered:

Main House Shows	Dates	Attendance
Macca & Beth by Gerry Linford	29.4.22-28.5.22	8,177
Mam I'm 'Ere by Stephen Fletcher	10.6.22-9.7.22	18,436
You'll Never Walk Alone by Nicky Allt	23.7.22-3.9.22	19,320
Scousetrap by Kevin Fearon	23.9.22-29.10.22	14,506
The Scouse Jack & The Beanstalk	11.11.22-28.12.22	58,173
Two of Us by Bob Eaton	10.2.23-25.2.23	9,459
Bingo Star by Iain Christie	10.3.23-8.4.23	9,658 (from 1.4.23)
Studio Shows	Dates	Attendance
Ruby and the Vinyl by John & Elizabeth Godber	30.3.22-2.4.22	273 (from 1.4.22)
Pete Price Holds Court	13.4 and 8.6.22	805
Making It by Stephen Fletcher	20.4.22-30.4.22	2,314
Hey Bunny Get Loose by Wendy Dickinson	11.5.22- 28.5.22	754
2Gorgeous4U by Mark Davies Markham	2.6.22-4.6.22	384
Alternative Black Cabaret Showcase	9.6.22	287
Offered Up by Joe Matthew-Morris	22.6.22-9.7.22	986
Blackbird by David Harrower	13.7.22-16.7.22	297
Stocking Fillers (7 new writers)	14.12.22-30.12.22	1,469
Cosmic by Joe McNally	22.3.22 – 8.4.23	1,003
Community Engagement	Attendance	
Youth Theatre Sessions	385	
Community Choir Sessions	44	
Community Choir Performances	13	
People's Players Workshops	45	
Volunteers	10	
Schools visited in Liverpool City Region	24	
Number of school performances	42	
Liverpool City Region school audiences	8,020	
School Q&A workshop participants	4,010	
Number of Arts Awards	40	
Staff wellbeing sessions	1126	
Staff training sessions	50	

2022/23 was the first full year of programme since Covid for the theatre. Audience figures for main house shows returned to pre-Covid levels while audiences for studio shows continued to grow. Total tickets sold throughout 2022/23 were 168,620. Work continued to develop new productions for the main stage including 'A Thong For Europe' by Jonathan Harvey in response to Liverpool being awarded Eurovision 23 and Boys From The Blackstuff by Alan Bleasdale adapted for stage by James Graham.

Talent Development programmes continued to grow in size and reputation with several of the writers emerging from the free to access course writing shows for public performance in the studio.

Community engagement continued with free to access, no waiting list sessions throughout the year delivered off-site at The City of Liverpool Community College Arts Centre. Youth theatre sessions for 6 – 25 year olds were run weekdays after school and all day Saturday. Free daytime sessions were provided during summer and Easter school holidays and at half-term breaks.

The Board of Trustees would like to say a special thank you to all grantors and donors during the reporting period.

**ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023**

Royal Court Liverpool Ltd was successful in its bid to Arts Council England for revenue funding with a grant of £333,864 per year confirmed until March 2026. A grant of £26,220 from Liverpool City Council's Cultural & Arts Investment Fund was also secured for a 3 year period.

Financial review

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements.

Total income for the period ended 31 March 2023 was £4,778,063 which included unrestricted income of £4,557,132 and restricted income of £160,654.

Total expenditure for the financial period was £4,717,786 which included unrestricted expenditure of £4,557,132 and restricted expenditure of £160,654.

The result is a net surplus for the period ended 31 March 2023 of £60,277.

Reserves policy

As the organisation is at the end of its first year we are still in the process of building up our reserves. The organisation is working towards having six months of operating costs as their minimum reserves.

Investment policy

The charity takes a low risk approach to investments with cash for working capital held in current bank accounts. Surplus cash can be placed on short term deposit.

Major risks

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

We maintain a Strategic Risk Register and will undertake specific Risk Assessments for all programmes and projects. Strategic Risks are assessed on the basis of probability and impact and those of high importance are regularly monitored and ameliorated through appropriate mitigation actions. The risk register is presented at each Board meeting for discussion by the Board and is a standing item on the agenda.

Key items on the register include:

- Closure of the theatre as a result of further pandemics
- Downturn in ticket sales as a result of the continuing financial climate
- Staff shortages due to remuneration/lack of skills in the industry (technical)
- Major failure of the grade II listed building

There is a full risk register with plans for mitigation in the Business Plan 2023-2026.

Plans for future periods

The organisation looks forward to a busy year ahead with key highlights including the staging of the Eurovision Song Contest in Liverpool in May 2023 and the specially commissioned play, 'A Thong For Europe' by Jonathan Harvey and the world premiere of 'Boys From The Blackstuff' by Alan Bleasdale adapted for stage by James Graham.

Community Engagement programmes continue to develop with a new commission 'Reckless' by Maurice Bessman which addresses the issue of hate crime and will tour to schools, youth centres and Pupil Referral Units throughout the autumn.

Structure, governance and management

The charity is a company limited by guarantee governed by its Memorandum and Articles of Association.

ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023

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

M Bessman	(Appointed 21 March 2022)
J Bird	(Appointed 21 March 2022)
L A Clark	(Appointed 21 March 2022)
J Eme Power	(Appointed 1 August 2022)
J A Fisher	(Appointed 1 July 2022)
J Hargreaves	(Appointed 21 March 2022)
K M Johnson	(Appointed 15 April 2022)
C Pavlou (Chair)	(Appointed 20 July 2022)
L Saunders	(Appointed 21 March 2022)
G I Miller	(Appointed 30 September 2021 and resigned 8 April 2022)
H E Summers	(Appointed 21 March 2022 and resigned 24 June 2022)
N P Weatherill (Chair to 07/10/2022)	(Appointed 21 March 2022 and resigned 7 October 2022)

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.

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

Organisational structure

The Board of Trustees govern the policy of the charity. All trustees give 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

Purpose, Role and Responsibilities

The Board of trustees believes that good governance is fundamental to their success.

The trustees are committed to:

- Ensuring that the charity complies within the governing documents, charity law and other legislation, including reporting
- Ensuring that the charity operates within its charitable objectives
- Making sure that the charity only spends money and uses resources for activities that contribute to its objectives – and not on things that do not, no matter how worthwhile they are
- Contributing to strategic guidance and goals
- Contributing to the strategic guidance and goals of the charity, help to set policies, monitor and evaluate progress against strategic objectives
- Safeguarding the values and reputation of the charity
- Ensuring the financial stability and sustainability

Induction and training of trustees

We are currently developing our trustee recruitment and induction processes. This will consist of:

- A recruitment pack containing charity documents and organisational Business Plan
- Skills assessment and interview process

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.

**ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023**

Other matters

The Trustees have responsibility for setting the pay and remuneration of the charity's key personnel and this is done on an annual basis, including a formal cost of living review. Salaries are benchmarked with other similar organisations across the sector.

Relationship with related parties

During the period Mr K J Fearon, Executive Producer was also Chief Executive of Royal Court Limited (and director from 20 October 2022), a director of Liverpool Food Company Limited, and a director of Simply Tickets Ltd. He is also the husband of G Miller, Chief Executive Officer. Royal Court Liverpool Trust Limited is related due to a common trustee sitting on both boards.

Auditor

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

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.

Small company provisions

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

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

Jacqueline Fisher

J A Fisher

Trustee

11 December 2023

ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE PERIOD ENDED 31 MARCH 2023

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

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

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

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

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

**ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ROYAL COURT LIVERPOOL LTD**

Opinion

We have audited the financial statements of Royal Court Liverpool Ltd (the 'charity') for the period ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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 2023 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

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 period 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 LTD
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF ROYAL COURT LIVERPOOL LTD**

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

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

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

**ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF ROYAL COURT LIVERPOOL LTD**

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

11 December 2023

**Chartered Accountants
Statutory Auditor**

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

**ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE PERIOD ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income from:				
Donations and legacies	3	154,960	-	154,960
Charitable activities	4	4,462,449	160,654	4,623,103
Total income		4,617,409	160,654	4,778,063
Expenditure on:				
Charitable activities	5	4,557,132	160,654	4,717,786
Total charitable expenditure		4,557,132	160,654	4,717,786
Net income and movement in funds		60,277	-	60,277
Reconciliation of funds:				
Fund balances at 30 September 2021		-	-	-
Fund balances at 31 March 2023		60,277	-	60,277

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

**ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
BALANCE SHEET**

AS AT 31 MARCH 2023

	Notes	2023 £	£
Fixed assets			
Tangible assets	10		16,116
Current assets			
Stocks	11	18,000	
Debtors	12	1,534,995	
Cash at bank and in hand		12,742	
		<hr/>	
		1,565,737	
Creditors: amounts falling due within one year	13	1,521,576	
		<hr/>	
Net current assets			44,161
Total assets less current liabilities			<hr/>
			60,277
			<hr/>
The funds of the charity			
Unrestricted funds			60,277
			<hr/>
			60,277
			<hr/>

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

The financial statements were approved by the trustees on 11 December 2023

Jacqueline Fisher

J A Fisher
Trustee

Company registration number 13652600 (England and Wales)

ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2023

	Notes	2023 £	£
Cash flows from operating activities			
Cash generated from operations	16		31,981
Investing activities			
Purchase of tangible fixed assets		(19,239)	
Net cash used in investing activities			(19,239)
Net cash used in financing activities			-
Net increase in cash and cash equivalents			12,742
Cash and cash equivalents at beginning of period			-
Cash and cash equivalents at end of period			12,742

ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Royal Court Liverpool Ltd 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 Reporting period

The charitable company was incorporated on 30 September 2021. The accounting period covers the eighteen months to 31 March 2023 although activities did not commence until 1 April 2022. The company was dormant until this date.

1.2 Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.3 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity 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.

1.4 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 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.

1.5 Income

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

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

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

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

ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.6 Expenditure

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.

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

Governance costs include expenditure on administration of the charity and compliance with constitutional and statutory requirements.

1.7 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:

Plant and equipment	25% straight line
Fixtures and fittings	25% straight line
Computers	25% 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.

1.8 Impairment of fixed assets

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

1.9 Stocks

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

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

1.10 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.

**ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023**

1 Accounting policies

(Continued)

1.11 Financial instruments

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

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

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

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 charity's contractual obligations expire or are discharged or cancelled.

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

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds 2023 £	Total 2023 £
Donations and gifts	154,960	154,960
Donations and gifts		
Ticket Levy	154,940	154,940
Donations	20	20
	154,960	154,960

4 Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023
Box office	2,504,145	-	2,504,145
Grants received	259,538	160,654	420,192
Ancillary trading income	1,691,641	-	1,691,641
Other income	7,125	-	7,125
	4,462,449	160,654	4,623,103

ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023

4 Income from charitable activities (Continued)

Performance related grants analysis

	Charitable activities 2023 £
Arts Council - NPO Funding	213,864
Arts Council - All Stages All Ages Project	44,550
Terriers Project	81,000
Liverpool City Council - Core Funding	28,842
Youth Theatre Funding	10,722
Music Access All Areas	10,382
Curious Minds	14,000
Other	16,832
	<u>420,192</u>

5 Expenditure on charitable activities

	Charitable activities 2023 £
Direct costs	
Staff costs	1,523,008
Project Costs	155,554
Show Costs	704,312
Production Costs	417,082
Food and Beverage	631,153
Security	115,411
General Expenses	75,304
	<u>3,621,824</u>
Share of support and governance costs (see note 6)	
Support	1,060,949
Governance	35,013
	<u>4,717,786</u>
Analysis by fund	
Unrestricted funds	4,557,132
Restricted funds	160,654
	<u>4,717,786</u>

ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023

6 Support costs allocated to activities

	Charitable activities 2023 £
Staff costs	503,675
Depreciation	3,123
Office Expenses and Marketing	155,525
Theatre Building Costs	292,360
Workshop Building Costs	59,236
Other Staff Costs	46,570
General Expenses	460
Governance	35,013
	<hr/> 1,095,962 <hr/>
	2023 £
Governance costs comprise:	
Audit fees	10,000
Legal and professional	25,013
	<hr/> 35,013 <hr/>

7 Trustees

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

None of the trustees were reimbursed expenses from the charity during the period.

8 Employees

The average monthly number of employees during the period was:

	2023 Number
Charitable activities	<hr/> 134 <hr/>

ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023

8 Employees **(Continued)**

Employment costs	2023
	£
Wages and salaries	1,852,295
Social security costs	142,527
Other pension costs	31,861
	<u>2,026,683</u>

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

	2023
	Number
£60,000- £69,999	2
	<u>2</u>

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023
	£
Aggregate compensation	471,306
	<u>471,306</u>

9 Taxation

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

10 Tangible fixed assets

	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£
Cost				
Additions	6,708	9,217	3,314	19,239
At 31 March 2023	<u>6,708</u>	<u>9,217</u>	<u>3,314</u>	<u>19,239</u>
Depreciation and impairment				
Depreciation charged in the period	886	1,659	578	3,123
At 31 March 2023	<u>886</u>	<u>1,659</u>	<u>578</u>	<u>3,123</u>
Carrying amount				
At 31 March 2023	<u>5,822</u>	<u>7,558</u>	<u>2,736</u>	<u>16,116</u>

ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023

11 Stocks

2023
£

Finished goods and goods for resale	18,000
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12 Debtors

2023
£

Amounts falling due within one year:

Trade debtors	851
Other debtors	1,515,660
Prepayments and accrued income	18,484
	<u>1,534,995</u>

13 Creditors: amounts falling due within one year

2023
£

Other taxation and social security	68,336
Trade creditors	120,972
Other creditors	49,860
Accruals and deferred income	1,282,408
	<u>1,521,576</u>

14 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 30 September 2021	Incoming resources	Resources expended	At 31 March 2023
	£	£	£	£
Arts Council - All Stages All Ages Project	-	44,550	(44,550)	-
Terriers Project	-	81,000	(81,000)	-
Youth Theatre Funding	-	10,722	(10,722)	-
Music Access All Areas	-	10,382	(10,382)	-
Curious Minds	-	14,000	(14,000)	-
	<u>-</u>	<u>160,654</u>	<u>(160,654)</u>	<u>-</u>

ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023

14 Restricted funds

(Continued)

Arts Council - All Stages All Ages. A project to create a structured pathway to engage children and young people across Liverpool City Region in theatre-based activity and develop a new sustainable model for partnership between members of the Liverpool Theatre Network.

Terriers Project - Terriers and Terriers 2:Eve's Story. Funding of plays for schools about the dangers of gun and gang crime.

Youth Theatre Funding- Funding for The Royal Court Youth Theatre which delivers a range of opportunities free of charge for young people aged 6 – 25 from every part of the City.

Music Access All Areas - A project to give free access to music for young people.

Curious Minds - Funding to support 8 aspiring young creative practitioners up to the age of 25, with an ethnically diverse (BAME) background/heritage.

15 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 30 September 2021	Incoming resources	Resources expended	At 31 March 2023
	£	£	£	£
General funds	-	4,617,409	(4,557,132)	60,277

16 Cash generated from operations

**2023
£**

Surplus for the period	60,277
Adjustments for:	
Depreciation and impairment of tangible fixed assets	3,123
Movements in working capital:	
(Increase) in stocks	(18,000)
(Increase) in debtors	(1,534,995)
Increase in creditors	1,521,576
Cash generated from/(absorbed by) operations	31,981

17 Events after the reporting date

With effect from 1 April 2023 Simply Tickets Ltd and Liverpool Food Company (Theatre) Ltd became subsidiaries of Royal Court Liverpool Ltd (RCLL). RCLL is now the sole shareholder for both of these companies.

ROYAL COURT LIVERPOOL LTD
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023

18 Related party transactions

Transactions with related parties

During the period the charity entered into the following transactions with related parties:

Liverpool Food Company Limited

During the period Liverpool Food Company Limited collected income of £1,691,641 (net of VAT) on behalf of Royal Court Liverpool Ltd. During the period Royal Court Liverpool Limited recharged staff costs to Liverpool Food Company Limited in the sum of £183,085 (net of VAT). At the period end Royal Court Liverpool Ltd owed £22,375 to Liverpool Food Company Limited.

Simply Tickets Ltd

During the period Simply Tickets Ltd collected box office income including booking fees and ticket levy of £2,714,085 on behalf of Royal Court Liverpool Ltd. At the period end Royal Court Liverpool Ltd was owed £1,123,949 by Simply Tickets Ltd.

Royal Court Limited

At the period end Royal Court Liverpool Ltd owed £13,360 to Royal Court Limited.

Royal Court Liverpool Trust Limited

During the period Royal Court Liverpool Ltd paid rent of £44,500 to Royal Court Liverpool Trust Limited. At the period end Royal Court Liverpool Trust Limited owed £15,746 to Royal Court Liverpool Ltd.

During the period Mr K J Fearon, Executive Producer was also Chief Executive of Royal Court Limited (and director from 20 October 2022), a director of Liverpool Food Company Limited, and a director of Simply Tickets Ltd. He is also the husband of G Miller, Chief Executive Officer. Royal Court Liverpool Trust Limited is related due to a common trustee sitting on both boards.