

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED

England & Wales · Charity number 509458

Details

Other names	THE EMPIRE THEATRE (LIVERPOOL) TRUST LIMITED
Status	Registered
Legal form	Charitable company
Company number	01437514
Registered	1980-01-07
Register	View on the Charity Commission register

Contact

Address	Morecrofts Llp Cotton Yard Cotton Exchange Building Old Hall Street Liverpool L3 9LQ
Phone	01514281911
Email	n1morgan@hotmail.com

Activities

Objects: TO PROMOTE, MAINTAIN, IMPROVE AND ADVANCE EDUCATION, PARTICULARLY BY THE PRODUCTION OF EDUCATIONAL PLAYS AND THE ENCOURAGEMENT OF THE ARTS INCLUDING THE ARTS OF DRAMA, MIME, DANCE, SINGING AND MUSIC AND TO FORMULATE, PREPARE, AND ESTABLISH SCHEMES THEREFOR PROVIDED THAT NOTHING CONTAINED IN THE MEMORANDUM SHALL BE DEEMED TO AUTHORISE OR PERMIT THE PROPERTY OF THE ASSOCIATION NOR THE INCOME THEREOF NOR ANY PART OF SUCH PROPERTY OR INCOME TO BE APPLIED OR USED FOR ANY OBJECT OR PURPOSE, WHICH IS NOT EXCLUSIVELY CHARITABLE.

Activities: The principal activity is to promote, improve & advance the arts.

Classification

- **How:** Other Charitable Activities
- **What:** Arts/culture/heritage/science
- **Who:** The General Public/mankind

Geography

- Liverpool City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£108,499	£107,242	-	-
2024-03-31	£92,030	£81,340	-	-
2023-03-31	£79,261	£80,315	-	-
2022-03-31	£76,787	£52,166	-	-
2021-03-31	£1,951	£16,562	-	-

Trustees

Name	Role	Appointed
David Morgan		1997-06-19
John Joseph Thompson		2018-05-14
Lesley Marshall		2015-07-07
Pamela Joyce McGaffney		2016-03-14
Sean Patrick Marley		2020-01-13

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED

England & Wales - Charity number 509458

Accounts

Charity registration number 509458 (England and Wales)

Company registration number 01437514

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees Mr D Morgan (Chairman)
Mrs P J McGaffney
Miss L Marshall
Mr J J Thompson
Mr S P Marley

Secretary Ms C Mason

Charity number 509458

Company number 01437514

Principal address c/o Morecrofts LLP
Cotton Exchange
Old Hall Street
Liverpool
Merseyside
L3 9LQ

Registered office c/o Morecrofts LLP
Cotton Exchange
Old Hall Street
Liverpool
Merseyside
L3 9LQ

Independent examiner Tony Stanley ACA
Mitchell Charlesworth
Suites C,D,E, & F
14th Floor The Plaza
100 Old Hall Street
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Skelmersdale
Lancashire
WN8 6WT

Nationwide Building Society
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Moulton Park
Northampton
NN3 6NW

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED COMPANY LIMITED BY GUARANTEE CONTENTS

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THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their 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 charity's governing document, 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 principal objectives of the charitable company are to promote, maintain, improve, and advance education, particularly by the production of educational plays and the encouragement of the arts, including the arts of drama, mime, dance, singing and music for the benefit of the community living in the areas of Merseyside, Wirral and outlying districts including North Wales, Cheshire, and West Lancashire.

The activities throughout each year are designed to encourage interest, enthusiasm, and appreciation for the wide variety of performances at the Empire Theatre (musical theatre, opera, ballet, drama, singing and dance). The start of 2025 saw the commencement of celebrations of the 100 year anniversary of the Theatre which will continue throughout the year. The Trustees were keen to support both the Theatre generally with the celebrations and Creative Learning with special or extra projects.

The Trustees consider the continued development of the education and community programme within the Creative Learning Department ('the Department') and the activities managed by the Trust to be the cornerstone of its charitable aims to assist in delivering a new and wider audience for the Theatre in part by developing young persons' interest in the arts and dance.

The Trustees are committed to making these activities available to as wider part of the community as possible and to extend these activities to all who are interested to take part and experience a full Arts programme. The Trustees are supportive in increasing diversity and providing opportunity to those from disadvantaged backgrounds.

In conjunction with its managers, the Ambassador Theatre Group (ATG) and through a variety of programmes, the Trust aims to develop the audience of the future and to increase the occupancy rate of the Theatre, and in particular to help young persons in the appreciation of the arts.

The Trust supports and encourages an active Department and its variety of programmes, some of which are linked to and supported by the companies, producers and performers visiting the Theatre. In addition, some activities of the Department receive financial support from local businesses and organisations as well as from the Trust. Assistance with fees is provided where otherwise applicants may not be able to take part.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in its dialogue with ATG.

Representatives of the ATG (the Business Director (UK Venues), the Theatre Director, the Head of Operations (North) and the Head of Creative Learning) attend board meetings to present their respective management reports, which are circulated to the Trustees prior to the meetings and discussed in advance of the ATG representatives joining the meeting.

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

An overview of developments, activities and achievements

The theatre has had a very busy and successful year and has exceeded all expectations. Everyone in the Creative Learning Department is delighted with the amount of projects and participants who have been involved over the past year. The department have provided a full and busy programme over the last 12 months which has seen them grow and develop the opportunities available and the Trustees have been delighted to support and fund various projects and initiatives. Overall, there have been 18,000 participants in 634 sessions involving 104 freelancers and casual contracts, 35 venue tours, 67 work experience and industry insight activities and 39,998 audience members for Creative Learning produced shows and performances and 1,438 targeted audience development tickets distributed.

The Trustees continue to hold Trust meetings throughout the year and in between meetings liaise with ATG on a variety of matters as required.

The Trustees have supported ATG wherever possible to provide a full and varied offering to the Public and to raise their own profile in the media and on social media to make the public aware of the Trustees role. At the commencement of this 100 year anniversary of the theatre in 2025 additional funds have been made available by the Trustees towards additional projects and events to celebrate the anniversary by Creative Learning which has recruited additional staff this year to help develop the offering to a wider range of young people and schools.

There are regular updates from the Chair of Trustees in the "in house" programme for performances and increasing support to the Department to develop the Youth Programme which always proves very popular and has a vital role in helping youngsters to gain new skills both in performing and life skills. The Trustees remain of the view this is very important particularly in view of increasing costs of living and increase in mental health issues for young people.

This year also saw the continuation by the Trustees of the "Terry Smith" Award scheme which is a bursary scheme named after the former Chairman of the Trust to assist those students going on to further studies usually at Drama schools and to help pay for vital equipment, dance shoes and similar, to aid them in the studies. Once again this proved very popular and a vital means of financial support for current Members of the Youth theatre and those who have recently been involved and may now be at drama schools. All are invited to apply who meet the relevant criteria which is not "means tested". The Trustees after review and discussion to decide on the amount to be paid. The Trustees granted awards totaling £18,000 in this financial year to assist them to continue in their studies and hopefully go on to be "future ambassadors" for the Liverpool Empire. Those members who received bursaries have been very grateful and provide regular updates to the Trustees on their progress with their studies.

In addition this year the Trustees also agreed to help fund those applying to drama schools with audition fees and travel and associated costs which has been very well received by those who received grants as this is generally a very expensive process.

The Trustees plan to continue to support these vital bursary schemes and expand whenever possible.

Tribute

The Trustees are deeply saddened to report the death on 11 August 2025 of its trustee His Honour G A Ensor ("Tony"). Tony was by far the longest serving Trustee on the board of the charitable company which owns the City's flagship theatre.

He was a retired solicitor who was later appointed a Judge. He was also for many years a director of Liverpool Football Club. His connection with the Liverpool Empire spanned six decades. He acted as solicitor to the Trust at the time of its establishment in 1979, then becoming a Trustee himself.

A passionate lover of opera, especially a supporter of Welsh National Opera, he played a pivotal role in numerous productions being staged at the empire. He was very enthusiastic in supporting Creative Learning and believed passionately in the future of the Arts and young people. His sense of humor was always part of Trustees meetings and his contribution to the Trust cannot be underestimated. For a full tribute please visit our website <https://liverpoolempiretrust.co.uk>

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Creative learning

The Creative Learning Department works on three main areas:

1. Creative Generation – the work that is done with and for schools to create opportunities for a creative curriculum across the education landscape. Capturing the mind and imaginations of first-time theatre goers.
2. Community Engagement – working with local and national partners to create opportunity to engage with the theatre.
3. Talent Development – Providing opportunity to connect young people from all backgrounds with everything the entertainment industry has to offer. Provide skills training and performance opportunities.

All areas of the programme benefit from connection to the shows in the Theatre through cast led workshops, Q&A's, backstage tours, and special projects.

Creative Learning aims to provide opportunity to nurture the audiences and workforce, both on and off stage, of the future.

The year was a very busy year and there was a large breadth of work delivered both in and out of the theatre. Outside performance opportunities are constantly appraised and efforts made to give students as much performance experience as possible in different venues and at events. This promotes both the Department and the Liverpool Empire Theatre.

The report will not go into detail on the work created and delivered through the year but examples of this are as follows:

1. Creative Generation - Schools Partnership Programmes

The school's partnership is a whole school engagement programme connecting teachers and pupils with the world of theatre. This includes Industry Insights and careers events, practical workshops, show based activities, Teacher CPD and ticket offers.

The Programme is designed by primary and secondary education specialists and led by entertainment industry experts. It is focused not only on the development of the future workforce both on and off stage but also on developing transferrable skills such as teamwork, critical thinking, curious mindsets and productivity.

Some of the school projects were:

The Greatest City in the World project in partnership with National Museums Liverpool (200+ participants from senior schools) with various workshops and spoken word and movement looking back over Liverpool history

Musical Theatre International - primary school pupils (265 participants) including training for teachers, music and singing for pupils

Work in Theatre Week to introduce secondary pupils (19 participants from 10 schools) to opportunities for working in theatre which included workshops, visits and shadowing theatre staff

English National Ballet – Dynamic Drawing to Dance including workshops for senior pupils and working with English National Ballet to produce artwork for display in the Theatre and elsewhere

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

2. Community Engagement - Project workshops

Musical Theatre summer school involved a week of performing arts activities themed workshops and games at the Theatre for 22 young participants aged 7 to 14.

The week included a venue and backstage tour and a chance to watch "Hairspray" the musical. The activities were conducted by industry professionals and aimed at providing an opportunity for young people to take part in singing, dancing and theatre-based activities to boost their skills and confidence

Thoughts and Sounds – Spoken Word Event in the Piano Bar

An evening of spoken work and music performance in the Piano Bar at the Theatre. The first of it's kind for Creative Learning, this event aimed to provide a space and platform for grassroots poetry and music for the local community. There were 35 attendees and since the event Creative Learning is now working with one of the spoken word artists to deliver workshops and activities for them.

Chitty Chitty Bang Bang UK Tour

Creative Learning were asked to source 8 children to join the UK tour whilst the show was in Liverpool. They auditioned 14 children from our Youth theatre and local dance schools and helped prepare the children with material provided by the Casting Director and supported them through the process.

Liverpool One – Christmas Launch

Members of the Senior Youth Theatre played Christmas elves at part of Liverpool One's Christmas launch and the participants gained confidence to use throughout the rest of their year with the Company.

3. Talent Development - Liverpool Empire Youth Theatre Academies

The Trust supports the activities of Creative Learning throughout the year, and the Trustees attend productions and events where possible.

Industry professionals teach the youth theatre academy with weekly sessions focused on building skills in acting, singing and dance and working towards several performances.

The student's range in age from 6 to 22 and are placed in different groups according to age.

In August 2024 the Senior Youth Theatre performed "Spring Awakening" the musical on stage at the Empire Theatre. This involved participants aged 18 to 21 This created a completely different opportunity for the cast, acting as more of a pre- professional company than a "youth" theatre and it led to a great company bond due to the tough themes of the production. Many students left after this production to go on to pursue a career in Musical Theatre at Universities and Drama schools.

In August 2024 there were three spectacular performances of "Bring it On the Musical" at the Empire Theatre also, for ages 14 to 17.

Auditions take place in September each year to select participants This saw weekly engagement numbers climb to 150 and there is great demand for places.

Other projects throughout the year included:

"Many Happy Returns" showcase for 115 performers from across the academies to celebrate the theatre over the last 100 years at the Empire Theatre. This was very well attended and enjoyed by all

It is a priority to ensure that young people from all backgrounds and particularly those who might otherwise face barriers to engaging in the Arts have been actively encouraged to collaborate and financial support is provided to those who need it. The Trustees have continued to support through funding, and the Trustees have already committed to further funding of projects and bursaries to students for the coming year. The Trustees are delighted with the continued success of Creative Learning and look forward to supporting as many projects as possible in the coming year.

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Productions, Attendances and Plans

The theatre has a capacity of 2,365 seated and 16 wheelchair spaces. There was strong growth, and this was an exceptional record-breaking year again, and the financial result was outstanding with over 363 performances in the theatre and an average occupancy of 78.7%.

Liverpool Empire became the top venue contributor in the regional venues of ATG for the first time with significant growth in profit also. In all 677,000 people attended shows throughout the year which was magnificent for the 100-year anniversary

The theatre continues to be very well supported for most productions and has exceeded expectations and there are a lot more shows and events planned to continue to raise the profile and generate extra desirability to attend shows in the coming year. The theatre will celebrate the team and recognise the commitment and contribution over the years especially during this celebratory birthday year.

Property

The Trust has a lease of the Empire Theatre building from Liverpool City Council for a term of 125 years; the lease expires in 2127. The charity sub-lets the Theatre to ATG, for commercial use. ATG, as the tenant, is responsible for all property care and maintenance and takes all commercial risks for theatrical activities. ATG makes a management contribution to the Trust.

Following completion of the refurbishment and extension of the theatre (incorporating the adjoining Legs of Man public house acquired by compulsory purchase) some years ago (the finance for which was provided by grants from the Arts Council and ERDF together with substantial contributions from ATG and individuals), the Trust takes all necessary steps to ensure ATG complies with its leasing obligations and in particular that the Theatre is properly managed and kept in good repair and condition.

At the time the lease was granted, the Trust took advice (having regard to the charitable status of the Trust) from Irving Rice, Surveyors of Liverpool on the structure of the lease arrangements from Liverpool City Council and ATG. No premium was paid to Liverpool City Council by the Trust for the lease although Liverpool City Council placed a value of £350,000 on the lease and this was taken as matched funding towards the Arts Council grant.

The Trustees do not consider any merit in seeking a professional valuation of the Lease with Liverpool City Council in view of the user restriction and the obligations of the Trust in maintaining the building as a Theatre. The value of £350,000 calculated by Liverpool City Council has been accepted by the Trustees for the purposes of these accounts and is reflected as such in the designated reserves on the balance sheet.

The upkeep and development of one of the City's best known and most loved buildings are always a major concern of the Trust and that view is shared by ATG. A biannual report is prepared by Trident Building Consultancy, which is commissioned by the Trust and shared with ATG who then actively take steps to address any issues noted in the report and the Trustees receive regular reports of work undertaken or work planned.

The presentation of the fabric and facilities of the Empire to the public is constantly reviewed and the Trust receives regular reports on the state of the building and facilities for successful theatre productions. The report is discussed between the Trustees and ATG thus ensuring that ongoing maintenance issues are attended to, and, in addition, future capital expenditure is proposed for the enhancement and development of the theatre and its facilities.

Some major projects continued to be undertaken to improve the building during the year (funded by ATG). These are closely monitored and reviewed by the Trustees. Further work is anticipated in the coming year which will mark the 100 year anniversary of the theatre.

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Financial review

The results for the year and the charity's financial position at the end of the year are shown on pages 6 to 19.

The surplus for the year amounted to £1,257 (2024: £10,690)

The Trustees believe that sufficient assets are presently available to fulfil the obligations and aims of the charity. However, there is also awareness that in the longer term and in view of uncertainties in the worldwide economy there will be an increasing cost for professional services (accountants and building surveyors, for example) and other expenditures, which will require the Trust to reappraise its future levels of income and donations.

To achieve its main objectives, the financial viability of the theatre remains fundamental and the Trust will liaise closely with ATG to identify any issues that might affect the long-term viability of the theatre as and when necessary.

At 31 March 2025, total reserves were £641,852 (2024: £640,595) of which £350,000 (2024: £350,000) is a designated fund representing the fair value of the lease between Liverpool City Council and the charity.

Risk policy

The charity has continued to review risks which it faces and will establish controls to mitigate risk where necessary. Risks continue to be subject to periodic review.

Reserves policy

The Reserves Policy is reviewed in line with Charity Commission publication on 'Charity Reserves: building resilience'. Whilst the Trustees are looking to spend most of its annual income (which increases annually by the rate of RPI) on charitable objectives, with the balance on administrative costs, part of the sum held as reserves will be made available periodically for the objectives of the charity although the Trustees will take into account the need to hold the reserves against continuing liabilities under its lease with Liverpool City Council in circumstances where the indemnity from its tenants is not available.

The Trustees are further aware that the reserves (which arose from a payment from ATG resulting from a lease negotiation) are not likely to be replaced in the future and for this reason the Trustees consider it is a prudent decision in the long term interests of the charity to maintain the reserves close to their present level, thus allowing the Trustees to apply some of the reserves on charitable function where the annual income has been accounted for.

Investment policy

The charity's investment policy currently is to hold any reserves at the bank on deposit.

Structure, governance and management

Legal status

The Empire Theatre (Merseyside) Trust Limited is a charitable company limited by guarantee, incorporated on 16 July 1979 and registered as a charity on 7 January 1980.

The charity was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1. None of the Trustees have any beneficial interest in the charity.

Governance and management

The directors, who are also Trustees of the charitable company for the purposes of company law, have a variety of specific experience and skills including arts administration, theatre and film productions, journalism, private sector administration and management and legal experience. These skills are all needed for the successful running of the Trust linked to the Theatre managers and the continued work of the Creative Learning department. The Trustees are responsible for all decision-making activities taking account, where appropriate the requirements of the 'public benefit'. The Trustees meet regularly to review progress of the objectives of the Trust and the performance of ATG (its manager and tenant).

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
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 and up to the date of signature of the financial statements were:

Mr D Morgan (Chairman)
His Honour G A Ensor (Deceased 11 August 2025)
Mrs P J McGaffney
Miss L Marshall
Mr J J Thompson
Mr S P Marley

The chairman of the Trust is nominated and seconded by one of the Trustees.

The secretary is Carol Mason a solicitor and partner with the law firm Morecrofts LLP of 7 Church Road. Woolton Liverpool L25 5JE.

The Trustees are advised by Daniel McEvoy of Trident Building Consultancy, 43 Castle Street Liverpool, on property matters generally and in particular to review compliance by ATG of their Lease obligations.

The Trustees have considered no formal training is required to fulfil their duties and obligations.

The Trustees have assessed the major risks (in conjunction with its managers) to which the Trust is exposed and are satisfied that systems are in place to mitigate exposure to major risks.

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.



.....
Mr D Morgan (Chairman)

Trustee

17/12/2025

Date:

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also the directors of The Empire Theatre (Merseyside) 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 charity 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 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.

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
INDEPENDENT EXAMINER'S REPORT**

TO THE TRUSTEES OF THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED

I report to the trustees on my examination of the financial statements of The Empire Theatre (Merseyside) Trust Limited (the charity) for the year ended 31 March 2025.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My examination has been undertaken so that I might state to the charity's trustees those matters that I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my examination, for the report, or for the opinions I have formed.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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



Tony Stanley ACA
Mitchell Charlesworth
Suites C,D,E, & F
14th Floor The Plaza
100 Old Hall Street
Liverpool
L3 9QJ

Dated: 17 December 2025

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025

Current financial year

		Unrestricted funds general 2025 £	Unrestricted funds 2025 £	Total 2025 £	Total 2024 £
	Notes				
<u>Income and endowments from:</u>					
Charitable activities	3	91,908	-	91,908	87,615
Investments	4	12,591	-	12,591	4,415
Other income	5	4,000	-	4,000	-
Total income		<u>108,499</u>	<u>-</u>	<u>108,499</u>	<u>92,030</u>
<u>Expenditure on:</u>					
Charitable activities	6	107,242	-	107,242	81,340
Net income for the year/ Net movement in funds		1,257	-	1,257	10,690
Fund balances at 1 April 2024		290,595	350,000	640,595	629,905
Fund balances at 31 March 2025		<u><u>291,852</u></u>	<u><u>350,000</u></u>	<u><u>641,852</u></u>	<u><u>640,595</u></u>

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

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

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025

Prior financial year

		Unrestricted funds general 2024 £	Unrestricted funds 2024 £	Total 2024 £
	Notes			
<u>Income and endowments from:</u>				
Charitable activities	3	87,615	-	87,615
Investments	4	4,415	-	4,415
		<hr/>	<hr/>	<hr/>
Total income		92,030	-	92,030
		<hr/>	<hr/>	<hr/>
<u>Expenditure on:</u>				
Charitable activities	6	81,340	-	81,340
		<hr/>	<hr/>	<hr/>
Net income for the year/ Net movement in funds		10,690	-	10,690
		<hr/>	<hr/>	<hr/>
Fund balances at 1 April 2023		279,905	350,000	629,905
		<hr/>	<hr/>	<hr/>
Fund balances at 31 March 2024		290,595	350,000	640,595
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
BALANCE SHEET**

AS AT 31 MARCH 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	10		350,000		350,000
Current assets					
Debtors	12	9,736		3,986	
Cash at bank and in hand		284,151		288,818	
		<u>293,887</u>		<u>292,804</u>	
Creditors: amounts falling due within one year	13	<u>(2,035)</u>		<u>(2,209)</u>	
Net current assets			291,852		290,595
Total assets less current liabilities			<u>641,852</u>		<u>640,595</u>
The funds of the charity					
Unrestricted funds - general			291,852		290,595
Unrestricted funds - Designated fund	14		350,000		350,000
			<u>641,852</u>		<u>640,595</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025.

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

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

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

The financial statements were approved by the trustees on 17/11/2025



.....
Mr D Morgan (Chairman)
Trustee

Company registration number 01437514 (England and Wales)

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

The Empire Theatre (Merseyside) Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o Morecrofts LLP, Cotton Exchange, Old Hall Street, Liverpool, Merseyside, L3 9LQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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 accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The Charity 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.

1.2 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.

1.3 Charitable funds

Funds held by the charity are:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes.

1.4 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 recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Grants, including grants for the purposes of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable. Income deferred only when the donor has specified that the income is to be expended in a future period.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.5 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.

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

Expenditure reflects all amounts paid and accrued during the year. All costs are allocated between the expenditure categories of the Statement of Financial Activities (SoFA) on a basis designed to reflect the use of the resource.

Charitable expenditure

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Governance costs

These represent costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the charity.

1.6 Tangible fixed assets

The charity has a lease of the Empire Theatre building from Liverpool City Centre for a term of 125 years; the lease expires in 2127. The charity sub-lets the theatre to ATG, for commercial use. The tenant is responsible for all property care and maintenance and takes all commercial risks for theatrical activities. ATG makes a management contribution to the Trust.

The financial statements include the value of the lease from Liverpool City Council in its current use by the Trust for its charitable purposes (see note 10). This is estimated at £350,000.

The initial valuation of this asset was based on a valuation that was carried out in April 2000. The trustees consider there is no impairment and that the fair value fairly represents the value in use of the property at the year end.

The lease was not depreciated owing to the long useful economic life of the asset (125 years) and currently no dilapidations have been provided for in repairs.

The trustees consider there is no value to the underlease between the charity and ATG and hence this does not appear in the financial statements.

1.7 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).

1.8 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.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.9 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.

1.10 Taxation

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions. The charity is also able to recover Value Added Tax.

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.

There were considered to be no critical accounting estimates or judgements applied in the preparation of these financial statements

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

3 Charitable activities

	Unrestricted funds 2025 £	Unretricted funds 2024 £
Charitable rental income	91,908	87,615
	<u>91,908</u>	<u>87,615</u>

4 Investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	12,591	4,415
	<u>12,591</u>	<u>4,415</u>

5 Other income

	2025 £	2024 £
Other income	4,000	-
	<u>4,000</u>	<u>-</u>

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

6 Charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Management contribution	45,954	43,808
Other professional fees	4,568	1,547
Sundry expenses	40	-
Promotion of the arts	53,697	32,364
Website costs	198	196
Donations	-	500
	<u>104,457</u>	<u>78,415</u>
Share of governance costs (see note 7)	2,785	2,925
	<u>107,242</u>	<u>81,340</u>
Analysis by fund		
Unrestricted funds - general	<u>107,242</u>	
	<u>107,242</u>	
For the year ended 31 March 2024		
Unrestricted funds - general		<u>81,340</u>
		<u>81,340</u>

7 Support costs allocated to activities

	2025 £	2024 £
Governance costs	<u>2,785</u>	<u>2,925</u>
Analysed between:		
Charitable activities	<u>2,785</u>	<u>2,925</u>
Governance costs comprise:	2025 £	2024 £
Accountancy	<u>2,785</u>	<u>2,925</u>
	<u>2,785</u>	<u>2,925</u>

Governance costs includes payments to the independent examiner of £1,785 (2024: £1,700) for year end statutory accounts and £1,000 (2024: £1,225) for bookkeeping and other services

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

8 Trustees

None of the trustees received remuneration for services rendered £nil during the year (2024: £nil). None of the trustees (or any persons connected with them) received any expenses during the year (2024: £nil).

9 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Total	-	-

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

10 Tangible fixed assets

	Leasehold property £
Cost	
At 1 April 2024	350,000
At 31 March 2025	350,000
Carrying amount	
At 31 March 2025	350,000
At 31 March 2024	350,000

The initial valuation of the lease between the charity and Liverpool City Council is based on a valuation on 28 April 2000 by Irving Rice, Surveyors, in the region of £350,000. The Trustees consider there is no impairment to that value and that the net book value fairly represents the fair value of the lease at the year end.

The trustees do not consider any merit in seeking a professional valuation of the lease with Liverpool City Council due to the undue cost to the charity. Accordingly due to the user restrictions and obligations of the Trust in maintaining the building as a theatre there is no readily available comparison in the market.

11 Financial instruments

	2025 £	2024 £
Carrying amount of financial assets		
Debt instruments measured at cost	286,551	288,818
Carrying amount of financial liabilities		
Measured at cost	2,035	2,209

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

12 Debtors

	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	2,400	-
Other debtors	7,336	3,986
	<u>9,736</u>	<u>3,986</u>

13 Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	-	260
Accruals	2,035	1,949
	<u>2,035</u>	<u>2,209</u>

14 Unrestricted funds - Designated fund

These are unrestricted funds which are material to the charity's activities.

	At 1 April 2024	At 31 March 2025
	£	£
Designated funds	<u>350,000</u>	<u>350,000</u>
Previous year:	At 1 April 2023	At 31 March 2024
	£	£
	<u>350,000</u>	<u>350,000</u>

The designated fund relates to the value of the lease between the charity and Liverpool City Council (see note 10).

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

15 Analysis of net assets between funds

	Unrestricted funds general	Unrestricted funds Designated fund	Total
	2025	2025	2025
	£	£	£
At 31 March 2025:			
Tangible assets	-	350,000	350,000
Current assets/(liabilities)	291,852	-	291,852
	<u>291,852</u>	<u>350,000</u>	<u>641,852</u>
	<u><u>291,852</u></u>	<u><u>350,000</u></u>	<u><u>641,852</u></u>
	Unrestricted funds general	Unrestricted funds Designated fund	Total
	2024	2024	2024
	£	£	£
At 31 March 2024:			
Tangible assets	-	350,000	350,000
Current assets/(liabilities)	290,595	-	290,595
	<u>290,595</u>	<u>350,000</u>	<u>640,595</u>
	<u><u>290,595</u></u>	<u><u>350,000</u></u>	<u><u>640,595</u></u>

16 Related party transactions

There were no related party transactions within the period.

17 Company limited by guarantee

The Empire Theatre (Merseyside) Trust Limited is incorporated under the Companies Act 1985 as a company limited by guarantee. The liability of the members is limited to £1.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED

England & Wales - Charity number 509458

Accounts

Charity registration number 509458

Company registration number 01437514 (England and Wales)

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees Mr D Morgan (Chairman)
His Honour G A Ensor
Mrs P J McGaffney
Miss L Marshall
Mr J J Thompson
Mr S P Marley

Secretary Ms C Mason

Charity number 509458

Company number 01437514

Principal address c/o Morecrofts LLP
Cotton Exchange
Old Hall Street
Liverpool
L3 9LQ

Registered office c/o Morecrofts LLP
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Liverpool
L3 9LQ

Independent examiner Tony Stanley ACA
Mitchell Charlesworth
Tempest
Suite 5.1
12 Tithebarn Street
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L2 2DT

Bankers Redwood Bank
The Nexus Building
Broadway
Letchworth Garden City
Hertfordshire
SC6 3TA

The Co-Operative Bank
Team 605
P O Box 250
Skelmersdale
Lancashire
WN8 6WT

Nationwide
Kings Park Road
Moulton Park
Northampton
NN3 6NW

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED COMPANY LIMITED BY GUARANTEE CONTENTS

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THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their report and financial statements for the year ended 31 March 2024.

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 governing document, 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 principal objectives of the charitable company are to promote, maintain, improve, and advance education, particularly by the production of educational plays and the encouragement of the arts, including the arts of drama, mime, dance, singing and music for the benefit of the community living in the areas of Merseyside, Wirral and outlying districts including North Wales, Cheshire, and West Lancashire.

The activities throughout each year are designed to encourage interest, enthusiasm, and appreciation for the wide variety of performances at the Empire Theatre (musical theatre, opera, ballet, drama, singing and dance).

The Trustees consider the continued development of the education and community programme within the Creative Learning Department ('the Department') and the activities managed by the Trust to be the cornerstone of its charitable aims to assist in delivering a new and wider audience for the Theatre in part by developing young persons' interest in the arts and dance.

The Trustees are committed to making these activities available to as wider part of the community as possible and to extend these activities to all who are interested to take part and experience a full Arts programme. The Trustees are supportive in increasing diversity and providing opportunity to those from disadvantaged backgrounds.

In conjunction with its managers, the ATG Entertainment (ATG) (which rebranded to this new name this year) and through a variety of programmes, the Trust aims to develop the audience of the future and to increase the occupancy rate of the Theatre, and in particular to help young persons in the appreciation of the arts.

The Trust supports and encourages an active Department and its variety of programmes, some of which are linked to and supported by the companies, producers and performers visiting the Theatre. In addition, some activities of the Department receive financial support from local businesses and organisations as well as from the Trust. Assistance with fees is provided where otherwise applicants may not be able to take part.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in its dialogue with ATG.

Representatives of ATG (the Business Director (UK Venues), the Theatre Director, the Head of Operations (North), and the Head of Creative Learning) attend board meetings to present their respective management reports, which are circulated to the Trustees prior to the meetings and discussed in advance of the ATG representatives joining the meeting.

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

An overview of developments, activities and achievements

The theatre has had a very busy and successful year and has exceeded all expectations. Everyone in the Creative Learning Department is delighted with the amount of projects and participants who have been involved over the past year. The Department have provided a full and busy programme over the last 12 months which has seen them grow and develop the opportunities available and the Trustees have been delighted to support and fund various projects and initiatives. Overall, there have been 24,016 participants in 610 sessions involving 162 freelancers and casual contracts, 174 schools, 58,054 audiences for Creative Learning shows and 1522 targeted audience development tickets distributed.

The Trustees continue to hold Trust meetings throughout the year and in between meetings liaise with ATG on a variety of matters as required.

The Trustees have supported ATG wherever possible to provide a full and varied offering to the Public and to raise their own profile in the media and on social media to make the public aware of the Trustees role. The Trustees propose to go on raising their profile whenever appropriate to increase public awareness.

There are regular updates from the Chair of Trustees in the "in house" programme for performances and increasing support to the Department to develop the Youth Programme which always proves very popular and has a vital role in helping youngsters to gain new skills both in performing and life skills. The Trustees remain of the view this is very important particularly in view of increasing costs of living and increase in mental health issues for young people.

This year also saw the continuation by the Trustees of the "Terry Smith" Award scheme which is a bursary scheme named after the former Chairman of the Trust to assist those students going on to further studies usually at Drama schools and to help pay for vital equipment, dance shoes and similar, to aid them in the studies. Once again this proved very popular and a vital means of financial support for current Members of the Youth theatre and those who have recently been involved and may now be at drama schools. All are invited to apply who meet the relevant criteria which is not means tested. The Trustees after review and discussion decide on the amount to be paid. The Trustees granted awards totaling £12,000 in this financial year to assist them to continue in their studies and hopefully go on to be "future ambassadors" for the Liverpool Empire. Those members who received bursaries have been very grateful and provide regular updates to the Trustees on their progress with their studies.

This has proved very successful and the Trustees plan to continue to support this vital bursary scheme and expand it to provide support for those students preparing and travelling to auditions.

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Creative learning

The Creative Learning Department works on three main areas:

1. Creative Generation – the work that is done with and for schools to create opportunities for a creative curriculum across the education landscape. Capturing the mind and imaginations of first-time theatre goers.
2. Community Engagement – working with local and national partners to create opportunity to engage with the theatre.
3. Talent Development – Providing opportunity to connect young people from all backgrounds with everything the entertainment industry has to offer. Provide skills training and performance opportunities.

All areas of the programme benefit from connection to the shows in the theatre through cast led workshops, Q&A's, backstage tours, and special projects.

Creative Learning aims to provide opportunity to nurture the audiences and workforce, both on and off stage, of the future.

The year was a very busy year and there was a large breadth of work delivered both in and out of the theatre. Outside performance opportunities are constantly appraised and efforts made to give students as much performance experience as possible in different venues and at events. This promotes both the Department and the Liverpool Empire Theatre.

The report will not go into detail on the work created and delivered through the year but examples of this are as follows: -

1. Creative Generation - Schools Partnership Programmes

The school's partnership is a whole school engagement programme connecting teachers and pupils with the world of theatre. This includes Industry Insights and careers events, practical workshops, show based activities, Teacher Continuing Professional Development (CPD) and ticket offers.

The Programme is designed by primary and secondary education specialists and led by entertainment industry experts. It is focused not only on the development of the future workforce both on and off stage but also on developing transferrable skills such as teamwork, critical thinking, curious mindsets and productivity.

The Department engaged this year with 174 primary and secondary schools

2. English National Ballet's Live Drawing Workshops

Ballet explored project, live drawing and careers insights. There were 315 participants from local schools who worked closely with English National Ballet (ENB) and included a careers insight and matinee performance at Manchester Palace Theatre for 153 young people to attend from schools and colleges across the Liverpool City region and northwest. They were able to take part in bitesize insight sessions in costume, set design, make up and marketing. Students also took part in a live drawing workshop

3. Community Engagement - Project workshops

171 young people and 12 schools engaged with creative dance workshops led by English National Ballet (ENB) professional dance artists and local emerging dance practitioners. Teachers continued to develop performance material with support from local dance artists working towards the culmination of the project, a festival style performance celebration of International Women's Day at the Liverpool Empire.

A teacher CPD event also took place led by ENB Associate Facilitator and Associate choreographer and supported by ENB Dance Artist, musician and 2 Creative Learning Dance Artists aimed at enhancing teachers' skills and knowledge of dance and choreography.

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

The emerging artists programme supported 4 Liverpool based early-career dance artists who took part in an artist training day led by ENB in London and in which they learned rep and developing facilitation skills

"Ballet Explored" raised the aspiration of young people and developed skills and creative thinking and supported emerging artists in developing their skills and relationships with organisations.

Project MTI School Festival

This was year 1 of a three-year initiative at the Liverpool Empire theatre and was partnered with Music Theatre International.

6 local primary schools took part with full support and financial contribution. Training was provided for teachers to create musical theatre performance with young people. Each school was granted the rights to perform the full version of Madagascar Jr at their school and supported by the Creative Learning team through workshops.

4. Talent Development - Liverpool Empire Youth Theatre Academies

The Trust supports the activities of the Department throughout the year and the Trustees attend productions and events where possible.

Industry professionals teach the youth theatre academy with weekly sessions focused on building skills in acting, singing and dance and working towards several performances.

The students range in age from 6 to 22 and are placed in different groups according to age.

In August 2023 there were three spectacular performances of Legally Blond at the Empire Theatre to an audience of 5000 people.

Auditions take place in September each year to select participants. This saw weekly engagement numbers climb to 124 and there is great demand for places.

The first production project was to perform at Liverpool One Christmas launch event in November 2023.

Other projects throughout the year were: -

Stage in the Park to celebrate Eurovision in Liverpool in May 2023 where the Department was able to showcase local performing talent and involved 174 performers and local schools

Fame JR with junior youth theatre

Matilda Junior with the mini and home school students

MTI Youth theatre festival

Liverpool Pride

All programmes aim to help and promote theatre skills to all and take place in a safe and supportive environment. This helps to boost confidence, self-esteem, develop communication skills and build resilience and improve mental health and well-being and to build strong friendships.

Many Youth theatre alumni have gone on to study at top drama schools and to make professional debuts in major West End and touring productions both nationally and internationally. They are nationally recognised as having the skills to go on into the demands of performing and the theatre industry.

It has been a priority to ensure that young people from all backgrounds and particularly those who might otherwise face barriers to engaging in the Arts have been actively encouraged to collaborate and financial support is provided to those who need it. The Trustees have continued to support through funding and the Trustees have already committed to further funding of projects and bursaries to students for the coming year.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Productions, Attendances and Plans

The Theatre (with a capacity is 2365 seated with 16 wheelchair spaces). There was strong growth, and this was an exceptional record-breaking year, and the financial result was outstanding with over 311 performances in the Theatre and an average occupancy of 74.5%.

The Theatre continues to be very well supported for most productions and has exceeded expectations in the current year and is one of the most successful theatres run by ATG. Further growth and more shows are forecast for the coming financial year.

Property

The Trust has a lease of the Empire Theatre building from Liverpool City Council for a term of 125 years; the lease expires in 2127. The charity sub-lets the Theatre to ATG, for commercial use. ATG, as the tenant, is responsible for all property care and maintenance and takes all commercial risks for theatrical activities. ATG makes a management contribution to the Trust.

Following completion of the refurbishment and extension of the Theatre (incorporating the adjoining Legs of Man public house acquired by compulsory purchase) some years ago (the finance for which was provided by grants from the Arts Council and ERDF together with substantial contributions from ATG and individuals), the Trust takes all necessary steps to ensure ATG complies with its leasing obligations and in particular that the Theatre is properly managed and kept in good repair and condition.

At the time the lease was granted, the Trust took advice (having regard to the charitable status of the Trust) from Irving Rice, Surveyors of Liverpool on the structure of the lease arrangements from Liverpool City Council and ATG. No premium was paid to Liverpool City Council by the Trust for the lease although Liverpool City Council placed a value of £350,000 on the lease and this was taken as matched funding towards the Arts Council grant.

The Trustees do not consider any merit in seeking a professional valuation of the Lease with Liverpool City Council in view of the user restriction and the obligations of the Trust in maintaining the building as a Theatre. The value of £350,000 calculated by Liverpool City Council has been accepted by the Trustees for the purposes of these accounts and is reflected as such in the designated reserves in the balance sheet.

The upkeep and development of one of the City's best known and most loved buildings are always a major concern of the Trust and that view is shared by ATG. A biannual report is prepared by Trident Building Consultancy which is commissioned by the Trust and shared with ATG who then actively take steps to address any issues noted in the report and the Trustees receive regular reports of work undertaken or work planned.

The presentation of the fabric and facilities of the Empire to the public is constantly reviewed and the Trust receives regular reports on the state of the building and facilities for successful theatre productions. The report is discussed between the Trustees and ATG thus ensuring that ongoing maintenance issues are attended to, and, in addition, future capital expenditure is proposed for the enhancement and development of the theatre and its facilities.

Some major projects continued to be undertaken to improve the building during the year (funded by ATG). These are closely monitored and reviewed by the Trustees. Further work is anticipated in the coming year in time for centenary celebrations for the Theatre in 2025.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED COMPANY LIMITED BY GUARANTEE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Financial review

The results for the year and the charity's financial position at the end of the year are shown on pages 10 to 19.

The surplus of income over expenditure for the year amounted to £10,690 (2022-23: deficit of £1,054).

The Trustees believe that sufficient assets are presently available to fulfil the obligations and aims of the charity. However, there is also awareness that in the longer term and in view of uncertainties in the worldwide economy there will be an increasing cost for professional services (accountants and building surveyors, for example) and other expenditures, which will require the Trust to reappraise its future levels of income and donations.

In order to achieve its main objectives, the financial viability of the theatre remains fundamental, and the Trust will liaise closely with ATG to identify any issues that might affect the long-term viability of the theatre as and when necessary

At 31 March 2024, total reserves were £640,595 (2022-23: £629,905) of which £350,000 (2022-23: £350,000) is a designated fund representing the fair value of the lease between Liverpool City Council and the charity.

Risk policy

The charity has continued to review risks which it faces and will establish controls to mitigate risk where necessary. Risks continue to be subject to periodic review.

Reserves policy

The Reserves Policy is reviewed in line with Charity Commission publication on 'Charity Reserves: building resilience'. Whilst the Trustees are looking to spend most of its annual income (which increases annually by the rate of RPI) on charitable objectives, with the balance on administrative costs, part of the sum held as reserves will be made available periodically for the objectives of the charity although the Trustees will take into account the need to hold the reserves against continuing liabilities under its lease with Liverpool City Council in circumstances where the indemnity from its tenants is not available.

The Trustees are further aware that the reserves (which arose from a payment from ATG resulting from a lease negotiation) are not likely to be replaced in the future and for this reason the Trustees consider it is a prudent decision in the long term interests of the charity to maintain the reserves close to their present level, thus allowing the Trustees to apply some of the reserves on charitable function where the annual income has been accounted for.

Investment policy

The charity's investment policy currently is to hold any reserves at the bank on deposit.

Structure, governance and management

Legal status

The Empire Theatre (Merseyside) Trust Limited is a charitable company limited by guarantee, incorporated on 16 July 1979 and registered as a charity on 7 January 1980.

The charity was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1. None of the Trustees have any beneficial interest in the charity.

Governance and management

The directors, who are also Trustees of the charitable company for the purposes of company law, have a variety of specific experience and skills including arts administration, theatre and film productions, journalism, private sector administration and management and legal experience. These skills are all needed for the successful running of the Trust linked to the Theatre managers and the continued work of the Creative Learning department. The Trustees are responsible for all decision-making activities taking account, where appropriate the requirements of the 'public benefit'. The Trustees meet regularly to review progress of the objectives of the Trust and the performance of ATG (its manager and tenant).

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

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

Mr D Morgan (Chairman)
His Honour G A Ensor
Mrs P J McGaffney
Miss L Marshall
Mr J J Thompson
Mr S P Marley

The chairman of the Trust is nominated and seconded by one of the Trustees.

The secretary is Carol Mason a solicitor and partner with the law firm Morecrofts LLP of 7 Church Road, Woolton, Liverpool, L25 5JE.

The Trustees are advised by Daniel McEvoy of Trident Building Consultancy, 43 Castle Street Liverpool, on property matters generally and in particular to review compliance by ATG of their Lease obligations.

The Trustees have considered no formal training is required to fulfil their duties and obligations.

The Trustees have assessed the major risks (in conjunction with its managers) to which the Trust is exposed and are satisfied that systems are in place to mitigate exposure to major risks.

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.



.....
Mr D Morgan (Chairman)

Trustee

13 November 2024

Date:

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also the directors of The Empire Theatre (Merseyside) 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 charity 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; 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.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED COMPANY LIMITED BY GUARANTEE INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED

I report to the trustees on my examination of the financial statements of The Empire Theatre (Merseyside) Trust Limited (the charity) for the year ended 31 March 2024.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My examination has been undertaken so that I might state to the charity's trustees those matters that I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my examination, for the report, or for the opinions I have formed.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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



Tony Stanley ACA
Independent Examiner

Mitchell Charlesworth
Tempest
Suite 5.1
12 Tithebarn Street
Liverpool
L2 2DT

Dated: 13 November 2024

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2024

Current financial year

	Notes	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £	Total 2023 £
Income from:					
Charitable activities	3	87,615	-	87,615	77,262
Investments	4	4,415	-	4,415	1,999
Total income		92,030	-	92,030	79,261
Expenditure on:					
Charitable activities	5	81,340	-	81,340	80,315
Net income/(expenditure) for the year/ Net movement in funds		10,690	-	10,690	(1,054)
Fund balances at 1 April 2023		279,905	350,000	629,905	630,959
Fund balances at 31 March 2024		290,595	350,000	640,595	629,905

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

All income and expenditure derive from continuing activities.

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

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2024

Prior financial year

		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £
	Notes			
<u>Income from:</u>				
Charitable activities	3	77,262	-	77,262
Investments	4	1,999	-	1,999
Total income		79,261	-	79,261
<u>Expenditure on:</u>				
Charitable activities	5	80,315	-	80,315
Net income/(expenditure) for the year/ Net movement in funds		(1,054)	-	(1,054)
Fund balances at 1 April 2022		280,959	350,000	630,959
Fund balances at 31 March 2023		279,905	350,000	629,905

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
BALANCE SHEET**

AS AT 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	9		350,000		350,000
Current assets					
Debtors	11	3,986		5,741	
Cash at bank and in hand		288,818		276,010	
			292,804		281,751
Creditors: amounts falling due within one year	12	(2,209)		(1,846)	
Net current assets			290,595		279,905
Total assets less current liabilities			640,595		629,905
Income funds					
<u>Unrestricted funds</u>					
Designated funds	13	350,000		350,000	
General unrestricted funds		290,595		279,905	
			640,595		629,905
			640,595		629,905

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024.

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

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

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

The financial statements were approved by the Trustees on12 November 2024



Mr D Morgan (Chairman)

Trustee

Company registration number 01437514

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

The Empire Theatre (Merseyside) Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o Morecrofts LLP, Cotton Exchange, Old Hall Street, Liverpool, L3 9LQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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 accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The Charity 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.

1.2 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.

1.3 Charitable funds

Funds held by the charity are:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes.

1.4 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 recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Grants, including grants for the purposes of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable. Income deferred only when the donor has specified that the income is to be expended in a future period.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 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.

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

Expenditure reflects all amounts paid and accrued during the year. All costs are allocated between the expenditure categories of the Statement of Financial Activities (SoFA) on a basis designed to reflect the use of the resource.

Charitable expenditure

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Governance costs

These represent costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the charity.

1.6 Tangible fixed assets

The charity has a lease of the Empire Theatre building from Liverpool City Centre for a term of 125 years; the lease expires in 2127. The charity sub-lets the theatre to ATG, for commercial use. The tenant is responsible for all property care and maintenance and takes all commercial risks for theatrical activities. ATG makes a management contribution to the Trust.

The financial statements include the value of the lease from Liverpool City Council in its current use by the Trust for its charitable purposes (see note 9). This is estimated at £350,000.

The initial valuation of this asset was based on a valuation that was carried out in April 2000. The trustees consider there is no impairment and that the fair value fairly represents the value in use of the property at the year end.

The lease was not depreciated owing to the long useful economic life of the asset (125 years) and currently no dilapidations have been provided for in repairs.

The trustees consider there is no value to the underlease between the charity and ATG and hence this does not appear in the financial statements.

1.7 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).

1.8 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.

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

1 Accounting policies

(Continued)

1.9 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.

1.10 Taxation

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions. The charity is also able to recover Value Added Tax.

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.

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

3	Charitable activities	Unrestricted funds 2024 £	Unrestricted funds 2023 £
	Charitable rental income	87,615	77,262
		<u> </u>	<u> </u>
4	Investments	Unrestricted funds 2024 £	Unrestricted funds 2023 £
	Interest receivable	4,415	1,999
		<u> </u>	<u> </u>
5	Charitable activities	Unrestricted funds 2024 £	Unrestricted funds 2023 £
	Management contribution	43,808	38,666
	Other professional fees	1,547	13
	Promotion of the arts	32,364	38,345
	Website costs	196	196
	Donations	500	600
		<u> </u>	<u> </u>
		78,415	77,820
	Share of governance costs (see note 6)	2,925	2,495
		<u> </u>	<u> </u>
		81,340	80,315
		<u> </u>	<u> </u>
	Analysis by fund		
	Unrestricted funds - general	81,340	
		<u> </u>	
		81,340	
		<u> </u>	
	For the year ended 31 March 2023		
	Unrestricted funds - general		80,315
			<u> </u>
			80,315
			<u> </u>

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

6 Support costs

	Support costs £	Governance costs £	2024 £	2023 £
Accountancy	-	2,925	2,925	2,495
	-	2,925	2,925	2,495
Analysed between Charitable activities	-	2,925	2,925	2,495

Governance costs includes payments to the independent examiner of £1,595 (2023 - £1,450) for year end statutory accounts and £900 (2023 - £890) for bookkeeping and other services.

7 Trustees

None of the trustees received remuneration for services rendered £nil during the year (2022-23: £nil). None of the trustees (or any persons connected with them) received any expenses during the year (2022-23: £nil).

8 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Total	-	-

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

9 Tangible fixed assets

	Leasehold property £
Cost or valuation	
At 1 April 2023	350,000
At 31 March 2024	350,000
Carrying amount	
At 31 March 2024	350,000
At 31 March 2023	350,000

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

9 Tangible fixed assets

(Continued)

The initial valuation of the lease between the charity and Liverpool City Council is based on a valuation on 28 April 2000 by Irving Rice, Surveyors, in the region of £350,000. The Trustees consider there is no impairment to that value and that the net book value fairly represents the fair value of the lease at the year end.

The trustees do not consider any merit in seeking a professional valuation of the lease with Liverpool City Council due to the undue cost to the charity. Accordingly due to the user restrictions and obligations of the Trust in maintaining the building as a theatre there is no readily available comparison in the market.

10 Financial instruments	2024	2023
	£	£
Carrying amount of financial assets		
Debt instruments measured at cost	288,818	276,110
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at cost	2,209	1,846
	<u> </u>	<u> </u>
11 Debtors	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	-	100
Other debtors	3,986	5,641
	<u> </u>	<u> </u>
	3,986	5,741
	<u> </u>	<u> </u>
12 Creditors: amounts falling due within one year	2024	2023
	£	£
Trade creditors	260	-
Accruals	1,949	1,846
	<u> </u>	<u> </u>
	2,209	1,846
	<u> </u>	<u> </u>

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

13 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		Balance at 31 March 2024 £
	Balance at 1 April 2022 £	Income £	Balance at 1 April 2023 £	Income £	
Designated fund	350,000	-	350,000	-	350,000
	<u>350,000</u>	<u>-</u>	<u>350,000</u>	<u>-</u>	<u>350,000</u>
	<u><u>350,000</u></u>	<u><u>-</u></u>	<u><u>350,000</u></u>	<u><u>-</u></u>	<u><u>350,000</u></u>

The designated fund relates to the value of the lease between the charity and Liverpool City Council (see note 9).

14 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Total Unrestricted funds	Designated funds	Total
	2024 £	2024 £	2024 £	2023 £	2023 £
Fund balances at 31 March 2024 are represented by:					
Tangible assets	-	350,000	350,000	-	350,000
Current assets/(liabilities)	290,595	-	290,595	279,905	279,905
	<u>290,595</u>	<u>350,000</u>	<u>640,595</u>	<u>279,905</u>	<u>629,905</u>
	<u><u>290,595</u></u>	<u><u>350,000</u></u>	<u><u>640,595</u></u>	<u><u>279,905</u></u>	<u><u>629,905</u></u>

15 Related party transactions

There were no related party transactions within the period.

16 Company limited by guarantee

The Empire Theatre (Merseyside) Trust Limited is incorporated under the Companies Act 1985 as a company limited by guarantee. The liability of the members is limited to £1.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED

England & Wales - Charity number 509458

Accounts

Charity registration number 509458

Company registration number 01437514 (England and Wales)

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees	Mr D Morgan (Chairman) His Honour G A Ensor Mrs P J McGaffney Miss L Marshall Mr J J Thompson Mr S P Marley
Secretary	Ms C Mason
Charity number	509458
Company number	01437514
Principal address	c/o Morecrofts LLP Cotton Exchange Old Hall Street Liverpool L3 9LQ
Registered office	c/o Morecrofts LLP Cotton Exchange Old Hall Street Liverpool L3 9LQ
Independent examiner	Tony Stanley ACA BWM Tempest Suite 5.1 12 Tithebarn Street Liverpool L2 2DT
Bankers	Virgin Money Jubilee House Gosforth Newcastle upon Tyne NE3 4PL Redwood Bank The Nexus Building Broadway Letchworth Garden City Hertfordshire SC6 3TA The Co-Operative Bank Team 605 P O Box 250 Skelmersdale Lancashire WN8 6WT

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED COMPANY LIMITED BY GUARANTEE CONTENTS

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Balance sheet	11
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THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their report and financial statements for the year 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 governing document, 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 principal objectives of the charitable company are to promote, maintain, improve, and advance education, particularly by the production of educational plays and the encouragement of the arts, including the arts of drama, mime, dance, singing and music for the benefit of the community living in the areas of Merseyside, Wirral and outlying districts including North Wales, Cheshire, and West Lancashire.

The activities throughout each year are designed to encourage interest, enthusiasm, and appreciation for the wide variety of performances at the Empire Theatre (musical theatre, opera, ballet, drama, singing and dance).

The Trustees consider the continued development of the education and community programme within the Creative Learning Department ('the Department') and the activities managed by the Trust to be the cornerstone of its charitable aims to assist in delivering a new and wider audience for the Theatre in part by developing young persons' interest in the arts and dance.

The Trustees are committed to making these activities available to as wider part of the community as possible and to extend these activities to all who are interested to take part and experience a full Arts programme. The Trustees are supportive in increasing diversity and providing opportunity to those from disadvantaged backgrounds.

In conjunction with its managers, the Ambassador Theatre Group (ATG) and through a variety of programmes, the Trust aims to develop the audience of the future and to increase the occupancy rate of the Theatre, and in particular to help young persons in the appreciation of the arts.

The Trust supports and encourages an active Department and its variety of programmes, some of which are linked to and supported by the companies, producers and performers visiting the Theatre. In addition, some activities of the Department receive financial support from local businesses and organisations as well as from the Trust. Assistance with fees is provided where otherwise applicants may not be able to take part.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in its dialogue with ATG.

Representatives of the ATG (the Business Director (UK Venues), the Theatre Director, the Head of Operations (North) and the Head of Creative Learning) attend board meetings to present their respective management reports, which are circulated to the Trustees prior to the meetings and discussed in advance of the ATG representatives joining the meeting.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

An overview of developments, activities and achievements

The theatre has had a very busy and successful year and has exceeded all expectations. Everyone concerned with the Theatre is delighted with the response from the public in supporting the Theatre back to full strength. The Department have been able to operate a full and busy programme over the last 12 months which has seen them grow and develop the opportunities available and the Trustees have been delighted to support and fund various projects and initiatives

The Trustees continue to hold Trust meetings throughout the year and in between meetings liaise with ATG on a variety of matters as required.

The Trustees have supported ATG wherever possible to provide a full and varied offering to the Public and to raise their own profile in the media and on social media to make the public aware of the Trustees role. The Trustees propose to go on raising their profile whenever appropriate to increase public awareness.

There are regular updates from the Chair of Trustees in the "in house" programme for performances and increasing support to the Department to develop the Youth Programme which always proves very popular and has a vital role in helping youngsters to gain new skills both in performing and life skills. The Trustees remain of the view this is very important as many are still recovering from the effects of lockdowns during Covid and missed opportunities

This year also saw the full introduction by the Trustees of the "Terry Smith" Award scheme which is a bursary scheme named after the former Chairman of the Trust to assist those students going on to further studies usually at Drama schools and to help pay for vital equipment, dance shoes and similar, to aid them in the studies. Members of the Youth theatre are invited to apply and then the Trustees after review and discussion decide on the amount to be paid, usually between £1,000 and £2,000 to assist them to continue in their studies and hopefully go on to be "future ambassadors" for the Liverpool Empire. Those members who received bursaries have been very grateful and provide regular updates to the Trustees on their progress with their studies.

This has proved very successful and the Trustees plan to continue to support this vital bursary scheme.

Creative learning

The Creative Learning Department works on three main areas:

1. Creative Generation – the work that done with and for schools to create opportunities for a creative curriculum across the education landscape. Capturing the mind and imaginations of first-time theatre goers.
2. Community Engagement – working with local and national partners to create opportunity to engage with the theatre.
3. Talent Development – Providing opportunity to connect young people from all backgrounds with everything the entertainment industry has to offer. Provide skills training and performance opportunities.

All areas of the programme benefit from connection to the shows in the theatre through cast led workshops, Q&A's, backstage tours, and special projects.

Creative Learning aims to provide opportunity to nurture the audiences and workforce, both on and off stage, of the future.

The year was a very successful year with engagement bouncing back and exceeding pre-pandemic levels

Figures for the Department were as follows:

Total number of participant sessions 691

Total number of individual participants 19,758

Total number of participant moments 35,689

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

The report will not go into detail on the work created and delivered through the year but examples of this are as follows:

1. Creative Generation - Schools Partnership Programmes

Nine local secondary schools from across the Liverpool City Region through the launch of a new partnership programme which began in September 2022.

Designed as a programme of activity for students and their teachers to connect them to the Liverpool Empire's programme including activities led by industry professionals including cast led workshops, Insights and pre-show events, and opportunities to see professional productions at the theatre and many more.

2. Proud to Be: English National Ballet's Live Drawing Workshops

Partners: 5 x Secondary & Further Education Schools & Colleges and English National Ballet Participants: 93 x Y11 – Y13 Students Students involved across Liverpool Empire Theatre's Secondary & Further Education Partnership Programme participated in a project entitled Proud to Be, delivered in partnership with English National Ballet.

3. Glyndebourne: Good Company Music in Care Homes Workshops, Singing in Schools and PGCE Continual Professional Development Workshops

Partners: Glyndebourne Opera, The Archdiocese of Catholic Primary Schools, Liverpool John Moore's and Liverpool University, The Metropolitan Cathedral, The Brain Charity, Onward Homes, and Glyndebourne Opera Company.

Participants: 90 Primary Pupil, 18 care home residents, 25 PGCE students = 133 participants

In partnership with the Brain Charity, Glyndebourne Opera and Liverpool Empire delivered Good Company; a free dementia friendly opera workshop for Care Home residents with dementia at Onward Homes in Liverpool and many other Opera related events and the opportunity to see an Opera live.

4. Open Doors/Fun Palace Event & Pre-show Connections

Holiday activity events as part of the open-door project. This involved a week of Musical Theatre activities for children and young people aged 6 – 15. Each day involved a specialist masterclass delivered by visiting industry professionals culminating in a sharing for family and friends on the afternoon of the final day.

Free events took place at the theatre and family workshops included an introduction to Musical Theatre and an Arts & Crafts activity.

5. Talent Development - Liverpool Empire Youth Theatre Academies

The Junior Youth Theatre Academy attended the Music Theatre International Junior Youth Theatre Festival at the Birmingham and performed various outstanding pieces and were awarded a trophy for Outstanding Performance in Drama.

In July 2022, the Home School Drama Club and Junior Youth Theatre performed a sharing performances at the theatre.

The main Youth Theatre production of Little Shop of Horrors took place at the Theatre in August 2022. The company of 25 young people aged 16 – 21 had rehearsed throughout the year during their weekly sessions before coming together for a two-week intensive rehearsal period with full technical support. The show was well received by an audience of over 2000 people across the three performances.

The bi-annual Showstoppers showcase took place at the Liverpool Empire in February 2023. This involved 90 participants from across all the creative learning groups performing together in a musical theatre spectacular.

The Trust supports the activities of the Department throughout the year and the Trustees attend productions and events where possible.

They have been able to extend their activities in this year and have reached many young people who would not otherwise ever attend a theatre or have the opportunity to perform. Many of those involved will go onto careers in the theatre industry.

All the above was partly funded by the Trust and the Trustees have already committed to further funding of projects for the coming year.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Productions, Attendances and Plans

The Theatre (with a capacity is 2,365 seated with 16 wheelchair spaces). There was strong growth and this was an exceptional record-breaking year with over 359 performances in the Theatre and an average of 66% occupancy.

The Theatre continues to be very well supported for most productions and has exceeded expectations in the current year and is one of the most successful theatres run by ATG.

Property

The Trust has a lease of the Empire Theatre building from Liverpool City Council for a term of 125 years; the lease expires in 2127. The charity sub-lets the Theatre to ATG, for commercial use. ATG, as the tenant, is responsible for all property care and maintenance and takes all commercial risks for theatrical activities. ATG makes a management contribution to the Trust.

Following completion of the refurbishment and extension of the Theatre (incorporating the adjoining Legs of Man public house acquired by compulsory purchase) some years ago (the finance for which was provided by grants from the Arts Council and ERDF together with substantial contributions from ATG and individuals), the Trust takes all necessary steps to ensure ATG complies with its leasing obligations and in particular that the Theatre is properly managed and kept in good repair and condition.

At the time the lease was granted, the Trust took advice (having regard to the charitable status of the Trust) from Irving Rice, Surveyors of Liverpool on the structure of the lease arrangements from Liverpool City Council and ATG. No premium was paid to Liverpool City Council by the Trust for the lease although Liverpool City Council placed a value of £350,000 on the lease and this was taken as matched funding towards the Arts Council grant.

The Trustees do not consider any merit in seeking a professional valuation of the Lease with Liverpool City Council in view of the user restriction and the obligations of the Trust in maintaining the building as a Theatre. The value of £350,000 calculated by Liverpool City Council has been accepted by the Trustees for the purposes of these accounts and is reflected as such in the designated reserves in the balance sheet.

The upkeep and development of one of the City's best known and most loved buildings are always a major concern of the Trust and that view is shared by ATG. A biannual report is prepared by Trident Building Consultancy which is commissioned by the Trust and shared with ATG who then actively take steps to address any issues noted in the report and the Trustees receive regular reports of work undertaken or work planned.

The presentation of the fabric and facilities of the Empire to the public is constantly reviewed and the Trust receives regular reports on the state of the building and facilities for successful theatre productions. The report is discussed between the Trustees and ATG thus ensuring that ongoing maintenance issues are attended to and, in addition, future capital expenditure is proposed for the enhancement and development of the theatre and its facilities.

Some major projects continued to be undertaken to improve the building during the year (funded by ATG). These are closely monitored and reviewed by the Trustees.

Financial review

The results for the year and the charity's financial position at the end of the year are shown on pages 9 to 18.

The deficit of income over expenditure for the year amounted to £1,054 (2022: Surplus of £24,621)

The Trustees believe that sufficient assets are presently available to fulfil the obligations and aims of the charity. However, there is also awareness that in the longer term and in view of uncertainties in the worldwide economy there will be an increasing cost for professional services (accountants and building surveyors, for example) and other expenditures, which will require the Trust to reappraise its future levels of income and donations.

To achieve its main objectives, the financial viability of the theatre remains fundamental and the Trust will liaise closely with ATG to identify any issues that might affect the long-term viability of the theatre as and when necessary.

At 31 March 2023, total reserves were £629,905 (2022: £630,959) of which £350,000 (2022: £350,000) is a designated fund representing the fair value of the lease between Liverpool City Council and the charity.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Risk policy

The charity has continued to review risks which it faces and will establish controls to mitigate risk where necessary. Risks continue to be subject to periodic review.

Reserves policy

The Reserves Policy is reviewed in line with Charity Commission publication on 'Charity Reserves: building resilience'. Whilst the Trustees are looking to spend most of its annual income (which increases annually by the rate of RPI) on charitable objectives, with the balance on administrative costs, part of the sum held as reserves will be made available periodically for the objectives of the charity although the Trustees will take into account the need to hold the reserves against continuing liabilities under its lease with Liverpool City Council in circumstances where the indemnity from its tenants is not available.

The Trustees are further aware that the reserves (which arose from a payment from ATG resulting from a lease negotiation) are not likely to be replaced in the future and for this reason the Trustees consider it is a prudent decision in the long term interests of the charity to maintain the reserves close to their present level, thus allowing the Trustees to apply some of the reserves on charitable function where the annual income has been accounted for.

Investment policy

The charity's investment policy currently is to hold any reserves at the bank on deposit.

Structure, governance and management

Legal status

The Empire Theatre (Merseyside) Trust Limited is a charitable company limited by guarantee, incorporated on 16 July 1979 and registered as a charity on 7 January 1980.

The charity was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1. None of the Trustees have any beneficial interest in the charity.

Governance and management

The directors, who are also Trustees of the charitable company for the purposes of company law, have a variety of specific experience and skills including arts administration, theatre and film productions, journalism, private sector administration and management and legal experience. These skills are all needed for the successful running of the Trust linked to the Theatre managers and the continued work of the Creative Learning department. The Trustees are responsible for all decision-making activities taking account, where appropriate the requirements of the 'public benefit'. The Trustees meet regularly to review progress of the objectives of the Trust and the performance of ATG (its manager and tenant).

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

Mr D Morgan (Chairman)
His Honour G A Ensor
Mrs P J McGaffney
Miss L Marshall
Mr J J Thompson
Mr S P Marley

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

The chairman of the Trust is nominated and seconded by one of the Trustees.

The secretary is Carol Mason a solicitor and partner with the law firm Morecrofts LLP of 7 Church Road, Woolton Liverpool L25 5JE.

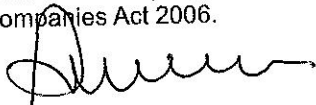
The Trustees are advised by Daniel McEvoy of Trident Building Consultancy, 43 Castle Street Liverpool, on property matters generally and in particular to review compliance by ATG of their Lease obligations.

The Trustees have considered no formal training is required to fulfil their duties and obligations.

The Trustees have assessed the major risks (in conjunction with its managers) to which the Trust is exposed and are satisfied that systems are in place to mitigate exposure to major risks.

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.



.....
Mr D Morgan (Chairman)
Trustee

Date: 6 November 2023

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also the directors of The Empire Theatre (Merseyside) 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 charity 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 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.

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
INDEPENDENT EXAMINER'S REPORT**

TO THE TRUSTEES OF THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED

I report to the trustees on my examination of the financial statements of The Empire Theatre (Merseyside) Trust Limited (the charity) for the year ended 31 March 2023.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My examination has been undertaken so that I might state to the charity's trustees those matters that I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my examination, for the report, or for the opinions I have formed.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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



**Tony Stanley ACA
Independent Examiner**

BWM
Tempest
Suite 5.1
12 Tithebarn Street
Liverpool
L2 2DT

Dated: ..29/11/23..

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023

Current financial year

	Notes	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £	Total 2022 £
<u>Income and endowments from:</u>					
Charitable activities	3	77,262	-	77,262	71,672
Investments	4	1,999	-	1,999	1,115
Other income	5	-	-	-	4,000
Total income		<u>79,261</u>	<u>-</u>	<u>79,261</u>	<u>76,787</u>
<u>Expenditure on:</u>					
Charitable activities	6	80,315	-	80,315	52,166
Net (expenditure)/income for the year/ Net movement in funds		(1,054)	-	(1,054)	24,621
Fund balances at 1 April 2022		<u>280,959</u>	<u>350,000</u>	<u>630,959</u>	<u>606,338</u>
Fund balances at 31 March 2023		<u><u>279,905</u></u>	<u><u>350,000</u></u>	<u><u>629,905</u></u>	<u><u>630,959</u></u>

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

All income and expenditure derive from continuing activities.

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

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023

Prior financial year

	Notes	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £
<u>Income and endowments from:</u>				
Charitable activities	3	71,672	-	71,672
Investments	4	1,115	-	1,115
Other income	5	4,000	-	4,000
Total income		<u>76,787</u>	<u>-</u>	<u>76,787</u>
<u>Expenditure on:</u>				
Charitable activities	6	<u>52,166</u>	<u>-</u>	<u>52,166</u>
Net (expenditure)/income for the year/ Net movement in funds		24,621	-	24,621
Fund balances at 1 April 2021		<u>256,338</u>	<u>350,000</u>	<u>606,338</u>
Fund balances at 31 March 2022		<u><u>280,959</u></u>	<u><u>350,000</u></u>	<u><u>630,959</u></u>

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
 COMPANY LIMITED BY GUARANTEE
 BALANCE SHEET
 AS AT 31 MARCH 2023**

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	10		350,000		350,000
Current assets					
Debtors	12	5,741		790	
Cash at bank and in hand		276,010		281,869	
		<u>281,751</u>		<u>282,659</u>	
Creditors: amounts falling due within one year	13	(1,846)		(1,700)	
Net current assets			279,905		280,959
Total assets less current liabilities			<u>629,905</u>		<u>630,959</u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds	14	350,000		350,000	
General unrestricted funds		279,905		280,959	
			629,905		630,959
			<u>629,905</u>		<u>630,959</u>

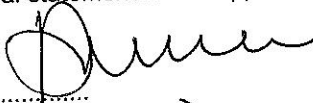
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023.

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

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

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

The financial statements were approved by the Trustees on 6th November 2023.



 Mr D Morgan (Chairman)
 Trustee

Company registration number 01437514

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

The Empire Theatre (Merseyside) Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o Morecrofts LLP, Cotton Exchange, Old Hall Street, Liverpool, L3 9LQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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 accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The Charity 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.

1.2 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.

1.3 Charitable funds

Funds held by the charity are:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes.

1.4 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 recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Grants, including grants for the purposes of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable. Income deferred only when the donor has specified that the income is to be expended in a future period.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 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.

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

Expenditure reflects all amounts paid and accrued during the year. All costs are allocated between the expenditure categories of the Statement of Financial Activities (SoFA) on a basis designed to reflect the use of the resource.

Charitable expenditure

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Governance costs

These represent costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the charity.

1.6 Tangible fixed assets

The charity has a lease of the Empire Theatre building from Liverpool City Centre for a term of 125 years; the lease expires in 2127. The charity sub-lets the theatre to ATG, for commercial use. The tenant is responsible for all property care and maintenance and takes all commercial risks for theatrical activities. ATG makes a management contribution to the Trust.

The financial statements include the value of the lease from Liverpool City Council in its current use by the Trust for its charitable purposes (see note 10). This is estimated at £350,000.

The initial valuation of this asset was based on a valuation that was carried out in April 2000. The trustees consider there is no impairment and that the fair value fairly represents the value in use of the property at the year end.

The lease was not depreciated owing to the long useful economic life of the asset (125 years) and currently no dilapidations have been provided for in repairs.

The trustees consider there is no value to the underlease between the charity and ATG and hence this does not appear in the financial statements.

1.7 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).

1.8 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.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.9 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.

1.10 Taxation

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions. The charity is also able to recover Value Added Tax.

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.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

3	Charitable activities	Unrestricted funds	Unrestricted funds
		2023	2022
		£	£
	Charitable rental income	77,262	71,672
		<u> </u>	<u> </u>
4	Investments	Unrestricted funds	Unrestricted funds
		2023	2022
		£	£
	Interest receivable	1,999	1,115
		<u> </u>	<u> </u>
5	Other income	2023	2022
		£	£
	Bank incentive	-	4,000
		<u> </u>	<u> </u>

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

6 Charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Management contribution	38,666	35,836
Other professional fees	13	5,784
Promotion of the arts	38,345	6,998
Website costs	196	16
Donations	600	1,192
	<u>77,820</u>	<u>49,826</u>
Share of governance costs (see note 7)	2,495	2,340
	<u>80,315</u>	<u>52,166</u>
Analysis by fund		
Unrestricted funds - general	80,315	
	<u>80,315</u>	
For the year ended 31 March 2022		
Unrestricted funds - general		52,166
		<u>52,166</u>

7 Support costs

	Support costs £	Governance costs £	2023 £	2022 £
Accountancy	-	2,495	2,495	2,340
	<u>-</u>	<u>2,495</u>	<u>2,495</u>	<u>2,340</u>
Analysed between				
Charitable activities	-	2,495	2,495	2,340
	<u>-</u>	<u>2,495</u>	<u>2,495</u>	<u>2,340</u>

Governance costs includes payments to the independent examiner of £1,595 (2022 - £1,450) for year end statutory accounts and £900 (2022 - £890) for bookkeeping and other services.

8 Trustees

None of the trustees received remuneration for services rendered £nil during the year (2022 one trustee received: £3,000). None of the trustees (or any persons connected with them) received any expenses during the year (2022: £nil).

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

9 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Total	-	-

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

10 Tangible fixed assets

	Leasehold property
	£
Cost	
At 1 April 2022	350,000
At 31 March 2023	350,000
Carrying amount	
At 31 March 2023	350,000
At 31 March 2022	350,000

The initial valuation of the lease between the charity and Liverpool City Council is based on a valuation on 28 April 2000 by Irving Rice, Surveyors, in the region of £350,000. The Trustees consider there is no impairment to that value and that the net book value fairly represents the fair value of the lease at the year end.

The trustees do not consider any merit in seeking a professional valuation of the lease with Liverpool City Council due to the undue cost to the charity. Accordingly due to the user restrictions and obligations of the Trust in maintaining the building as a theatre there is no readily available comparison in the market.

11 Financial instruments

	2023	2022
	£	£
Carrying amount of financial assets		
Debt instruments measured at cost	276,110	281,869
Carrying amount of financial liabilities		
Measured at cost	1,846	1,700

12 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	100	-
Other debtors	5,641	790
	5,741	790

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals	1,846	1,700

14 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 April 2021 £	Income £	Balance at 1 April 2022 £	Income £	Balance at 31 March 2023 £
Designated fund	350,000	-	350,000	-	350,000
	350,000	-	350,000	-	350,000

The designated fund relates to the value of the lease between the charity and Liverpool City Council (see note 10).

15 Analysis of net assets between funds

	Unrestricted funds 2023 £	Designated funds 2023 £	Total Unrestricted funds 2023 £	Designated funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:					
Tangible assets	-	350,000	350,000	-	350,000
Current assets/(liabilities)	279,905	-	279,905	280,959	280,959
	279,905	350,000	629,905	280,959	630,959

16 Related party transactions

The former company secretary, Mr D Morgan, who is also a trustee, received £nil (2022: £3,000) for secretarial duties in the year. Mr D Morgan resigned as secretary on 14 February 2022 as he was appointed Chair of the Board.

There were no other related party transactions within the period.

17 Company limited by guarantee

The Empire Theatre (Merseyside) Trust Limited is incorporated under the Companies Act 1985 as a company limited by guarantee. The liability of the members is limited to £1.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED

England & Wales - Charity number 509458

Accounts

Charity registration number 509458

Company registration number 01437514 (England and Wales)

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees	Mr D Morgan (Chairman) His Honour G A Ensor Mrs P J McGaffney Miss L Marshall Mr J J Thompson Mr S P Marley	
Secretary	Ms C Mason Mr D Morgan	(Appointed 14 February 2022) (Resigned 14 February 2022)
Charity number	509458	
Company number	01437514	
Principal address	Hillcrest Montgomery Hill Wirral CH48 1NF	
Registered office	Tempest Suite 5.1 12 Tithebarn Street Liverpool L2 2DT	
Independent examiner	Tony Stanley ACA BWM Tempest Suite 5.1 12 Tithebarn Street Liverpool L2 2DT	
Bankers	Virgin Money Jubilee House Gosforth Newcastle upon Tyne NE3 4PL Redwood Bank The Nexus Building Broadway Letchworth Garden City Hertfordshire SC6 3TA The Co-Operative Bank Team 605 P O Box 250 Skelmersdale Lancashire WN8 6WT	

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
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THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their report and financial statements for the year ended 31 March 2022.

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 governing document, 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 principal objectives of the charitable company are to promote, maintain, improve, and advance education, particularly by the production of educational plays and the encouragement of the arts, including the arts of drama, mime, dance, singing and music for the benefit of the community living in the areas of Merseyside, Wirral and outlying districts including North Wales, Cheshire, and West Lancashire.

The activities throughout each year are designed to encourage interest, enthusiasm, and appreciation for the wide variety of performances at the Empire Theatre (musical theatre, opera, ballet, drama, singing and dance).

The Trustees consider the continued development of the education and community programme within the Creative Learning Department ('the Department') and the activities managed by the Trust to be the cornerstone of its charitable aims to assist in delivering a new and wider audience for the Theatre in part by developing young persons' interest in the arts and dance.

The Trustees are committed to making these activities available to as wider part of the community as possible and to extend these activities to all who are interested to take part and experience a full Arts programme. The Trustees are supportive in increasing diversity and providing opportunity to those from disadvantaged backgrounds.

In conjunction with its managers, the Ambassador Theatre Group (ATG) and through a variety of programmes, the Trust aims to develop the audience of the future and to increase the occupancy rate of the Theatre, and in particular to help young persons in the appreciation of the arts.

The Trust supports and encourages an active Department and its variety of programmes, some of which are linked to and supported by the companies, producers and performers visiting the Theatre. In addition, some activities of the Department receive financial support from local businesses and organisations as well as from the Trust. Assistance with fees is provided where otherwise applicants may not be able to take part.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in its dialogue with ATG.

Representatives of the ATG (the Business Director (UK Venues), the Theatre Director, the Head of Operations (North), the Head of Marketing (Liverpool), the Back of House Operation Manager (Liverpool) and the Head of Creative Learning) attend board meetings to present their respective management reports, which are circulated to the Trustees prior to the meetings and discussed in advance of the ATG representatives joining the meeting.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

An overview of developments, activities and achievements

The theatre re-opened on 5 August 2021 following the reduction of restrictions due to the Covid pandemic. Since then the Trustees have supported the theatre and the managers in reaching out to and re engaging with the Public and supporting the Creative Learning Team to build back up to pre Covid numbers and activities.

The Trustees continue to hold Trust meetings throughout the year and in between meetings liaise with ATG on a variety of matters as required.

By the end of the financial year there were clear signs of recovery to the Theatre Industry and a desire for Audiences to get back in touch and attend performances. The Trustees have supported the initiatives of ATG wherever possible to do this and to raise their own profile in the media and on social media to make the public aware of the Trustees role.

There are regular updates from the Chair of Trustees in the "in house" programme for performances and increasing support to the Creative Learning Team to re-engage with the Youth Programme which is proving to be popular and playing a major role in helping Youngsters to adjust after Covid.

Creative learning

This extraordinary period saw the department navigating a global pandemic. Some of the work took place online and in alternative venues including external dance studios, shop floors, outside in the park and on the beach and finally enjoyed a staggered return to work in the venue. Our permanent, casual, and freelance workforce have proved that they are extremely resilient during this time. Adapting to new methods of working and responding with good grace and humour each time a project had to change or once again postponed due to another lockdown and delay in reopening.

Whilst difficult, this period introduced new ways of working. It strengthened relationships with new and existing funders, partners and within local cultural and educational communities. It helped us recognise the talent and strength that we have within our permanent and freelance staff and the integral role the Liverpool Empire Theatre and in particular, Creative Learning, play in the recovery of the local cultural ecology.

This report will not go into detail on the work created and delivered through the Cultural Recovery Funding. However, it does incorporate this work into the overall participant engagement numbers for this period time. It must be acknowledged that through this funding and the specific opportunities it provided it also allowed time for meaningful reflection, learning and this has shaped the plans for the forthcoming year.

The Trust supportive Creative learning through this difficult period and they were able to continue to deliver 456 sessions and engage with 15,812 participants. They produced 6 performances attracting audiences of 1,050 in person and 4 digital events attracting audiences of 12,000 people.

They worked with 22 local schools, providing continual professional development opportunities for 122 teachers including 30 PCGE Students and made a positive connection with people of ages to combat loneliness and isolation by providing regular activity for 90 older people and 82 families.

They were able to nurture new talent via the youth theatre programme delivering 265 sessions for young people and provide paid work for 37 freelance practitioners and artists.

All the above was partly funded by the Trust and other outside Funders including the Cultural Recovery Fund.

The Liverpool Empire Youth Academy was re-activated in November 2020 and enabled participants to take part in masterclasses led by industry professionals from across the UK digitally.

Returning to in person sessions, albeit under strict covid-19 guidelines, enabled the groups to work towards a more traditional end of term culmination of work which included an outdoor performance of Midsummer Night's Dream and a full scale performance of Chess the Musical as part of the Empire Theatre in August 2021.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

The groups performed as part of the 2022 Dance Festival at The Regent Theatre in Stoke and in a production of Chat Back by David Judge as part of the National Theatre Connections Project at The Lowry Theatre Manchester.

Many alumni who have participated in the Liverpool Empire Youth Theatre provision and gone on to work in the industry as performers. The Trust is proud of the ongoing achievements of those performers and seeks to support them wherever possible and recognise their achievements.

Provision for bursary places for young people from low socio-economic and underrepresented backgrounds continues to be developed and has been incorporated in to the new Secondary Schools Partnership Project and the future ideas for the "Terry Smith Legacy" created by The Trust to support young people from the Liverpool Empire Youth Theatre in their future chosen career in performing Arts.

The "Creative Generation" project focused on providing teachers with digital professional development and then in person as part of the Let's Make it up and Let's Play project delivered in partnership with The National Theatre. In addition, 17 schools took part in Let's Play 2022. Schools received ongoing support from the Creative Learning team who visited the schools to offer specialist support to help the teachers achieve the outcome.

In person, CPD also took place inspired by Disney's Beauty & the Beast and Glyndebourne Operas Autumn Season. Creative Learning worked in partnership with Disney and the National Literacy Trust to develop the session and resources for teachers to equip them with a creative toolkit to use back in school with their pupils. 830 school children attended matinee performances at the Liverpool Empire.

30 PGCE students from Liverpool John Moore's University and local schoolteachers took part in a half day CPD workshop designed to support teachers to develop music and singing skills with their pupils and ignite a love of Opera. Led by the education team, singers and musicians from Glyndebourne Opera, the students and teachers took part in practical exercises that they could adapt for use back in the classroom.

Pre-performance presentations offered an exclusive insight into both operas, presented by Glyndebourne's Chorus Director Aidan Oliver. The pre-performance talks offered a bite-sized introduction into Stravinsky's The Rake's Progress & Donizetti's Don Pasquale.

There were ongoing workshops exploring new and existing skills and working with outside providers and especially focussing on those isolated and lonely because of the pandemic. The Trust has supported these projects throughout which have been well received and recognised.

Further projects and performances are planned for the coming year and the Trust will continue to monitor, support and help finance those projects to benefit the local community and Creative learning team to deliver their vision to develop and train performers of the future.

Productions, Attendances and Plans

The Theatre has a capacity is 2,365 seated with 16 wheelchair spaces and the occupancy rate for the period August 2021 to March 2022 was 69.2% for the 214 shows with a total audience figure of 352,598. As it was only open for part of the financial year this was considered a very successful re opening and subsequent eight months trading.

Property

The Trust has a lease of the Empire Theatre building from Liverpool City Council for a term of 125 years; the lease expires in 2127. The charity sub-lets the Theatre to ATG, for commercial use. ATG, as the tenant, is responsible for all property care and maintenance and takes all commercial risks for theatrical activities. ATG makes a management contribution to the Trust.

Following completion of the refurbishment and extension of the Theatre (incorporating the adjoining Legs of Man public house acquired by compulsory purchase) some years ago (the finance for which was provided by grants from the Arts Council and ERDF together with substantial contributions from ATG and individuals), the Trust takes all necessary steps to ensure ATG complies with its leasing obligations and in particular that the Theatre is properly managed and kept in good repair and condition.

At the time the lease was granted, the Trust took advice (having regard to the charitable status of the Trust) from Irving Rice, Surveyors of Liverpool on the structure of the lease arrangements from Liverpool City Council and ATG. No premium was paid to Liverpool City Council by the Trust for the lease although Liverpool City Council placed a value of £350,000 on the lease and this was taken as matched funding towards the Arts Council grant.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees do not consider any merit in seeking a professional valuation of the Lease with Liverpool City Council in view of the user restriction and the obligations of the Trust in maintaining the building as a Theatre. The value of £350,000 calculated by Liverpool City Council has been accepted by the Trustees for the purposes of these accounts and is reflected as such in the designated reserves in the balance sheet.

The upkeep and development of one of the City's best known and most loved buildings are always a major concern of the Trust and that view is shared by ATG.

The presentation of the fabric and facilities of the Empire to the public is constantly reviewed and the Trust receives regular reports on the state of the building and facilities for successful theatre productions. The report is discussed between the Trustees and ATG thus ensuring that ongoing maintenance issues are attended to and, in addition, future capital expenditure is proposed for the enhancement and development of the theatre and its facilities.

Some Main projects were able to proceed following the re-opening of the theatre part way through the financial year (funded by ATG).

Financial review

The results for the year and the charity's financial position at the end of the year are shown on pages 6 to 19.

The surplus of income over expenditure for the year amounted to £24,621 (2020-21: Deficit of £14,611)

The Trustees believe that sufficient assets are presently available to fulfil the obligations and aims of the charity. However, there is also awareness that in the longer term and in view of uncertainties in the worldwide economy there will be an increasing cost for professional services (accountants and building surveyors, for example) and other expenditures, which will require the Trust to reappraise its future levels of income and donations.

To achieve its main objectives, the financial viability of the theatre remains fundamental and the Trust will liaise closely with ATG to identify any issues that might affect the long-term viability of the theatre as and when necessary

At 31 March 2022, total reserves were £630,959 (2020-21: £606,338) of which £350,000 (2020-21: £350,000) is a designated fund representing the fair value of the lease between Liverpool City Council and the charity.

Risk policy

The charity has continued to review risks which it faces and will establish controls to mitigate risk where necessary. Risks continue to be subject to periodic review.

Reserves policy

The Reserves Policy is reviewed in line with Charity Commission publication on 'Charity Reserves: building resilience'. Whilst the Trustees are looking to spend most of its annual income (which increases annually by the rate of RPI) on charitable objectives, with the balance on administrative costs, part of the sum held as reserves will be made available periodically for the objectives of the charity although the Trustees will take into account the need to hold the reserves against continuing liabilities under its lease with Liverpool City Council in circumstances where the indemnity from its tenants is not available.

The Trustees are further aware that the reserves (which arose from a payment from ATG resulting from a lease negotiation) are not likely to be replaced in the future and for this reason the Trustees consider it is a prudent decision in the long term interests of the charity to maintain the reserves close to their present level, thus allowing the Trustees to apply some of the reserves on charitable function where the annual income has been accounted for.

Investment policy

The charity's investment policy currently is to hold any reserves at the bank on deposit.

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

Legal status

The Empire Theatre (Merseyside) Trust Limited is a charitable company limited by guarantee, incorporated on 16 July 1979 and registered as a charity on 7 January 1980.

The charity was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1. None of the Trustees have any beneficial interest in the charity.

Governance and management

The directors, who are also Trustees of the charitable company for the purposes of company law, have a variety of specific experience and skills including arts administration, theatre and film productions, journalism, private sector administration and management and legal experience. These skills are all needed for the successful running of the Trust linked to the Theatre managers and the continued work of the Creative Learning department. The Trustees are responsible for all decision-making activities taking account, where appropriate the requirements of the 'public benefit'. The Trustees meet regularly to review progress of the objectives of the Trust and the performance of ATG (its manager and tenant).

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

Mr T D Smith (Chairman) (Deceased 15 August 2021)
Mr D Morgan (Chairman)
His Honour G A Ensor
Mrs P J McGaffney
Miss L Marshall
Mr J J Thompson
Mr S P Marley

The chairman of the Trust is nominated and seconded by one of the Trustees. David Morgan was appointed as chairman on 15 September 2021.

The secretary was David Morgan, a non-practicing solicitor (having retired in November 2017 from law firm, Brabners LLP, of Horton House, Exchange Flags, Liverpool.) until January 2022 when the role was taken over by Carol Mason a solicitor and partner with the law firm Morecrofts LLP of 7 Church Road, Woolton Liverpool L25 5JE.

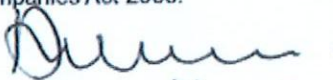
The Trustees are advised by Daniel McEvoy of Trident Building Consultancy, 43 Castle Street Liverpool, on property matters generally and in particular to review compliance by ATG of their Lease obligations.

The Trustees have considered no formal training is required to fulfil their duties and obligations.

The Trustees have assessed the major risks (in conjunction with its managers) to which the Trust is exposed and are satisfied that systems are in place to mitigate exposure to major risks.

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.



Mr D Morgan (Chairman)

Trustee

Date: 9th December 2022

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors of The Empire Theatre (Merseyside) 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 charity 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 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.

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
INDEPENDENT EXAMINER'S REPORT**

TO THE TRUSTEES OF THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED

I report to the trustees on my examination of the financial statements of The Empire Theatre (Merseyside) Trust Limited (the charity) for the year ended 31 March 2022.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My examination has been undertaken so that I might state to the charity's trustees those matters that I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my examination, for the report, or for the opinions I have formed.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

BWM

**Tony Stanley ACA
Independent Examiner**

BWM
Tempest
Suite 5.1
12 Tithebarn Street
Liverpool
L2 2DT

Dated: 9 December 2022

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022**

Current financial year

	Notes	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £	Total 2021 £
<u>Income and endowments from:</u>					
Charitable activities	3	71,672	-	71,672	-
Investments	4	1,115	-	1,115	1,951
Other income	5	4,000	-	4,000	-
Total income		<u>76,787</u>	<u>-</u>	<u>76,787</u>	<u>1,951</u>
<u>Expenditure on:</u>					
Charitable activities	6	52,166	-	52,166	16,562
Net income/(expenditure) for the year/ Net movement in funds		24,621	-	24,621	(14,611)
Fund balances at 1 April 2021		<u>256,338</u>	<u>350,000</u>	<u>606,338</u>	<u>620,949</u>
Fund balances at 31 March 2022		<u><u>280,959</u></u>	<u><u>350,000</u></u>	<u><u>630,959</u></u>	<u><u>606,338</u></u>

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

All income and expenditure derive from continuing activities.

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

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022

Prior financial year

	Notes	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £
<u>Income and endowments from:</u>				
Investments	4	1,951	-	1,951
Total income		1,951	-	1,951
<u>Expenditure on:</u>				
Charitable activities	6	16,562	-	16,562
Net income/(expenditure) for the year/ Net movement in funds		(14,611)	-	(14,611)
Fund balances at 1 April 2020		270,949	350,000	620,949
Fund balances at 31 March 2021		256,338	350,000	606,338

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
BALANCE SHEET
AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		350,000		350,000
Current assets					
Debtors	12	790		1,242	
Cash at bank and in hand		281,869		262,086	
		<u>282,659</u>		<u>263,328</u>	
Creditors: amounts falling due within one year	13	(1,700)		(6,990)	
Net current assets			<u>280,959</u>		<u>256,338</u>
Total assets less current liabilities			<u>630,959</u>		<u>606,338</u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds	14	350,000		350,000	
General unrestricted funds		<u>280,959</u>		<u>256,338</u>	
			<u>630,959</u>		<u>606,338</u>
			<u>630,959</u>		<u>606,338</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022.

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

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

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

The financial statements were approved by the Trustees on 7th November 2022.



 Mr D Morgan (Chairman)
 Trustee

Company registration number 01437514

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

The Empire Theatre (Merseyside) Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Tempest, Suite 5.1, 12 Tithebarn Street, Liverpool, L2 2DT.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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 accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The Charity 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.

1.2 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.

1.3 Charitable funds

Funds held by the charity are:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes.

1.4 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 recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Grants, including grants for the purposes of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable. Income deferred only when the donor has specified that the income is to be expended in a future period.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 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.

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

Expenditure reflects all amounts paid and accrued during the year. All costs are allocated between the expenditure categories of the Statement of Financial Activities (SoFA) on a basis designed to reflect the use of the resource.

Charitable expenditure

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Governance costs

These represent costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the charity.

1.6 Tangible fixed assets

The charity has a lease of the Empire Theatre building from Liverpool City Centre for a term of 125 years; the lease expires in 2127. The charity sub-lets the theatre to ATG, for commercial use. The tenant is responsible for all property care and maintenance and takes all commercial risks for theatrical activities. ATG makes a management contribution to the Trust.

The financial statements include the value of the lease from Liverpool City Council in its current use by the Trust for its charitable purposes (see note 9). This is estimated at £350,000.

The initial valuation of this asset was based on a valuation that was carried out in April 2000. The trustees consider there is no impairment and that the fair value fairly represents the value in use of the property at the year end.

The lease was not depreciated owing to the long useful economic life of the asset (125 years) and currently no dilapidations have been provided for in repairs.

The trustees consider there is no value to the underlease between the charity and ATG and hence this does not appear in the financial statements.

1.7 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).

1.8 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.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies **(Continued)**

1.9 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.

1.10 Taxation

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions. The charity is also able to recover Value Added Tax.

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.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

3 Charitable activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Charitable rental income	71,672	-

4 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	1,115	1,951

5 Other income

	2022 £	2021 £
Bank incentive	4,000	-

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

6 Charitable activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Management contribution	35,836	-
Other professional fees	5,784	3,048
Sundry expenses	-	38
Promotion of the arts	6,998	4,360
Bank charges	-	16
Website costs	16	580
Donations	1,192	5,960
	<u>49,826</u>	<u>14,002</u>
Share of governance costs (see note 7)	2,340	2,560
	<u>52,166</u>	<u>16,562</u>
Analysis by fund		
Unrestricted funds - general	52,166	
	<u>52,166</u>	
For the year ended 31 March 2021		
Unrestricted funds - general		16,562
		<u>16,562</u>

7 Support costs

	Support costs £	Governance costs £	2022 £	2021 £
Accountancy	-	2,340	2,340	2,560
	<u>-</u>	<u>2,340</u>	<u>2,340</u>	<u>2,560</u>
Analysed between				
Charitable activities	-	2,340	2,340	2,560
	<u>-</u>	<u>2,340</u>	<u>2,340</u>	<u>2,560</u>

Governance costs includes payments to the independent examiner of £1,450 (2021 - £1,410) for year end statutory accounts and £890 (2021 - £1,150) for bookkeeping and other services.

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

8 Trustees

One of the trustees received remuneration for services rendered other than as a trustee of £3,000 during the year (2021 one trustee received: £3,000). None of the trustees (or any persons connected with them) received any expenses during the year (2021: £nil).

9 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Total	-	-

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

10 Tangible fixed assets

	Leasehold property
	£
Cost	
At 1 April 2021	350,000
At 31 March 2022	350,000
Carrying amount	
At 31 March 2022	350,000
At 31 March 2021	350,000

The initial valuation of the lease between the charity and Liverpool City Council is based on a valuation on 28 April 2000 by Irving Rice, Surveyors, in the region of £350,000. The Trustees consider there is no impairment to that value and that the net book value fairly represents the fair value of the lease at the year end.

The trustees do not consider any merit in seeking a professional valuation of the lease with Liverpool City Council due to the undue cost to the charity. Accordingly due to the user restrictions and obligations of the Trust in maintaining the building as a theatre there is no readily available comparison in the market.

11 Financial instruments

	2022	2021
	£	£
Carrying amount of financial assets		
Debt instruments measured at cost	281,869	262,086
Carrying amount of financial liabilities		
Measured at cost	1,700	6,990

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
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FOR THE YEAR ENDED 31 MARCH 2022

12 Debtors		2022	2021
		£	£
Amounts falling due within one year:			
Other debtors		790	1,242
		<u> </u>	<u> </u>

13 Creditors: amounts falling due within one year		2022	2021
		£	£
Trade creditors		-	5,180
Accruals		1,700	1,810
		<u> </u>	<u> </u>
		<u>1,700</u>	<u>6,990</u>

14 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		Balance at 31 March 2022
	Balance at 1 April 2020	Incoming resources	Balance at 1 April 2021	Incoming resources	
	£	£	£	£	£
Designated fund	350,000	-	350,000	-	350,000
	<u>350,000</u>	<u>-</u>	<u>350,000</u>	<u>-</u>	<u>350,000</u>

The designated fund relates to the value of the lease between the charity and Liverpool City Council (see note 10).

15 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Total	Unrestricted funds	Designated funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Fund balances at 31 March 2022 are represented by:						
Tangible assets	-	350,000	350,000	-	350,000	350,000
Current assets/(liabilities)	280,959	-	280,959	256,338	-	256,338
	<u>280,959</u>	<u>350,000</u>	<u>630,959</u>	<u>256,338</u>	<u>350,000</u>	<u>606,338</u>

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED
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FOR THE YEAR ENDED 31 MARCH 2022

16 Related party transactions

The company secretary, Mr D Morgan, who is also a trustee, received £3,000 (2021: £3,000) for secretarial duties in the year. At the year end, there was a balance of £nil owed to Mr D Morgan. Mr D Morgan resigned as secretary on 14 February 2022 as he was appointed Chair of the Board.

There were no other related party transactions within the period.

17 Company limited by guarantee

The Empire Theatre (Merseyside) Trust Limited is incorporated under the Companies Act 1985 as a company limited by guarantee. The liability of the members is limited to £1.