

THE BLUECOAT

England & Wales · Charity number 700862

Details

Other names BLUECOAT ARTS CENTRE LIMITED

Status Registered

Legal form Charitable company

Company number [02246627](#)

Registered 1988-11-24

Register [View on the Charity Commission register](#)

Contact

Address Bluecoat
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Liverpool
L13BX

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Website www.thebluecoat.org.uk

Activities

Objects: TO FOSTER AND PROMOTE THE IMPROVEMENT, DEVELOPMENT AND MAINTENANCE OF ARTISTIC KNOWLEDGE AND UNDERSTANDING AND APPRECIATION OF THE ARTS IN THE UNITED KINGDOM AND IN PARTICULAR IN THE COUNTY OF MERSEYSIDE.

Activities: The Bluecoat is Liverpool's Centre for the Contemporary Arts. Our purpose is to open up creative possibilities for individuals and communities. We do this through a programme of exhibitions, live art and participation projects; through support to artists; by opening our 18th Century building to makers, traders and visitors; and by creating connections between Liverpool and the rest of the world.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Arts/culture/heritage/science
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED - IN PRACTICE MERSEYSIDE
- Knowsley
- Liverpool City
- Sefton
- St Helens
- Wirral

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,346,014	£2,512,865	£8,046,779	90
2024-03-31	£1,981,987	£2,612,990	£8,213,630	89
2023-03-31	£2,203,346	£2,764,812	£8,844,633	81
2022-03-31	£2,948,992	£2,623,575	£9,406,097	77
2021-03-31	£1,801,082	£1,832,858	£9,080,681	65

Trustees

Name	Role	Appointed
Peter Malcolm Mearns	Chair	2016-11-15
Dr MICHAEL BIRCHALL		2018-07-11
Gabriella Chauke		2021-01-25
JAMIE EASTMAN		2017-11-27
Philomena Harrison		2019-04-01
RALPH BULLIVANT		2017-11-27
Rachel Duncan		2022-05-21
SRI SARKER		2018-07-09
Sally-Anne Watkiss		2018-10-22

THE BLUECOAT

England & Wales - Charity number 700862

Accounts

The Bluecoat

(A company limited by guarantee)

**Annual Report and
Consolidated Financial Statements**

For The Year Ended 31 March 2025

Company number: 02246627

Charity number: 700862

The Bluecoat
(A company limited by guarantee)

Annual Report and Consolidated Financial Statements For The Year Ended 31 March 2025

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The Bluecoat
(A company limited by guarantee)

Company Information For The Year Ended 31 March 2025

Company number: 02246627

Charity number: 700862

Registered office: Bluecoat Chambers, School Lane, Liverpool, L1 3BX

Auditors: Mitchell Charlesworth (Audit) Limited, 14th Floor The Plaza, 100 Old Hall Street, Liverpool, L39QJ

Bankers: NatWest Bank, 2-8 Church Street, Liverpool, L1 3BG

Directors

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees serving during the year and since the year-end were as follows:

Peter Mearns	Chair
Jamie Eastman	Resigned 31 March 2025
Ralph Bullivant	
Sri Sarker	
Michael Birchall	
Sally-Anne Watkiss	
Philomena Harrison	
Gabriella Chauke	
Rachel Duncan	
Benjamin Sledge	Appointed 25 March 2024
Ian Spink	Appointed 13 May 2024
Caroline Sanger-Davies	Appointed 31 March 2025
Maureen Royce	Appointed 31 March 2025
Mary Cloake	Chief Executive

Governing Document

The Bluecoat is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 21 April 1988, as amended by special resolutions dated passed 27 September 1988 and 9 December 2003.

The directors of the company, who are also the trustees of the charity, are pleased to present their annual report, together with the consolidated financial statements of the charity and its wholly owned subsidiary for the year ending 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 memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Our Purposes and Objectives

Bluecoat is Liverpool's centre for the contemporary arts. We offer a year-round programme of visual art, music, dance, live art and literature that connects to and offers new perspectives on our contemporary world.

Our purpose is to open up possibilities for individuals and communities by:

- supporting diverse artists to develop their practice at all stages of their career, to engage with audiences and to communicate the power and value of art to as broad a spectrum of people as possible
- helping people find a meaningful place for the arts in their lives, creating safe and inclusive spaces for everyone to engage as audiences and participants
- preserving, revealing and interpreting the multifaceted story of our historic building, and also the country's first arts centre, making it accessible to a range of audiences through activities, exhibitions, events and digital content in appropriate formats.

Through these we deliver the agreed objectives of the Charity when it was first constituted in 1927, which are to:

- foster and promote the improvement, development and maintenance of artistic knowledge and understanding and appreciation of the arts.
- promote and advance aesthetic education
- cultivate and improve the public taste in the arts in the United Kingdom, in particular in Merseyside
- provide facilities for the education of the public in the fields of visual and performing arts.

Introduction

In a year marked by both creative ambition and financial challenge, the Bluecoat has reaffirmed its role as a vital hub for artists and the community.

At the heart of our work is a commitment to artist development and long-term relationships. We have strengthened our support for artists at all stages of their careers from emerging talents to established voices. Highlights include innovative exhibitions such as Let Your Ideas Come Back as Children, which placed children's perspectives at the centre of artistic practice.

Our participation programmes have reached thousands, with Blue Room, Studio Me, and Out of the Blue delivering over 7,000 onsite experiences for children, families, and learning disabled artists. We have expanded our reach through new partnerships and pilot projects, ensuring that art remains accessible and meaningful to diverse audiences.

Through entrepreneurialism and adaptability, we have continued to find innovative ways to bring creative programming to our audiences. Looking ahead, the capital development project that will see the successful redevelopment of our Bistro will enhance our ability to serve as a flexible, inclusive space for culture and community.

Despite a challenging funding climate, we have adapted with resilience - integrating our programme with participatory work, heritage, live programme and business development.

At a time when the cultural sector faces significant pressures, the organisation has remained steadfast in its mission to break down barriers and make art accessible to all.

Artistic Development

This year we strengthened our role as a place where artists can grow, experiment, and connect with audiences. A defining feature of 2024-25 has been the creation of dialogue between local, national, and international artists, encouraging conversations that have shaped both the work itself and the way it has been received.

One of the clearest examples was the premiere of *Role Model* by Chinese artist **Dahong Hongxuan Wang**, whose film marked a step from performer to leading voice in her own right. Shown alongside **Michelle Williams Gamaker's** *Our Mountains Are Painted On Glass* and performances by Liverpool-based poet and artist **Jennifer Lee Tsai**, the programme fostered cross-cultural conversations between artists from Liverpool, London, and Beijing. These connections developed further through Lee Tsai's collaborations and her own eventual solo presentation, demonstrating how we nurture artists across time rather than through one-off opportunities. Similarly, **Alfred Beasley** moved from participation in our Blue Room programme to presenting his sculptures *Under the Apple Tree* as an artist in his own right both at Bluecoat and on tour at Sunny Bank Mills gallery (Leeds).

Experimentation has also been at the heart of our work this year. Artists **Paddy Gould** and **Roxy Topia** created *Let Your Ideas Come Back as Children*, an exhibition designed with and for children. The show extended their practice into new territory. This exhibition was paired with **Stine Marie Jacobsen's** *Future Before it Happens*, which also engaged children's perspectives on the future. We further tested new formats with *The Year That Was*, an exhibition that explored the sale of artworks and reflected on the past year's programme. This gave artists such as **Babak Ganjei** and **Joshua Clague** fresh opportunities to show and sell work, with Clague's textile pieces finding particular success.

Our commitment to working with artists long-term has remained central. We continued our relationship with **Joanne Masding**, commissioning new work for the *But Does it Speak?* season, building on a relationship with Masding that began in 2017. Longstanding support has also shaped the development of Jennifer Lee Tsai and Alfred Beasley, showing the impact of sustained engagement in helping artists grow and audiences to benefit from their evolving practices.

In a challenging funding climate, we have adapted by using themed seasons to bring together different strands of our programme. *The Year That Was* highlighted how these seasons integrate participation, family engagement, international exchange, residencies, literature, and heritage. *But Does it Speak?* continued this approach, blending local, national, and international artists while also connecting with the **DaDa Festival** and expanding access through captioning and inclusive commissions.

Together, these approaches: instigating dialogue between artists and audiences; creating space for experimentation; building long-term relationships with artists; and thematic seasons that draw our work into a coherent, audience focused programme, demonstrate our resilient and caring strategy for artist development. At its core, this work is about more than supporting individual practices: it is about offering the public meaningful encounters with art that is ambitious, experimental, and deeply connected to the world around it.

Participation

This year, we ran 417 sessions across our Blue Room Inclusive Arts, Children and Families and Cultural Legacies related strands of programme. Onsite, we provided 3,264 individual experiences for children and their families and 2,704 for Learning Disabled people and their families. Pilot programmes through Roots and Resilience, a Cultural Legacies programme, enabled us to attract new audiences and deliver 264 additional experiences onsite. A further 1,200 off-site experiences were made possible through collaborations with **Norton Museums and Galleries**, **Cass Art**, **Sunnybank Mills** and **LUSH Cosmetics**.

Blue Room and Studio Me

This year *Beyond the Blue*, a Blue Room programme funded by Esmée Fairbairn, concluded. Through this work, we increased membership by 25%, strengthened Blue Room's profile and developed income opportunities. We successfully secured additional funding from Esmée Fairbairn Foundation through their Funding Plus scheme, outlined in the Development section of this report.

Building Blue Room's profile remained a key focus. **Tess Gilmartin's** *Horse Big* was translated into packaging design sold globally by LUSH Cosmetics. We were also invited to take part in collaborative projects with Leeds University and a supported studio in Australia. To build connections across the inclusive arts sector, we attended national networking meetings including **MK Gallery's** *Inclusive Practice in the Arts* symposium, the **Explorers Network**, and the *Supported Studio Symposium* at Nottingham Castle, hosted by inclusive arts curator **Jennifer Lauren**. Blue Room member **Yurena Gonzalez-Lee** promoted the programme by co-delivering an online creative workshop with **Community Integrated Care** to a national audience of social care staff.

Studio Me artists were represented in local and national exhibitions and events at **Storyhouse Chester**, **Sunny Bank Mills Leeds**, **Cass Arts**, **Norton Priory Museums and Gardens**, **Radiate Arts** and **Project Ability** in Glasgow.

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Directors' Report For The Year Ended 31 March 2025 (Continued)

Alfred Beesley's *Under the Apple Tree* continued in collaboration with story-teller **Gav Cross**; **John Steele's** painting of Dame Kelly Holmes, *Athletics at the Olympics* was exhibited at Chester-based **Radiate Arts** and **Veronica Watson** and **Tess Gilmartin** were featured in a group exhibition titled *Express Collaborations* at **Project Ability** in Glasgow. **Catherine Haines** was invited by **Liverpool Biennial** to collaborate on the development of a children's guide for the festival.

During a period of closure in the gallery, **Veronica Watson**, **Tess Gilmartin**, **Tom Rooney**, **Jane Walsh** and **John Steele** were able to develop their practice at greater scale. The large spaces were transformed into a working studio, allowing the artists to try new techniques and document their work professionally. As a result, **Veronica Watson** will show her first solo exhibition and publication, *All Together Now* in April 2025.

We made significant progress developing saleable merchandise created by Blue Room artists, including prints and limited editions sold through Bluecoat's shop and markets. A takeover of LUSH's flagship store on Liverpool's Church Street generated strong sales and boosted interest in Blue Room's work.

Young Blue Room

With support from the National Lottery Heritage Fund, we piloted a Young Blue Room programme aimed at young learning disabled artists aged 16-30. Working with **Sandfield Park School** in East Liverpool, **Hugh Baird College** in Bootle and the **Young Adult Respite Service**, we built relationships to inform future work and deepen understanding of the lives and support systems of young learning disabled people.

We held Young Blue Room sessions at the Bluecoat in collaboration with Sandfield Park School. Participants co-created an animated music video to an original song about belonging, using stop motion, claymation, rotoscope, and digital animation. The film was presented at **NowFest**, Liverpool's Young People's Mental Health Festival at St George's Hall, where it was awarded *Judges' Overall Choice*.

Children, Families and Out of the Blue

Out of the Blue continued to operate in **Four Oaks** and **Leamington Primary** schools, both of which represent diverse communities in the first decile of multiple deprivation. With support from the National Lottery Heritage Fund we began working with a new city-centre partner: **Pleasant Street Primary School**. An initial survey of these new participants found 30% of families considered English as their second language.

Out of the Blue children worked on a variety of creative projects linked to exhibitions. They developed artworks with artists **Paddy Gould** and **Roxy Topia** for *Let Your Ideas Come Back As Children* as we focussed on co-curation with our young participants.

Out of the Blue children also collaborated with artist **Andrea Ku** on a project titled *Fly High*, which explored endangered butterflies and reflected on Liverpool's relationship with Ukraine during Eurovision. This was developed into a short-term installation on the trees outside of the Bluecoat.

With funding through **Merseyside Play Action Council's** *Holiday, Activities and Food Programme*, we delivered on-site activity days for Out of the Blue participants. The themes for each activity day varied and included puppet making inspired by **Farah Al Qasimi's** *Everybody was Invited to a Party* during Bluecoat's *But Does It Speak?* season. The associated food budget supported hot, nutritious meals provided by the Bluecoat's catering team.

We ran two fully subscribed baby book clubs with artist and story-teller **Roger Hill** marking the project's 10th anniversary. We lead an outreach Baby Book Club in **Leamington Primary Community School**, as well as a six-week course attended by eight parents and their babies from Norris Green, Clubmoor and Anfield.

We delivered eight Family Activity Days celebrating the work of artists past and present. Themes ranged from a **George Melly** cabaret extravaganza featuring storyteller **Gav Cross**, to a dance and movement event featuring a performance titled *In Time* by **Sole Rebel**. The former was supported by the National Lottery Heritage Fund, and the latter by Liverpool BID.

Workshops in partnership with Liverpool Biennial featured commissions by **Stine Marie Jacobsen** in collaboration with children from St Anne's Primary School.

Other activities for children and families included two ticketed *Makers and Shakers* events in collaboration with **Movema**; Halloween, *Weird Futures* and heritage-themed printmaking activities held in the galleries; and a Christmas print party that invited families to create cards and decorations using traditional print methods.

Roots and Resilience

As part of the Roots and Resilience Programme supported by the National Lottery Heritage Fund, the team developed a new strand of work to engage young Global Majority people. The Project Facilitator and Project Assistant, both from global majority communities, focussed on themes that highlighted the artists and communities who have contributed to the Bluecoat story in the last 45 years.

Working with **Archbishop Blanch Senior School**, we set up an after-school art club for A-level art and design students. At the end of the 24-session programme, the pupils made a trip to the Bluecoat to conclude their work for a heritage tour of the building and a print workshop.

To complement this after school art club offer, we ran 15 pilot Saturday print clubs working with guest artists. Sessions were well-attended by a diverse mix of young people.

Bluecoat Participation Assistant and musician **Oleta Omar la Cruz** curated an afternoon event showcasing art and music. The event engaged with a range of other musicians and was well attended with many participants citing the lack of space and resources for musicians to gather and play music in the city.

Capital Development

In April 2024, we were awarded £680,000 from Arts Council England's Capital Improvement Projects Funding Programme to redevelop our first floor Bistro. We were awarded an additional £70,000 from Liverpool City Council's *UK Shared Prosperity Fund* towards the Project.

The project will enable us to reconfigure the space to create an accessible and flexible event space consistent with the rest of the building. Its versatility will allow configurations for different performances and events, both public and private.

The Project and Design Team were appointed in July to develop the design and specification of the space. Stakeholder and focus groups were also established to inform and interrogate the designs to ensure they would meet the needs of partner organisations or those hiring the new space.

Statutory consents were in place by December 2024 enabling us to develop a package of tender documents to appoint a Principal Contractor.

Cultural Legacies

The main focus for the year was *The Bluecoat: A Cultural Heritage* for Liverpool, funded by a National Lottery Heritage Fund 'Resilience' grant, to test new approaches to using heritage to make the organisation more sustainable. Through five interconnected strands of work, we gathered evidence, including reports from external consultants, presented in a final report.

Architectural Emporium reviewed our public spaces to see how the building could become more porous for visitors. Following consultation, they came up with an options appraisal for improving access and navigation including modest architectural adaptations, art commissions, interpretative signage and wayfinding interventions.

A Programme Development strand tested models for future participation involving children, families and young people, detailed further in the Participation section of this report. We successfully trialled *Young Blue Room*. Valuable learning resulted from a busy schedule of workshops, after school clubs, a Saturday print club and themed family weekends involving 960 participants. This demonstrated the potential for us to meet young people's needs to learn, be creative and engage with our heritage – and identified the resources required for us to support ongoing programmes.

Extensive consultation with over 25 potential partner groups and individuals - researchers, educational institutions, curators, local historians and artists - helped establish a strong research base from which to develop Cultural Legacies programme themes. We recruited three curatorial advisers, **Lauren Craig**, **Alex Day** and **Jessica Wan**, from **British Art Network**'s pool of emerging curators to further feed ideas in and stimulate our thinking.

An interdisciplinary research partnership with Liverpool John Moores University, '*The Bluecoat: Global Networks*', emerged, resulting in a collaborative PhD that will look at the nineteenth-century maritime mercantile connections of Blue Coat School trustees, feeding into future programming. We tested Live heritage music and literature events and we hosted six related exhibitions, this programme together attracting over 22,000 visitors.

Strategic agency **Shorter & Sons** carried out new research into audiences. Their report contained recommendations for using our heritage to drive deeper engagement and identifying key audiences to focus on, including young people and families.

A Commercial strand tested monetising our popular heritage building tours, attracting heritage conferences to use our venue and developing an innovative range of merchandise available both at the venue and an online shop, which have continued to prove popular.

Archives consultant **Janice Tullock** audited our large amount of archive material on site, consulting with staff, partners and - through drop-in archive sessions - the public. Her report, with its recommendations for developing and ensuring the long-term future of the archive, informed a successful application made to The National Archives for a professional archivist to catalogue our collection in partnership with Liverpool Record Office in the following financial year.

Participation in Heritage Open Days, with its theme of *Routes, Networks, Connections*, comprised building tours, artists' open studios, a family weekend and special talks. Our annual *Lowry Lounge* celebrating Wirral-born writer **Malcolm Lowry** was themed around the Mexican Day of the Dead, and included a participatory altar dedicated to him, which attracted contributions from Mexico, Canada and the UK - one of our best attended and artistically successful Lounges to date.

The year witnessed a growth in demand for building tours and research requests from local history groups, colleges, postgraduate students, and visiting international parties. The Bluecoat was once again a venue for Slavery Remembrance Day's Walk of Remembrance in August.

The Director of Cultural Legacies continued to chair the Arts & Culture Race Equality Action Group, hosting monthly meetings at the Bluecoat. This group monitors the sector's Race Equality Manifesto and is taking on a wider remit in relation to an increasingly challenging external environment.

Public Visibility and Influence

Local cultural moments throughout the year gave opportunities to increase our public visibility. The launch of *Taylor Town* by **Culture Liverpool** saw a trail of installations inspired by **Taylor Swift's Eras Tour** throughout the city. The Bluecoat participated, hosting a *folklore* -inspired, playable piano. The peak moment of a press tour was held in Bluecoat's garden where the original owner of the pre-loved piano performed a variety of songs, while the artist gave interviews. Attending press included **BBC, LBC**, as well as local outlets such as **The Guide** and **Liverpool World**. Further coverage beyond the launch included pieces by **The Guardian, The Daily Mail** and **CNN**.

Press releases were distributed for *Weird Futures*, *The Year That Was*, *But Does it Speak?* and Bluecoat's Archival programming, resulting in coverage across the **Liverpool Echo, Uncover Liverpool, The Guide, Art in Liverpool, Creative Tourist, Art Rabbit** and **The Double Negative**.

We developed films for *Our Mountains are Painted on Glass* and *Role Models* featuring interviews with artists **Michelle Williams Gamaker** and **Dahong Hongxuan Wang**. For the *Weird Futures* season, a film was produced featuring Bluecoat's curatorial staff and the exhibition's co-curators - children from Bluecoat's **Out of the Blue** after school arts club. Both films were developed with **Carl Davies** of **FACT Film Production**. The films were used as content for our Hub screens in order to promote the exhibition to in-venue audiences, and were also used as rich content across the Bluecoat's social media.

Paid adverts on Meta boosted ticket sales for the Bluecoat's summer BBQs and festive lunches. Targeted advertising for *Our Mountains are Painted on Glass* and *Role Models* were taken out in arts press channels including **Corridor8** and **The Double Negative**. An A3 poster distribution run accompanied the exhibitions, targeting areas in central and south Liverpool.

The Bluecoat was nominated for the *People's Choice Award for Outstanding Contribution to Culture* in the **Liverpool City Region Culture and Creativity Awards**. The promotion for this included a video campaign featuring two Bluecoat staff members which was followed by a campaign to encourage the public to vote. Unfortunately the Bluecoat didn't win the award, but we were honoured to be nominated.

Blue Room artist **Tess Gilmartin** won the *Artist of the Year* award at this year's **Liverpool City Region Tourism Awards** and her work *Horse Big* won the *People's Choice Award* at the **Level Centre's** open exhibition during the summer. Tess Gilmartin also collaborated with **LUSH Cosmetics** on an advent calendar design - sold internationally - and a window installation, which were launched at a takeover event in September. The related press release resulted in a **Liverpool Echo** article and a **BBC Radio Merseyside** interview with Tess Gilmartin and Blue Room's Creative Manager, **Becky Waite**.

Across social media, followers on X steadily decreased, in line with many users leaving the platform in political protest, while Tiktok, Instagram and Facebook followers steadily increased. Social media highlights included a picture of **Liverpool Football Club** player **Konstantinos Tsimikas** visiting our garden, which reached 3,745 Instagram accounts. A post about the '*folklore*' Taylor Swift piano reached 3,630 accounts and gained almost 200 likes. Almost as popular was a post advertising an event with artist Michelle Williams Gamaker, showing an audience with diverse interests on Instagram.

Business Development

This year we continued to build opportunities to bring in unrestricted income through business development. We achieved a 32% increase in revenue year on year through print, live programming, partner events, workshops, markets, commerce and ancillary spend.

Weddings and corporate hires remained fundamental to income generation. Updated marketing materials allowed us to communicate our offer succinctly.

We developed successful food and beverage initiatives including vegan BBQs; the launch of *From the Kitchen* - rotating specials selected by our chef; and Mother's Day Afternoon teas. Our Christmas parties and dinners didn't perform as well as anticipated, so will be adapted or discontinued.

Through the National Lottery Heritage Fund, we were able to trial a physical and online shop selling a range of heritage prints, books and merchandise from our archives, alongside products designed by artists. The initial response to the Bluecoat shop was encouraging and will enable the growth of commerce in the coming financial year.

40 print workshops were delivered through the **Print Studio**, bringing in over £9,000 of revenue and enabling us to teach traditional printing techniques to 170 attendees. Studio hires continued to grow, but at a slower pace than anticipated. The implementation of a new online booking system in 2025 should make the booking process smoother and encourage increased usage. We also hosted two corporate print workshops - a new product that we will continue to grow.

Markets remain part of the Bluecoat's commercial strategy and enabled us to attract new audiences and increase visits to the gallery and cafe. We hosted **Liverpool Print Fair's** largest ever market across three spaces, as well as the **Liverpool Artist Book Fair**. **Still-out-of Print** hosted monthly second hand book fairs and in December we trialled three markets in the gallery space - **Bluecoat's Arts Market**, **Bloom Market**, and an extended book fair.

Ticketed events included two film screenings linked to our exhibitions, creative workshops including calligraphy with **Pei Tong**, and wreath making with **Gemma Longworth**, plus a live music event in partnership with local promoters **Thom Isom** and **Andy Hunt** - featuring performances by **Ka Baird**, **Rosie Terry Toogood**, **Dialect**, and **Ancient Plastix**. A tribute to late artist and longstanding associate of the Bluecoat, **Phillip Jeck** took place in November - a celebration of his life and work with film and live performances.

Other partner events included **The White Pube's Poor Artists** book launch in collaboration with **Dead Ink Books**, *Mindful Glow* wellbeing sessions with **Fever Events**, *Makers and Shakers* led by Bluecoat and **Movema** - dance and creative sessions aimed at children and families.

We continued to reach new audiences by taking part in city wide initiatives and partnerships. In June, Liverpool became *Taylor Town*, in response to **Taylor Swift's** tour dates in Liverpool. As part of a trail commissioned by **Culture Liverpool**, the Bluecoat hosted a playable moss-covered piano, created by **Quirky Design Co** supported by **MAKE CIC**. The piano brought lengthy queues of fans waiting to take a picture, enabling us to reach a younger audience and international tourists from the USA. Two Taylor Swift themed print workshops for adults and one for children allowed us to weave our artistic objectives into the pop culture moment.

Other city initiatives were led by **Liverpool BID**. Bluecoat took part in a cultural mile walk, hosted a stall at BID's *Williamson Scare* event - where free block printing activities attracted 148 children and 129 adults, and took part in an *Elf on the Shelf* trail aimed at children and families. It remains important for the Bluecoat to foster citywide relationships to develop a strong cultural offer within the city.

Development

In 2024-25, we continued to fundraise for the Bluecoat's various projects, including our visual arts programme, Out of the Blue, Blue Room, and for our core operating costs. Our fundraising activity spanned Trusts and Foundations, Individual Giving and Bluecoat Memberships.

During this period, we applied to 66 trusts and foundations, successfully raising £894,856.43, with an approximate success rate of 18%.

We were successful in applying to Bloomberg Philanthropies' Digital Accelerator Programme and were invited to participate, beginning February 2025. Our project will build upon exploratory work conducted as part of our capacity building project funded by Fidelity UK Foundation to further enhance and augment the Bluecoat's digital infrastructure. A nominated BloombergTech Fellow will engage with the Digital Accelerator Programme to submit a second stage application in May 2025. Following online workshops with the wider cohort, the team will concentrate on developing a number of bespoke integrations for GoodCRM, alongside acquiring appropriate hardware and examining Bluecoat's wider approach to digital workflows.

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Directors' Report For The Year Ended 31 March 2025 (Continued)

We successfully secured £680,000 in capital funding from Arts Council England to reconfigure our existing Bistro space, as referenced under the Capital Development Section of this report. We also received £40,000 from the Headley Foundation in support of restoring our building's cupola.

We secured several grants to support our visual arts programme, including from Henry Moore Foundation, towards Joanne Masding's sculptural work, and from the Hemby Trust, towards *Let Your Ideas Come Back as Children*.

To support our Blue Room programmes in both Liverpool and Halton, we received grants from Baily Thomas Charitable Fund, Halton Borough Council (Halton 50) and the ACC Liverpool Group Foundation

We also received funding from MPAC's Holiday Activity Fund, the Pilkington General Charity Fund, and the Elizabeth L Rathbone Charitable Trust, to support our Children and Families work, including Out of the Blue.

We successfully applied to Esmée Fairbairn Foundation's Funding Plus scheme, securing funding to pay for a consultant to write a business development plan as part of Blue Room's *Beyond the Blue* development project previously funded by the foundation. This business plan will provide support with next steps for the Blue Room Programmes, providing a roadmap for growth and development for the next 5 years.

Other funding applications and appeals of which we are awaiting outcomes include the Charles Plater Trust, the Liverpool BID Arts and Culture Fund, and the Zero Waste Community Fund.

We raised £5,343 through Individual Giving using onsite and online fundraising, including our Membership and Patron schemes - a 28% increase compared to 2023-24 Total cash donations were £1,957; total contactless £681; total online £1,183; total events £192; and Memberships £1,340.

Throughout 2024-25, two fixed-term Development Assistants supported the team's approach to Reporting and began steps towards establishing a more streamlined reporting system. We anticipate this preparatory work will inform our workflow development as part of our Bloomberg project.

Near the end of 2024-25, the team continued to research alternative funding streams, and began conversations with Penny Press makers Janet and John, hoping to attract more on-site donations through incentivised keepsakes and active making.

Financial Review

The consolidated financial results for the year are set out on pages 15 to 33 for Bluecoat and its wholly owned subsidiary, Trading at the Bluecoat Ltd. The group had net expenditure for the year of £166,851 (2024: £631,003), after charging depreciation and amortisation of £410,171 (2024: £409,866).

Trading at the Bluecoat Ltd operates a café and bistro, events, conferencing and catering facilities and the profits generated are distributed to the charity under gift aid to assist the charity in meeting its objectives. The venture generated a loss before tax for the year of £34,993 (2024: loss of £41,068).

Reserves and Investment Policy

Bluecoat understands the need for unrestricted reserves to cover downturns in both earned income and public funding. The Directors have agreed that the reserves level should aim to cover at least three months' operating expenditure, this being approximately £500,000. At 31 March 2025, the group had unrestricted general reserves totalling £235,387 (2024 £60,835).

The Directors review the Reserves Policy on an annual basis. They recognise that growth in reserves will only arise from having a more sustainable business that is attractive to investment.

To this end, the Directors have made plans and taken action to improve the reserves position, including:

- reducing the operating cost base through the review and renegotiation of supplier contracts, and through reduction in staffing levels
- increasing earned income generation through the bringing in of skilled new board members on to the subsidiary trading company's board, the development of a commercial strategy that will maximise the earnings potential from all areas of the building, and the implementation of this strategy
- increasing grant income generation through a focused fundraising and development strategy supported by additional management focus on this area
- creating operating efficiencies in how the building is used through the forthcoming grant-funded capital investment into the central areas of the building

The Bluecoat
(A company limited by guarantee)

Directors' Report For The Year Ended 31 March 2025 (Continued)

The Directors have reviewed a broad range of evidence, including budgetary projections for a period of at least one year from the approval of these financial statements in order to confirm the going concern principle for the organisation. More detail on this matter is included in note 1 to these financial statements.

The charity's investment in the subsidiary company is valued at cost less provision for any permanent diminution in value. The charity has no other investments, and surplus cash is held in bank accounts.

Appointment of Directors

As set out in the governing document the Board has a minimum of four Directors and a maximum of twenty. Membership of the Board is open to anyone who has interest in the objects of the company and are elected by members. The Board has the power to co-opt members considered to have specialist skills or knowledge that would be beneficial to the company, providing the number of co-opted members does not exceed a third of the membership of the Board. Co-opted members serve on the Board for a period determined by the Board, no to exceed five years. Currently there are no co-opted members.

Directors' Induction and Training

Board members on appointment receive a full induction and there are also away-days each year, where the Board and senior staff review the direction and effectiveness of the organisation. These are augmented by courses and other board development interventions as appropriate. The term of office of Directors is four years. Suitable indemnity insurance is in place.

Organisation and Governance and Management Structures

The Board of Directors is responsible for the definition of policy and general oversight of all the functions and activities of the Company. The board delegates additional scrutiny and policy development to its committees. These consist of the Finance and General Purposes Committee, the Artistic Advisory Committee, the Board Development Committee, and the Safeguarding Committee. In addition, the charity's subsidiary company Trading at the Bluecoat Ltd has its own board of directors. The strategic and operational leadership and management responsibility is delegated to the Chief Executive.

Related Parties and Co-Operation with Other Organisations

Any connection between a Director or senior manager of the charity with a production company, contracted artist, performer, exhibitor or supplier must be disclosed to the full board of Directors in the same way as any other contractual relationship with a related party. In the current year, related party transactions are set out in note 22 to the accounts. The charity's wholly owned subsidiary, Trading at The Bluecoat Ltd, operates the cafe, the bistro, events and conferencing facilities at Bluecoat.

Pay Policy for Key Management Personnel

None of the board Directors receive remuneration or other benefit from their work with the charity.

The remuneration of key management personnel is determined by the board Directors of the charity. They consider the seniority of the post, the expertise and experience of the post holder, the local market conditions and sector market conditions for remuneration and benchmarking information from similar organisations in determining the remuneration of key management personnel.

Plans for the Future

2025-26 will see the return of the Liverpool Biennial, with The Bluecoat hosting local, national and international artists as part of Bedrock, curated by Marie-Anne McQuay.

Following the success of 'The Year That Was', a group exhibition titled 'Just Browsing' will allow audiences to browse tactile works of art. The exhibition will borrow from the retail area around Bluecoats gallery to offer an experience of art that can be touched, worn and bought to take home. Artists in the exhibition will use textiles, ceramics and scent to connect with audiences. The exhibition will feature works and products from Bruce Asbestos, Ffion Evans, Gareth Gratrix, Ivy Kalungi, Lou Miller, Sufea Mohamad Noor, Lewis Prosser, Ben Saunders, Daniel Sean Kelly, Chester Tenneson and Carla Wright.

The Bluecoat's Capital Investment Programme work will begin to take place, funded by Arts Council England, Liverpool City Council and the UK Government through the UK Shared Prosperity Fund. The project will refurbish and reconfigure our upstairs 'Bistro', into a more versatile and accessible events and performance space, with flexibility to host a year-round programme of events. The work will start in October 2025 and is expected to be completed by April 2026.

Looking further ahead, we will continue developing plans to celebrate the Bluecoat's centenary year as an arts centre, which will take place in 2027. Celebrations will include live events, conferences and exhibitions.

Directors' Report For The Year Ended 31 March 2025 (Continued)

Risk Management

The major risks to which Bluecoat is exposed, as identified in the risk register, have been reviewed and mitigations and contingency plans put in place to manage these risks. The risk register is monitored and updated on an ongoing basis and reported to the Finance & General Purposes Committee of the Board at least twice a year.

The directors consider the key risks and uncertainties facing the charity are:

- The Building is not sufficient to support strategy through lack of investment in day to day repairs and maintenance, and the conservation of the historic building is compromised.

This is mitigated by repairs and maintenance plan in place; Capital investment plan (balanced against cash constraints) in place; Capital grant funding bids.

- Insufficient reserves resulting in inability to invest in future capital needs or respond to unforeseen circumstances. This is mitigated by future operating surplus budgets planned; margin identified and sought on all projects; Reserves Policy in place and strategy to achieve this; regular Finance Committee monitoring.

Directors' Responsibilities in Relation to the Financial Statements

The Directors (who are also trustees of the charity) are responsible for preparing a Directors' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and of the income or expenditure of the charitable group for the year. In preparing those financial statements the Directors 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, whilst ensuring that applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Directors are responsible for keeping 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.

Information Provided to Auditors

In respect of each Director at the date the Directors' Report is signed:

- so far as we are aware, there is no information needed by the Charity's auditors in connection with preparing their report (relevant audit information) of which they are aware; and
- as the Trustees of the Charity we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

By order of the Board

Maureen Royce
Co-Chair

Eddie Berg
Co-Chair

Opinion

We have audited the accounts of The Bluecoat (the 'Parent Charity') and its subsidiary (the "Group") for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated and parent charitable company Balance Sheets, the Consolidated Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and Parent Charity's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charity and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

- adequate accounting records have not been kept by the Parent Charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charity accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; and
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees, who are also the directors of the Parent Charity for the purpose of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the Group's and the Parent Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the Parent Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit has considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

The Bluecoat
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Independent Auditor's Report to the Members of The Bluecoat For The Year Ended 31 March 2025 (Continued)

Use of our report

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

Anita Mason BA (Hons) BFP FCA (Senior statutory Auditor)
For and behalf of Mitchell Charlesworth (Audit) Ltd
Accountants, Statutory Auditor, Suits C, D, E & F 14th Floor The Plaza, 100 Old Hall Steet, Liverpool, L3 9QJ
Date:

The Bluecoat
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Consolidated Statement of Financial Activities including the Income and Expenditure Account For The Year Ended 31 March 2025

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Income					
Other trading activities	3	924,768	-	924,768	933,909
Donations and legacies	4	3,858	-	3,858	10,861
Income from charitable activities	5	1,043,906	373,482	1,417,388	1,037,213
Total		1,972,532	373,482	2,346,014	1,981,986
Expenditure					
Expenditure on raising funds	6	1,223,473	122,382	1,345,855	1,385,137
Expenditure on charitable activities	7	574,507	592,503	1,167,010	1,227,853
Total		1,797,980	714,885	2,512,865	2,612,990
Net incoming/(outgoing) resources for the year and net movement in funds		174,552	(341,403)	(166,851)	(631,004)
Balance b/f		60,835	8,152,795	8,213,630	8,844,634
Balance c/f		235,387	7,811,392	8,046,779	8,213,630

There are no recognised gains and losses in 2025 or 2024 other than the result for the year.

All income and expenditure derive from continuing activities.

The movement in funds detailed above complies with the requirements for a statement of changes in equity under FRS 102.

The Bluecoat
(A company limited by guarantee)

Consolidated and Company Balance Sheet As At 31 March 2025

	Notes	Group		Company	
		2025 £	2024 £	2025 £	2024 £
FIXED ASSETS					
Intangible fixed assets	11	-	-	-	-
Tangible assets	12	8,279,617	8,676,995	8,241,413	8,618,903
Investment in subsidiary	13	-	-	1	1
		<u>8,279,617</u>	<u>8,676,995</u>	<u>8,241,414</u>	<u>8,618,904</u>
CURRENT ASSETS					
Stock	14	5,490	5,092	-	-
Debtors	15	267,883	186,703	303,039	243,450
Cash at the bank and in hand		149,976	181,112	104,264	79,014
		<u>423,349</u>	<u>372,907</u>	<u>407,303</u>	<u>322,464</u>
CREDITORS: Due within one year	16	493,995	600,422	357,956	445,367
Net Current Assets/(Liabilities)		<u>(70,646)</u>	<u>(227,515)</u>	<u>49,347</u>	<u>(122,903)</u>
Total Assets less Current Liabilities		<u>8,208,971</u>	<u>8,449,480</u>	<u>8,290,761</u>	<u>8,496,001</u>
CREDITORS: Due after one year	17	162,192	235,850	162,192	235,850
Total Net Assets		<u>8,046,779</u>	<u>8,213,630</u>	<u>8,128,569</u>	<u>8,260,151</u>
Funds					
Unrestricted reserve - general	20	235,387	60,835	317,177	107,356
Restricted reserve	19	7,811,392	8,152,795	7,811,392	8,152,795
Total Funds		<u>8,046,779</u>	<u>8,213,630</u>	<u>8,128,569</u>	<u>8,260,151</u>

The Trustees have taken advantage of Section 408 of Companies Act 2006 from the requirement to prepare a separate Statement of Financial Activities for the charity. The net expenditure dealt with in the financial statements of the charity is £131,858 (2024: £589,936).

The financial statements on pages 17 to 34 were approved and authorised for issue by the Board of Directors on

Signed on behalf of the Board of Directors

Maureen Royce
Co-Chair

Eddie Berg
Co-Chair

The Bluecoat
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Consolidated Statement of Cashflows For The Year Ended 31 March 2025

	2025	2024
	£	£
Cash flows from operating activities:		
Net income/(expenditure) for the year (as per the statement of financial activities)	(166,851)	(631,004)
Adjusted for:		
Depreciation	410,171	409,862
Decrease/(increase) in stock	(398)	2,995
Decrease/(increase) in trade and other receivables	(81,180)	(338)
Increase/(decrease) in trade and other payables	(110,553)	282,927
Net cash inflow/(outflow) from operating activities	51,189	64,442
Cash flows from investing activities		
Purchase of property, plant & equipment	(12,795)	(68,949)
Cash used in investing activities	(12,795)	(68,949)
Cash flows from financing activities		
Repayment of borrowing	(69,530)	(23,208)
Net cash flows used in financing activities	(69,530)	(23,208)
Net increase/(decrease) in cash & cash equivalents	(31,136)	(27,715)
Opening cash & cash equivalents	181,112	208,827
Closing cash & cash equivalents	149,976	181,112
Movement in cash and cash equivalents	(31,136)	(27,715)

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the 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 (FRS102) (effective 1 January 2019) - (Charities SORP (FRS102)), and the Companies Act 2006. These financial statements have been presented in pound sterling, which is the functional currency of the company, and rounded to the nearest £.

The Bluecoat meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

General Information

The Bluecoat is a company limited by guarantee and a registered charity, incorporated in the United Kingdom. The registered office is Bluecoat Chambers, School Lane, Liverpool, L1 3BX.

Group Financial Statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary, Trading at the Bluecoat Limited, on a line-by-line basis.

Principal Activity

Bluecoat is Liverpool's centre for the contemporary arts. Our purpose is to open up creative possibilities for individuals and communities. We do this through a programme of exhibitions, live art and participation projects; through support to artists; by opening up our 18th century building to makers, traders and visitors; and by creating connections between Liverpool and the rest of the world.

Going Concern

The financial statements have been prepared on a going concern basis. Whilst the Bluecoat has been significantly impacted by the economic climate, causing trading and earned income to temporarily reduce, we have been able to successfully navigate through the economic disruption. We have done this through the careful management of costs, obtaining funding commitments from core funders, obtaining capital grants and recovery grants, together with achieving additional fundraising and careful cash flow management.

Even though the charity generated total net expenditure for the year of £166,851, this was made up of an unrestricted surplus of £174,552 and a restricted deficit of £341,403. This is after depreciation charged of £410,171 which was mainly due to the Restricted fund depreciation charge on the Bluecoat building as illustrated in note 21.

The directors remain committed to maintaining annual spending within available resources and increasing general reserves and are fully aware that the economic outlook remains challenging for The Bluecoat and its principal funders - Arts Council England and Liverpool City Council. Both funders have given The Bluecoat commitments of continuing levels of funding that enable The Bluecoat to plan and budget from a firm financial base, and Bluecoat's directors are committed to continue to work with funders to develop plans to improve the charity's financial resilience over the immediate period and in the medium to long term. During the financial year a successful bid was made for development of the Bistro. This will improve income earning potential for future years. The total project has an estimated cost of £800k and is funded by Arts Council England, Liverpool City Council and UKSPF Fund.

The trustees have considered the level of funds held and the expected level of income and expenditure for the twelve months from authorising these financial statements. The trustees assess the charity to be a going concern based on review of financial performance of the current financial year to date, the management accounts forecast for the remainder of the current financial year, the rolling cash flow forecast, funding commitments from Arts Council England and Liverpool City Council, and longer-term plans and forecasts for 2025, 2026 and beyond. As a result, the trustees are confident about the financial future of the charity and satisfied that these accounts are prepared on a going concern basis.

Taxation

The organisation is a registered charity and as such is exempt from taxation on its charitable activities. The charity has taken the opportunity to seek a corporation tax credit under the museums and galleries tax relief scheme.

1. ACCOUNTING POLICIES (continued)

Government Grants

Revenue grants are credited as income when they are receivable, provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred. Grants for the purchase of fixed assets are credited to income when receivable.

Income

Income, including from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income received in advance of performance or provision of other specified service is deferred until the criteria for income recognition are met. Room hire, rent and other income are recognised on an accruals basis.

The charity has not been the beneficiary of any legacies during the year.

Donated Services and Facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the directors' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Fund Accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the directors have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for specific areas of the charity's work or for specific artistic projects being undertaken by the charity.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading including the bar and bistro and their associated support costs.
- Expenditure on charitable activities includes the costs of performances, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Governance costs included in expenditure on charitable activities include those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs are apportioned to activity cost categories directly on a basis consistent with the use of resources, for example, staff costs by time.
- Other expenditure represents those items not falling into any other heading.

Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Allocation of Support Costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the charity's artistic programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated is set out in note 9.

1. ACCOUNTING POLICIES (continued)

Fixed Assets and Depreciation

All fixed assets are stated at cost less accumulated depreciation. All items over £500 are capitalised.

Depreciation of fixed assets is calculated to write-off their cost less any residual value over their estimated useful lives on a straight-line basis as follows:

Freehold Property	2%
Computers and Related Equipment	33.3%
Furniture and Fixtures	20% - 25%
Other Equipment	12.5% - 25%
Property Improvements	10%

Intangible fixed assets, which consist of brand and website collateral, are stated at cost (or deemed cost) or valuation less accumulated amortisation over an economic life of 3 years unless there are any impairment losses to be recognised.

Stock

Purchased stock is included at the lower of cost or net realisable value.

Donated artworks which have been received by the charity for future sale have not been recognised as stock in the accounts. This is because the charity is unable to determine with any certainty the timing or value of any potential sale of the donated artworks.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Concessionary loans are measured at amortised cost.

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Reserves

The charity has a number of restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

All other funds are classified as unrestricted funds. Unrestricted reserves, if designated for a specific purpose or period, are accounted for as designated unrestricted reserves.

1. ACCOUNTING POLICIES (continued)

Operating Lease Agreements

Rentals paid under operating leases are charged in the Statement of Financial Activities as they are incurred.

Pension Contributions

The charity has a defined contribution pension scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the scheme rules.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that affect the carrying amounts of assets and liabilities at the balance sheet date and income and expenditure during the year. The judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved, the actual results and outcomes could differ from the estimates.

In the process of applying the charity's accounting policies, the directors believe that the critical judgements or estimates that have the most significant effect on

- *Assessing any indicators of impairment in relation to assets.* The directors have considered both external and internal sources of information such as market conditions and experience of recoverability. There have been no indicators of impairments identified during the current financial year.
- *Recoverability of debtors.* The charity establishes a provision for debtors that are estimated not to be recoverable. To assess recoverability the directors consider factors such as the ageing of the debtors and past experience of recoverability.
- *Determining residual values and useful economic lives of property, plant and equipment.* The charity depreciates tangible assets over their estimated useful lives. The estimation of the useful lives is based on historic performance as well as expectations about future use. The actual lives of these assets can vary depending on a variety of factors, including technological innovation and maintenance programmes. Judgement is applied by management when determining the residual values for plant and equipment. When determining the residual value, management aim to assess the amount that the charity would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible, this is done with reference to external market prices.

The estimates and underlying assumptions are reviewed on an ongoing basis. Any revisions are recognised in the period in which the estimate is revised.

3. OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Income from rents and room hires	362,763	-	362,763	353,191
Catering outlet income	562,005	-	562,005	579,822
Box office & merchandise income	-	-	-	896
	<u>924,768</u>	<u>-</u>	<u>924,768</u>	<u>933,909</u>

OTHER TRADING ACTIVITIES (PRIOR YEAR)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Income from rents and room hires	353,191	-	353,191	304,938
Catering outlet income	579,822	-	579,822	466,608
Box office & merchandise income	896	-	896	5,479
	<u>933,909</u>	<u>-</u>	<u>933,909</u>	<u>777,025</u>

4. DONATIONS AND GIFTS INCOME

Income of £3,858 (2024: £10,861) represents unrestricted income from fundraising events and other donations received.

Notes to the Financial Statements For The Year Ended 31 March 2025 (Continued)

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Revenue Grants				
Arts Council England	495,844	-	495,844	495,848
Liverpool City Council	216,000	-	216,000	120,000
Project Grants				
Arts	-	4,100	4,100	25,005
Participation	143,741	177,750	321,491	233,869
Business Development	-	121,632	121,632	87,588
Other Income				
Capital Grant Release	-	70,000	70,000	8,676
Museums & Galleries Tax Relief	141,216	-	141,216	25,594
Other Charitable Activity Income	47,105	-	47,105	40,633
	1,043,906	373,482	1,417,388	1,037,213

INCOME FROM CHARITABLE ACTIVITIES (PRIOR YEAR)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Revenue Grants				
Arts Council England	495,848	-	495,848	495,846
Liverpool City Council	120,000	-	120,000	150,000
Project Grants				
Arts	-	25,005	25,005	257,245
Participation	135,346	98,523	233,869	409,099
Business Development	-	87,588	87,588	-
Other Income				
Covid Recovery Grants	-	-	-	19,494
Capital Grant Release	-	8,676	8,676	29,193
Museums & Galleries Tax Relief	25,594	-	25,594	32,629
Other Charitable Activity Income	40,633	-	40,633	28,048
	817,421	219,792	1,037,213	1,421,554

6. EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Advertising and Marketing	93,235	-	93,235	110,920
Building Running Costs	305,297	-	305,297	382,410
Support Costs (see note 9)	120,993	-	120,993	167,310
Fundraising and Development	143,173	-	143,173	103,977
Commercial Operations	560,775	122,382	683,157	620,520
	1,223,473	122,382	1,345,855	1,385,137

EXPENDITURE ON RAISING FUNDS (PRIOR YEAR)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Advertising and Marketing	110,920	-	110,920	131,720
Building Running Costs	382,410	-	382,410	379,999
Support Costs (see note 9)	167,310	-	167,310	196,827
Fundraising and Development	100,634	3,343	103,977	159,470
Commercial Operations	537,025	83,495	620,520	434,303
	<u>1,298,299</u>	<u>86,838</u>	<u>1,385,137</u>	<u>1,302,319</u>

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Arts Programme	144,078	42,441	186,519	246,550
Participation	205,294	168,976	374,270	287,599
Support Costs (see note 9)	206,116	381,086	587,202	672,398
Governance Costs	19,019	-	19,019	21,306
	<u>574,507</u>	<u>592,503</u>	<u>1,167,010</u>	<u>1,227,853</u>

EXPENDITURE ON CHARITABLE ACTIVITIES (PRIOR YEAR)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Arts Programme	180,079	66,471	246,550	344,472
Participation	176,863	110,736	287,599	418,885
Support Costs (see note 9)	291,301	381,097	672,398	679,727
Governance Costs	21,306	-	21,306	19,407
	<u>669,549</u>	<u>558,304</u>	<u>1,227,853</u>	<u>1,462,491</u>

The charitable expenditure on charitable activities includes staff costs directly attributed to the named activities above in addition to the support costs noted.

8. AUDITOR'S REMUNERATION

The group incurred the following charges from auditors:	2025 £	2024 £
Auditor's fee	14,450	13,240
Other services		255
	<u>14,450</u>	<u>13,495</u>

9. SUPPORT COSTS

	Costs of raising funds £	Charitable activities £	Charitable activities governance £	Total 2025 £	Total 2024 £
Professional fees	38,049	68,487	2,174	108,710	139,125
Wages and salaries	49,937	89,886	2,854	142,677	220,940
Staff expenses, recruitment & training	1,057	1,902	60	3,019	6,333
Bank charges	1,023	1,842	58	2,923	2,812
Depreciation	-	383,785	-	383,785	395,541
ICT support, telephone & stationery	6,118	11,012	350	17,480	18,790
Loan interest	22,162	-	-	22,162	26,240
Materials, equipment & sundry	2,647	4,765	151	7,563	8,544
Irrecoverable VAT	-	25,523	-	25,523	27,035
Bad debts written off	-	-	-	-	2,280
Audit fees	-	-	10,188	10,188	10,601
Board expenses	-	-	3,184	3,184	2,775
	120,993	587,202	19,019	727,214	861,016

SUPPORT COSTS (PRIOR YEAR)

	Costs of raising funds £	Charitable activities £	Charitable activities governance £	Total 2024 £	Total 2023 £
Professional fees	48,694	87,649	2,783	139,125	197,981
Wages and salaries	77,329	139,192	4,419	220,940	203,458
Staff expenses, recruitment & training	2,217	3,990	127	6,333	22,563
Bank charges	984	1,772	56	2,812	3,668
Depreciation	-	395,541	-	395,541	403,715
ICT support, telephone & stationery	6,577	11,838	376	18,790	21,068
Loan interest	26,240	-	-	26,240	16,965
Materials, equipment & sundry	2,990	5,383	171	8,544	1,502
Irrecoverable VAT	-	27,035	-	27,035	19,376
Bad debts written off	2,280	-	-	2,280	(4,737)
Audit fees	-	-	10,601	10,601	8,161
Board expenses	-	-	2,775	2,775	2,242
	167,311	672,400	21,308	861,016	895,962

Support costs are apportioned to activity cost categories directly on a basis consistent with the use of resources, for example, staff costs by time. Governance support costs relate to staff time on governance matters as well as expenses incurred by governance matters.

10. SALARIES AND WAGES

Average number of employees:-

	2025	2024
	No.	No.
Management, development & administration	12	9
Arts programme	41	35
Technicians	2	11
Engagement	14	13
Trading company	21	21
	<u>90</u>	<u>89</u>

2025	2024
£	£

Group

Wages and salaries	1,052,512	1,024,014
Social security costs	82,067	76,264
Pension costs	22,643	20,040
	<u>1,157,222</u>	<u>1,120,318</u>

Salary costs includes severance and redundancy payments of £nil (2024: £11,445). The company has a defined contribution pension scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the scheme rules.

No trustees received remuneration in 2025 or 2024. During the year one director (2024: one) was reimbursed for travel expenses totalling £635 (2024: £711).

The key management personnel of the parent company, The Bluecoat, comprises the directors, who are also trustees of the charity, and the leadership team. The key management personnel of the group, and the employee benefits, are identified as the same for the Charity. During the year the leadership team comprised the Chief Executive, the Head of Projects and the Director for Marketing and Business Development. The total employee benefits of the leadership team were £163,886 (2024: £154,765).

The number of employees who received total remuneration benefits (excluding employer pension costs) of more than £60,000 in the year is as follows:

	2025	2024
£70,000 - £80,000	1	1

11. INTANGIBLE FIXED ASSETS (Group and Company)

Group and Company	Branding and website £
Cost	
At 1 April 2024	45,635
Additions	-
Disposals	-
At 31 March 2025	45,635
Depreciation	
At 1 April 2024	45,635
Additions	-
Disposals	-
At 31 March 2025	45,635
Net Book Value	
31 March 2025	<u><u>-</u></u>
31 March 2024	-

Notes to the Financial Statements For The Year Ended 31 March 2025 (Continued)

12. TANGIBLE FIXED ASSETS

Group	Freehold property £	Property improvements £	Computer equipment £	Other equipment £	Furniture and fixtures £	Total £
Cost						
At 1 April 2024	12,284,705	707,405	256,262	386,365	448,102	14,082,839
Additions	-	-	7,582	5,213	-	12,795
Disposals	-	-	-	-	(6,816)	(6,816)
At 31 March 2025	12,284,705	707,405	263,844	391,578	441,286	14,088,818
Depreciation						
At 1 April 2024	3,930,946	447,897	196,931	384,044	446,026	5,405,844
Charge for the year	245,683	135,411	27,295	828	954	410,171
Disposals	-	-	-	-	(6,816)	(6,816)
At 31 March 2025	4,176,629	583,308	224,226	384,872	440,164	5,809,199
Net book value						
31 March 2025	8,108,076	124,097	39,618	6,706	1,122	8,279,617
31 March 2024	8,353,759	259,508	59,331	2,321	2,076	8,676,995
Company						
Company	Freehold property £	Property improvements £	Computer equipment £	Other equipment £	Furniture and fixtures £	Total £
Cost						
At 1 April 2024	12,284,705	707,405	185,816	378,752	441,286	13,997,964
Additions	-	-	2,230	5,213	-	7,443
Disposals	-	-	-	-	-	-
At 31 March 2025	12,284,705	707,405	188,046	383,965	441,286	14,005,406
Depreciation						
At 1 April 2024	3,930,946	447,897	183,176	377,831	439,211	5,379,061
Charge for the year	245,683	135,411	2,056	828	954	384,932
Disposals	-	-	-	-	-	-
At 31 March 2025	4,176,629	583,308	185,232	378,659	440,165	5,763,993
Net book value						
31 March 2025	8,108,076	124,097	2,814	5,306	1,121	8,241,413
31 March 2024	8,353,759	259,508	2,640	921	2,075	8,618,903

The freehold property and other assets are included at cost. The net book value of freehold property as at 31 March 2025 is £8,108,076. The Arts Council of England and the National Heritage Memorial Fund hold charges over the property.

The Bluecoat
(A company limited by guarantee)

Notes to the Financial Statements For The Year Ended 31 March 2025 (Continued)

13. INVESTMENTS

	Group	Company
	£	£
Cost		
As at 31 March 2024	-	1
As at 31 March 2025	<u>-</u>	<u>1</u>

The investment relates to 100% of the ordinary share capital owned by The Bluecoat in the subsidiary, Trading at the Bluecoat Limited, a company incorporated in England and Wales, company registration number 06825349 and whose registered office is The Bluecoat, School Lane, Liverpool, L1 3BX.

As at 31 March 2025, its reserves stood at a deficit of £81,790. The principal activity of Trading at the Bluecoat Limited is to operate catering and hospitality outlets situated within the building. The company also undertakes events and room hire. The venture's financial results for the year 31 March 2025 were:

	2025	2024
	£	£
Turnover	562,005	579,822
Grant income	122,382	83,495
Expenditure	(719,380)	(704,385)
Tax	-	-
Profit/(Loss)	<u>(34,993)</u>	<u>(41,068)</u>

14. STOCK

	2025	2024
	£	£
Food & drink	<u>5,490</u>	<u>5,092</u>

15. DEBTORS

Amounts due within one year:	2025	2024
	£	£
Group		
Trade debtors	28,892	65,624
Accrued income	145,186	84,969
Other debtors	93,805	36,110
	<u>267,883</u>	<u>186,703</u>
Company		
Trade debtors	25,363	44,641
Accrued income	145,186	84,969
Other debtors	87,044	31,032
Amounts due from group companies	45,446	82,808
	<u>303,039</u>	<u>243,450</u>

16. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Group		
Trade creditors	119,071	79,987
Deferred income	107,815	271,707
Social security and other taxes	85,035	59,039
Accruals and provisions	38,899	50,869
Other creditors	8,019	7,790
Loans < 12 months	135,156	131,030
	<u>493,995</u>	<u>600,422</u>
Company		
Trade creditors	93,093	67,681
Deferred income	1,617	134,112
Social security and other taxes	88,724	60,106
Accruals and provisions	31,347	44,648
Other creditors	8,019	7,790
Loans < 12 months	135,156	131,030
	<u>357,956</u>	<u>445,367</u>

The Arts Council of England has a fixed and floating charge over land and properties of the Charity. The National Heritage Memorial Fund has legal charges over all monies due or to become due.

Within loans is £61,500 which relates to a concessionary loan provided by Liverpool City Council, which is interest free and is repayable by instalments. There is also a social investment loan from Liv Housing Group that is provided over a five-year term and a loan from Social Investment Business for £250,000 over a five-year term.

Deferred income comprises grants received in advance of expenditure, and advanced ticket sales and deposits for events to be held at The Bluecoat after the balance sheet date.

17. CREDITORS - AMOUNTS FALLING DUE GREATER THAN ONE YEAR

	2025 £	2024 £
Group		
Loans > 12 months	<u>162,192</u>	<u>235,850</u>
Company		
Loans > 12 months	<u>162,192</u>	<u>235,850</u>

Included in the above are the following items:

	2025 £	2024 £
Maturity of debt:		
Amounts falling due:		
- In one year or less	135,156	131,030
- Between one year and two	51,514	73,610
- Between two years and five	110,679	162,241
	<u>297,349</u>	<u>366,881</u>

18. FINANCIAL INSTRUMENTS

	2025	2024
	£	£
Group		
Financial assets at cost	417,859	331,704
Financial liabilities at cost	157,970	130,855
Loan commitments at cost	297,349	366,880
Company		
Financial assets at cost	407,303	291,434
Financial liabilities at cost	124,440	112,330
Loan commitments at cost	297,349	366,880

19. RESTRICTED FUNDS

	Balances as at 1 April 2024	Movement in Funds		Balances as at 31 March 2025
	£	Income	Expenditure	£
		£	£	
Group and Company				
Building development	8,052,811	70,000	381,086	7,741,726
Participation	56,792	177,750	168,976	65,566
Arts	42,441	4,100	42,441	4,100
Fundraising & development	750	121,632	122,382	-
	<u>8,152,794</u>	<u>373,482</u>	<u>714,885</u>	<u>7,811,392</u>

RESTRICTED FUNDS (PRIOR YEAR)

	Balances as at 1 April 2023	Movement in Funds		Balances as at 31 March 2024
	£	Income	Expenditure	£
		£	£	
Group and Company				
Building development	8,425,231	8,676	381,096	8,052,811
Participation	69,005	98,523	110,736	56,792
Arts	83,907	25,005	66,471	42,441
Fundraising & development	-	87,588	86,838	750
	<u>8,578,143</u>	<u>219,792</u>	<u>645,141</u>	<u>8,152,794</u>

Building development: This represents grants received to finance the major refurbishment of The Bluecoat that took place between 2006 - 2008, capital grants received in 2020-21 to renovate and refurbish the reception area and capital grant from Liverpool CAIP relating to the Bistro refurbishment due to start 2025/26.

Participation: Funding for outreach programmes of participation events aimed at the local community. This includes receipts from Esmee Fairburn, HAF, Halton Borough Council, ACC Liverpool and Elizabeth Rathbone.

Arts: Funding is received for a range of artistic commissions. This includes receipts from Hemby Trust and Artfund.

Fundraising & development: Fidelity and School for Social Entrepreneurs to support the charity in developing more diverse sources of income.

20. UNRESTRICTED FUNDS

	Balances as at	Movement in Funds		Balances as at
	1 April 2024	Income	Expenditure	31 March 2025
	£	£	£	£
Group				
General	60,835	1,972,532	1,797,980	235,387
Company				
General	107,356	1,288,145	1,078,324	317,177

UNRESTRICTED FUNDS (PRIOR YEAR)

	Balances as at	Movement in Funds		Balances as at
	1 April 2023	Income	Expenditure	31 March 2024
	£	£	£	£
Group				
General	266,490	1,762,191	1,967,848	60,833
Company				
General	272,216	1,098,876	1,263,737	107,356

21. ANALYSIS OF NET ASSETS

	Fixed assets	Net current	Long-term	Total for year
	£	assets/(liabilities)	liabilities	2025
	£	£	£	£
Group				
Building development	8,232,173	(490,447)	-	7,741,726
Participation	-	65,566	-	65,566
Arts	-	4,100	-	4,100
Fundraising & development	-	-	-	-
	8,232,173	(420,781)	-	7,811,392
Unrestricted funds	47,446	350,133	(162,192)	235,387
Total funds	8,279,619	(70,648)	(162,192)	8,046,779

ANALYSIS OF NET ASSETS (PRIOR YEAR)

	Fixed assets	Net current	Long-term	Total for year
	£	assets/(liabilities)	liabilities	2024
	£	£	£	£
Group				
Building development	8,613,270	(560,458)	-	8,052,812
Participation	-	56,793	-	56,793
Arts	-	42,441	-	42,441
Fundraising & development	-	750	-	750
	8,613,270	(460,474)	-	8,152,796
Unrestricted funds	63,725	232,960	(235,849)	60,836
Total funds	8,676,995	(227,514)	(235,849)	8,213,632

The Bluecoat
(A company limited by guarantee)

Notes to the Financial Statements For The Year Ended 31 March 2025 (Continued)

The net current liability on the Building Development Restricted Fund represents the transfer of funds from restricted to unrestricted that took place between 2006 and 2009 to reflect the reallocation of projects and brought forward balances between categories, and more recently capital grants received and spent between 2020-21 to renovate and refurbish the reception area.

ANALYSIS OF NET ASSETS	Fixed assets	Net current assets/(liabilities)	Long-term liabilities	Total for year 2025
	£	£	£	£
Company				
Building development	8,232,173	(490,447)	-	7,741,726
Participation	-	65,566	-	65,566
Arts	-	4,100	-	4,100
Fundraising & development	-	-	-	-
	8,232,173	(420,781)	-	7,811,392
Unrestricted funds	9,241	470,128	(162,192)	317,177
Total funds	8,241,414	49,347	(162,192)	8,128,569

ANALYSIS OF NET ASSETS (PRIOR YEAR)	Fixed assets	Net current assets/(liabilities)	Long-term liabilities	Total for year 2025
	£	£	£	£
Company				
Building development	8,613,270	(560,458)	-	8,052,812
Participation	-	56,793	-	56,793
Arts	-	42,441	-	42,441
Fundraising & development	-	750	-	750
	8,613,270	(460,474)	-	8,152,796
Unrestricted funds	5,635	337,570	(235,849)	107,356
Total funds	8,618,905	(122,904)	(235,849)	8,260,152

22. RELATED PARTIES

The company is controlled by its directors whose names are shown on page 2.

The charity has taken advantage of the exemption in Section 33 of FRS 102 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared. Please see note 10 which covers Trustee remuneration.

The charity continued to enjoy a close working relationship with the Arts Council and Liverpool City Council who provide funding to enable the charity to carry out its charitable objectives. The grants received are included in the financial statements under income from charitable activities.

There were no other related party transactions during the year, nor any outstanding balances at the year end.

23. OTHER FINANCIAL COMMITMENTS

At 31 March 2025 the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases as at the reporting date as follows:

	2025	2024
	£	£
Expiry date:		
Not later than one year	1,680	1,680
Later than one year and not later than five years	4,060	5,740

24. PENSION COMMITMENTS

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those in the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £22,643(2024: £20,040).

25. CAPITAL COMMITMENTS

Work to begin in October 2025 to renovate the Bistro space. This will be funded by a capital grant from Arts Council England for £680,000, and £70,000 from the UKSPF Fund. Total project expected to cost £800,000.

26. PRIOR YEAR COMPARATIVE SOFA

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Income					
Other trading activities	3	933,910	-	933,910	777,025
Donations and legacies	4	10,861	-	10,861	4,767
Income from charitable activities	5	817,423	219,792	1,037,215	1,421,553
Total		1,762,194	219,792	1,981,986	2,203,345
Expenditure					
Expenditure on raising funds	6	1,298,299	86,838	1,385,137	1,302,319
Expenditure on charitable activities	7	669,550	558,303	1,227,853	1,462,490
Total		1,967,849	645,141	2,612,990	2,764,809
Net incoming/(outgoing) resources for the year and net		(205,655)	(425,349)	(631,003)	(561,464)
Balance b/f		266,490	8,578,143	8,844,633	9,406,097
Balance c/f		60,835	8,152,795	8,213,630	8,844,633

THE BLUECOAT

England & Wales - Charity number 700862

Accounts

The Bluecoat

(A company limited by guarantee)

Annual Report and Consolidated Financial Statements

Year ending 31 March 2024

Company number 02246627

Charity number 700862

THE BLUECOAT
(A company limited by guarantee)

FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2024

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THE BLUECOAT
(A company limited by guarantee)

Company Information for Year Ended 31 March 2024

Company number: 02246627

Charity Number: 700862

Registered Office: School Lane, Liverpool, L1 3BX

Auditors: Mitchell Charlesworth (Audit) Limited, Suite 5.1, 12 Tithebarn Street, Liverpool, L2 2DT

Bankers: NatWest Bank, 2-8 Church Street, Liverpool, L1 3BG

Directors

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees serving during the year and since the year end were as follows:

Chair	Peter Mearns
Directors	Jamie Eastman
	Ralph Bullivant
	Sri Sarker
	Michael Birchall
	Sally-Anne Watkiss
	Philomena Harrison
	Gabriella Chauke
	Rachel Duncan

Chief Executive	Mary Cloake
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Governing Document

The Bluecoat is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 21 April 1988, as amended by special resolutions dated passed 27 September 1988 and 9 December 2003.

THE BLUECOAT
(A company limited by guarantee)

Directors' Report for the Year Ending 31 March 2024

The directors of the company, who are also the trustees of the charity, are pleased to present their annual report, together with the consolidated financial statements of the charity and its wholly owned subsidiary for the year ending 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 memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Our Purposes and Objectives

Bluecoat is Liverpool's centre for the contemporary arts. We offer a year-round programme of visual art, music, dance, live art and literature that connects to and offers new perspectives on our contemporary world.

Our purpose is to open up possibilities for individuals and communities by:

- supporting diverse artists to develop their practice at all stages of their career, to engage with audiences and to communicate the power and value of art to as broad a spectrum of people as possible
- helping people find a meaningful place for the arts in their lives, creating safe and inclusive spaces for everyone to engage as audiences and participants
- preserving, revealing and interpreting the multifaceted story of our historic building, and also the country's first arts centre, making it accessible to a range of audiences through activities, exhibitions, events and digital content in appropriate formats.

Through these we deliver the agreed objectives of the Charity when it was first constituted in 1927, which are to:

- foster and promote the improvement, development and maintenance of artistic knowledge and understanding and appreciation of the arts
- promote and advance aesthetic education
- cultivate and improve the public taste in the arts in the United Kingdom, in particular in Merseyside
- provide facilities for the education of the public in the fields of visual and performing arts.

Directors' Report for the Year Ending 31 March 2024

Introduction

As we reflect on another remarkable yet challenging year, we are proud of the varied and significant work we have delivered as we continue to serve our communities and audiences.

The past year has been a testament to the Bluecoat's resilience, creativity, and dedication to fostering a vibrant cultural community in Liverpool. Through a rich tapestry of exhibitions, events, and participation programmes, the Bluecoat has continued to champion the arts and provide a platform for diverse voices.

From **Ellie Hoskins'** giant tardigrade sculpture, to **Tim Spooner's** quivering animatronic creatures, the galleries have given voice to a range of different perspectives, and have captured the imagination of an increasing number of visitors to the Bluecoat.

Outdoor commissions on Blundell Lane continue to extend our artistic programme beyond the confines of the building and its opening hours. Bright, positive billboard artworks by **Tess Gilmartin, Ottman Said** and **Alvetina Khakidze** have contributed to the city's cultural offer, adding appeal to spaces that may otherwise lack inspiration.

Our participation teams continued to engage with diverse communities in meaningful ways, including adults with learning disabilities, people living with dementia, and children who might not otherwise have access to the arts.

The Bluecoat's heritage remained as important as ever, as we embarked upon a new project to uncover how we can work with our greatest asset, the building and its heritage, to engage new audiences and improve our financial resilience.

An ever evolving financial landscape meant a continued commitment to business development. A creative and entrepreneurial approach to income generation has allowed us to continue to deliver the excellent work that we are known for, while expanding our live programme.

The sector continues to face significant challenges, yet our dedication to the Bluecoat's mission remains unwavering. As ever, we are deeply grateful for the support from our community and stakeholders and look forward to another year of creative exploration and meaningful impact.

Artist Development

This year saw a step change in the Bluecoat's approach to artist development. We structured our work around artist development to be tailored to the individual needs of the artist, and find ways in which our behind the scenes work with artists can be made more public without compromising the integrity of "space and time" for artists to develop privately.

The Wittenham Bursary continued to support local artists, particularly artists of colour. Sumuyya Khader held the first year-long residency which helped her to continue to explore new ways of working that were not possible from her existing print-based studio, chiefly a new strand of oil and acrylic painting. Later in the year we welcomed Jennifer Lee Tsai, who has developed her career as a writer. We have been able to respond directly to Lee Tsai's current needs; time and space to finish a substantial body of work about her mother, and support to explore new ways of sharing her work, including film and performance.

Joshua Clague continued his year long New Contemporaries studio bursary this year, and we commissioned a new exhibition of his work to mark the end of his bursary. The specific needs of Clague led us to offer him a 3 month residency in the first floor gallery between November and February. Given that Clague is a young, early career artist, we felt that the industry standard turnaround for his exhibition would be counterproductive and place a degree of

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stress on a young artist's ability to make decisions for their first solo exhibition at a major public gallery. Further, we wanted to be respectful to the nature of Clague's work, in which a highly personal narrative was explored that related to the people and places he grew up with in nearby Birkenhead. Giving Clague time and space to test his exhibition before it opened to the public, meant that the artist could be confident in sharing such personal work so close to home.

Allowing artists time before making new work public was a strategy that we extended to Tess Gilmartin and Ottman Said, both of whom had a gallery residency at the end of the previous year. A period of 10 months between the end of their residency and the presentation of the work (two large outdoor billboards) that they had begun development of, gave the artists plenty of time to prepare work which was new and experimental to be made public. This also gave us an opportunity to build the right context for their work in order to increase engagement and heighten audience experience. Gilmartin, Said and Clague all featured in our season of programme *The Lives of Artists*, which asked audiences what might be uncovered about ourselves when we listen to the testimony, histories, and stories of artists reflecting on their lives.

Also featured in the first half of *The Lives of Artists* was Babak Ganjei, a mid-career artist who has made his career on the margins of the contemporary visual arts sector. Having been previously commissioned by BBC Radio 4 and Channel 4, and amassing a cult following online, this was Ganjei's first solo exhibition at a publicly funded gallery in the UK. Work with Ganjei began in 2020 when he was first commissioned to create an artwork for our visitor desk as part of a capital development project. This began a long-term relationship with Ganjei and an understanding of what kind of opportunity he might need to develop his practice further. His exhibition *Thanks For Having Me* was a huge step, combining a retrospective of his best known, humorous drawings alongside new sculptural work and installations that dug into a more serious thread of his sense of identity as a second generation British-Iranian immigrant. The exhibition skilfully explored how his sense of identity had shifted post-Brexit, making connections to growing up in the seaside town of Bournemouth and carving out his own space in the arts as an 'outsider'.

Working in partnership helped us to maximise our work with artists. A partnership with Southwark Park Gallery resulted in the co-commission of Tim Spooner, an artist known for his performances, to create his first major retrospective of gallery works. Spooner's experimental approach brought together sketches, paintings and sculpture with a highly engaging installation of moving sheep-like sculptures which vibrated, crawled and danced across the galleries. Another key partnership was with Liverpool Biennial, whose exhibition brought artists Nicholas Galanin, Raisa Kabir, Kent Chan and Benoît Piéron to Liverpool. With an emphasis on post-colonial histories, the exhibition offered a sensitive and often joyful approach to the subject.

Our Liverpool Biennial exhibition brought curators and artists from South Africa, U.S.A., France, Netherlands and the UK. This helped us build on our work with international artists in the first quarter of the year, with our *Dialogues* season. The focus of *Dialogues* was a residency and exhibition in our galleries which brought an artist from Ukraine (Alevtina Khakidze) into conversation with an artist from Liverpool (Ellie Hoskins). Both artists found connection in their affinity for tardigrades, tiny micro-organisms with incredible powers. Hoskins was drawn to the tardigrade's ability to go into a deep sleep until their environment is more favourable, a strategy that she would love for the life of an artist. Khakidze held the tardigrade up as a hero for Ukraine, an animal that is capable of withstanding the threat of nuclear war. The exhibition was a success with audiences and Khakidze was interviewed about her exhibition at Bluecoat for Channel 4 news.

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The *Dialogues* season featured other hosted artworks such as *Soloveiko*, an interactive Ukrainian songbird sculpture in our courtyard. And live programmes, such as a stand-up comedy performance by Khakidze and local performer Trev Flemming. *The Lives of Artists* continued into the next financial year, but we have already found from visitor feedback and KPIs that the seasons have been a real success in helping to attract audiences, contextualise our programme and help them digest our cultural offer.

Blue Room

The Blue Room Esmée Fairbairn funded Programme *Beyond the Blue* continued this year. The aim of this project is to support learning disabled and neurodivergent artists to further develop, define and share their individual artistic practices.

An important element of this year's activity was profile raising and networking for the project and artists. Project staff, artists and the wider Blue Room community worked to develop relationships with external partners while identifying opportunities to share, sell and be part of conversations.

Blue Room artists and staff were invited to speak about the project at several events throughout the year. These events include 'Explorers', developed by Project Art Works at the Baltic in Newcastle; at Dead Ink Books with Lewis Scott and inclusive arts practitioner Richard Phoenix; at Lancaster University and at Pallant House Gallery in Chichester - to present at a Values Led Engagement Conference attended by 60+ professionals from the socially engaged practice field.

Blue Room Norton Priory had the opportunity to meet with and present work to Arts Council England CEO Darren Henley on his visit to new NPO Norton Priory.

As a direct outcome of the growth of the profile of Blue Room, in Christmas 2023 the project was commissioned to produce the first of 2 knot wrap designs for the cosmetics company Lush titled '*Party Animals*'. The knot wraps were distributed internationally, with 50,000 units produced. Partnership and commissioning opportunities continued in January 2024 as a second Blue Room knot wrap commission was confirmed. The commission, 'Building Together' was developed as part of Lush's Valentine's collection, inspired by 2022's exhibition *Are You Messin'?*. Finally, Blue Room member Tess Gilmartin received a milestone commission for Lush's 2024 advent calendar.

Academic Jade French approached the programme to become a partner in the Future Leaders Fellowship. The project aims to connect Blue Room staff and artists with lead learning centres in Leeds and Brazil, whilst engaging members in a critical debate about how learning disabled artists are supported, promoted and perceived by the world wide arts sector.

As a further result of work to raise the profile of the project and its artists, artwork sales have increased. A collector purchased an etching by Joshua Henderson at the Liverpool Art Fair and followed up with a studio visit. Blue Room have held stalls at several markets throughout the year, including Liverpool Print Fair, where Blue Room artworks and prints were popular choices amongst attendees.

Members engaged with the Bluecoat's exhibition programme as part of their artistic practice. The Liverpool Blue Room groups focused on exploring the Biennial onsite, but also explored exhibitions at other venues. We worked with Liverpool Biennial to programme and deliver a successful tour of the Bluecoat exhibition for visitors - with members sharing alternative perspectives and the work they created inspired by their explorations of the exhibitions. The

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Norton Priory group visited the Bluecoat to experience the Biennial exhibition and continued to creatively explore the natural environment of Norton Priory.

Blue Room artists Ottman Said and Tess Gilmartin presented two Studio Me billboard commissions for Blundell Lane from their works *Horse Big* (Gilmartin) and *Liverpool Waterfront* (Said). The commissions were part of Bluecoat's *Lives of Artists* season.

Three Studio Me artists received mentoring from guest artists including William Richardson with Hannah Blackman-Kurz, John Steele with Siya Faith Gurbuz and Ottman Said with Bernadette O'Toole. Studio Me artists featured widely in exhibitions in Liverpool, Heswall and Knaresborough.

Blue Room Studio Me artist Alfred Beesley continued his project, 'Under the Apple Tree', supported with funding from the Henry Moore Foundation. The project focussed on sculpture inspired by apple trees at Norton Priory. Alfred also worked on a small commission from Norfolk-based supported studio Barrington Farm to create an activity resource.

The Blue Room Creative Manager continued to develop the Leadership and Advocacy strand of Blue Room through an online 'ideas group' meeting fortnightly to develop skills, advise on public events and support with other elements of the Blue Room programme. This group is made up of Blue Room members and occasionally supporters of the project.

Another priority for the project was the diversification of income streams, as well as piloting initiatives to develop new areas of work - particularly through dance and movement.

Two cohorts of low-cost inclusive dance sessions were piloted in August and November 2023 to explore different models for the Blue Room Moves programme. Both cohorts attracted a consistent group who paid weekly to attend. The pilot culminated in a celebration event in January 2024 attended by 65 people.

Artists Vicci Riley and Mary Prestige supported four Blue Room Moves dancers for afternoon artist development sessions. As part of the sessions, the group connected with guest artists Will Dickie and musician Michael Mettison. Noel Jones created a short film about the project and a celebratory sharing event was attended by 60 people to mark the end of the project in March 2024.

Growth of membership remained a priority for the programme. As a result of focused outreach and engagement work, Blue Room welcomed three new members and supported existing members to increase the amount of days they were able to attend the project in collaboration with social work teams and families.

At the beginning of March 2024, annual reviews took place with Blue Room members and their support workers and families. These meetings are vital for stakeholder engagement and evaluation of the project and programme. The purpose was to celebrate the achievements of members, communicate the impact of the project, and to check in and ensure the best possible support is in place for members. Feedback was overwhelmingly positive with many members and their families commenting on the central role engagement plays in their creative lives and sense of belonging, possibility and personal growth.

Where the Arts Belong

This was the final year of delivery for this hugely successful 5 year programme of work. The project found its last location in the newly opened Chester Belong Village in the first quarter of the 2023/2024 financial year.

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The residencies developed by Alan Dunn, Brigitte Jurack, Roger Hill, Mary Prestidge and Jonathan Raisin produced a variety of outputs including a whole collection of collaboratively made ceramics, books, drawings and digital art which found a permanent home at the village. The residences were captured by filmmaker Ed Pink and shared via a special screening at the Grosvenor Chester and online platforms Vimeo and YouTube.

The Bluecoat worked very closely with staff on site at the village and with Senior members of the Belong team, including the CEO and the Director of the onsite Nursery. Interactions were facilitated between residents of the Belong Villages, Experience Day Customers and Children from the Nursery which produced a vibrant, creative and intergenerational atmosphere and energy. The sessions at Belong engaged with 36 older people, 12 children and 16 family members.

The project completed its last output in an off site exhibition, *Seen and Heard - Adventures in Art and Dementia*, which ran from June to October 2023 at Grosvenor Museum, Chester. The exhibition brought together the six artists who worked creatively in the Belong care village in Chester. Spending time with residents, families, Belong colleagues and children from the on-site Nursery, the artists invited people to take part in a range of arts activities. This exhibition included artworks made by the artists and village community members, which were exhibited amongst the historical artefacts displayed in the museum.

Learning and outputs from the project were brought together in an online resource on the Bluecoat website and some of the artworks created in collaborative moments between artists and residents were left on semi-permanent display at the Museum and Belong Village.

Publications from the programme have been shared with a wide-variety of participants and partners including Baring Foundation, Arts in Care Homes and all of the Belong Villages. Publications ranged from practical guides to artworks in their own right the last being *The Jingle Book* which was produced by Alan Dunn with support from Leeds Beckett University.

Children and Families / Out of the Blue

This year, in addition to our focused outreach after school programme Out of the Blue, the Bluecoat's participation team delivered an extended Baby Book Club outreach programme, co-ordinated a successful public programme, and piloted collaborative ticketed events.

In January, Out of the Blue after school art clubs resumed, totalling 10 sessions across clubs at Leamington and Four Oaks Primaries with 126 children in attendance.

The Bluecoat team worked with Out of the Blue children to explore and respond to the Bluecoat's exhibition, *A New Kind of Animal*, by Tim Spooner. Spooner experiments with how materials behave in order to better understand them, and from these materials constructs 'collections of sculptures and objects which come together into ideas for possible universes.' Spooner's exhibition at the Bluecoat featured eclectic 'quivering' furry sculptures that left audiences intrigued and curious. Drawing on Spooner's work, Out of the Blue children designed and created their own kinetic sculptures that moved and wobbled.

In February 2024, the team introduced Out of the Blue clubs to artworks created by artists Paddy Gould and Roxy Topia. Gould and Topia are the lead artists in the Bluecoat's family-friendly summer 2024 exhibition *Let Your Ideas Come Back as Children*. The team actively familiarised children with Gould and Topia ahead of in-person workshops, so participants could form their own opinions and responses to the artists' creative processes and approaches, allowing time and space for unconscious creativity to take place.

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The Bluecoat delivered half term activities during October and February. In the October sessions, children from Out of the Blue worked with artist Stu Harrison to create a clean air campaign alongside live cartoon drawing workshops. 'Eat to Meet' funding from Mersey Play Action Council and Funding from the Breathe Better Air community fund (administered by Community Foundation for Merseyside) enabled us to deliver four days of onsite activity for Out of the Blue children. The funding enables us to provide a nutritious lunch each day of half term, designed and prepared by the Bluecoat's catering team.

During the February half term, four holiday activity days were delivered, inviting and supporting Out of the Blue children to attend the Bluecoat for entire days of activity. Artists Paddy Gould and Roxy Topia were in attendance and led workshop delivery alongside our Participation team, facilitating 84 attendances from our regular Out of the Blue cohort. Again, all children were provided with nutritious hot meals each day, prepared by our catering team supported with funding from Merseyside Play Action Council.

Thanks to funding from The Wild Escape, The Bluecoat hosted a Family Weekend as an Arts Council initiative encouraging children to visit cultural organisations and respond creatively to the threat to the UK's natural environment. Artist Nikki Colclough co-ran the event themed around the environment, nature and connection with the natural world, which 250 people attended.

A second family weekend took place in November 2023. 160 people attended and took part in activities such as designing alternatively powered vehicles, making wind turbines and draw-along exercises led by Stu Harrison. Artworks from the Out of the Blue half term sessions were displayed to the public as part of this event.

This year saw a strong demand for Baby Book Club with two of the three cohorts selling out. Artist Roger Hill led the sessions, working with parents and babies from 3 to 12 months. The Bluecoat received funding from PH Holt for Baby Book Club Outreach work. This aimed to engage parents and carers from communities who might otherwise be at risk of exclusion.

In July 2023 the Bluecoat co-hosted the first of the Biennial Family Days in which Unmute Dance Theatre, a company of artists with mixed abilities and disabilities, explored choreography and ideas through music and physical theatre.

In August 2023, we were joined by storytellers from The Reader who curated a day of stories based around Nicholas Galanin's work in the galleries. Later in the month, we hosted a second Biennial Family day, focused on weaving, inspired by the work of Raisa Kabir.

During the 2023 summer holidays, the Bluecoat trialled a new family space in the garden, with an outdoor weaving loom, a chalk hut, simple mud kitchen and some building blocks. In addition to this, we also added creative construction toys to our Children's Corner in the hub.

In December 2023 we hosted the first in a series of collaborations with Movema called Makers + Shakers: a creative family disco. To celebrate Lunar New Year, we worked with Movema to deliver a second Makers & Shakers event on 16 February 2024, attracting over 100 paying attendees, plus 5 families from our Out of the Blue clubs.

The Children and Family team collaborated with the Bluecoat's print studio, to deliver ten ticketed print party workshops. The workshops were themed around Eurovision, Back to School, Halloween, Christmas and Tim Spooner's exhibition. The parties proved to be a brilliant example of cross departmental collaboration delivering quality programming for our audiences.

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Cultural Legacies

The previous year's *Echoes and Origins* participation project continued to resonate. It was the subject of a presentation that Director of Cultural legacies and our Collaborative Doctoral Award student Michelle Girvan gave to a conference, 'Shaking the Archives', at Queen Margaret University, Edinburgh. The project's two facilitators, Tavia Panton and Janaya Pickett, respectively delivered powerful poetry and a historical introduction to the building's colonial links in our courtyard for Liverpool's Slavery Remembrance Day's Walk of Remembrance in August.

Echoes and Origins' interactive installation, 'Out of the Shadows' about the Blue Coat school children, and a map charting the slaving voyages of the family of charity school founder Bryan Blundell, remained on display during the year, attracting much interest. Alongside the *Plotting the Course* exhibition, they provided a valuable introduction to the Bluecoat's origins and the arts centre's long engagement with artists of colour.

A 'resilience' application to the Heritage Fund was successful, and work started at the end of the year on a 15-month R&D project, *The Bluecoat: A Cultural Heritage for Liverpool* that will explore and test ways to embed cultural legacies more effectively in our programmes, the archive, audience development and commercial strategies, as well as informing future capital work.

Another archival display in the Bluecoat's Vide exhibition space charted our ongoing relationship with Liverpool Biennial since it started in 1999. This was accompanied by a panel discussion, *Tracing the Biennial*, with contributions from people involved in the festival's early years. For the Biennial's 'independents' strand we supported Bluecoat alumnus artist Tony Phillips to relaunch his art trail *Above us Only Sky*, starting and finishing at the Bluecoat, whose painted plaques charted the history of man-made flight.

Our annual *Lowry Lounge* event included an afternoon walk to Hilbre Island, which features in Malcolm Lowry's work. Our online Malcolm Lowry collection was substantially added to, providing a valuable record of thirteen years of Bluecoat activity and a resource for researchers and fans of the Wirral writer.

Heritage Open Days proved popular, with building tours, artists' open studios and print demonstrations. In response to the year's 'Unwrapping Creativity' theme, Director of Cultural Legacies gave a sell-out illustrated talk on Yoko Ono's long relationship with the Bluecoat, starting in 1967 with an event that included her being wrapped in bandages by the audience (and being 'unwrapped' when she returned in 2008). The talk was filmed for our website and, to coincide with Ono's retrospective at Tate Modern, *Music of the Mind* (the title also of her 1967 Bluecoat event), put online.

Archival material was loaned to an exhibition at Bury Art Museum relating to cult Californian musician Captain Beefheart's Bluecoat painting show in 1972, together with artwork by Blue Room. There was also a significant increase in the use of the archive by postgraduate and other researchers from the UK, Europe and the US, consulting resources and seeking our advice on a range of subjects. Talks and tours were given to many art, architecture, history and literature students as well as groups of curators, local history groups, University of the Third Age, international cultural delegations and individual artists interested in our history and cultural legacies approach. British Art Network's Emerging Curators Group used the Bluecoat as a base for their Liverpool visit and were introduced to our work.

A Liverpool John Moores University intern joined us to work on an exhibition of reportage drawings by Julia Midgley documenting LJMU's bicentenary year, staged at the Art & Design School and there was an architecture student project designing interventions into our building. Our collaborative doctoral awards with University of Liverpool continued and other academic research partnerships were developed across the year. These included an *Empire and Place*

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group, set up by Bluecoat alumna, Mohini Chandra, involving venues in port cities with a colonial history, and projects delving into Liverpool's colonial histories that chime with our own past, such as the industrialist and one-time Bluecoat owner, Lord Leverhulme.

The work we are developing in the field of creative interrogation of archives was recognised when the Director of Cultural Legacies was invited to give a keynote talk at a symposium, 'Why Look Back?' at Nottingham Contemporary, looking at contemporary art and the archive, and it is hoped that the arts centre will continue to partner on this project.

The year saw the transition of Liverpool Arts Regeneration Consortium (LARC), which the Bluecoat has been a member of since its inception, into a new CIC organisation, The Culture Network (Liverpool City Region). Director of Cultural Legacies continued chairing the Race Equality Action Group, set up by LARC and Creative Organisations of Liverpool (COoL). Its main focus is implementation and oversight of a Race Equality Manifesto, which was launched in May and now has some 30 signatories from the arts and culture sector locally.

Director of Cultural Legacies, Bryan Biggs' receipt of an Honorary Fellowship from Liverpool John Moores University, in November, has strengthened the Bluecoat's links to the university. He is already engaged in several projects including joining an advisory group for a post-doctoral research project looking at the slave trade connections of LJMU's founding colleges in the nineteenth century, and we look forward to collaborating with the university on our 'resilience' project.

Public Visibility and Influence

2023 provided many opportunities for public visibility, due to Liverpool's successful bid to host Eurovision on behalf of Ukraine. The Bluecoat was host to Ukrainian artist Alevtina Kakhidze, who was paired with local artist Ellie Hoskins as part of *Dialogues*, an exhibition which saw the artists create new work, responding to each other and the context of EuroFestival. In April, the Bluecoat was represented at the EuroFestival launch. The marketing team produced a short film, which explored the creative intention behind *Dialogues*. This film was screened to press at the launch event as part of a city-wide PR strategy. This resulted in positive coverage from The Guardian, and was also displayed on our hub screens. The Bluecoat was mentioned on bbc.co.uk, Manchester Evening News, Creative Tourist and The Times.

The Bluecoat was also aired as part of a three-minute Eurovision feature on Channel 4 News with Alevtina Kakhidze, showcasing our galleries. Attitude's website, which sees 1.7 million monthly unique users, featured the Bluecoat's Eurovision screening event at the top of their Eurovision round up. According to ticket data, attendees of the Bluecoat's Eurovision screening travelled from as far as Brighton, Glasgow and Dublin.

In another Guardian feature, the Bluecoat was included in this year's *The Guardian's Alternative Guide to Liverpool* article, recognised as one of the city's "world-class" art galleries.

Important cultural stakeholders visited the building in 2023/24, including Culture Minister Stuart Andrew and a number of local arts and culture colleagues. In May, there was a roundtable discussion on the impact of investment in the arts, as well as the benefits of hosting Eurovision in Liverpool. The minister was given a tour of the building and an overview of the Bluecoat's work.

Local MP Kim Johnson visited as part of a scheme that saw MPs visiting many cultural venues across the city. Representatives from each department attended, to demonstrate the variety of work delivered across the organisation. The meeting was an opportunity to discuss key objectives and challenges. Kim was a great advocate of our work, and left us with some key action points. A press release was distributed after the event to mark the visit.

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In early June, key arts press - including journalists from The Guardian and Telegraph - visited the Bluecoat as part of Biennial press week. The press view was well attended by all journalists from all key broadsheet newspapers, and reviews were complimentary, focusing on the positivity of the exhibition on display at Bluecoat in comparison to the content at other venues.

The Bluecoat's Biennial exhibition was featured across a host of national media including Aesthetica magazine, and The Double Negative. Particularly positive coverage was reported in Hannah Clugston's Guardian review.

With the announcement of previous Bluecoat Head of Programme, Marie-Anne McQuay's appointment as 2025 curator of the Liverpool Biennial, the Bluecoat was mentioned in several high profile publications such as Artforum, ArtReview and The Art Newspaper.

The Biennial press view was an opportunity to distribute a press release on the Bluecoat's Autumn exhibition *Tim Spooner: A New Kind of Animal*, in person to journalists. The exhibition was mainly covered by regional and local press, including Creative Tourist and Art in Liverpool. The show was reviewed by The Double Negative, and Art in Liverpool.

The exhibition was promoted with an outdoor fly posting campaign utilising creative designed by Thom Isom, who has previously designed the Liverpool Biennial creative. An exhibition film was made with Carl Davies of FACT Film Production and received 469 views on Youtube. This was also displayed to local audiences in the Bluecoat's hub.

The participation team received strong public coverage this year. Where the Arts Belong, a groundbreaking arts programme for those living with dementia, came to a conclusion. This presented a number of media opportunities as the project lead was interviewed for two separate shows on Radio Merseyside.

The Bluecoat was approached by Cosmetic company, Lush, to develop a knot wrap in partnership with Blue Room. The knot wrap culminated in a physical launch event at Lush Liverpool. Granada had arranged to film at LUSH during the launch party, but unfortunately did not arrive due to an urgent emerging news story.

In September, we celebrated Heritage Open Days with a programme of fully booked heritage tours of the building. We also worked with the Bluecoat's creative community to invite the public into our artist studios to open access to the building, and hosted a free intaglio print workshop. BBC radio Merseyside invited Director of Cultural Legacies, Bryan Biggs, to discuss Heritage Open Days.

In December, the upcoming programme for 2024 was publically announced. This announcement covered *The Lives of Artists* season, which received a very positive reception across social media, with a total reach of around 8,500 and more than 500 engagements.

For Babak Ganjei's exhibition, targeted ads were taken in arts press channels including Art in Liverpool and The Double Negative, as well as promoted social media posts on Facebook and Instagram. The exhibition received local and regional press coverage in channels such as Art in Liverpool and Creative Tourist. Senior Curator, Adam Lewis-Smythe was interviewed by Helen Jones for BBC Merseyside, to discuss the exhibition programme.

Tiktok audiences continued to grow, with the Bluecoat's following surpassing 1,000. This channel remains a key part of a strategy to reach new audiences.

Business Development

This year was an important year for Business Development at the Bluecoat, as the need to continue diversifying income remained a priority in an increasingly competitive fundraising

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landscape. Whereas 2022/23 was a year of establishment and testing for Business Development, 2023/24 was a year of consolidation and growth.

In line with the 2022/23 commercial strategy, fairs and markets returned in abundance. The Bluecoat hosted Liverpool Print Fair in both April and November; Empire Sector's Geek Bazaar in July; Pop up Gallery Market in August; and monthly Still Out-of-Print book fairs. A debut Art Market curated by the Bluecoat saw stalls hosted by print studio members, local artists, and members of the Bluecoat's creative community. Market days resulted in an uplift in cafe sales, and gave occasion to trial merchandise sales for both Bluecoat and Blue Room.

Liverpool City hosting Eurovision in 2023 provided an opportunity for the Bluecoat to test new ways to generate income. Cross-departmental collaboration resulted in a wide range of initiatives and events. This culminated in two citywide trail partnerships *Solveiko Songbird* and *With Fire and Rage*; a Ukrainian dish being included within our cafe menu; Eurovision family activity packs; a Blue Room sunflower trail; a sold out Eurovision viewing party; and two sold out family print parties - all underpinned by a successful artistic programme *Dialogues*. This cross departmental approach to Eurovision was an important demonstration of the Bluecoat's evolution and commitment to financial resilience.

Live music returned to the programme in the form of an evening of experimental music organised in partnership with local promoters Thom Isom and Andy Hunt. Dialect, Dane Law and Adela Mede performed to a near sold out performance space.

Bluecoat's Print Studio Manager continued to scale the growth of the print studio in the first full year of operation following reopening. A calendar of 26 print workshops and courses attracted 214 attendees in total, 92 open studio print sessions were booked during the course of the year. The launch of thematic family print parties have brought a new audience of younger print makers to the Bluecoat, many who return for each session. Print studio growth is slow but steady, and as we build awareness about the studio in the city and beyond, we hope to see demand increase exponentially.

Other ticketed workshops included wreath making with Channel 4's Gemma Longworth, and a Lunar New Year inspired Calligraphy workshop with artist Pei Tong. We trialled a free 'Collage your Intentions for 2024' workshop in January. The public were invited to attend a creative session in the Bistro and a bespoke cocktail menu was developed to encourage bar sales.

The Bluecoat trialled two themed partnership events aimed at families, called *Makers and Shakers* with Movema. Movema hosted dance sessions in the Performance space, while Bluecoat's Children and Families team ran a series of creative activities in the Bistro. Both events sold slowly and at a loss, but we anticipate that both partners will need to commit time and resources to build an audience for this if we are to continue with the programme. This will be reassessed next financial year.

Where possible all income generating activities have been supported by the Bluecoat Trading's food and beverage operation. Themed drinks have been designed for ticketed events, seasonal occasions and new audiences, including a superhero inspired coffee for the Geek Bazaar, and Mulled wine sold from the garden during the Christmas season.

Following the redevelopment of our ground floor public spaces our Cafe had an exceptional trading year, exceeding its income target by £23k. With the appointment of a Head Chef in November 2023 we are confident our business will continue to grow through seasonal menu planning and robust cost management.

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An example of the impact that our Head Chef has already made was the re-launching of Mother's Day Afternoon teas, with a new, modern menu. The event was a success, and will encourage the Bluecoat to pursue other, ticketed dining offers.

Development

In 23-24, we continued to fundraise for a range of projects across the Bluecoat, including Out of the Blue, Blue Room, Cultural Legacies and for core operating costs. Our fundraising activity spanned Trusts and Foundations, Individual Giving and Bluecoat Memberships.

During this period, we applied to 88 trusts and foundations, successfully raising £604,299, with an approximate success rate of 25%

In May, Fidelity UK Foundation approved the Bluecoat's full grant request of £342,937 over a three year period. The purpose of the grant is to support the development and diversification of Bluecoat's trading and commercial arm. The grant includes the appointment of three key members of staff (Marketing and Events Executive, Head Chef and Duty Manager), as well as updates to audiovisual equipment and a new CRM for the organisation.

A number of small grants were secured in support of the Bluecoat's Children and Families programme. These grants include the Breathe Better Air Fund, administered by Community Foundation for Merseyside; Ellis Campbell Foundation; Ironmongers; MPAC Eat to Meet; PH Holt Foundation and Pilkington Charities Fund.

Several small grants were also secured for our Blue Room programme. Some of which were new funders (D'Oyly Carte Charitable Trust, Radcliffe Trust), alongside more familiar funders such as the Skelton Charitable Trust. Charcoalblue LLC donated to the Bluecoat's Studio Me programme.

The Bluecoat secured a large grant from the National Lottery Heritage Fund, worth £210,696. The project spanning a year will fund five strands of work, exploring how the Bluecoat can use its greatest asset (the building and its heritage) to encourage greater financial resilience.

Grants to support exhibition programming for the following financial year were secured including Elephant Trust and Stowe Family Law.

Following an expression of interest for Arts Council England's Capital Investment Programme, we were invited to submit a full application. Our aim is to reconfigure the Bistro (1st floor) to create an accessible flexible space. Its versatility will allow configurations for different performances and events, for both public and private use. The space will support both daytime and evening events. This application was successful.

Other prospects include a funding appeal of £50,000 to the Headley Trust in support of restoring the building's historic cupola. The Headley Trust Representative informed us that the proposal would go to the Trust's Committee Meeting in mid-April 2024.

A first-stage proposal was submitted to the Bloomberg Philanthropies Digital Accelerator Programme. If successful, a second-stage application will be developed with support from a Bloomberg representation. This will be primarily focussed on improving our digital infrastructure. We identified three key areas of focus: CRM, intranet and outdated hardware. Improving these areas would increase the organisation's capacity to deliver quality programming across all teams.

Individual Giving saw us raise £4,173 across the year through a combination of on-site and online fundraising including our Member and Patron schemes— a 6.9% increase compared to 22-23. Total cash donations for the year were £2,085, made up of contactless donations (£930), online donations (£562) and Memberships (£595).

Directors' Report for the Year Ending 31 March 2024

A newly recruited Marketing and Development Officer worked on fresh, disruptive new visuals for donation messaging. They applied the principles of decision science to messaging aimed at visitors using the Bluecoat as a free toilet, in an effort to offset an increased water bill cost. Online donations (via 'add-ons' at point-of-sale for tickets) also increased. This is due to a piece of work by the Live programme Assistant, whereby a donation option was integrated through our ticketing service, Trybooking.

As part of a new individual giving initiative, an agreement was formalised with Giant Cash Bonanza 'The Bluecoat Lottery' - an incentivised way for supporters to give regularly with the prospect of cash rewards.

Our membership offer continued to evolve, with the inclusion of heritage badges and postcards, and an increase in priority and discounted events. This will remain a priority in the next financial year.

We were fortunate to host Fundraising Guru Bernard Ross of Management Centre (=MC Learning). He ran a fundraising workshop exploring the principles of Decision Science with the wider admin team. We hope to bring him back to deliver a follow-on workshop to our Front of House team, focussed on normalising donation asks and generating greater donations through individual giving.

Financial Review

The consolidated financial results for the year are set out on pages 24 to 48 for Bluecoat and its wholly owned subsidiary, Trading at the Bluecoat Ltd. The group had net expenditure for the year of £631,003 (2023: £561,463), after charging depreciation and amortisation of £395,541 (2022: £404,915).

Trading at the Bluecoat Ltd operates a café and bistro, events, conferencing and catering facilities and the profits generated are distributed to the charity under gift aid to assist the charity in meeting its objectives. The venture generated a loss before tax for the year of £41,068 (2023: loss of £12,861).

Reserves and Investment Policy

Bluecoat understands the need for unrestricted reserves to cover downturns in both earned income and public funding. The Directors have agreed that the reserves level should aim to cover at least three months' operating expenditure, this being approximately £500,000. At 31 March 2024, the group had unrestricted general reserves totalling £60,835 (2023 as restated: £266,490).

The Directors review the Reserves Policy on an annual basis. They recognise that growth in reserves will only arise from having a more sustainable business that is attractive to investment.

To this end, the Directors have made plans and taken action to improve the reserves position, including:

- reducing the operating cost base through the review and renegotiation of supplier contracts, and through reduction in staffing levels
- increasing earned income generation through the bringing in of skilled new board members on to the subsidiary trading company's board, the development of a commercial strategy that will maximise the earnings potential from all areas of the building, and the implementation of this strategy

Directors' Report for the Year Ending 31 March 2024

- increasing grant income generation through a focused fundraising and development strategy supported by additional management focus on this area
- creating operating efficiencies in how the building is used through the forthcoming grant-funded capital investment into the central areas of the building

The Directors have reviewed a broad range of evidence, including budgetary projections for a period of at least one year from the approval of these financial statements in order to confirm the going concern principle for the organisation. More detail on this matter is included in note 1 to these financial statements.

The charity's investment in the subsidiary company is valued at cost less provision for any permanent diminution in value. The charity has no other investments, and surplus cash is held in bank accounts.

Appointment of Directors

As set out in the governing document the Board has a minimum of four Directors and a maximum of twenty. Membership of the Board is open to anyone who has an interest in the objects of the company and are elected by the members. The Board has the power to co-opt members considered to have specialist skills or knowledge that will be beneficial to the company, providing the number of co-opted members does not exceed a third of the membership of the Board. Co-opted members serve on the Board for a period determined by the Board, not to exceed five years. Currently there are no co-opted members.

Directors' Induction and Training

Board members on appointment receive a full induction and there are also away-days each year, where the Board and senior staff review the direction and effectiveness of the organisation. These are augmented by courses and other board development interventions as appropriate. The term of office of Directors is four years. Suitable indemnity insurance is in place.

Organisation and Governance and Management Structures

The Board of Directors is responsible for the definition of policy and general oversight of all the functions and activities of the Company. The board delegates additional scrutiny and policy development to its committees. These consist of the Finance and General Purposes Committee, the Artistic Advisory Committee, the Board Development Committee, and the Safeguarding Committee. In addition, the charity's subsidiary company Trading at the Bluecoat Ltd has its own board of directors. The strategic and operational leadership and management responsibility is delegated to the Chief Executive.

Related Parties and Co-Operation with Other Organisations

Any connection between a Director or senior manager of the charity with a production company, contracted artist, performer, exhibitor or supplier must be disclosed to the full board of Directors in the same way as any other contractual relationship with a related party. In the current year, related party transactions are set out in note 22 to the accounts.

Directors' Report for the Year Ending 31 March 2024

The charity's wholly owned subsidiary, Trading at The Bluecoat Ltd., operates the café, the bistro, and events and conferencing facilities at Bluecoat.

Pay Policy for Key Management Personnel

None of the board Directors receive remuneration or other benefit from their work with the charity.

The remuneration of key management personnel is determined by the board Directors of the charity. They consider the seniority of the post, the expertise and experience of the post holder, the local market conditions and sector market conditions for remuneration, and benchmarking information from similar organisations in determining the remuneration of key management personnel.

Plans for the Future

Our season The Lives of Artists season continues into the new financial year with two intertwining exhibitions by Michelle Williams Gamaker and Dahong Hongxuan Wang. Into the summer, we'll begin a new season titled Weird Futures, featuring work by artists who have all worked with children. The focus of the season is a brand new, thought-provoking exhibition by Merseyside-based artists Roxy Topia and Paddy Gould, who have been working in collaboration with children aged 8-11 from our afterschool art club Out of the Blue. The exhibition, Let Your Ideas Come Back As Children, is designed with children and adults in mind, and will feature interactive artworks that children can enjoy, but also hold deeper meanings for adults to discuss. As part of the season, we're hosting Liverpool Biennial's summer programme of free family activities, bringing weekly workshops to the gallery alongside a new film by conceptual artist Stine Marie Jacobsen, Future, Before it Happens. The film explores the wellbeing of young people in relation to the climate crisis, made in collaboration with children from St Anne's Catholic Primary School.

With the new appointment of a brand new Head of Catering and Events and Head Chef, our food and drink offer is rejuvenated. Alongside a new cafe menu launching in October 2024 and Christmas lunches in our upstairs restaurant over the festive season, the team are also working to connect our dining offer with our gallery programme, giving all visitors a 'taste' of contemporary art no matter what part of the building they visit. This will include unique afternoon teas themed around our 'Weird Futures' season, gingerbread inspired by artwork by artists from Blue Room and more.

At the end of 2023, we found out we were successful in our application to the National Lottery Heritage Fund, and will begin a new project 'The Bluecoat: A Cultural Heritage for Liverpool', in the new financial year. This year-long project will explore how the Bluecoat's rich heritage can be used to tell the story of Liverpool, its artists and its people, while making the arts centre more resilient. Within this piece of work, we will embark on several participation projects, including the development of our inclusive arts programme which will recruit a provision of learning disabled and neurodivergent young people aged 16-25. The project will also bring an exciting programme of events and exhibitions to the gallery. The e-commerce strand of the project will include the implementation of an online shop which will, in the first instance, sell heritage themed merchandise, taking inspiration from our 300+ years of history.

Directors' Report for the Year Ending 31 March 2024

We're excited to expand this to include artist collaborations and connect with our gallery programme.

We have applied to Arts Council England as part of their Capital Investment Programme, and if successful, we will embark on a redevelopment project which will enable us to grow our public programme and events businesses. The project will refurbish and reconfigure our upstairs 'Bistro', into a more versatile and accessible events and performance space, with flexibility to host a year-round programme of a vast range of events. This will ultimately increase our visitor numbers and allow us to attract more diverse audiences and offer high-quality events programme.

Looking further ahead, we're delighted to welcome Liverpool Biennial, the largest festival of contemporary visual art in the UK, back to the Bluecoat in June 2025 for the 13th edition of the arts festival, curated by the Bluecoat's former Head of Programme, Marie-Anne McQuay.

Risk Management

The major risks to which Bluecoat is exposed, as identified in the risk register, have been reviewed and mitigations and contingency plans put in place to manage these risks. The risk register is monitored and updated on an ongoing basis and reported to the Finance & General Purposes Committee of the Board at least twice a year.

The directors consider the key risks and uncertainties facing the charity are:

The Building is not sufficient to support strategy through lack of investment in day to day repairs and maintenance, and the conservation of the historic building is compromised.

This is mitigated by repairs and maintenance plan in place; Capital investment plan (balanced against cash constraints) in place; Capital grant funding bids.

- Insufficient reserves resulting in inability to invest in future capital needs or respond to unforeseen circumstances. This is mitigated by future operating surplus budgets planned; margin identified and sought on all projects; Reserves Policy in place and strategy to achieve this; regular Finance Committee monitoring.

Directors' Responsibilities in Relation to the Financial Statements

The Directors (who are also trustees of the charity) are responsible for preparing a Directors' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and of the income or expenditure of the charitable group for the year. In preparing those financial statements the Directors 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, whilst ensuring that applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements

Directors' Report for the Year Ending 31 March 2024

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Directors are responsible for keeping 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.

Information Provided to Auditors

In respect of each Director at the date the Directors' Report is signed:

- so far as we are aware, there is no information needed by the Charity's auditors in connection with preparing their report (relevant audit information) of which they are unaware; and
- as the Trustees of the Charity we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

By order of the Board

Peter Mearns
Chairman



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BLUECOAT FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the accounts of The Bluecoat (the 'Parent Charity') and its subsidiary (the "Group") for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and parent charitable company Balance Sheets, the Consolidated Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and Parent Charity's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BLUECOAT FOR THE YEAR ENDED 31 MARCH 2024 (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charity and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

- adequate accounting records have not been kept by the Parent Charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charity accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; and
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees, who are also the directors of the Parent Charity for the purpose of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the Group's and the Parent Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the Parent Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BLUECOAT FOR THE YEAR ENDED 31 MARCH 2024 (continued)

Extent to which the audit has considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence, and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

THE BLUECOAT
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
BLUECOAT FOR THE YEAR ENDED 31 MARCH 2024 (continued)**

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

Use of our report

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

Mitchell Charlesworth (Audit) Limited

Louise Casey ACA (Senior Statutory Auditor)

For and on behalf of Mitchell Charlesworth (Audit) Limited
Accountants
Statutory Auditor

Suite 5.1
12 Tithebarn Street
Liverpool
L2 2DT

Date: 23 December 2024

THE BLUECOAT
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING THE INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2024
(2023 as restated)**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Income					
Other trading activities	3	933,910	0	933,910	777,025
Donations and legacies	4	10,861	0	10,861	4,767
Income from charitable activities	5	817,423	219,792	1,037,213	1,421,553
Total		<u>1,762,194</u>	<u>219,792</u>	<u>1,981,987</u>	<u>2,203,345</u>
Expenditure					
Expenditure on raising funds	6	1,298,299	86,838	1,385,137	1,302,319
Expenditure on charitable activities	7	669,550	558,303	1,227,853	1,462,490
Total		<u>1,967,849</u>	<u>645,141</u>	<u>2,612,990</u>	<u>2,764,809</u>
Net incoming/(outgoing) resources for the year and net movement in funds		<u>(205,655)</u>	<u>(425,349)</u>	<u>(631,003)</u>	<u>(561,464)</u>
Balance b/f		<u>266,490</u>	<u>8,578,143</u>	<u>8,844,633</u>	<u>9,406,097</u>
Balance c/f		<u>60,835</u>	<u>8,152,795</u>	<u>8,213,630</u>	<u>8,844,633</u>

There are no recognised gains and losses in 2024 or 2023 other than the result for the year.

All income and expenditure derive from continuing activities.

The movement in funds detailed above complies with the requirements for a statement of changes in equity under FRS102.

THE BLUECOAT
(A company limited by guarantee)

**CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2024**

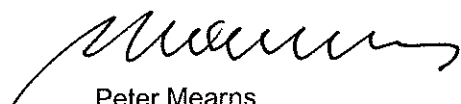
Company number: 02246627
(2023 as restated)

	Notes	GROUP		COMPANY	
		2024 £	2023 £	2024 £	2023 £
FIXED ASSETS					
Intangible Fixed Assets	11	0	10,757	0	10,757
Tangible assets	12	8,676,994	9,007,156	8,618,904	9,003,687
Investment in Subsidiary	13	0	0	1	1
		<u>8,676,994</u>	<u>9,017,913</u>	<u>8,618,905</u>	<u>9,014,445</u>
CURRENT ASSETS					
Stock	14	5,092	8,088	0	0
Debtors	15	186,703	186,364	243,451	271,999
Cash at bank and in hand		181,112	208,826	79,014	92,910
		<u>372,907</u>	<u>403,278</u>	<u>322,465</u>	<u>364,909</u>
CREDITORS: Due within one year	16	600,420	273,042	445,369	225,479
Net Current Assets (Liabilities)		<u>(227,514)</u>	<u>130,236</u>	<u>(122,904)</u>	<u>139,430</u>
Total Assets less Current Liabilities		<u>8,449,480</u>	<u>9,148,149</u>	<u>8,496,001</u>	<u>9,153,875</u>
CREDITORS: Due after one year	17	235,849	303,517	235,849	303,517
Total Net Assets		<u>8,213,630</u>	<u>8,844,633</u>	<u>8,260,152</u>	<u>8,850,359</u>
Funds					
Unrestricted Reserve - General	20	60,835	266,490	107,356	272,216
Restricted Reserve	19	8,152,795	8,578,143	8,152,795	8,578,143
Total Funds		<u>8,213,630</u>	<u>8,844,633</u>	<u>8,260,152</u>	<u>8,850,359</u>

The Trustees have taken advantage of Section 408 of Companies Act 2006 from the requirement to prepare a separate Statement of Financial Activities for the charity. The net expenditure dealt with in the financial statements of the charity is £631,003 (2023: £720,781).

The financial statements on pages 24 to 48 were approved and authorised for issue by the Board of Directors on

Signed on behalf of the Board of Directors


Peter Mearns
Chairman

THE BLUECOAT
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024**

	2024	2023
	£	£
Cash flows from operating activities:		
Net income (expenditure) for the year (as per the statement of financial activities)	(631,003)	(561,465)
Adjusted for:		
Depreciation	409,862	404,916
Decrease / (increase) in stock	2,995	(4,635)
Decrease / (increase) in trade and other receivables	(338)	148,692
Increase / (decrease) in trade and other payables	282,927	(302,277)
Net cash inflow (outflow) from operating activities	<u>64,444</u>	<u>(314,769)</u>
Cash flows from investing activities		
Purchase of property, plant & equipment	(68,949)	(6,722)
Cash used in investing activities	<u>(68,949)</u>	<u>(6,722)</u>
Cash flows from financing activities		
Repayment of borrowing	(23,208)	(5,108)
Loans advanced	0	250,000
Capital Grants Received	0	0
Net cash flows used in financing activities	<u>(23,208)</u>	<u>244,892</u>
Net increase/(decrease) in cash & cash equivalents	<u>(27,714)</u>	<u>(76,599)</u>
Opening cash & cash equivalents	208,826	285,425
Closing cash & cash equivalents	<u>181,112</u>	<u>208,826</u>
Movement in cash and cash equivalents	<u>(27,714)</u>	<u>(76,599)</u>

THE BLUECOAT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1 ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the 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 (FRS102) (effective 1 January 2019) - (Charities SORP (FRS102)), and the Companies Act 2006. These financial statements have been presented in pound sterling, which is the functional currency of the company, and rounded to the nearest £.

The Bluecoat meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

General Information

The Bluecoat is a company limited by guarantee and a registered charity, incorporated in the United Kingdom. The registered office is School Lane, Liverpool, L1 3BX.

Group Financial Statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary, Trading at the Bluecoat Limited, on a line-by-line basis.

Principal Activity

Bluecoat is Liverpool's centre for the contemporary arts. Our purpose is to open up creative possibilities for individuals and communities. We do this through a programme of exhibitions, live art and participation projects; through support to artists; by opening up our 18th century building to makers, traders and visitors; and by creating connections between Liverpool and the rest of the world.

Going Concern

The financial statements have been prepared on a going concern basis. Whilst the Bluecoat has been significantly impacted by Covid-19, causing trading and earned income to temporarily reduce, we have been able to successfully navigate through the economic disruption. We have done this through the careful management of costs, obtaining funding commitments from core funders, obtaining capital grants and recovery grants, together with achieving additional fundraising and careful cash flow management.

The directors remain committed to maintaining annual spending within available resources and increasing general reserves and are fully aware that the economic outlook remains challenging for The Bluecoat and its principal funders - Arts Council England and Liverpool City Council. Both funders have given The Bluecoat commitments of continuing levels of funding that enable The Bluecoat to plan and budget from a firm financial base, and Bluecoat's directors are committed to continue to work with funders to develop plans to improve the charity's financial resilience over the immediate period and in the medium to long term.

The trustees have considered the level of funds held and the expected level of income and expenditure for the twelve months from authorising these financial statements. The trustees assess the charity to be a going concern based on review of financial performance of the current financial year to date, the management accounts forecast for the remainder of the current financial year, the rolling cash flow forecast, funding commitments from Arts Council England and Liverpool City Council, and longer-term plans and forecasts for 2024, 2025 and beyond. As a result, the trustees are confident about the financial future of the charity and satisfied that these accounts are prepared on a going concern basis.

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1 ACCOUNTING POLICIES (continued)

Taxation

The organisation is a registered charity and as such is exempt from taxation on its charitable activities. The charity has taken the opportunity to seek a corporation tax credit under the museums and galleries tax relief scheme.

Government grants

Revenue grants are credited as income when they are receivable, provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred. Grants for the purchase of fixed assets are credited to income when receivable.

Income

Income, including from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income received in advance of performance or provision of other specified service is deferred until the criteria for income recognition are met. Room hire, rent and other income are recognised on an accruals basis.

The charity has not been the beneficiary of any legacies during the year.

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the directors' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the directors have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for specific areas of the charity's work or for specific artistic projects being undertaken by the charity.

THE BLUECOAT
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NOTES TO THE FINANCIAL STATEMENTS
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1 ACCOUNTING POLICIES (continued)

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading including the bar and bistro and their associated support costs.
- Expenditure on charitable activities includes the costs of performances, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Governance costs included in expenditure on charitable activities include those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs are apportioned to activity cost categories directly on a basis consistent with the use of resources, for example, staff costs by time.
- Other expenditure represents those items not falling into any other heading.

Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the charity's artistic programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated is set out in note 9.

Fixed assets and depreciation

All fixed assets are stated at cost less accumulated depreciation. All items over £500 are capitalised.

Depreciation of fixed assets is calculated to write-off their cost less any residual value over their estimated useful lives on a straight-line basis as follows:

Freehold Property	2.0%
Computers and Related Equipment	33.3%
Furniture and Fixtures	20.0% - 25.0%
Other Equipment	12.5%-25.0%
Property Improvements	10%

Intangible fixed assets, which consist of brand and website collateral, are stated at cost (or deemed cost) or valuation less accumulated amortisation over an economic life of 3 years unless there are any impairment losses to be recognised.

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1 ACCOUNTING POLICIES (continued)

Stock

Purchased stock is included at the lower of cost or net realisable value.

Donated artworks which have been received by the charity for future sale have not been recognised as stock in the accounts. This is because the charity is unable to determine with any certainty the timing or value of any potential sale of the donated artworks.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Concessionary loans are measured at amortised cost.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Reserves

The charity has a number of restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

All other funds are classified as unrestricted funds. Unrestricted reserves, if designated for a specific purpose or period, are accounted for as designated unrestricted reserves.

Operating lease agreements

Rentals paid under operating leases are charged in the Statement of Financial Activities as they are incurred.

Pension contributions

The charity has a defined contribution pension scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the scheme rules.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that affect the carrying amounts of assets and liabilities at the balance sheet date and income and expenditure during the year. The judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved, the actual results and outcomes could differ from the estimates.

In the process of applying the charity's accounting policies, the directors believe that the critical judgements or estimates that have the most significant effect on the amounts recognised in the financial statements are as follows:

- *Assessing any indicators of impairment in relation to assets.* The directors have considered both external and internal sources of information such as market conditions and experience of recoverability. There have been no indicators of impairments identified during the current financial year.
- *Recoverability of debtors.* The charity establishes a provision for debtors that are estimated not to be recoverable. To assess recoverability the directors consider factors such as the ageing of the debtors and past experience of recoverability.
- *Determining residual values and useful economic lives of property, plant and equipment* - The charity depreciates tangible assets over their estimated useful lives. The estimation of the useful lives is based on historic performance as well as expectations about future use. The actual lives of these assets can vary depending on a variety of factors, including technological innovation and maintenance programmes. Judgement is applied by management when determining the residual values for plant and equipment. When determining the residual value management aim to assess the amount that the charity would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible, this is done with reference to external market prices.

The estimates and underlying assumptions are reviewed on an ongoing basis. Any revisions are recognised in the period in which the estimate is revised.

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NOTES TO THE FINANCIAL STATEMENTS
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3 OTHER TRADING ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2024	Total 2023
	£	£	£	£
Income from rents and room hires	353,191	0	353,191	304,938
Catering Outlet Income	579,822	0	579,822	466,608
Box Office & Merchandise Income	896	0	896	5,479
	<u>933,910</u>	<u>0</u>	<u>933,910</u>	<u>777,025</u>

OTHER TRADING ACTIVITIES (PRIOR YEAR)

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
Income from rents and room hires	304,938	0	304,938	259,568
Government Grants	0	0	0	65,519
Catering Outlet Income	466,608	0	466,608	282,930
Box Office & Merchandise Income	5,479	0	5,479	3602
	<u>777,025</u>	<u>0</u>	<u>777,025</u>	<u>611,619</u>

4 DONATION AND GIFTS INCOME

Income of £10,861 (2023:£4,767) represents unrestricted income from fundraising events and other donations received.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

5 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2024	Total 2023
	£	£	£	£
Revenue Grants				
Arts Council England	495,848	0	495,848	495,846
Liverpool City Council	120,000	0	120,000	150,000
Project Grants				
Arts	0	25,005	25,005	257,245
Participation	135,346	98,523	233,869	409,099
Business Development	0	87,588	87,588	0
Other Income				
Covid Recovery Grants	0	0	0	19,494
Capital Grant Release	0	8,676	8,676	29,193
Museums & Galleries Tax Relief	25,594	0	25,594	32,629
Other Charitable Activity Income	40,633	0	40,633	28,048
	<u>817,423</u>	<u>219,792</u>	<u>1,037,214</u>	<u>1,421,554</u>

INCOME FROM CHARITABLE ACTIVITIES (PRIOR YEAR)

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
Revenue Grants				
Arts Council England	495,846	0	495,846	496,431
Liverpool City Council	150,000	0	150,000	150,000
Project Grants				
Arts	0	257,245	257,245	299,963
Participation	108,843	300,256	409,099	223,903
Other Income				
Covid Recovery Grants	0	19,494	19,494	424,451
Capital Grant Release	0	29,193	29,193	698,847
Museums & Galleries Tax Relief	32,629	0	32,629	36,489
Other Charitable Activity Income	28,048	0	28,048	4,996
	<u>815,366</u>	<u>606,188</u>	<u>1,421,554</u>	<u>2,335,080</u>

THE BLUECOAT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

6 EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2024	Total 2023
Advertising and Marketing	110,920	0	110,920	131,720
Building running costs	382,410	0	382,410	379,999
Support costs (See note 9)	167,310	0	167,310	196,827
Fundraising and Development	100,634	3,343	103,977	159,470
Commercial Operations	537,025	83,495	620,520	434,303
	<u>1,298,299</u>	<u>86,838</u>	<u>1,385,137</u>	<u>1,302,319</u>

EXPENDITURE ON RAISING FUNDS (PRIOR YEAR)

	Unrestricted Funds £	Restricted Funds £	Total 2023	Total 2022
Advertising and Marketing	131,720	0	131,720	179,049
Building running costs	379,999	0	379,999	173,808
Support costs (See note 9)	196,827	0	196,827	176,553
Fundraising and Development	159,470	0	159,470	814
Commercial Operations	434,303	0	434,303	253,493
	<u>1,302,319</u>	<u>0</u>	<u>1,302,319</u>	<u>783,718</u>

7 EXPENDITURE ON CHARITABLE ACTIVITIES (2023 as restated)

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Arts Programme	180,079	66,471	246,551	344,472
Participation	176,863	110,736	287,599	418,885
Support costs (See note 9)	291,301	381,097	672,398	679,727
Governance costs	21,306	0	21,306	19,407
	<u>669,550</u>	<u>558,303</u>	<u>1,227,853</u>	<u>1,462,492</u>

EXPENDITURE ON CHARITABLE ACTIVITIES (PRIOR YEAR)

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Arts Programme	151,641	192,831	344,472	529,800
Participation	176,226	242,658	418,885	258,675
Support costs (See note 9)	296,383	383,343	679,726	1,033,196
Governance costs	19,407	0	19,407	18,187
	<u>643,658</u>	<u>818,832</u>	<u>1,462,491</u>	<u>1,839,857</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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The charitable expenditure on charitable activities includes staff costs directly attributed to the named activities above in addition to the support costs noted.

8 AUDITOR'S REMUNERATION

The Group incurred the following charges from auditors:

	2024	2023
	£	£
Auditor's fee	13,240	10,903
Other services	255	768
	<u>13,495</u>	<u>11,671</u>

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NOTES TO THE FINANCIAL STATEMENTS
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9 SUPPORT COSTS

Cost area	Costs of raising funds	Charitable activities	Charitable Activities Governance	Total 2024	Total 2023
	£	£	£	£	£
Professional fees	48,694	87,649	2,783	139,125	197,981
Wages and salaries	77,329	139,192	4,419	220,940	203,458
Staff Expenses, Recruitment & Training	2,216	3,990	127	6,333	22,563
Bank charges	984	1,772	56	2,812	3,668
Depreciation	0	395,541	0	395,541	403,715
ICT Support, Telephone & Stationery	6,577	11,838	376	18,790	21,068
Loan Interest	26,240	0	0	26,240	16,965
Materials, Equipment & Sundry	2,990	5,383	171	8,544	1,502
Irrecoverable VAT	0	27,035	0	27,035	19,376
Bad debts written off	2,280	0	0	2,280	(4,737)
Audit fees	0	0	10,601	10,601	8,161
Board expenses	0	0	2,775	2,775	2,242
	167,310	672,398	21,306	861,013	895,962

SUPPORT COSTS (PRIOR YEAR)

Cost area	Costs of raising funds	Charitable activities	Charitable Activities Governance	Total 2023	Total 2022
	£	£	£	£	£
Professional fees	81,172	112,849	3,960	197,981	222,863
Wages and salaries	83,418	115,971	4,069	203,458	483,912
Staff Expenses, Recruitment & Training	9,251	12,861	451	22,563	8,101
Bank charges	1,504	2,091	73	3,668	2,492
Depreciation	0	403,715	0	403,715	397,512
ICT Support, Telephone & Stationery	8,638	12,009	421	21,068	22,730
Loan Interest	16,965	0	0	16,965	8,825
Materials, Equipment & Sundry	616	856	30	1,502	22,304
Irrecoverable VAT	0	19,376	0	19,376	48,634
Bad debts written off	(4,737)	0	0	(4,737)	0
Audit fees	0	0	8,161	8,161	8,000
Board expenses	0	0	2,242	2,242	2,563
	196,827	679,726	19,407	895,962	1,227,936

Support costs are apportioned to activity cost categories directly on a basis consistent with the use of resources, for example, staff costs by time. Governance support costs relate to staff time on governance matters as well as expenses incurred by governance matters.

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NOTES TO THE FINANCIAL STATEMENTS
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10 SALARIES AND WAGES

	Average number of employees	
	2024 No.	2023 No.
Group		
Management, Development & Administration	9	16
Arts Programme	35	32
Technicians	11	9
Engagement	13	16
Trading Company	21	8
	<u>89</u>	<u>81</u>
	2024 £	2023 £
Group		
Wages and salaries	1,024,014	1,075,203
Social security costs	76,264	70,264
Pension costs	20,040	21,359
	<u>1,120,318</u>	<u>1,166,826</u>

Salary costs includes severance and redundancy payments of £11,445 (2023: £nil) and seconded staff of £nil (2023: £14,925). The company has a defined contribution pension scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the scheme rules.

No trustees received remuneration in 2024 or 2023. During the year one director (2023 – one) were reimbursed for travel expenses totalling £711 (2023 - £692).

The key management personnel of the parent company, The Bluecoat, comprises the directors, who are also the trustees of the charity, and the leadership team. The key management personnel of the group, and the employee benefits, are identified as the same as for the Charity. During the year the leadership team comprised the Chief Executive, the Head of Projects and the Director of Marketing and Business Development. The total employee benefits of the leadership team were £154,765 (2023: £130,504).

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 in the year is as follows:

	2024	2023
£70,001 to £80,000	1	1

THE BLUECOAT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

11 INTANGIBLE FIXED ASSETS (Group and Company)

GROUP AND COMPANY	Branding and Website
COST	£
At 1 April 2023	45,635
Additions	0
Disposals	0
At 31 March 2024	<u>45,635</u>
DEPRECIATION	
At 1 April 2023	34,878
Charge for year	10,757
Disposals	0
At 31 March 2024	<u>45,635</u>
NET BOOK VALUE	
31-Mar-24	0
31-Mar-23	10,757

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

12 TANGIBLE FIXED ASSETS

OUP	Freehold Property	Property Improvements	Computer Equipment	Other Equipment	Furniture & Fixtures	TOTAL
COST	£	£	£	£	£	£
At 1 April 2023	12,284,705	707,405	187,314	386,365	448,102	14,013,891
Additions	0	0	68,948	0	0	68,949
Disposals	0	0	0	0	0	0
At 31 March 2024	12,284,705	707,405	256,262	386,365	448,102	14,082,841
DEPRECIATION						
At 1 April 2023	3,685,263	312,483	181,320	382,599	445,074	5,006,738
Charge for year	245,683	135,414	15,612	1,444	953	399,105
Disposals	0	0	0	0	0	0
At 31 March 2024	3,930,946	447,897	196,931	384,043	446,026	5,405,843
NET BOOK VALUE						
31-Mar-24	8,353,760	259,510	59,330	2,321	2,075	8,676,997
31-Mar-23	8,599,443	394,921	5,994	3,766	3,028	9,007,152
COMPANY	Freehold Property	Property Improvements	Computer Equipment	Other Equipment	Furniture & Fixtures	TOTAL
COST	£	£	£	£	£	£
At 1 April 2023	12,284,705	707,405	185,816	378,752	441,286	13,997,963
Additions	0	0	0	0	0	0
Disposals	0	0	0	0	0	0
At 31 March 2024	12,284,705	707,405	185,816	378,752	441,286	13,997,963
DEPRECIATION						
At 1 April 2023	3,685,262	312,483	180,945	377,330	438,258	4,994,278
Charge for year	245,683	135,414	2,230	500	953	384,780
Disposals	0	0	0	0	0	0
At 31 March 2024	3,930,945	447,897	183,176	377,831	439,210	5,379,058
NET BOOK VALUE						
31-Mar-24	8,353,760	259,509	2,639	921	2,075	8,618,905
31-Mar-23	8,599,443	394,921	4,871	1,422	3,028	9,003,686

The freehold property and other assets are included at cost. The net book value of freehold property at 31 March 2024 is £8,353,760.

The Arts Council of England and the National Heritage Memorial Fund hold charges over the property.

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NOTES TO THE FINANCIAL STATEMENTS
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13 INVESTMENTS

	Group £	Company £
Cost		
As at 31 March 2023	0	1
As at 31 March 2024	<u>0</u>	<u>1</u>

The investment relates to 100% of the ordinary share capital owned by The Bluecoat in the subsidiary, Trading at the Bluecoat Limited, a company incorporated in England & Wales, company registration number 06825349 and whose registered office is The Bluecoat, School Lane, Liverpool, L1 3BX.

As at 31 March 2024, its reserves stood at £46,797. The principal activity of Trading at the Bluecoat Limited is to operate catering and hospitality outlets situated within the building. The company also undertakes events and room hire. The venture's financial results for the year ended 31st March 2024 were:

	2024 £	2023 £
Turnover	579,822	466,608
Grant Income	83,495	4,950
Expenditure	(704,385)	(484,420)
Tax	0	0
Profit (Loss)	(41,068)	(12,861)

14 STOCK

	2024 £	2023 £
Group		
Food & drink	5,092	8,088

15 DEBTORS

Amounts due within one year:

	2024 £	2023 £
Group		
Trade debtors	65,624	62,097
Accrued income	84,969	97,774
Other debtors	<u>36,110</u>	<u>26,493</u>
	<u>186,703</u>	<u>186,364</u>
Company		
Trade debtors	44,641	47,386
Accrued income	84,969	97,774
Other debtors	31,032	21,415
Amounts due to (from) group companies	<u>82,808</u>	<u>105,425</u>
	<u>243,451</u>	<u>272,000</u>

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16 CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Group		
Trade creditors	79,987	84,965
Deferred income	271,707	14,027
Social security and other taxes	59,039	22,128
Accruals and provisions	50,869	65,353
Other Creditors	7,790	0
Loans	<u>131,030</u>	<u>86,571</u>
	<u>600,420</u>	<u>273,043</u>
 Company		
Trade creditors	67,681	65,400
Deferred income	134,112	1,125
Social security and other taxes	60,106	15,868
Accruals and provisions	44,649	56,513
Other Creditors	7,790	0
Loans	<u>131,030</u>	<u>86,571</u>
	<u>445,369</u>	<u>225,478</u>

The Arts Council of England has a fixed and floating charge over land and properties of the Charity. The National Heritage Memorial Fund has legal charges over all monies due or to become due.

Within loans is £61,500 which relates to a concessionary loan provided by Liverpool City Council, which is interest free and is repayable by instalments. There is also a social investment loan from Livv Housing Group that is provided over a five-year term and a loan from Social Investment Business for £250,000 over a five year term.

Deferred income comprises grants received in advance of expenditure, and advanced ticket sales and deposits for events to be held at The Bluecoat after the balance sheet date.

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NOTES TO THE FINANCIAL STATEMENTS
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17 LIABILITIES: AMOUNTS FALLING DUE GREATER THAN ONE YEAR

	2024	2023
	£	£
Group		
Other loans	<u>235,849</u>	<u>303,517</u>
Total	<u>235,849</u>	<u>303,517</u>
Company		
Other loans	<u>235,849</u>	<u>303,517</u>
Total	<u>235,849</u>	<u>303,517</u>

Included in the above total are the following items:

	2024	2023
	£	£
Maturity of debt:		
Amounts falling due:		
- In one year or less	131,030	86,570
- Between one and two years	73,610	67,668
- Between two and five years	<u>162,241</u>	<u>235,850</u>
	<u>366,880</u>	<u>390,088</u>

18 FINANCIAL INSTRUMENTS

	2024	2023
	£	£
Group		
Financial assets at cost	331,704	368,696
Financial liabilities at cost	130,855	150,317
Loan commitments at cost	366,880	390,088
Charity		
Financial assets at cost	291,434	343,495
Financial liabilities at cost	112,330	121,915
Loan commitments at cost	366,880	390,088

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NOTES TO THE FINANCIAL STATEMENTS
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19 RESTRICTED FUNDS (2023 as restated)

	Balance as at	Movement in Funds		Balance as at
	1st April 2023 £	Income £	Expenditure £	31st March 2024 £
Group and Company				
Building Development	8,425,231	8,676	381,097	8,052,811
Participation	69,005	98,523	110,736	56,792
Arts	83,907	25,005	66,471	42,441
Fundraising & development	0	87,588	86,838	750
	<u>8,578,143</u>	<u>219,793</u>	<u>645,141</u>	<u>8,152,795</u>

RESTRICTED FUNDS (PRIOR YEAR)

	Balance as at	Movement in Funds		Balance as at
	1st April 2022 £	Income £	Expenditure £	31st March 2023 £
Group and Company				
Building Development	8,779,381	29,193	383,343	8,425,231
Participation	11,407	300,256	242,658	69,005
Arts	0	257,244	173,338	83,907
Fundraising & development	0	19,494	19,494	0
	<u>8,790,788</u>	<u>606,188</u>	<u>818,833</u>	<u>8,578,143</u>

Building Development - This represents grants received to finance the major refurbishment of The Bluecoat that took place between 2006 - 2008, and more recently capital grants received in 2020-21 to renovate and refurbish the reception areas.

Participation - Funding for outreach programmes of participation events aimed at the local community. This includes receipts from Esmee Fairburn, MPAC, Ellis Campbell and Pilkington Charities Fund

Arts - Funding is received for a range of artistic commissions. This includes receipts from Culture Liverpool and Elephant Trust

Fundraising and Development – Fidelity and School for Social Entrepreneurs to support the charity in developing more diverse sources of income.

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

20 UNRESTRICTED FUNDS (2023 as restated)

	Balance as at 1st April	Movement in Funds		Balance as at 31st March
	2023 £	Income £	Expenditure £	2024 £
Group				
General	266,490	1,762,194	1,967,849	60,835
	<u>266,490</u>	<u>1,762,194</u>	<u>1,967,849</u>	<u>60,835</u>
Company				
General	272,216	1,098,876	1,263,737	107,356
	<u>272,216</u>	<u>1,098,876</u>	<u>1,263,737</u>	<u>107,356</u>

UNRESTRICTED FUNDS (PRIOR YEAR)

	Balance as at 1st April	Movement in Funds		Balance as at 31st March
	2022 £	Income £	Expenditure £	2023 £
Group				
General	615,309	1,597,158	1,945,977	266,490
Designated Unrestricted	0	0	0	0
	<u>615,309</u>	<u>1,597,158</u>	<u>1,945,977</u>	<u>266,490</u>
Company				
General	608,175	1,125,553	1,461,512	272,216
Designated Unrestricted	0	0	0	0
	<u>608,175</u>	<u>1,125,553</u>	<u>1,461,512</u>	<u>272,216</u>

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP	Fixed Assets £	Net Current Assets (Liabilities) £	Long Term Liabilities £	Total for Year 2024 £
Restricted Funds				
Building Development	8,613,270	(560,458)	0	8,052,811
Participation	0	56,793	0	56,792
Arts	0	42,441	0	42,441
Fundraising & development	0	750	0	750
	<u>8,613,270</u>	<u>(460,474)</u>	<u>0</u>	<u>8,152,795</u>
Unrestricted Funds	63,725	232,960	(235,849)	60,835
Total Funds	<u>8,676,994</u>	<u>(227,514)</u>	<u>(235,849)</u>	<u>8,213,630</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS (PRIOR YEAR) (2023 as restated)

GROUP	Fixed Assets £	Net Current Assets (Liabilities) £	Long Term Liabilities £	Total for Year 2023 £
Restricted Funds				
Building Development	8,994,366	(569,134)	0	8,425,232
Participation	0	69,005	0	69,005
Arts	0	83,907	0	83,907
	<u>8,994,366</u>	<u>(416,222)</u>	<u>0</u>	<u>8,578,144</u>
Unrestricted Funds	23,548	546,459	(303,517)	266,490
Total Funds	<u>9,017,915</u>	<u>130,237</u>	<u>(303,517)</u>	<u>8,844,634</u>

The net current liability on the Building Development Restricted Fund represents the transfer of funds from restricted to unrestricted that took place between 2006 and 2009 to reflect the reallocation of projects and brought forward balances between categories, and more recently capital grants received and spent in 2020-21 to renovate and refurbish the reception areas.

THE BLUECOAT
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS – Continued

COMPANY	Fixed Assets	Net Current Assets (Liabilities)	Long Term Liabilities	Total for Year 2024
	£	£	£	£
Restricted Funds				
Building Development	8,613,270	(560,458)	0	8,052,811
Participation	0	56,792	0	56,792
Arts	0	42,441	0	42,441
Fundraising & development	0	750	0	750
	<u>8,613,270</u>	<u>(460,474)</u>	<u>0</u>	<u>8,152,795</u>
Unrestricted Funds	5,635	337,570	(235,849)	107,356
Total Funds	<u>8,618,905</u>	<u>(122,905)</u>	<u>(235,849)</u>	<u>8,260,151</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS (PRIOR YEAR) (2023 as restated)

COMPANY	Fixed Assets	Net Current Assets (Liabilities)	Long Term Liabilities	Total for Year 2023
	£	£	£	£
Restricted Funds				
Building Development	8,994,366	(569,134)	0	8,425,232
Participation	0	69,005	0	69,005
Arts	0	83,907	0	83,907
	<u>8,994,366</u>	<u>(416,223)</u>	<u>0</u>	<u>8,578,144</u>
Unrestricted Funds	20,079	555,654	(303,517)	272,216
Total Funds	<u>9,014,445</u>	<u>139,431</u>	<u>(303,517)</u>	<u>8,850,360</u>

THE BLUECOAT
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

22 RELATED PARTIES

The company is controlled by its directors whose names are shown on page 2.

The charity has taken advantage of the exemption in Section 33 of FRS 102 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared. Please see note 10 which covers Trustees remuneration.

The charity continued to enjoy a close working relationship with the Arts Council and Liverpool City Council who provide funding to enable the charity to carry out its charitable objectives. The grants received are included in the financial statements under income from charitable activities.

There were no other related party transactions during the year, nor any outstanding balances at the year end.

23 OTHER FINANCIAL COMMITMENTS

At 31 March 2024 the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases as at the reporting date as follows:

	2024	2023
	£	£
Expiry date:		
Not later than one year	1,680	1,088
Later than one year and not later than five years	5,740	0

24 PENSION COMMITMENTS

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £20,040 (2023: £21,359).

25 RESTATEMENT OF PRIOR YEAR

Prior year figures within these accounts have been restated to reflect the correction of a misallocation of expenditure to restricted expenditure of £122,012 in 2023. This led to the restricted reserves being understated and unrestricted reserves being overstated by £122,012.

THE BLUECOAT
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

26 CAPITAL COMMITMENTS

At 31 March 2023 the charity had capital commitments as follows:

	2024	2023
	£	£
Contracted for but not provided in the financial statements:		
Acquisition of property, improvements and fixtures and fittings	0	0

27 PRIOR YEAR COMPARATIVE SOFA (2023 as restated)

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Income					
Other trading activities	3	777,025	0	777,025	611,619
Donations and legacies	4	4,767	0	4,767	2,293
Income from charitable activities	5	815,366	606,188	1,421,553	2,335,080
Total		<u>1,597,158</u>	<u>606,188</u>	<u>2,203,347</u>	<u>2,948,992</u>
Expenditure					
Expenditure on raising funds	6	1,302,319	0	1,302,319	783,718
Expenditure on charitable activities	7	643,658	818,832	1,462,490	1,839,857
Total		<u>1,945,977</u>	<u>818,832</u>	<u>2,764,809</u>	<u>2,623,575</u>
Net incoming/(outgoing) resources for the year and net movement in funds		(348,819)	(212,644)	(561,462)	325,416
Balance b/f		<u>615,309</u>	<u>8,790,788</u>	<u>9,406,097</u>	<u>9,080,681</u>
Balance c/f		<u>266,490</u>	<u>8,578,144</u>	<u>8,844,635</u>	<u>9,406,097</u>

THE BLUECOAT

England & Wales - Charity number 700862

Accounts

The Bluecoat

(A company limited by guarantee)

Annual Report and Consolidated Financial Statements

Year ending 31 March 2023

Company number 02246627

Charity number 700862

THE BLUECOAT
(A company limited by guarantee)

**FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023**

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THE BLUECOAT
(A company limited by guarantee)

Company Information for Year Ended 31 March 2023

Company number: 02246627

Charity Number: 700862

Registered Office: School Lane, Liverpool, L1 3BX

Auditors: BWM, Suite 5.1, 12 Tithebarn Street, Liverpool, L2 2DT

Bankers: NatWest Bank, 2-8 Church Street, Liverpool, L1 3BG

Directors

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees serving during the year and since the year end were as follows:

Chair	Peter Mearns
Directors	Eddie Berg (Resigned 27 March 2023)
	Kelly Salvoni (Resigned 27 March 2023)
	Jamie Eastman
	Ralph Bullivant
	Sri Sarker
	Michael Birchall
	Sally-Anne Watkiss
	Philomena Harrison
	Gabriella Chauke
	Rachel Duncan (appointed 21 May 2022)
Chief Executive	Mary Cloake

Governing Document

The Bluecoat is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 21 April 1988, as amended by special resolutions dated passed 27 September 1988 and 9 December 2003.

Directors' Report for the Year Ending 31 March 2023

The directors of the company, who are also the trustees of the charity, are pleased to present their annual report, together with the consolidated financial statements of the charity and its wholly owned subsidiary for the year ending 31 March 2023.

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

Our Purposes and Objectives

Bluecoat is Liverpool's centre for the contemporary arts. We offer a year-round programme of visual art, music, dance, live art and literature that connects to and offers new perspectives on our contemporary world.

Our purpose is to open up possibilities for individuals and communities by:

- supporting diverse artists to develop their practice at all stages of their career, to engage with audiences and to communicate the power and value of art to as broad a spectrum of people as possible
- helping people find a meaningful place for the arts in their lives, creating safe and inclusive spaces for everyone to engage as audiences and participants
- preserving, revealing and interpreting the multifaceted story of our historic building, and also the country's first arts centre, making it accessible to a range of audiences through activities, exhibitions, events and digital content in appropriate formats.

Through these we deliver the agreed objectives of the Charity when it was first constituted in 1927, which are to:

- foster and promote the improvement, development and maintenance of artistic knowledge and understanding and appreciation of the arts
- promote and advance aesthetic education
- cultivate and improve the public taste in the arts in the United Kingdom, in particular in Merseyside
- provide facilities for the education of the public in the fields of visual and performing arts.

Directors' Report for the Year Ending 31 March 2023

Introduction

2022-23 was another challenging yet impactful year for the Bluecoat. As we continued to rebuild in a peri-pandemic world, we stayed true to our core values of supporting and platforming diverse artists, advocating for the value of the arts, and using our heritage to help tell Liverpool's cultural and creative story.

We were delighted to welcome audiences, locals and tourists back to our building post-lockdown, and we are pleased to have been able to open from Tuesday-Sunday as a safe civic and cultural space for Liverpool.

Creatively, we challenged ourselves to show work in new ways, including through outdoor installations and via digital methods. We proudly championed a range of artists and creatives, from Suki Chan and Bruce Asbestos, to members of Blue Room and Out of the Blue.

We also sought new ways to tell the story of our heritage, and with programmes such as Echoes & Origins, we were able to interrogate Bluecoat's past in ways we have never done before.

Our participation work continued to grow, as we strived for deep and sustained engagement with a range of groups, including adults with learning disabilities, children from economically disadvantaged areas and care home residents who are living with dementia.

We also worked hard to usher in a new phase of business development for the organisation, exploring new and creative ways to generate enough income to support our wider purpose. And of course, we were delighted to be confirmed as an Arts Council England National Portfolio Organisation during this period.

It remains a difficult time for the arts. But we remain committed to our important work, and in what was another unpredictable year, we are proud to have made an impact on the communities we serve.

Artist Development

As we continued to rebuild after Covid, supporting artists' development was a priority for Bluecoat.

PIVOT was our artist development programme, delivered in partnership with Castlefield Gallery. Its objective was to support five mid-career artists based across the North West (Pat Flynn, Garth Gratrix, Bridget O'Gorman, Salma Noor, Chester Tenneson) with bespoke mentoring and skills development.

From May - September, the artists took part in the PIVOT: Editions exhibition, which ran as part of the British Art Show 9 Fringe. The programme was later concluded with a showing of participating artists' work alongside some Bluecoat editions at Manchester Contemporary Art Fair in November 2022.

Directors' Report for the Year Ending 31 March 2023

Meanwhile, we supported Liverpool-based artist Dave Evans to develop an experimental new work that took place live at Bluecoat and was live streamed online. Evans' work was based on heavy-metal fan jackets, but in place of patches of heavy-metal band logos, Evans had stitched solar panels and electronics, turning the jacket into a portable gadget that picked up digital signals around our building.

We launched our first series of podcasts called Listening With... which aims to bring greater insight to our audiences into how artists develop their work. The podcast series began with artist Suki Chan, and followed threads of her work to further episodes with researchers and other artists, including Roger Hill, Chris Frith and Michelle Henning.

We also continued our work with our Winter Commission artist, Bruce Asbestos. Through development with our Digital Programme Manager, Asbestos created his first ever digital app, Eye of Newt. The app took the form of a game, in which characters from his commission could be moved to change the colour and surroundings of an underwater scene. The game combined graphics and sounds with the aim to produce a game that boosted wellbeing and related to ideas around wellness that were present in the rest of his work. Our Digital Programme Manager also worked with Asbestos to create an augmented reality Instagram filter: the first time Bluecoat has done this.

In July, we launched our children's exhibition, Are You Messin'? featuring three new commissions and loaned work from ten Liverpool and North West-based artists. Further to the development of both Millie Toyin Olateju's practice by diversifying into sculpture and Gregory Herbert's development in working in close.

During this period, dancer Priya Mistry was in residence at Bluecoat interrogating the possibility of developing her dance practice in an institutional setting. During her week-long residency, Mistry reached out to the dance community in the North West for collaborators to take part in her process. Mistry was assisted with space, staff support, materials and marketing support which resulted in much learning for herself and Bluecoat about the opportunities and challenges for dance in a gallery setting.

In early October, we launched our exhibition breathe, spirit and life 呼吸、靈魂與生命. The theme of the show centred around decolonising institutional spaces, and featured three loaned works and three new commissions selected by guest curator, Katherine Kayi Liu 廖加怡.

Kiara Mohammed Amin's Black Presence video work explored representations of Black bodies and Black joy. Thulani Rachia's installation used classical compositions performed in St Giles Cathedral, Edinburgh alongside commissioned symbolic robes to explore the challenges of place-finding for immigrant populations in colonising countries. Sulaïman Majali used symbolic arrangements of sports paraphernalia in his installation to evoke visual representations of colonisation. Emii Alrai's archaeology-inspired installation questions the role of the museum as gate-keepers of foreign artefacts. Soojin Chang's video, JADE BAMBOO BABY SPINE re-told episodic instances of world rituals against the backdrop of rural Cornwall. Roo Dhissou's collection of manjis and brooms re-positions these community and domestic labour objects as prompts for aesthetic engagement.

Directors' Report for the Year Ending 31 March 2023

Throughout the year, Blue Room artists continued to develop their practice and work with mentors. Studio Me artists worked one to one with mentors and developed links with funders such as Henry Moore for their sculptural work. Studio Me artists held a pop up exhibition at Cass Arts during October 2022, and in November 2022, Veronica Watson and Joshua Henderson, travelled to Frieze Art Fair.

Between February and May 2023, we entered into a brief quiet period, to allow for essential gallery maintenance. During this time, we used the gallery as a large-scale studio space for 14 Studio Me artists. Over a period of three weeks, the artists were able to experiment with larger scale works and take an important step in their artistic development to understand the scale and scope of a large scale gallery space such as Bluecoat. Works ranged from large scale murals and paintings (Laura Aquilana, Tess Gilmartin, Oty Said), collaborative paintings and drawings (Tom Rooney with Max Mallender, Jean Smith with Ben Youdan), sculpture (Alfie Beesley), animation (John Steele) and installation with performance (Jane Walsh).

In collaboration with our Out of the Blue children, we provided development opportunities for six local artists in terms of facilitation practice. Along with support from our participation department, the artists were given the opportunity to plan and deliver a two-hour workshop for children in the gallery as part of our exhibition-based live programme over the course of the exhibition run.

We also hosted a series of storytelling sessions in the library section of the exhibition, providing opportunities for four local storytellers to deliver to new audiences. This included three taster sessions of our popular Baby Book Club, which were designed and delivered by Roger Hill.

In March, we welcomed Joshua Clague, the recipient of our New Contemporaries Studio Bursary. As part of his one year residency, Clague will use print, textiles, dance and text to explore themes around loss, family and gay culture.

In the same month, artist Josie Jenkins began work with printmaker Kate Hodgson to produce her first ever screen-printed edition.. This work was part-funded by Ulrike Michal Foundation for the Arts. The print edition went on to be sold at Bluecoat as an affordable edition.

Blue Room

This year, Blue Room continued to deliver its Esmée Fairbairn Foundation supported project, Beyond the Blue. The aim of this project was for learning disabled artists to be supported to further develop, define and share their individual artistic practices. Alongside this, Bluecoat as an organisation aimed to evolve its own internal programmes, in order to be a strong advocate for learning disabled artists in the wider cultural sector.

An important strand of this project was Studio Me. In this programme, individual learning disabled and neurodivergent artists were supported to gain experience of creative studio practice by being paired with mentors, including local artists Michael Lacey, Nicki McCubbing and Jenny Steele.

Directors' Report for the Year Ending 31 March 2023

Studio Me artists were all profiled on the Bluecoat's website, and in September-October, Studio Me & You was launched with OUTPUT Gallery. This postal exhibition gave audiences the chance to buy limited-edition prints of images from nine artists. Following on from this, 15 artists were supported with a small exhibition at Cass Art in October-November.

Over the year, artists also made and sold work at maker's fairs, including Good Market, Liverpool Print Fair, and local Christmas events. This experimental pathway generated some income from sales, providing an opportunity to trial artist agreements between the involved artists and mentors.

Two artists also began residencies. Rob Ellis worked with artist Kate Hodgson at Liverpool John Moores University's print studio, and Joshua Henderson worked with Venture Arts in Manchester as part of Outside In's North West Hub for Artist Development.

The first phase of Blue Room Moves - our new project supporting learning disabled and neurodivergent adults who are interested in dance, movement and performance - began. Developed by Dance Facilitator Vicky Riley with assistant Maria Mortimer, the initial programme ran until August. In January, Blue Room Moves delivered a performance to a sold out audience at Bluecoat.

In June, we launched a digital commission in the Bluecoat garden. The Invisible Blue Island was an augmented reality world created by Blue Room artists with Edie Jo Murray. This colourful and fun work could be experienced online (as well as in person in the Bluecoat) via QR codes hidden amongst the flowers.

In August, we marked four years of Blue Room at Norton Priory with a celebration event, sharing the Invisible Blue Island trail which was installed in the Walled Garden in parallel to the Bluecoat's own.

We ended the year with an exciting national commission. Following an initial period of submission and design, Blue Room artists have been commissioned to create a unique festive knot wrap for cosmetics store LUSH. Along with a bursary of £2500, the artwork will be rolled out in stores nationwide ahead of Christmas 2023.

Where the Arts Belong

In partnership with Belong and funded by Arts Council England, Where the Arts Belong was a groundbreaking project, providing enriching arts experiences in specialist dementia care villages across the North West.

As part of the project, Belong customers enjoyed sculpture, storytelling, papercutting, dance, music, digital and sound arts in a series of artist residencies. Each artist has been selected by Bluecoat for their practice and its relationship with ageing, storytelling, movement and sensory experience.

In October, Alan Dunn led weekly remote sessions in Soundscapes. Every Friday for eight weeks, Alan worked with a Belong group making soundscapes using ordinary objects such as twanging rulers, dinging metal pet bowls filled with water, pinging elastic bands - and saying tongue twisters and making animal noises.

Directors' Report for the Year Ending 31 March 2023

In November, Brigitte Jurack led ceramic sessions. She also worked with a local school group to create fish tiles for the Belong garden that were installed in autumn.

Roger Hill made weekly visits and worked with a select number of couples (married couples and parent/child couples) on playful interaction and developing tools to help people with dementia self soothe.

Mary Prestidge made several visits to the village, leading group and one-to-one sessions in sensory movement both in The Venue (function room) and in households. Roger, Mary and Brigitte co-delivered staff training in Arts Awareness.

Project Facilitator, Tabitha Moses also, led fortnightly sessions in a variety of artforms including drawing, poetry, embroidery.

During the course of the year, Edwin Pink began work on making a film about the project, interviewing past participants and their loved ones on the positive impact the project has had on their lives.

Overall, the residencies were a great success and brought together people with later stage dementia with artists in group and 1:1 settings. The person-centred nature of the work was commented on by Belong staff. The artists used their sensitive intuition to engage residents from the village. In total, twenty five older people were engaged.

Children and Families / Out of the Blue

The Children and Families programme was central to Bluecoat's activity this year, thanks to the successful exhibition, Are You Messin', the much-celebrated return of Out of the Blue, and the launch of Baby Book Club.

Following on from a temporary quiet period during the pandemic, we were delighted to have our after school arts club, Out of the Blue, up and running again. During this year, we worked with our partner schools: Smithdown Primary, Princes Primary, Broad Square Primary, Leamington Community Primary and Four Oaks Primary.

In Spring, the team successfully delivered a half term holiday activity package at Bluecoat for children from the project, attended by 45+ children over three days. Between 10-3pm each day the children worked with staff to explore Bluecoat and work on projects that developed their creativity.

As we came to the end of the funding from Hays Travel & the Ironmongers' Company to deliver an additional club in Windmill Hill Primary in Runcorn. and due to logistical challenges and staffing changes, we have decided not to pursue this extension any further. The school understood this decision and said they would be in touch if they had any funding for collaborative work in the future.

We celebrated big audience figures for Are You Messin'?, with over 19,000 visits. Many families (a key target in our audience development strategy) made regular repeat visits, with some even returning weekly.

Directors' Report for the Year Ending 31 March 2023

The summer holidays particularly were one of the busiest periods for Children & Families the Bluecoat has ever seen. The workshop programme for Are You Messin'? was hugely popular from the start, culminating in over 90 children plus their grown ups attending the final workshop. Each week we had artist-led sessions and storytelling sessions.

In addition to the public Children & Families sessions, we also ran six holiday activity days for the Out of the Blue children on site, investigating different artists from the exhibition. Several children accessed the Are You Messin'? exhibition independently including several from Princes Primary, our SEN partner school.

A ten-week summer baby book club was delivered by Roger Hill with a full capacity and a small waiting list. An autumn Baby Book Club began in September, which was sold out and well attended throughout.

In November, we ran our first full sized family day since January 2019. The day coincided with the last day of the River of Light Festival, so activities were themed to some of the works on display across the city. Activities were designed and delivered by the Children & Families

team with some support from Front of House. 109 people attended, which included five families from Out of the Blue.

We hosted our first full family weekend at the end of January, during the first weekend of the Lunar New Year celebrations. On the Saturday we had dance workshops delivered by Bluecoat studio holders, Movema and on Sunday a portrait activity run by Beatrice Png who designed the marketing visuals for breathe, spirit and life 呼吸、靈魂與生命, alongside activities run by the Participation team throughout the weekend. The weekend was hugely popular, with the venue almost at capacity.

During February half term, the Children & Families team reshuffled available resources and were able to offer family activities in the Bistro for three days (Tuesday, Wednesday and Thursday). These days were a great opportunity to trial a new approach in cross-team working and resulted in new audiences for the Bistro. Over 190 people attended the activities over the three days, the majority of whom then went on to spend money in the Bistro or cafe. Sadly, despite personal invites going out to the Out of the Blue children, none of them attended the workshops, which shows the impact of free travel and/or hospitality can have on attendance from these communities.

Cultural Legacies

This year, our heritage participation project Echoes and Origins came to an end, exploring our building's eighteenth-century founding narratives and bringing them into dialogue with the present. Funded by the National Lottery Heritage Fund and others, it involved local children, young people and adults in creative workshops.

Following the first strand, 'Colonial Legacies', which examined the original charity school funders' involvement in transatlantic slavery and the relationship of this to the formation of Liverpool's diverse communities today, a second strand focussed on 'Looked After Children'.

Directors' Report for the Year Ending 31 March 2023

Here, the lives of orphans at the school were beautifully evoked in a performance by a group of children from Kinship Carers, working with dance artist Paula Hampson, while a group of adults worked with writer Margy McShane to bring to life the children's lost voices through poetry. Both project strands culminated in powerful exhibitions in the Vide, combining archival material and new artwork. From these, an interactive installation by Stand + Stare, capturing the lives of people at the school, and a chilling map charting the slave voyages sponsored by the family of school founder Bryan Blundell, remained on permanent display after the project finished.

Academic research by PhD candidate Michelle Girvan was crucial to Echoes and Origins and some of her research is on our website, alongside films and other material from the project. The intersection of its two strands was brought vividly to life in a public programme of talks by poet Jackie Kay, academic and writer Malik Al Nasir, and others.

Our building's colonial connections were the backdrop to other events, including the Walk of Remembrance, organised by National Museums Liverpool for Slavery Remembrance Day, which stopped at the Bluecoat for a reading by one of the young participants in Echoes and Origins, while an introduction to our colonial legacies work given to the Centre for the Study of International Slavery led to CSIS using the venue to host several of its events.

An archive display, Plotting the Course, relating to the arts centre's four-decades' long engagement with artists of colour through its exhibitions and performances remained in the Vide well into the following year. This, and other histories of both the charity school and the arts centre, were added to our website, where the library was further developed across the year.

We continued our support for one of our artistic alumni, Tony Phillips, whose public art trail, Above Us Only Sky, a series of painted plaques themed around the history of aviation and leading from the Bluecoat to the Bombed Out Church and back again, continued until October 2022. The highlight that month of the Lowry Lounge, our annual celebration of Wirral-born writer Malcolm Lowry, was an online interview with Mexican scholar Alberto Rebollo, who organises a Lowry Colloquium in Cuernavaca, the setting for his novel, Under the Volcano.

Building tours and talks about our heritage were in demand throughout the year, including during Heritage Open Days, and there was an increasing number of requests for visits from university and college groups to study our architecture and archives. For the general visitor, the Bluecoat story was made available with a welcome reprint and update of the illustrated booklet charting our history.

External partnerships were to the fore. The Bluecoat led on coordinating a 'Reverse Big Ideas' evening of presentations at Liverpool John Moores University, an opportunity for members of Liverpool's two arts consortia, LARC and COoL to share current ideas with academics, students and the public. We collaborated with the Royal Society of Arts on a public forum looking at 'levelling up'.

Our Director of Cultural Legacies, Bryan Biggs was invited to contribute to several conferences and talk events, including by the British Art Network who asked him to convene a

Directors' Report for the Year Ending 31 March 2023

conference to mark BAN's tenth anniversary. Themed around 'a decade of decentring British art', this was hosted at the arts centre.

We started a second Collaborative Doctoral Award with the University of Liverpool around social mobility in the arts. As part of her research, PhD candidate Jasmine Robinson will be exploring our archive relating to artists we have worked with since the 1960s.

Public Visibility and Influence

This was the year that Bluecoat was listed in the top 10 museums in Liverpool by the Lonely Planet - and we're pleased with how we showcased the best of our organisation to earn that accolade.

Bruce Asbestos's outdoor installation - OK! Cherub! - was a great success. The striking nature of the piece helped us to attract high numbers to the site, and the piece received a lot of coverage on social media, in particular on Instagram, which is our fastest growing social media platform. The Liverpool Echo shared it on their Instagram page as did many influencers from across the city.

In September, we launched a new short promotional film, shot by filmmaker Ben Pottst. Using the brand messages we have developed a script and after two days of filming we have

completed a final edit. The film was used to launch a new TikTok profile. A content strategy is being developed for TikTok, which continues to see steady growth.

The Suki Chan exhibition provoked a strong reaction from visitors and was described as 'powerful and impressive' and 'thought provoking and emotional'. It was well received by Art Monthly, who published a review and Corridor8 who also reviewed it and said: "CONSCIOUS is deeply respectful and caring, using the immediacy and intimacy of film to flesh out realities that many might not have experienced first-hand." We have worked with the Brain Charity to deliver Sunday afternoon singing workshops for people with dementia.

After the Colonial Legacies exhibition opened in March we hosted a series of events that drew good crowds. Courtyard poetry was a popular Sunday lunchtime event, the Mixed Race Experience with the founders of Everyday Racism provided an insightful and interesting debate, and Malik Al Nasir gave a powerful keynote speech. We have developed a record of the project for our website, including profiles of our young event organisers. Go Play Studio have produced a film about the project which can also be found on these pages.

Are You Messin'? was a fantastic opportunity for us to be creative with our exhibition campaign. We developed a hand drawn font and a playful visual style, using our brand guidelines. We also worked with Instagram influencers to promote the exhibition and developed an advertising campaign to target a broad range of family audiences. The exhibition's event programme of artist-led workshops also performed well, welcoming up Key press coverage for the exhibition included two separate pieces for BBC Radio Merseyside and features online for The Guide, Arts City Liverpool, Creative Tourist and Visit Liverpool. On the back of this, we now have a strong children and families mailing list. We will work to keep in touch with this audience, targeting them with messaging about other family appropriate programming.

Directors' Report for the Year Ending 31 March 2023

In September, we developed Bluecoat's first brand film with filmmaker Ben Potts. The film has been a valuable tool for us to share with partners, peers and the public.

We celebrated Heritage Open Days with a programme of fully booked heritage tours of the building. We created a piece of print to support the Looked After Children exhibition's event programme, which has so far hosted well attended events and will conclude with Jackie Kay in November.

In the same month, our Director of Cultural Legacies Bryan Biggs took part in a special programme for BBC Radio Merseyside broadcast live from Tate Liverpool, in which he discussed the Turner Prize with broadcaster Claire Hamilton and leading arts figures from the city. The interview focused on Bluecoat's relationship with the prize and the organisation's role in supporting emerging artists over the years.

Our autumn exhibition breathe, spirit and life 呼吸、靈魂與生命 opened with a marketing creative by designer Beatrice Png. The opening was well attended, and the exhibition received press coverage from local and regional outlets including The Double Negative, Creative Tourist and Corridor8.

In February 2023, we hosted Metro Mayor Steve Rotherham at the Bluecoat. Mary and other members of the team gave him an official tour, and spoke to him about our work. The visit

was very positive, and we hope the relationship will allow for support in the future - particularly around our Cultural Mile project.

Business Development

This was an important year for Business Development. Diversifying the organisation's income in order to help us become less reliant on trusts and foundations, has been a priority.

By the end of Q1, we had appointed our first ever Business Development Manager, funded for one year by the National Lottery Social Enterprise Support Fund. The purpose of this recruitment drive was to allow us to focus on trialling new income generating activities, as well as giving an opportunity to look at existing activity with a more commercial focus.

2022-23 was a year of establishment and growth for the Business Development team, with financial sustainability at the heart of all decision making. As new processes and plans for pilot activities were put in place, a number of key roles were identified and recruited.

To this end, we appointed a consultant to help create a Commercial Strategy. Alison Duckworth of Epona Marketing worked alongside the team to explore potential areas for growth, including merchandising; re-opening of the print room for courses and private hire; growing our room hire business, and programming on-site events such as book fairs, record fairs and markets.

To facilitate the successful reopening of our print studios, a Print Studio Manager was recruited and hit the ground running with a new artist membership scheme, and a calendar of print workshops with local print-making artists such as Kate Hodgson and Becky Peach.

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The Bluecoat's Sales and Events Executive also moved into the Business Development team, to allow us to continue building those strong commercial foundations and a sustainable pipeline of corporate hires and weddings.

In 2022/23, we were delighted to be able to implement a number of points highlighted in the commercial strategy. The print room was successfully reopened and the first season of print workshop sales were very encouraging. We began selling Children & Families Activity Packs; we held a Business Breakfast to encourage local businesses to view Bluecoat as a hire space; we trialled working with Good Market where we piloted selling brand new Bluecoat merchandise produced in our print studios, and in order to grow our network, we became members of Liverpool's Chamber of Commerce.

To continue our growth and development, our Business Development Manager applied to take part in the School for Social Entrepreneurs Heritage Trade Up programme. The application was successful, and gave access to further match funding, mentoring and a network of entrepreneurs from other similar organisations.

Development

In 22-23, we continued to fundraise for a range of projects across Bluecoat, including Out of the Blue, Blue Room, Where the Arts Belong and for core operating costs. Our fundraising activity spanned Trusts and Foundations, Individual Giving and relaunching our Membership Scheme post-pandemic.

During this period, we applied to 97 trusts and foundations, successfully raising £58,121, with an approximate success rate of 15.5%. We were also awarded an additional £9,200 from the Esmée Fairbairn Foundation as part of an uplift payment to their existing relationships.

A highlight was receiving our NPO decision in November. We were delighted to be awarded our core funding for the next three years. To be awarded our full request during a period of uncertainty speaks of the significance of our work at the Bluecoat, and we are grateful to Arts Council England for their continuing support.

Alongside this, we were invited to make a second stage application to Fidelity UK Foundation, in the region of £340,000, to help purchase and install new AV equipment, and to grow business development. We were also successful in securing our Liverpool City Council CAIP funding, and were pleased to be awarded £120,000.

While we received and awaited decisions, we continued to work on a number of prospective applications, including to the Paul Hamlyn Foundation, the Garfield Weston Foundation and the National Lottery Heritage Fund.

Individual Giving saw us raise £3,136 across the year through a combination of on-site and online fundraising – a 118.6% increase compared to 21-22. Q2 saw the largest sum of donations (£1,005) with total cash donations for the year (£1,460) being almost double both contactless donations (£739) and online donations (£748).

Directors' Report for the Year Ending 31 March 2023

In April 2022 we refreshed the vinyls and artworks on our on-site donation boxes to align with our new brand identity, leaning on Behavioural Economics principles and Decision Science learned from our work with =MC Consulting in 2020.

Eight Members renewed throughout the year, and it became clear that our Membership scheme needed updating to reflect our new branding and offer in a peri-pandemic world.

Financial Review

The consolidated financial results for the year are set out on pages 23 to 45 for Bluecoat and its wholly owned subsidiary, Trading at the Bluecoat Ltd. The group had net expenditure for the year of £561,463 (2022: net income of £325,416), after charging depreciation and amortisation of £404,915 (2022: £399,941).

Trading at the Bluecoat Ltd operates a café and bistro, events, conferencing and catering facilities and the profits generated are distributed to the charity under gift aid to assist the charity in meeting its objectives. The venture generated a loss before tax for the year of £12,861 (2022: profit of £39,168).

Reserves and Investment Policy

Bluecoat understands the need for unrestricted reserves to cover downturns in both earned income and public funding. The Directors have agreed that the reserves level should aim to cover at least three months' operating expenditure, this being approximately £500,000. At 31 March 2023, the group had unrestricted general reserves totalling £388,501 (2022: £615,309).

The Directors review the Reserves Policy on an annual basis. They recognise that growth in reserves will only arise from having a more sustainable business that is attractive to investment.

To this end, the Directors have made plans and taken action to improve the reserves position, including:

- reducing the operating cost base through the review and renegotiation of supplier contracts, and through reduction in staffing levels
- increasing earned income generation through the bringing in of skilled new board members on to the subsidiary trading company's board, the development of a commercial strategy that will maximise the earnings potential from all areas of the building, and the implementation of this strategy
- increasing grant income generation through a focused fundraising and development strategy supported by additional management focus on this area
- creating operating efficiencies in how the building is used through the forthcoming grant-funded capital investment into the central areas of the building

The Directors have reviewed a broad range of evidence, including budgetary projections for a period of at least one year from the approval of these financial statements in order to confirm the going concern principle for the organisation. More detail on this matter is included in note 1 to these financial statements.

Directors' Report for the Year Ending 31 March 2023

The charity's investment in the subsidiary company is valued at cost less provision for any permanent diminution in value. The charity has no other investments, and surplus cash is held in bank accounts.

Appointment of Directors

As set out in the governing document the Board has a minimum of four Directors and a maximum of twenty. Membership of the Board is open to anyone who has an interest in the objects of the company and are elected by the members. The Board has the power to co-opt members considered to have specialist skills or knowledge that will be beneficial to the company, providing the number of co-opted members does not exceed a third of the membership of the Board. Co-opted members serve on the Board for a period determined by the Board, not to exceed five years. Currently there are no co-opted members.

Directors' Induction and Training

Board members on appointment receive a full induction and there are also away-days each year, where the Board and senior staff review the direction and effectiveness of the organisation. These are augmented by courses and other board development interventions as appropriate. The term of office of Directors is four years. Suitable indemnity insurance is in place.

Organisation and Governance and Management Structures

The Board of Directors is responsible for the definition of policy and general oversight of all the functions and activities of the Company. The board delegates additional scrutiny and policy development to its committees. These consist of the Finance and General Purposes Committee, the Artistic Advisory Committee, the Board Development Committee, and the Safeguarding Committee. In addition, the charity's subsidiary company Trading at the Bluecoat Ltd has its own board of directors. The strategic and operational leadership and management responsibility is delegated to the Chief Executive.

Related Parties and Co-Operation with Other Organisations

Any connection between a Director or senior manager of the charity with a production company, contracted artist, performer, exhibitor or supplier must be disclosed to the full board of Directors in the same way as any other contractual relationship with a related party. In the current year, related party transactions are set out in note 22 to the accounts.

The charity's wholly owned subsidiary, Trading at The Bluecoat Ltd., operates the café, the bistro, and events and conferencing facilities at Bluecoat.

Pay Policy for Key Management Personnel

None of the board Directors receive remuneration or other benefit from their work with the charity.

The remuneration of key management personnel is determined by the board Directors of the charity. They consider the seniority of the post, the expertise and experience of the post

Directors' Report for the Year Ending 31 March 2023

holder, the local market conditions and sector market conditions for remuneration, and benchmarking information from similar organisations in determining the remuneration of key management personnel.

Plans for the Future

Looking ahead to the new financial year, we are excited to take part in the Liverpool-wide cultural programme EuroFestival, in May, which will present 24 new commissions around the city to coincide with Eurovision. For a two week period we will welcome Dialogues to our gallery, an exhibition featuring Ukrainian artist Alevtina Kakhidze and UK artist Ellie Hoskins. Kakhidze's deadpan humour is shared by Ellie Hoskins who uses text, illustration, painting, sculpture and animation to comment on daily life. Both artists will develop new work in our galleries throughout the exhibition period, and will exhibit large poster works on the exterior of our building on Blundell Lane.

As part of EuroFestival our front courtyard will also host an inflatable Soloveiko Songbird sculpture as part of a trail around the city centre. We will also hold our own programme of Eurovision-inspired events including a viewing party and a Eurovision Family Print Party.

Summer 2023 will see the welcome return of the Liverpool Biennial exhibition to our gallery. This 12th edition of the festival is titled uMoya: The Sacred Return of Lost Things and is curated by Khanyisile Mbongwa. The exhibition will address the history and temperament of the city of Liverpool and is a call for ancestral and indigenous forms of knowledge, wisdom and healing. Bluecoat's exhibition will include work by Nicholas Galanin, Raisa Kabir, Kent Chan and Benoît Piéron.

In October we will present Tim Spooner: A New Kind of Animal. The exhibition features an exciting joint commission with Southwark Park Galleries and we are delighted to be collaborating with them to bring the artist's work to a wider audience. A New Kind of Animal will display over 190 of Spooner's works including collage, painting and sculpture alongside a new commission, which takes the form of a host of furry, animatronic sculptures inspired by the artist's previous work.

In February 2024 we will hold present two exhibitions; Babak Ganjei: Thanks for Having Me and Joshua Clague: and it feels like I just got home. Bluecoat has a long relationship with these two artists, with Ganjei having previously designed a commission for our Hub space, whilst Clague has had a studio space at Bluecoat since March 2023 as part of the New Contemporaries Studio Bursary.

This year we will also conclude our successful participation project Where the Arts Belong. This partnership with Belong Villages places artists in a care home setting where they can work alongside residents to provide enrichment.

Alongside our ambitious event programme we will also continue to run a varied programme of events including talks, tours, Heritage Open Days events, print workshops and regular family activities.

We are thrilled that both our NPO and CAIP funding has been renewed for 2023/24 in recognition of the strength of our programme, and this will be vital in ensuring we continue to reach as wide an audience as possible with our varied exhibitions and events.

Directors' Report for the Year Ending 31 March 2023

Risk Management

The major risks to which Bluecoat is exposed, as identified in the risk register, have been reviewed and mitigations and contingency plans put in place to manage these risks. The risk register is monitored and updated on an ongoing basis and reported to the Finance & General Purposes Committee of the Board at least twice a year.

The directors consider the key risks and uncertainties facing the charity are:

The Building is not sufficient to support strategy through lack of investment in day to day repairs and maintenance, and the conservation of the historic building is compromised.

This is mitigated by repairs and maintenance plan in place; Capital investment plan (balanced against cash constraints) in place; Capital grant funding bids.

- Insufficient reserves resulting in inability to invest in future capital needs or respond to unforeseen circumstances. This is mitigated by future operating surplus budgets planned; margin identified and sought on all projects; Reserves Policy in place and strategy to achieve this; regular Finance Committee monitoring.

Directors' Responsibilities in Relation to the Financial Statements

The Directors (who are also trustees of the charity) are responsible for preparing a Directors' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and of the income or expenditure of the charitable group for the year. In preparing those financial statements the Directors 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, whilst ensuring that applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Directors are responsible for keeping 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.

Information Provided to Auditors

In respect of each Director at the date the Directors' Report is signed:

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Directors' Report for the Year Ending 31 March 2023

- so far as we are aware, there is no information needed by the Charity's auditors in connection with preparing their report (relevant audit information) of which they are unaware; and
- as the Trustees of the Charity we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

By order of the Board

Sally-Anne Watkiss
Director



20/12/23

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BLUECOAT FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the accounts of The Bluecoat (the 'Parent Charity') and its subsidiary (the "Group") for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and parent charitable company Balance Sheets, the Consolidated Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and Parent Charity's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
BLUECOAT FOR THE YEAR ENDED 31 MARCH 2023 (continued)**

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charity and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

- adequate accounting records have not been kept by the Parent Charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charity accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; and
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees, who are also the directors of the Parent Charity for the purpose of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the Group's and the Parent Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the Parent Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
BLUECOAT FOR THE YEAR ENDED 31 MARCH 2023 (continued)**

Extent to which the audit has considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence, and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
BLUECOAT FOR THE YEAR ENDED 31 MARCH 2023 (continued)**

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

Use of our report

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



Louise Casey ACA (Senior Statutory Auditor)

For and on behalf of BWM
Chartered Accountants
Statutory Auditor

Suite 5.1
12 Tithebarn Street
Liverpool
L2 2DT

Date: 22 December 2023

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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING THE INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Income					
Other trading activities	3	777,026	0	777,026	611,619
Donations and legacies	4	4,767	0	4,767	2,293
Income from charitable activities	5	815,366	606,188	1,421,553	2,335,080
Total		<u>1,597,159</u>	<u>606,188</u>	<u>2,203,348</u>	<u>2,948,992</u>
Expenditure					
Expenditure on raising funds	6	1,302,320	0	1,302,320	783,718
Expenditure on charitable activities	7	521,647	940,845	1,462,492	1,839,857
Total		<u>1,823,967</u>	<u>940,845</u>	<u>2,764,812</u>	<u>2,623,575</u>
Net Incoming/(outgoing) resources for the year and net movement in funds		(226,808)	(334,657)	(561,464)	325,416
Balance b/f		<u>615,309</u>	<u>8,790,788</u>	<u>9,406,097</u>	<u>9,080,681</u>
Balance c/f		<u>388,501</u>	<u>8,456,131</u>	<u>8,844,633</u>	<u>9,406,097</u>

There are no recognised gains and losses in 2023 or 2022 other than the result for the year.

All income and expenditure derive from continuing activities.

The movement in funds detailed above complies with the requirements for a statement of changes in equity under FRS102.

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**CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023**

Company number: 02246627

	Notes	GROUP		COMPANY	
		2023 £	2022 £	2023 £	2022 £
FIXED ASSETS					
Intangible Fixed Assets	11	10,757	22,492	10,757	22,492
Tangible assets	12	9,007,156	9,393,613	9,003,687	9,391,386
Investment in Subsidiary	13	0	0	1	1
		<u>9,017,913</u>	<u>9,416,105</u>	<u>9,014,445</u>	<u>9,413,879</u>
CURRENT ASSETS					
Stock	14	8,088	3,453	0	0
Debtors	15	186,364	335,056	271,999	319,987
Cash at bank and In hand		208,826	285,425	92,910	270,342
		<u>403,278</u>	<u>623,934</u>	<u>364,909</u>	<u>590,329</u>
CREDITORS: Due within one year	16	273,042	571,581	225,479	542,885
Net Current Assets (Liabilities)		<u>130,236</u>	<u>52,352</u>	<u>139,430</u>	<u>47,444</u>
Total Assets less Current Liabilities		<u>9,148,149</u>	<u>9,468,458</u>	<u>9,153,875</u>	<u>9,461,323</u>
CREDITORS: Due after one year	17	303,517	62,361	303,517	62,361
Total Net Assets		<u>8,844,633</u>	<u>9,406,097</u>	<u>8,850,359</u>	<u>9,398,963</u>
Funds					
Unrestricted Reserve - General	20	388,501	615,309	394,227	608,175
Restricted Reserve	19	8,456,132	8,790,788	8,456,132	8,790,788
Total Funds		<u>8,844,633</u>	<u>9,406,097</u>	<u>8,850,359</u>	<u>9,398,963</u>

The Trustees have taken advantage of Section 408 of Companies Act 2006 from the requirement to prepare a separate Statement of Financial Activities for the charity. The net expenditure dealt with in the financial statements of the charity is £720,781 (2022: net income of £314,243).

The financial statements on pages 23 to 46 were approved and authorised for issue by the Board of Directors on *20 December 2023*

Signed on behalf of the Board of Directors



Sally-Anne Watkiss
Director

THE BLUECOAT
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	2023	2022
	£	£
Cash flows from operating activities:		
Net income (expenditure) for the year (as per the statement of financial activities)	(561,465)	325,416
Adjusted for:		
Depreciation	404,916	399,941
Decrease / (increase) in stock	(4,635)	(1,510)
Decrease / (increase) in trade and other receivables	148,692	(87,856)
Increase / (decrease) in trade and other payables	(302,277)	(294,981)
Net cash inflow (outflow) from operating activities	<u>(314,769)</u>	<u>341,011</u>
Cash flows from investing activities		
Purchase of property, plant & equipment	(6,722)	(337,160)
Cash used in investing activities	<u>(6,722)</u>	<u>(337,160)</u>
Cash flows from financing activities		
Repayment of borrowing	(5,108)	(43,499)
Loans advanced	250,000	0
Capital Grants Received	0	0
Net cash flows used in financing activities	<u>244,892</u>	<u>(43,499)</u>
Net increase/(decrease) in cash & cash equivalents	<u>(76,599)</u>	<u>(39,648)</u>
Opening cash & cash equivalents	285,425	325,073
Closing cash & cash equivalents	208,826	285,425
Movement in cash and cash equivalents	<u>(76,599)</u>	<u>(39,648)</u>

THE BLUECOAT
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1 ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the 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 (FRS102) (effective 1 January 2019) - (Charities SORP (FRS102)), and the Companies Act 2006. These financial statements have been presented in pound sterling, which is the functional currency of the company, and rounded to the nearest £.

The Bluecoat meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

General Information

The Bluecoat is a company limited by guarantee and a registered charity, incorporated in the United Kingdom. The registered office is School Lane, Liverpool, L1 3BX.

Group Financial Statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary, Trading at the Bluecoat Limited, on a line-by-line basis.

Principal Activity

Bluecoat is Liverpool's centre for the contemporary arts. Our purpose is to open up creative possibilities for individuals and communities. We do this through a programme of exhibitions, live art and participation projects; through support to artists; by opening up our 18th century building to makers, traders and visitors; and by creating connections between Liverpool and the rest of the world.

Going Concern

The financial statements have been prepared on a going concern basis. Whilst the Bluecoat has been significantly impacted by Covid-19, causing trading and earned income to temporarily reduce, we have been able to successfully navigate through the economic disruption. We have done this through the careful management of costs, obtaining funding commitments from core funders, obtaining capital grants and recovery grants, together with achieving additional fundraising and careful cash flow management.

The directors remain committed to maintaining annual spending within available resources and increasing general reserves and are fully aware that the economic outlook remains challenging for The Bluecoat and its principal funders - Arts Council England and Liverpool City Council. Both funders have given The Bluecoat commitments of continuing levels of funding that enable The Bluecoat to plan and budget from a firm financial base, and Bluecoat's directors are committed to continue to work with funders to develop plans to improve the charity's financial resilience over the immediate period and in the medium to long term.

The trustees have considered the level of funds held and the expected level of income and expenditure for the twelve months from authorising these financial statements. The trustees assess the charity to be a going concern based on review of financial performance of the current financial year to date, the management accounts forecast for the remainder of the current financial year, the rolling cash flow forecast, funding commitments from Arts Council England and Liverpool City Council, and longer-term plans and forecasts for 2023, 2024 and beyond. As a result, the trustees are confident about the financial future of the charity and satisfied that these accounts are prepared on a going concern basis.

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1 ACCOUNTING POLICIES (continued)

Taxation

The organisation is a registered charity and as such is exempt from taxation on its charitable activities. The charity has taken the opportunity to seek a corporation tax credit under the museums and galleries tax relief scheme.

Government grants

Revenue grants are credited as income when they are receivable, provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred. Grants for the purchase of fixed assets are credited to income when receivable.

Income

Income, including from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income received in advance of performance or provision of other specified service is deferred until the criteria for income recognition are met. Room hire, rent and other income are recognised on an accruals basis.

The charity has not been the beneficiary of any legacies during the year.

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the directors' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the directors have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for specific areas of the charity's work or for specific artistic projects being undertaken by the charity.

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1 ACCOUNTING POLICIES (continued)

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading including the bar and bistro and their associated support costs.
- Expenditure on charitable activities includes the costs of performances, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Governance costs included in expenditure on charitable activities include those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs are apportioned to activity cost categories directly on a basis consistent with the use of resources, for example, staff costs by time.
- Other expenditure represents those items not falling into any other heading.

Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the charity's artistic programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated is set out in note 9.

Fixed assets and depreciation

All fixed assets are stated at cost less accumulated depreciation. All items over £500 are capitalised.

Depreciation of fixed assets is calculated to write-off their cost less any residual value over their estimated useful lives on a straight-line basis as follows:

Freehold Property	2.0%
Computers and Related Equipment	33.3%
Furniture and Fixtures	20.0% - 25.0%
Other Equipment	12.5%-25.0%
Property Improvements	10%

Intangible fixed assets, which consist of brand and website collateral, are stated at cost (or deemed cost) or valuation less accumulated amortisation over an economic life of 3 years unless there are any impairment losses to be recognised.

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1 ACCOUNTING POLICIES (continued)

Stock

Purchased stock is included at the lower of cost or net realisable value.

Donated artworks which have been received by the charity for future sale have not been recognised as stock in the accounts. This is because the charity is unable to determine with any certainty the timing or value of any potential sale of the donated artworks.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and In hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Concessionary loans are measured at amortised cost.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Reserves

The charity has a number of restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

All other funds are classified as unrestricted funds. Unrestricted reserves, if designated for a specific purpose or period, are accounted for as designated unrestricted reserves.

Operating lease agreements

Rentals paid under operating leases are charged in the Statement of Financial Activities as they are incurred.

Pension contributions

The charity has a defined contribution pension scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the scheme rules.

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that affect the carrying amounts of assets and liabilities at the balance sheet date and income and expenditure during the year. The judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved, the actual results and outcomes could differ from the estimates.

In the process of applying the charity's accounting policies, the directors believe that the critical judgements or estimates that have the most significant effect on the amounts recognised in the financial statements are as follows:

- *Assessing any indicators of impairment in relation to assets.* The directors have considered both external and internal sources of information such as market conditions and experience of recoverability. There have been no indicators of impairments identified during the current financial year.
- *Recoverability of debtors.* The charity establishes a provision for debtors that are estimated not to be recoverable. To assess recoverability the directors consider factors such as the ageing of the debtors and past experience of recoverability.
- *Determining residual values and useful economic lives of property, plant and equipment* - The charity depreciates tangible assets over their estimated useful lives. The estimation of the useful lives is based on historic performance as well as expectations about future use. The actual lives of these assets can vary depending on a variety of factors, including technological innovation and maintenance programmes. Judgement is applied by management when determining the residual values for plant and equipment. When determining the residual value management aim to assess the amount that the charity would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible, this is done with reference to external market prices.

The estimates and underlying assumptions are reviewed on an ongoing basis. Any revisions are recognised in the period in which the estimate is revised.

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

3 OTHER TRADING ACTIVITIES

	Unrestrict ed Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
Income from rents and room hires	304,938	0	304,938	259,568
Government Grants	0	0	0	65,519
Catering Outlet Income	466,608	0	466,608	282,930
Box Office & Merchandise Income	5,479	0	5,479	3602
	777,025	0	777,025	611,619

OTHER TRADING ACTIVITIES (PRIOR YEAR)

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£	£	£	£
Income from rents and room hires	259,568	0	259,568	208,203
Government Grants	65,519	0	65,519	58,064
Catering Outlet Income	282,930	0	282,930	16,000
Box Office & Merchandise Income	3,602	0	3,602	285
	611,619	0	611,619	282,552

4 DONATION AND GIFTS INCOME

Income of £4,767 (2022:£2,293) represents unrestricted income from fundraising events and other donations received.

5 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
Revenue Grants				
Arts Council England	495,846	0	495,846	496,431
Liverpool City Council	150,000	0	150,000	150,000
Project Grants				
Arts	0	257,245	257,245	299,963
Participation	108,843	300,256	409,099	223,903
Other Income				
Covid Recovery Grants	0	19,494	19,494	424,451
Capital Grant Release	0	29,193	29,193	698,847
Museums & Galleries Tax Relief	32,629	0	32,629	36,489
Other Charitable Activity Income	28,048	0	28,048	4,996
	815,366	606,188	1,421,554	2,335,080

THE BLUECOAT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

INCOME FROM CHARITABLE ACTIVITIES (PRIOR YEAR)

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£	£	£	£
Revenue Grants				
Arts Council England	496,431	0	496,431	495,846
Liverpool City Council	150,000	0	150,000	150,000
Project Grants				
Arts	2,500	297,463	299,963	43,850
Participation	92,120	131,783	223,903	110,200
Other Income				
Covid Recovery Grants	424,451	0	424,451	610,264
Capital Grant Release	0	698,847	698,847	49,355
Museums & Galleries Tax Relief	36,489	0	36,489	12,500
Other Charitable Activity Income	4,996	0	4,996	43,913
	<u>1,206,988</u>	<u>1,128,092</u>	<u>2,335,080</u>	<u>1,515,928</u>

6 EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£		
Advertising and Marketing	131,720	0	131,720	179,049
Building running costs	379,999	0	379,999	173,808
Support costs (See note 9)	196,827	0	196,827	176,553
Fundraising and Development	159,470	0	159,470	814
Commercial Operations	434,303	0	434,303	253,493
	<u>1,302,319</u>	<u>0</u>	<u>1,302,319</u>	<u>783,718</u>

EXPENDITURE ON RAISING FUNDS (PRIOR YEAR)

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£	£		
Advertising and Marketing	179,049	0	179,049	64,504
Building running costs	173,808	0	173,808	130,870
Support costs (See note 9)	176,553	0	176,553	183,653
Fundraising and Development	814	0	814	48,606
Commercial Operations	253,493	0	253,493	95,262
	<u>783,718</u>	<u>0</u>	<u>783,718</u>	<u>522,895</u>

THE BLUECOAT
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Arts Programme	87,227	257,245	344,472	529,800
Participation	118,628	300,256	418,885	258,675
Support costs (See note 9)	296,384	383,343	679,727	1,033,196
Governance costs	19,407	0	19,407	18,187
	<u>521,647</u>	<u>940,844</u>	<u>1,462,492</u>	<u>1,839,857</u>

EXPENDITURE ON CHARITABLE ACTIVITIES (PRIOR YEAR)

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Arts Programme	94,259	435,541	529,800	288,521
Participation	104,016	154,659	258,675	148,486
Support costs (See note 9)	654,441	378,755	1,033,196	857,446
Governance costs	18,187	0	18,187	15,510
	<u>870,903</u>	<u>968,955</u>	<u>1,839,858</u>	<u>1,309,963</u>

The charitable expenditure on charitable activities includes staff costs directly attributed to the named activities above in addition to the support costs noted.

8 AUDITOR'S REMUNERATION

The Group incurred the following charges from auditors:

	2023 £	2022 £
Auditor's fee	10,903	10,300
Other services	768	880
	<u>11,671</u>	<u>11,180</u>

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

9 SUPPORT COSTS

Cost area	Costs of raising funds	Charitable activities	Charitable Activities Governance	Total 2023	Total 2022
	£	£	£	£	£
Professional fees	81,172	112,849	3,960	197,981	222,863
Wages and salaries	83,418	115,971	4,069	203,458	483,912
Staff Expenses, Recruitment & Training	9,251	12,861	451	22,563	8,101
Bank charges	1,504	2,091	73	3,668	2,492
Depreciation	0	403,715	0	403,715	397,512
ICT Support, Telephone & Stationery	8,638	12,009	421	21,068	22,730
Loan Interest	16,965	0	0	16,965	8,825
Materials, Equipment & Sundry	616	856	30	1,502	22,304
Irrecoverable VAT	0	19,376	0	19,376	48,634
Bad debts written off	(4,737)	0	0	(4,737)	0
Audit fees	0	0	8,161	8,161	8,000
Board expenses	0	0	2,242	2,242	2563
	196,827	678,726	19,407	895,961	1,227,936

SUPPORT COSTS (PRIOR YEAR)

Cost area	Costs of raising funds	Charitable activities	Governance	Total 2022	Total 2021
	£	£	£	£	£
Professional fees	49,030	171,604	2,229	222,863	109,965
Wages and salaries	106,461	372,612	4,839	483,912	573,713
Staff Expenses, Recruitment & Training	1,782	6,238	81	8,101	4,917
Bank charges	548	1,919	25	2,492	2,064
Depreciation	0	397,512	0	397,512	301,817
ICT Support, Telephone & Stationery	5,001	17,502	227	22,730	19,438
Loan Interest	8,825	0	0	8,825	3,720
Materials, Equipment & Sundry	4,907	17,174	223	22,304	11,501
Irrecoverable VAT	0	48,634	0	48,634	0
Bad debts written off	0	0	0	0	21,182
Audit fees	0	0	8,000	8,000	7,905
Board expenses	0	0	2,563	2,563	389
	176,553	1,033,196	18,187	1,227,937	1,056,611

Support costs are apportioned to activity cost categories directly on a basis consistent with the use of resources, for example, staff costs by time. Governance support costs relate to staff time on governance matters as well as expenses incurred by governance matters.

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

10 SALARIES AND WAGES

Group	Average number of employees	
	2023 No.	2022 No.
Management, Development & Administration	16	16
Arts Programme	32	22
Technicians	9	15
Engagement	16	19
Trading Company	8	5
	81	77
	2023	2022
	£	£
Group		
Wages and salaries	1,075,203	1,032,938
Social security costs	70,264	70,504
Pension costs	21,359	20,969
	1,166,826	1,124,411

Salary costs includes severance and redundancy payments of £nil (2022: £nil) and seconded staff of £14,925 (2022: £54,732). The company has a defined contribution pension scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the scheme rules.

No trustees received remuneration in 2023 or 2022. During the year one director (2022 – three) were reimbursed for travel expenses totalling £692 (2022 - £809).

The key management personnel of the parent company, The Bluecoat, comprises the directors, who are also the trustees of the charity, and the leadership team. The key management personnel of the group, and the employee benefits, are identified as the same as for the Charity. During the year the leadership team comprised the Chief Executive, the Head of Projects and the Director of Marketing and Business Development. The total employee benefits of the leadership team were £130,504 (2022: £199,497).

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 in the year is as follows:

	2023	2022
£70,001 to £80,000	1	1

THE BLUECOAT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11 INTANGIBLE FIXED ASSETS (Group and Company)

GROUP AND COMPANY	Branding and Website
COST	£
At 1 April 2022	45,635
Additions	0
Disposals	0
At 31 March 2023	45,635
DEPRECIATION	
At 1 April 2022	23,143
Charge for year	11,735
Disposals	0
At 31 March 2023	34,878
NET BOOK VALUE	
31-Mar-23	10,757
31-Mar-22	22,492

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

12 TANGIBLE FIXED ASSETS

GROUP	Freehold Property	Property Improvements	Computer Equipment	Other Equipment	Furniture & Fixtures	TOTAL
COST	£	£	£	£	£	£
At 1 April 2022	12,284,205	707,405	182,036	385,421	448,102	14,007,169
Additions	500	0	5,278	944	0	6,722
Disposals	0	0	0	0	0	0
At 31 March 2023	12,284,705	707,405	187,314	386,365	448,102	14,013,891
DEPRECIATION						
At 1 April 2022	3,439,577	174,825	173,764	381,269	444,120	4,613,555
Charge for year	245,685	137,658	7,555	1,329	954	393,180
Disposals	0	0	0	0	0	0
At 31 March 2023	3,685,262	312,483	181,319	382,598	445,074	5,006,736
NET BOOK VALUE						
31-Mar-23	8,599,443	394,923	6,994	3,766	3,028	9,007,166
31-Mar-22	8,844,628	532,579	8,272	4,152	3,982	9,393,613
COMPANY	Freehold Property	Property Improvements	Computer Equipment	Other Equipment	Furniture & Fixtures	TOTAL
COST	£	£	£	£	£	£
At 1 April 2022	12,284,205	707,405	182,036	378,752	441,286	13,993,683
Additions	500	0	3,780	0	0	4,280
Disposals	0	0	0	0	0	0
At 31 March 2023	12,284,705	707,405	185,816	378,752	441,286	13,997,963
DEPRECIATION						
At 1 April 2022	3,439,577	174,825	173,764	376,827	437,304	4,602,297
Charge for year	245,685	137,658	7,181	502	954	391,979
Disposals	0	0	0	0	0	0
At 31 March 2023	3,685,262	312,483	180,945	377,330	438,258	4,994,277
NET BOOK VALUE						
31-Mar-23	8,599,443	394,922	4,871	1,422	3,028	9,003,687
31-Mar-22	8,844,628	532,579	8,272	1,925	3,982	9,391,386

The freehold property and other assets are included at cost. The net book value of freehold property at 31 March 2023 is £8,559,443.

The Arts Council of England and the National Heritage Memorial Fund hold charges over the property.

THE BLUECOAT
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

13 INVESTMENTS

	Group	Company
	£	£
Cost		
As at 31 March 2022	0	1
As at 31 March 2023	<u>0</u>	<u>1</u>

The investment relates to 100% of the ordinary share capital owned by The Bluecoat in the subsidiary, Trading at the Bluecoat Limited, a company incorporated in England & Wales, company registration number 06825349 and whose registered office is The Bluecoat, School Lane, Liverpool, L1 3BX.

As at 31 March 2023, its reserves stood at £5,729. The principal activity of Trading at the Bluecoat Limited is to operate catering and hospitality outlets situated within the building. The company also undertakes events and room hire. The venture's financial results for the year ended 31st March 2023 were:

	2023	2022
	£	£
Turnover	466,608	282,930
Grant Income	4,950	37,119
Expenditure	(484,420)	(280,881)
Tax	0	(2,995)
Profit (Loss)	(12,861)	36,173

14 STOCK

	2023	2022
	£	£
Group		
Food & drink	8,088	3,453

15 DEBTORS

Amounts due within one year:

	2023	2022
	£	£
Group		
Trade debtors	62,097	40,813
Accrued income	97,774	257,980
Other debtors	26,493	36,262
	<u>186,364</u>	<u>335,056</u>
Company		
Trade debtors	47,386	30,823
Accrued income	97,774	257,980
Other debtors	21,415	31,184
Amounts due to (from) group companies	105,425	0
	<u>272,000</u>	<u>319,987</u>

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

16 CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Group		
Trade creditors	84,965	160,352
Deferred income	14,027	246,807
Social security and other taxes	22,128	16,719
Accruals and provisions	65,353	64,869
Loans	86,571	82,835
	<u>273,043</u>	<u>571,582</u>
 Company		
Trade creditors	65,400	141,343
Deferred income	1,125	229,948
Social security and other taxes	15,868	10,774
Accruals and provisions	56,513	61,695
Loans	86,571	82,835
Amounts due to (from) group companies	0	16,288
	<u>225,478</u>	<u>542,885</u>

The Arts Council of England has a fixed and floating charge over land and properties of the Charity. The National Heritage Memorial Fund has legal charges over all monies due or to become due.

Within loans is £61,500 which relates to a concessionary loan provided by Liverpool City Council, which is interest free and is repayable by instalments. There is also a social investment loan from Livv Housing Group that is provided over a five-year term. There is a new loan from Social Investment Business for £250,000 over a five year term.

Deferred income comprises grants received in advance of expenditure, and advanced ticket sales and deposits for events to be held at The Bluecoat after the balance sheet date.

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

17 LIABILITIES: AMOUNTS FALLING DUE GREATER THAN ONE YEAR

	2023	2022
	£	£
Group		
Deferred Capital Grant Income	0	0
Other loans	303,517	62,361
Total	<u>303,517</u>	<u>62,361</u>
Company		
Deferred Capital Grant Income	0	0
Other loans	303,517	62,361
Total	<u>303,517</u>	<u>62,361</u>

Included in the above total are the following items:

	2023	2022
	£	£
Maturity of debt:		
Amounts falling due:		
- In one year or less	86,570	82,835
- Between one and two years	67,668	22,342
- Between two and five years	235,850	40,019
	<u>390,088</u>	<u>145,196</u>

18 FINANCIAL INSTRUMENTS

	2023	2022
	£	£
Group		
Financial assets at cost	368,696	584,219
Financial liabilities at cost	150,317	225,221
Loan commitments at cost	390,088	145,196
Charity		
Financial assets at cost	343,495	559,146
Financial liabilities at cost	121,915	244,326
Loan commitments at cost	390,088	145,196

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

19 RESTRICTED FUNDS

	Balance as at	Movement in Funds		Balance as at
	1st April 2022 £	Income £	Expenditure £	31st March 2023 £
Group and Company				
Building Development	8,779,381	29,193	383,343	8,425,231
Participation	11,407	300,256	300,256	11,407
Arts	0	257,244	237,752	19,493
My Bluecoat	0	0	0	0
Inhabit	0	0	0	0
Fundraising & development	0	19,494	19,494	0
	<u>8,790,788</u>	<u>606,188</u>	<u>940,845</u>	<u>8,456,131</u>

RESTRICTED FUNDS (PRIOR YEAR)

	Balance as at	Movement in Funds		Balance as at
	1st April 2021 £	Income £	Expenditure £	31st March 2022 £
Group and Company				
Building Development	8,459,289	698,847	378,755	8,779,381
Participation	34,283	131,783	154,659	11,407
Arts	44,712	297,463	342,175	0
My Bluecoat	65,235	0	65,235	0
Inhabit	23,215	0	23,215	0
Fundraising & development	4,916	0	4,916	0
	<u>8,631,650</u>	<u>1,128,092</u>	<u>968,954</u>	<u>8,790,788</u>

Building Development - This represents grants received to finance the major refurbishment of The Bluecoat that took place between 2006 - 2008, and more recently capital grants received in 2020-21 to renovate and refurbish the reception areas.

Participation - Funding for outreach programmes of participation events aimed at the local community. This includes receipts from Esmee Fairburn, National Heritage Lottery Fund and Rayne.

My Bluecoat - Heritage Lottery Fund grant funding for a web and building based project that tells the story of Bluecoat and the effect it has had on the lives of the people of Liverpool and beyond.

Inhabit - A project funded by Esmee Fairburn Foundation to deliver a new approach to dance and engagement in partnership with Liverpool Improvisation Collective.

Arts - Funding is received for a range of artistic commissions. This includes receipts from Garfield Weston and Ellerman Foundation.

Fundraising and Development - Arts Council England Catalyst funding to support the charity in developing more diverse sources of income.

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

20 UNRESTRICTED FUNDS

	Balance as at 1st April	Movement in Funds		Balance as at 31st March
	2022 £	Income £	Expenditure £	2023 £
Group				
General	615,309	1,597,159	1,823,967	388,501
Designated Unrestricted	0	0	0	0
	<u>615,309</u>	<u>1,597,159</u>	<u>1,823,967</u>	<u>388,501</u>
Company				
General	608,175	1,125,554	1,339,502	394,227
Designated Unrestricted	0	0	0	0
	<u>608,175</u>	<u>1,125,554</u>	<u>1,339,502</u>	<u>394,227</u>

UNRESTRICTED FUNDS (PRIOR YEAR)

	Balance as at 1st April	Movement in Funds		Balance as at 31st March
	2021 £	Income £	Expenditure £	2022 £
Group				
General	449,031	1,820,899	1,654,621	615,309
Designated Unrestricted	0	0	0	0
	<u>449,031</u>	<u>1,820,899</u>	<u>1,654,621</u>	<u>615,309</u>
Company				
General	453,070	1,556,233	1,401,128	608,175
Designated Unrestricted	0	0	0	0
	<u>453,070</u>	<u>1,556,233</u>	<u>1,401,128</u>	<u>608,175</u>

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP	Fixed Assets £	Net Current Assets (Liabilities) £	Long Term Liabilities £	Total for Year 2023 £
Restricted Funds				
Building Development	8,994,366	(569,134)	0	8,425,232
Participation	0	11,407	0	11,407
Arts	0	19,493	0	19,493
	<u>8,994,366</u>	<u>(538,234)</u>	<u>0</u>	<u>8,456,132</u>
Unrestricted Funds	23,548	668,471	(303,517)	388,502
Total Funds	<u>9,017,915</u>	<u>130,237</u>	<u>(303,517)</u>	<u>8,844,634</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS (PRIOR YEAR)

GROUP	Fixed Assets £	Net Current Assets (Liabilities) £	Long Term Liabilities £	Total for Year 2022 £
Restricted Funds				
Building Development	9,377,207	(597,826)	0	8,779,381
Participation	0	11,407	0	11,407
Arts	0	0	0	0
	<u>9,377,207</u>	<u>(586,419)</u>	<u>0</u>	<u>8,790,788</u>
Unrestricted Funds	38,898	638,772	(62,361)	615,309
Total Funds	<u>9,416,105</u>	<u>52,353</u>	<u>(62,361)</u>	<u>9,406,097</u>

The net current liability on the Building Development Restricted Fund represents the transfer of funds from restricted to unrestricted that took place between 2006 and 2009 to reflect the reallocation of projects and brought forward balances between categories, and more recently capital grants received and spent in 2020-21 to renovate and refurbish the reception areas.

THE BLUECOAT
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS – Continued

COMPANY	Fixed Assets £	Net Current Assets (Liabilities) £	Long Term Liabilities £	Total for Year 2023 £
Restricted Funds				
Building Development	8,994,366	(569,135)	0	8,425,231
Participation	0	11,407	0	11,407
Arts	0	19,494	0	19,494
	<u>8,994,366</u>	<u>(538,235)</u>	<u>0</u>	<u>8,456,132</u>
Unrestricted Funds	20,078	677,666	(303,517)	394,227
Total Funds	<u>9,014,444</u>	<u>139,431</u>	<u>(303,517)</u>	<u>8,850,359</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS (PRIOR YEAR)

COMPANY	Fixed Assets £	Net Current Assets (Liabilities) £	Long Term Liabilities £	Total for Year 2022 £
Restricted Funds				
Building Development	9,377,207	(597,826)	0	8,779,381
Participation	0	11,407	0	11,407
Arts	0	0	0	0
My Bluecoat	0	0	0	0
Inhabit	0	0	0	0
Fundraising and Development	0	0	0	0
	<u>9,377,207</u>	<u>(586,419)</u>	<u>0</u>	<u>8,790,788</u>
Unrestricted Funds	38,898	638,772	(62,361)	615,309
Total Funds	<u>9,416,105</u>	<u>52,353</u>	<u>(62,361)</u>	<u>9,406,097</u>

THE BLUECOAT
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

22 RELATED PARTIES

The company is controlled by its directors whose names are shown on page 2.

The charity has taken advantage of the exemption in Section 33 of FRS 102 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared. Please see note 10 which covers Trustees remuneration.

The charity continued to enjoy a close working relationship with the Arts Council and Liverpool City Council who provide funding to enable the charity to carry out its charitable objectives. The grants received are included in the financial statements under income from charitable activities.

There were no other related party transactions during the year, nor any outstanding balances at the year end.

23 OTHER FINANCIAL COMMITMENTS

At 31 March 2023 the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases as at the reporting date as follows:

	2023	2022
	£	£
Expiry date:		
Not later than one year	1,088	2,612
Later than one year and not later than five years	0	1,088

24 PENSION COMMITMENTS

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £21,359 (2022: £20,969).

THE BLUECOAT
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

25 CAPITAL COMMITMENTS

At 31 March 2023 the charity had capital commitments as follows:

	2023	2022
	£	£
Contracted for but not provided in the financial statements:		
Acquisition of property, improvements and fixtures and fittings	0	9,001

26 PRIOR YEAR COMPARATIVE SOFA

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Income					
Other trading activities	3	611,619	0	611,619	282,550
Donations and legacies	4	2,293	0	2,293	2,604
Income from charitable activities	5	1,206,988	1,128,092	2,335,080	1,515,928
Total		1,820,899	1,128,092	2,948,992	1,801,082
Expenditure					
Expenditure on raising funds	6	783,718	0	783,718	522,895
Expenditure on charitable activities	7	870,903	968,954	1,839,857	1,309,963
Total		1,654,621	968,954	2,623,575	1,832,858
Net incoming/(outgoing) resources for the year and net movement in funds		166,278	159,138	325,416	(31,776)
Balance b/f		449,031	8,631,650	9,080,681	9,112,457
Balance c/f		615,309	8,790,788	9,406,097	9,080,681

THE BLUECOAT

England & Wales - Charity number 700862

Accounts

The Bluecoat

(A company limited by guarantee)

Annual Report and Consolidated Financial Statements

Year ending 31 March 2022

Company number 02246627

Charity number 700862

THE BLUECOAT
(A company limited by guarantee)

**FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022**

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THE BLUECOAT
(A company limited by guarantee)

Company Information for Year Ended 31 March 2022

Company number: 02246627

Charity Number: 700862

Registered Office: School Lane, Liverpool, L1 3BX

Auditors: BWM, Suite 5.1, 12 Tithebarn Street, Liverpool, L2 2DT

Bankers: NatWest Bank, 2-8 Church Street, Liverpool, L1 3BG

Directors

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees serving during the year and since the year end were as follows:

Chair	Peter Mearns
Directors	Dan Stinson (retired 21 March 2022)
	Eddie Berg
	Kelly Salvoni
	Jamie Eastman
	Ralph Bullivant
	Sri Sarker
	Michael Birchall
	Sally-Anne Watkiss
	Philomena Harrison
	Gabriella Chauke (appointed 25 January 2021)
	Rachel Duncan (appointed 21 May 2022)
Chief Executive	Mary Cloake

Governing Document

The Bluecoat is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 21 April 1988, as amended by special resolutions dated passed 27 September 1988 and 9 December 2003.

Chair's Report for Year Ending 31 March 2022

What a difference a year makes! We started this year with our building closed to the public, the country in lockdown and an uncertain future. As we finish the financial year, we have a thriving venue that is serving the people of Liverpool, and those who visit the city, with a range of exciting programmes and a reliable, friendly welcome.

The COVID pandemic was, undoubtedly, one of the most difficult events we've ever had to deal with, as it was for so many people. And although we're still feeling the effects of the pandemic, it has moved us on as an organisation. While we were closed, we spent time understanding how we were perceived and subsequently developing a new look and feel, and a new online presence. We took stock of our main entrance area and transformed it into a more welcoming, attractive and effective space.

It was fantastic to reopen the building in May 2021, hosting the Liverpool Biennial, a festival that frequently brings national and international visitors to the city. While people were still unable to travel in large numbers, it was widely publicised on a national stage and sent out a clear message that Liverpool was open for culture again. This Biennial saw the birth of our outdoor gallery on Blundell Lane, with a wonderful artwork by Jorgge Menna Barreto.

Later in the year we hosted an exceptional series of exhibitions by three artists that explored notions of identity. Presentations from Sumuyya Khader, an artist from Liverpool, London-based Rosa Johanna Uddoh, and Texan artist Deborah Roberts provided a thoughtful and thoroughly engaging exhibition which proved very popular with our visitors.


As a public venue we have made a commitment to showing a range of perspectives and sharing a broad variety of voices in our galleries and beyond. We think it's our job, and that of contemporary art, to explore issues that are facing the world today, and to represent different areas of society. We are striving to be inclusive for people from all backgrounds and this year we developed an action plan to address institutional inequalities.

And in March this year we launched a new exhibition by Suki Chan exploring ideas of consciousness and focusing on different experiences of dementia. This was accompanied by a presentation of work by artists who have collaborated with us on the Where the Arts Belong programme, a partnership with housing organisation Belong, who work with people living with dementia.

We've continued to interrogate the history of our building this year with the inspiring Echoes & Origins programme, exploring both the building's colonial legacies and the school as a place for looked after children. An exhibition, launched in March, placed a spotlight on the history of the former school's founder and his connections to the transatlantic slave trade. This is an important dialogue that will continue through this year.

I was delighted to see vulnerable members of society well supported in the wake of the pandemic with our Blue Room programme coming back to the building. After months of providing support and creative activities remotely the team worked hard to be able to get back to in person sessions in August. Our programme for learning disabled and neurodivergent artists has developed since receiving support from Esmée Fairbairn Foundation.

I am incredibly proud of the Bluecoat team and the way they have pushed forward the organisation at an incredibly challenging time. We still have a way to go to rebuild our business but the support of DCMS and ACE have been invaluable over the last year. Culture can play a key role in rebuilding our city and our communities, and at the Bluecoat we are acutely aware that we have a responsibility to play our part. We have been very lucky to work with some amazing artists and organisations this year and we're very grateful to our funders and supporters for believing in us and the power of culture to change lives.



Peter Mearns
Chair

9/12/22

Directors' Report for the Year Ending 31 March 2022

The directors of the company, who are also the trustees of the charity, are pleased to present their annual report, together with the consolidated financial statements of the charity and its wholly owned subsidiary for the year ending 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 memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Our Purposes and Objectives

Bluecoat is Liverpool's centre for the contemporary arts. We offer a year-round programme of visual art, music, dance, live art and literature that connects to and offers new perspectives on our contemporary world.

Our purpose is to open up possibilities for individuals and communities by:

- supporting diverse artists to develop their practice at all stages of their career, to engage with audiences and to communicate the power and value of art to as broad a spectrum of people as possible
- helping people find a meaningful place for the arts in their lives, creating safe and inclusive spaces for everyone to engage as audiences and participants
- preserving, revealing and interpreting the multifaceted story of our historic building, and also the country's first arts centre, making it accessible to a range of audiences through activities, exhibitions, events and digital content in appropriate formats.

Through these we deliver the agreed objectives of the Charity when it was first constituted in 1927, which are to:

- foster and promote the improvement, development and maintenance of artistic knowledge and understanding and appreciation of the arts
- promote and advance aesthetic education
- cultivate and improve the public taste in the arts in the United Kingdom, in particular in Merseyside
- provide facilities for the education of the public in the fields of visual and performing arts.

Directors' Report for the Year Ending 31 March 2022

Annual Review

The Bluecoat is a home for creative potential where art and people meet. We create new, more meaningful ways to experience art. Despite all the challenges of the year we were delighted to welcome around 140,000 people to our site, providing a variety of creative experiences and fulfilling our purpose.

We were delighted to reopen to the public in May of this year. We spent much time while we were closed planning and working on the transformation of our main reception space, known as the Hub. Following consultation with different audience groups, staff, retailers and studio holders we decided to reconfigure the space to make it feel more inviting and to ensure it works commercially.

When we reopened our doors we welcomed people into a space that not only works better but also incorporates artworks, providing a more creative and cohesive experience. Artist **Sumuyya Khader** created a tile work that responds to the Bluecoat garden and provides a beautiful welcome to the building from the garden entrance. **Babak Ganjei** contributed a tongue and cheek tile artwork for the Tickets & Information desk which takes a humorous look at the art world. **Harold Offeh** worked with the Bluecoat team to create a striking children's area, complete with busy boards and a changing selection of books.

While we were closed and getting our house in order, we overhauled our online presence and our brand identity. We now have a website that not only provides a professional and attractive shop window for the Bluecoat, but also gives a platform to digital artworks, meaning we can reach a much broader audience.

For the last two years we have been working on a race equality action plan that looks to address institutional inequalities in our organisation and the wider sector.

This following report covers the financial year 2021/22 and will provide an update on five key areas of our business: artist development, our participation programme, our cultural legacies programme, our public visibility and commercial trading.

Artist Development

Our programme this year was developed to play the dual role of bringing national and international artists to Liverpool and to support the development of local artists. While the Biennial provided a spotlight on international artists, our autumn shows showed a range of artists with Texan artist **Deborah Roberts'** first solo show in the UK presented alongside an exhibition of new paintings by **Sumuyya Khader** and work by **Rosa-Johan Uddoh**. Later in the year we presented a solo exhibition by **Suki Chan**, developed through a long collaboration with the artist.

This year, the Biennial was developed around the theme of the Stomach and the Port, with a particular focus on the relationship between humans and nature at the Bluecoat. **Kathleen Ryan's** exquisite, jewelled fruit were hugely popular with our visitors while *Fog Dog* (2020) by **Daniel Steegmann Mangrané** kept audiences captivated by the story of the stray dogs that live in the Institute of Fine Arts of Dhaka, Bangladesh. Paintings by **Jadé Fadojutimi** explored the constant exchange between bodies and their environment as our identities continue to evolve. Works including *Jiibie* (2019) by **Laura Huertas Millán** and sculptural works by **Roland Persson** and **André Romão** presented ways in which we belong to the world beyond our physical boundaries, considering ourselves as nature, not just part of it.

Deborah Roberts' exhibition *A look inside*, brought together new and recent work from the past five years. Combining collage with mixed media, her figurative works explored notions of the body, beauty, race and identity in contemporary society through the lens of Black children

Directors' Report for the Year Ending 31 March 2022

in the USA. The presentation at the Bluecoat featured works on paper and on canvas that combine found images, sourced from the internet, with hand-painted details in striking compositions that considered the media's portrayal of Black children in America. In addition, we presented some of the artist's text-based works in which she juxtaposes words in ways that expose racism and racial biases entrenched in language and linguistic systems.

Sumuyya Khader presented *Always Black Never Blue*, an exhibition of new paintings, produced during a residency in a studio at the Bluecoat. These new works reflected on contemporary life in Liverpool and focused on Black subjects and Black lived experience and identity. Previously Khader was working with print and the residency provided an opportunity to explore painting as a medium.

Practice Makes Perfect by **Rosa-Johan Uddoh** focused on the timely subject of childhood education in Britain, exploring how schooling forms an early understanding of what it means to be British, and what is marginalised or left out. Responding to current debates about Black history within the National Curriculum, Uddoh approached creating new work for this exhibition as therapeutic 'wish fulfilment' in a time of uncertainty and tension. The centrepiece of the exhibition was a large-scale collage which investigated the historical figure of Balthazar, one of the three biblical Magi, who offered the gift of Myrrh to Jesus. Depicted since mediaeval times as a lone black figure in artistic imagery of the Nativity scene or 'Adoration', this King is often the first time school children encounter a Black person of importance in a performance.

We work with artists over long periods of time to support their practice and to help develop their careers. It might be many years before an artist has a show in the main galleries, or we might work with them in other ways such as residencies, providing networking opportunities, mentoring and offering advice on funding applications.

In March 2022 our galleries were host to the largest overview to date of artist and filmmaker **Suki Chan's** multi-platform *CONSCIOUS*, bringing together the diverse perspectives of scientists and ordinary people, whose multi-layered stories challenge our preconceptions about individual and collective consciousness. The exhibition, which elicited strong emotional reactions from our visitors, explored how memory loss destabilises our understanding of the present, while opening up other possible realities through her close collaborations with people living with dementia.

Our courtyard commissions have been pivotal in signalling a new era for the Bluecoat, one that has seen us try to uncover the creative process and invite people in. **Simon and Tom** worked with our **Out of the Blue** after school clubs to develop Platform, a colourful sculpture that served as a stage for a series of workshops and performances that ran through the summer. We worked with children from Holy Cross Primary School to develop a programme of activities for a range of ages from 4 to 12. The summer holidays saw over 700 people engage in activities, 25% being new to the Bluecoat.

In February, during a week that saw three storms hit the UK, we launched a new commission by **Bruce Asbestos** and the courtyard was transformed by a series of brightly coloured inflatable sculptures that represented different aspects of mental health. Despite the weather *OK! Cherub!* quickly entered the affections of the people of Liverpool. The work represented positive mental health and featured a giant yellow worm representing *Rest*, a group of green frogspawn representing *Community* and a giant cartoon arm representing *Connection*. The installation was an instant hit on Instagram and our visitor figures doubled in the first week it was on display. In the four weeks preceding the launch of the installation we were averaging just over 3,000 visitors to site. In the week *OK! Cherub!* launched visitors to site doubled to over 6,500 and in the four remaining weeks of the financial year we averaged almost 4,000 per week. Our Impacts and Insights survey that indicated 38% of people asked said they were first time visitors to the Bluecoat. And 100% of interviewees said they would be likely or very likely to visit again.

Directors' Report for the Year Ending 31 March 2022

Traditionally fairly analogue in our approach, we changed the way we delivered events over lockdown, delivering a number of successful events digitally. Events supported our exhibition programme and featured a fascinating exploration of the figure of the Black magi with historian **Michael Ohajuru** and a workshop about the history of Black history and activism with writer and educator **Chantelle Lunt**. Seeing the popularity of our digital events, we developed a new digital programme, with the support of a Garfield Weston grant. This year we have developed a series of online artworks and a series of podcasts, *Listen with Bluecoat*, for the first time.

Participation

The participation programme is one area of the organisation that thrives on face to face contact, and although many efforts were made to continue supporting key groups during the pandemic, we were delighted to bring back in person sessions safely for our participants.

Blue Room

After many months of connecting remotely through activity packs and online sessions, **Blue Room**, our programme for neurodiverse and learning disabled adults, returned to in-person sessions at the Bluecoat and Norton Priory in August 21. It was a challenge to adapt the programme to run safely during the ongoing pandemic, but our members were delighted to be back together. We welcomed new staff to join our dedicated team of facilitators and assistants along with the return of volunteers to supporting creative sessions.

This year we began an exciting new chapter in Blue Room's story with our Beyond the Blue programme funded by the Esmee Fairbairn Foundation. Over the next few years the funding will enable us to further expand our work in supporting learning disabled and neurodivergent artists with quality arts engagement, creative development and inclusion within the wider arts sector.

The funding has enabled us to grow our **Studio Me** strand of artist development as we set up a second studio space to nurture individual Blue Room members with their creative and professional goals. In the coming year we will be supporting Studio Me artists to build their portfolios, connect with mentors and share their work with audiences. We have also established a new **Blue Room Moves** programme supporting members to explore contemporary dance and develop as movement artists.

In the coming year we will be focussing on supporting leadership opportunities. We are establishing a new members' steering group for collective decision making and will begin to develop an advocacy network aimed at enabling the cultural sector to include learning disabled artists in their programmes.

This year Blue Room artists have worked together with digital artist Edie Jo Murray to explore new technologies and develop an augmented reality experience for visitors. Launching in June, *The Invisible Blue Island* features collaborative digital sculptures inspired by the gardens at the Bluecoat and Norton Priory.

Where the Arts Belong

Where the Arts Belong, our groundbreaking project providing enriching arts experiences in specialist dementia care Belong villages across the North West, had a moment in the spotlight this year when we launched an exhibition of work by the artists involved in the programme. *Where the Arts Belong: Making Sense of it All* explored the process of making work with people living with dementia and was shown alongside a presentation of **Suki Chan's** project **CONSCIOUS**. Artists featured included **Francisco Carrasco, Gav Cross, Alan Dunn, Roger Hill, Philip Jeck, Brigitte Jurack, Mary Prestidge and Jonathan Raisin**.

During the pandemic, when we couldn't see residents in the villages we launched **Belong at Home**, a programme where artists worked with Belong home care customers and staff to

Directors' Report for the Year Ending 31 March 2022

develop creative activities including dance, mosaics, music, sound art and storytelling. We delivered Arts Awareness Training for Belong support staff, so that they were empowered to take creative activities directly to residents.

As soon as we could we got back to meeting people in person and we developed **Meet & Make Art**, a series of creative workshops at Grosvenor Museum in Chester. Sessions were facilitated by the **Where The Arts Belong** artists in response to the museum collections and aimed at people living with dementia in the community and their loved ones. The workshops proved very successful and Grosvenor will continue their dementia-friendly sessions while the art group will continue in the new Belong village in Chester when it opens this summer.

Out of the Blue

Out of the Blue, the Bluecoat's creative after school clubs, were back for face to face sessions from September. The children from the clubs had been fundamental to the development of the Bluecoat Platform sculpture and the accompanying programme over the summer. Working directly with the artists Simon and Tom Bloor the children were empowered to reclaim civic space and develop a structure that signalled a place for children and families at Bluecoat.

Bruce Asbestos worked with two of our **Out of the Blue** clubs in North Liverpool, Broad Square and Leamington Community primary schools, to develop artworks of their own. Inspired by the themes of *OK! Cherub!* in the Bluecoat courtyard, the children brought to life their own symbols of community, self-care, love, happiness and friendship in air drying clay. The favourite designs, *Pea Ice Cream* and *Mr Mallow*, were then made into large Jesmonite sculptures and installed in the school grounds.

We've been developing more formal links to the community with the dedicated role of Community Engagement Coordinator. This role has played a role in engaging grassroots community groups in the Bluecoat's programme, encouraging them to family activities, workshops and tours. Groups we worked with included Ellergreen Youth Centre, Savera UK and the Brain Charity.

Cultural Legacies

We continued to explore the Bluecoat's history through Echoes & Origins, a project funded by the National Lottery Heritage Fund, which has seen us revealing new stories about the building. One key story has been that of the Bluecoat's Colonial Legacies, and the connections of the school's founders to the transatlantic slave trade. This project, in partnership with **the Greenhouse Project**, was led by a group of young people who developed an exhibition and a programme of events around the theme. The exhibition was supported by new information about Bryan Blundell and his family who funded the school, discovered by **Michelle Girvan**, who is undertaking a collaborative PhD at the University of Liverpool into the significance of the school and what it tells us about Liverpool at the time it was built.

The second part of the Echoes & Origins project will focus on the building's original purpose as an educational institution, set up to help local children described as "poor and destitute", many of whom had lost at least one parent. The voices of these children, not captured at the time, will be reimagined by care-experienced adults and young people in collaboration with dance artist **Paula Hampson**, writer **Margy McShane** and interactive design studio **Stand + Stare** in an exhibition opening in July.

Two other exhibitions explored different aspects of the Bluecoat's history. *A Civic Role* looked at how the Bluecoat has engaged with the city and participated in wider public debates over the years, reflecting some of the ways in which the Bluecoat has strived to be more than simply a venue that presents art in its spaces. Telling this story through material drawn from the archive such as photos, film, posters, publications and other documents, it also asked our visitors how they wanted us to fulfil our civic responsibilities.

Directors' Report for the Year Ending 31 March 2022

Another exhibition, *A Creative Community*, looked at the Bluecoat's history as a home for working artists for over a hundred years. From the first group of artists who occupied the former school building in 1907 through to the present day, our 'creative community' remains at the heart of the Bluecoat, with some 20 artists and creatives occupying studios today. The centrepiece for the exhibition was a series of portraits of our current studio holders by photographer **Sophie Traynor**, who is based at the Bluecoat.

The planning for a major exhibition based on the Bluecoat's archive is well underway and due for launch in the Autumn. *breathe, spirit and life*, curated by **Katherine Ka Yi Liu** will bring together new artists commissions with existing works from some of the Bluecoat's alumni.

Public visibility and influence

With our digital presence transformed and supported by high quality content and a digital commissions programme we have seen a rise in visitors to our website from 53,000 in 2020/21 to 61,000 this year. Our presence on social media has grown and our Instagram followers grew from nearly 10,000 to almost 12,000 and we have grown our YouTube audience to almost 8000 people from scratch. Over the last year we've seen increased engagement in our newsletter sign ups.

While we were closed to the public, we worked with **Modern Designers** to reframe and communicate our purpose. Feedback from our stakeholders was that although the Bluecoat was much loved, it hasn't always communicated what it does effectively. So with a new purpose agreed we used this to develop a new look and feel which expresses who we are and what we do. The new brand was launched in May when we reopened to the public and has been rolled out across the year.

Commercial trading

The development of the Hub has transformed our business. The relocated cafe has been designed to better serve customers, showing our fresh and appealing food offer and providing workflow efficiencies. Despite limiting visitor numbers when we initially reopened to the public, the new layout of the Hub and the cafe were an instant hit with visitors.

Throughout the year we had to carefully balance the safety of customers and the needs of the business, keeping abreast of latest developments on the pandemic.

The scheme design also focused on improving the environmental sustainability of the building and ensuring a safe environment in a post COVID world. Part of the ERDF Whole Place Carbon Solutions project, the development supported energy efficiency and smart energy management, significantly reducing our CO2 emissions.

Over the winter, with the help of Kickstarter funding and a Garfield Weston grant we were able to transform the Bluecoat's beautiful garden with a suite of new furniture, making this a more inviting space and providing more covers for customers in the warmer weather. Our courtyard was also home to a set of new benches, that were developed by artists **Simon and Tom Bloor**. To respond to the increase in family audiences we were able to add ice cream to our offer, with a new ice cream freezer designed by **Millie Toyin Olateju**.

Our events business started to grow again this year, albeit slowly as people felt more confidence to meet in larger numbers and we worked with National Museums Liverpool to provide catering for weddings and corporate events. Some of our spaces were ideal for smaller corporate socially distanced events like away days and planning meetings, and we were able to support businesses coming back to face to face working.

Many weddings had been postponed since before the pandemic. We have been able to relook at our approved suppliers list who support our special events, and we held a wedding fair for prospective customers to get a sense of the experience.

Directors' Report for the Year Ending 31 March 2022

Fundraising Approach

Fundraising strategy is determined by the Bluecoat's Directors. The Development team supports the fundraising function across the organisation and raises income from the public sector, trusts and foundations, corporates and individuals, including major donors, crowdfunding, donation boxes, legacies and Bluecoat's Patrons' and a membership scheme.

Bluecoat ensures compliance with the Code of Fundraising Practice, closely monitoring any changes and developments, and we follow the new General Data Protection Regulations and the Data Protection Act. We do not make unreasonably persistent approaches for donations and never put pressure on anyone to donate to Bluecoat. We record contact we have had with individuals so that we can assess this before making further contact, thereby ensuring there is no intrusion on a person's privacy.

If we have perceived that a person may be vulnerable, we do not approach them for any fundraising activities. We use a sensitive and common-sense approach to fundraising, treating our donors fairly and making sure they can make informed decisions about donations. In addition, neither Bluecoat, nor anyone acting on our behalf, has received any complaints regarding fundraising.

Public Benefit

The Directors are mindful of their particular responsibilities as outlined in Guidance Note *Charities and Public Benefit (2009)*.

The Directors consider that the charitable objectives have been discharged through:

- supporting diverse artists to develop their practice at all stages of their career, to engage with audiences and to communicate the power and value of art to as broad a spectrum of people as possible
- helping people find a meaningful place for the arts in their lives, creating safe and inclusive spaces for everyone to engage as audiences and participants
- preserving, revealing and interpreting the multifaceted story of our historic building, and also as the country's first arts centre, making it accessible to a range of audiences through activities, exhibitions, events and digital content in appropriate formats.

Strategic Report

Financial Review

The consolidated financial results for the year are set out on pages 18 to 41 for Bluecoat and its wholly owned subsidiary, Trading at the Bluecoat Ltd. The group had net income of £325,416 (2021: net expenditure of £31,776), after charging depreciation and amortisation of £399,941 (2021: £303,674).

Trading at the Bluecoat Ltd operates a café and bistro, events, conferencing and catering facilities and the profits generated are distributed to the charity under gift aid to assist the charity in meeting its objectives. The venture generated a profit for the year of £36,173 (2021: loss of £19,288).

Directors' Report for the Year Ending 31 March 2022

Reserves and Investment Policy

Bluecoat understands the need for unrestricted reserves to cover downturns in both earned income and public funding. The Directors have agreed that the reserves level should aim to cover at least three months' operating expenditure, this being approximately £400,000. At 31 March 2022, the group had unrestricted general reserves totalling £615,309 (2021: £449,031).

The Directors review the Reserves Policy on an annual basis. They recognise that growth in reserves will only arise from having a more sustainable business that is attractive to investment.

To this end, the Directors have made plans and taken action to improve the reserves position, including:

- reducing the operating cost base through the review and renegotiation of supplier contracts, and through reduction in staffing levels
- increasing earned income generation through the bringing in of skilled new board members on to the subsidiary trading company's board, the development of a commercial strategy that will maximise the earnings potential from all areas of the building, and the implementation of this strategy
- increasing grant income generation through a focused fundraising and development strategy supported by additional management focus on this area
- creating operating efficiencies in how the building is used through the forthcoming grant-funded capital investment into the central areas of the building

The Directors have reviewed a broad range of evidence, including budgetary projections for a period of at least one year from the approval of these financial statements in order to confirm the going concern principle for the organisation. More detail on this matter is included in note 1 to these financial statements.

The charity's investment in the subsidiary company is valued at cost less provision for any permanent diminution in value. The charity has no other investments, and surplus cash is held in bank accounts.

Appointment of Directors

As set out in the governing document the Board has a minimum of four Directors and a maximum of twenty. Membership of the Board is open to anyone who has an interest in the objects of the company and are elected by the members. The Board has the power to co-opt members considered to have specialist skills or knowledge that will be beneficial to the company, providing the number of co-opted members does not exceed a third of the membership of the Board. Co-opted members serve on the Board for a period determined by the Board, not to exceed five years. Currently there are no co-opted members.

Directors' Induction and Training

Board members on appointment receive a full induction and there are also away-days each year, where the Board and senior staff review the direction and effectiveness of the organisation. These are augmented by courses and other board development interventions as appropriate. The term of office of Directors is four years. Suitable indemnity insurance is in place.

Directors' Report for the Year Ending 31 March 2022

Organisation and Governance and Management Structures

The Board of Directors is responsible for the definition of policy and general oversight of all the functions and activities of the Company. The board delegates additional scrutiny and policy development to its committees. These consist of the Finance and General Purposes Committee, the Artistic Advisory Committee, the Board Development Committee, and the Safeguarding Committee. In addition, the charity's subsidiary company Trading at the Bluecoat Ltd has its own board of directors. The strategic and operational leadership and management responsibility is delegated to the Chief Executive.

Related Parties and Co-Operation with Other Organisations

Any connection between a Director or senior manager of the charity with a production company, contracted artist, performer, exhibitor or supplier must be disclosed to the full board of Directors in the same way as any other contractual relationship with a related party. In the current year, related party transactions are set out in note 22 to the accounts.

The charity's wholly owned subsidiary, Trading at The Bluecoat Ltd., operates the café, the bistro, and events and conferencing facilities at Bluecoat.

Pay Policy for Key Management Personnel

None of the board Directors receive remuneration or other benefit from their work with the charity.

The remuneration of key management personnel is determined by the board Directors of the charity. They consider the seniority of the post, the expertise and experience of the post holder, the local market conditions and sector market conditions for remuneration, and benchmarking information from similar organisations in determining the remuneration of key management personnel.

Plans for the Future

Looking ahead to the new financial year, we are excited to open 'Are You Messin'?' this summer, an interactive exhibition aimed at children and families. The exhibition will feature new commissions by Gregory Herbert, Katie Schwab and Millie Toyin Olateju, alongside a gallery of 'inspiration works' by Penny Davenport, Kate Hodgson, Aliyah Hussain, Fauziya Johnson, Josie Jenkins, Kohenoor Kamal, Emily Lansley, Millie Toyin Olateju, Niloo Sharifi and Linn Venables. Gregory Herbert will also work with children from Out of the Blue, our after school art programme, to design a sensory room as part of the exhibition.

'Are You Messin'?' will be accompanied by a programme of free artist-led workshops over the summer holidays. We are thrilled to be able to offer such a significant programme of free family activities at a time when many families are experiencing financial pressure.

Alongside 'Are You Messin'?' we will open The Bluecoat's Looked After Children in our Vide space. This display is the second phase of our Echoes and Origins programme, and the culmination of work with both looked after children and adults with experience of the care system.

Directors' Report for the Year Ending 31 March 2022

In the Autumn we will present breathe, spirit and life 呼吸、靈魂與生命, a new group exhibition featuring work by six artists, and featuring film, installation and sculpture. Soojin Chang, Sulaïman Majali and Thulani Rachia will create new commissions for the exhibition, while Roo Dhissou, Kiara Mohamed Amin and Emii Alrai present existing work. Soojin Chang's work is made in collaboration with Jade O'Belle, Aditya Surya Taruna a.k.a. Kasimyn, and Georgie Rei-n Lo.

The exhibition responds to the Bluecoat's links with the Transatlantic slave trade, and repurposes the gallery as a communal space for cleansing, detoxification and purification as a collective decolonial healing process. The artists featured will explore ideas in relation to Taoist practice of self-cultivation, meditation, rituals, and harmony with nature.

The Vide will also change in October to display Plotting the Course, an exhibition charting some of the developments that have taken place in visual art and performance by artists of colour, as reflected in the Bluecoat's programmes since the 1980s. This exhibition will highlight the Bluecoat's history as a venue that has always aimed to support diversity in its programming.

In addition to our busy exhibition programme, we will host a varied events programme. Following our family programme in the summer, our Autumn schedule will feature events as varied as a new dance work by Seke Chimutengwende, a musical production on the subject of bus regulation by Ellie Harrison, an evening with Jackie Kay, the former Makar, or poet laureate, of Scotland, and Homotopia's family weekend.

Our successful participation project, Where the Arts Belong, also continues this year. This partnership with Belong Villages places artists in a care home setting where they can work alongside residents to provide enrichment. We are delighted that the project will enter its next phase in September 2022, with a new group of artist residencies set to begin in Belong Chester.

Risk Management

The major risks to which Bluecoat is exposed, as identified in the risk register, have been reviewed and mitigations and contingency plans put in place to manage these risks. The risk register is monitored and updated on an ongoing basis and reported to the Finance & General Purposes Committee of the Board at least twice a year.

The directors consider the key risks and uncertainties facing the charity are:

- Pandemic Planning is insufficient, leading to lack of public confidence that the building is safe, an increased risk of infection, and the risk of closure by public health authorities.

This is mitigated by the active management of the situation by the senior team, led by the Head of Projects, implementation of safety measures throughout the building, communications with public and building users through newsletters and social media, and through close liaison with the city council and other city centre partners.

Directors' Report for the Year Ending 31 March 2022

- The Building is not sufficient to support strategy through lack of investment in day to day repairs and maintenance, and the conservation of the historic building is compromised.

This is mitigated by repairs and maintenance plan in place; Capital investment plan (balanced against cash constraints) in place; Capital grant funding bids.

- Insufficient reserves resulting in inability to invest in future capital needs or respond to unforeseen circumstances. This is mitigated by future operating surplus budgets planned; margin identified and sought on all projects; Reserves Policy in place and strategy to achieve this; regular Finance Committee monitoring.

Directors' Responsibilities In Relation to the Financial Statements

The Directors (who are also trustees of the charity) are responsible for preparing a Directors' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and of the income or expenditure of the charitable group for the year. In preparing those financial statements the Directors 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, whilst ensuring that applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Directors are responsible for keeping 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.

Information Provided to Auditors

In respect of each Director at the date the Directors' Report is signed:

- so far as we are aware, there is no information needed by the Charity's auditors in connection with preparing their report (relevant audit information) of which they are unaware; and
- as the Trustees of the Charity we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

By order of the Board


Peter Mearns
Chair

9/12/22

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BLUECOAT FOR THE YEAR ENDED 31 MARCH 2022

Opinion

We have audited the accounts of The Bluecoat (the 'Parent Charity') and its subsidiary (the "Group") for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and parent charitable company Balance Sheets, the Consolidated Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and Parent Charity's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
BLUECOAT FOR THE YEAR ENDED 31 MARCH 2022 (continued)**

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charity and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

- adequate accounting records have not been kept by the Parent Charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charity accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; and
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees, who are also the directors of the Parent Charity for the purpose of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the Group's and the Parent Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the Parent Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BLUECOAT FOR THE YEAR ENDED 31 MARCH 2022 (continued)

Extent to which the audit has considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence, and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
BLUECOAT FOR THE YEAR ENDED 31 MARCH 2022 (continued)**

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

Use of our report

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

BWM

Louise Casey ACA (Senior Statutory Auditor)
For and on behalf of BWM

Chartered Accountants
Statutory Auditor

Suite 5.1
12 Tithebarn Street
Liverpool
L2 2DT

Date: *22 December 2022*

THE BLUECOAT
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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING THE INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Income					
Other trading activities	3	611,619	0	611,619	282,550
Donations and legacies	4	2,293	0	2,293	2,604
Income from charitable activities	5	1,206,988	1,128,092	2,335,080	1,515,928
Total		1,820,899	1,128,092	2,948,992	1,801,082
Expenditure					
Expenditure on raising funds	6	783,718	0	783,718	522,895
Expenditure on charitable activities	7	870,903	968,954	1,839,857	1,309,963
Total		1,654,621	968,954	2,623,575	1,832,858
Net incoming/(outgoing) resources for the year and net movement in funds		166,278	159,138	325,416	(31,776)
Balance b/f		449,031	8,631,650	9,080,681	9,112,457
Balance c/f		615,309	8,790,788	9,406,097	9,080,681

There are no recognised gains and losses in 2022 or 2021 other than the result for the year.

All income and expenditure derive from continuing activities.

The movement in funds detailed above complies with the requirements for a statement of changes in equity under FRS102.

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**CONSOLIDATED AND COMPANY BALANCE SHEET
AS AT 31 MARCH 2022**


Company number: 02246627

	Notes	GROUP		COMPANY	
		2022 £	2021 £	2022 £	2021 £
FIXED ASSETS					
Intangible Fixed Assets	11	22,492	34,226	22,492	34,226
Tangible assets	12	9,393,613	9,444,660	9,391,386	9,440,004
Investment in Subsidiary	13	0	0	1	1
		<u>9,416,105</u>	<u>9,478,886</u>	<u>9,413,879</u>	<u>9,474,231</u>
CURRENT ASSETS					
Stock	14	3,453	1,943	0	0
Debtors	15	335,056	247,202	319,987	250,983
Cash at bank and in hand		285,425	325,073	270,342	310,392
		<u>623,934</u>	<u>574,218</u>	<u>590,329</u>	<u>561,375</u>
CREDITORS: Due within one year	16	571,581	731,074	542,885	709,537
Net Current Assets (Liabilities)		<u>52,352</u>	<u>(156,856)</u>	<u>47,444</u>	<u>(148,162)</u>
Total Assets less Current Liabilities		<u>9,468,458</u>	<u>9,322,030</u>	<u>9,461,323</u>	<u>9,326,069</u>
CREDITORS: Due after one year	17	62,361	241,349	62,361	241,349
Total Net Assets		<u>9,406,097</u>	<u>9,080,681</u>	<u>9,398,963</u>	<u>9,084,720</u>
Funds					
Unrestricted Reserve - General	20	615,309	449,031	608,175	453,070
Restricted Reserve	19	8,790,788	8,631,650	8,790,788	8,631,650
Total Funds		<u>9,406,097</u>	<u>9,080,681</u>	<u>9,398,963</u>	<u>9,084,720</u>

The Trustees have taken advantage of Section 408 of Companies Act 2006 from the requirement to prepare a separate Statement of Financial Activities for the charity. The net income dealt with in the financial statements of the charity is £314,243 (2021: net expenditure of £12,488).

The financial statements on pages 19 to 42 were approved and authorised for issue by the Board of Directors on 9th December 2022

Signed on behalf of the Board of Directors


P Mearns
Director

THE BLUECOAT
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	2022	2021
	£	£
Cash flows from operating activities:		
Net income (expenditure) for the year (as per the statement of financial activities)	325,416	(31,776)
Adjusted for:		
Depreciation	399,941	303,673
Decrease / (increase) in stock	(1,510)	3,072
Decrease / (increase) in trade and other receivables	(87,856)	(90,890)
Increase / (decrease) in trade and other payables	(294,981)	192,352
Net cash inflow (outflow) from operating activities	<u>341,011</u>	<u>376,431</u>
Cash flows from investing activities		
Purchase of property, plant & equipment	(337,160)	(399,170)
Cash used in investing activities	<u>(337,160)</u>	<u>(399,170)</u>
Cash flows from financing activities		
Repayment of borrowing	(43,499)	(30,805)
Capital Grants Received	0	251,274
Net cash flows used in financing activities	<u>(43,499)</u>	<u>220,469</u>
Net increase/(decrease) in cash & cash equivalents	<u>(39,648)</u>	<u>197,730</u>
Opening cash & cash equivalents	325,073	127,343
Closing cash & cash equivalents	<u>285,425</u>	<u>325,073</u>
Movement in cash and cash equivalents	<u>(39,648)</u>	<u>197,730</u>

THE BLUECOAT
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1 ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the 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 (FRS102) (effective 1 January 2019) - (Charities SORP (FRS102)), and the Companies Act 2006. These financial statements have been presented in pound sterling, which is the functional currency of the company, and rounded to the nearest £.

The Bluecoat meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

General Information

The Bluecoat is a company limited by guarantee and a registered charity, incorporated in the United Kingdom. The registered office is School Lane, Liverpool, L1 3BX.

Group Financial Statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary, Trading at the Bluecoat Limited, on a line-by-line basis.

Principal Activity

Bluecoat is Liverpool's centre for the contemporary arts. Our purpose is to open up creative possibilities for individuals and communities. We do this through a programme of exhibitions, live art and participation projects; through support to artists; by opening up our 18th century building to makers, traders and visitors; and by creating connections between Liverpool and the rest of the world.

Going Concern

The financial statements have been prepared on a going concern basis. The directors remain committed to maintaining annual spending within available resources and increasing general reserves and are fully aware that the economic outlook remains challenging for The Bluecoat and its principal funders - Arts Council England and Liverpool City Council. Both funders have given The Bluecoat commitments of continuing levels of funding that enables The Bluecoat to plan and budget from a firm financial base.

Bluecoat's directors are committed to strengthening the charity's financial resilience over the immediate period and in the medium to long term, by: targeted fundraising activity, implementation of a new commercial strategy that seeks to grow income over time, careful management of costs, putting in place lending facilities to provide working capital, and working with the principal funders to ensure continuing levels of funding and support.

The trustees have considered the level of funds held and the expected level of income and expenditure for the twelve months from authorising these financial statements. The trustees assess the charity to be a going concern based on review of financial performance of the current financial year to date, the management accounts forecast for the remainder of the current financial year, the rolling cash flow forecast, funding commitments from Arts Council England and Liverpool City Council, and longer-term plans and forecasts for 2023 and beyond. As a result, the trustees are confident about the financial future of the charity and satisfied that these accounts are prepared on a going concern basis.

THE BLUECOAT
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1 ACCOUNTING POLICIES (continued)

Taxation

The organisation is a registered charity and as such is exempt from taxation on its charitable activities. The charity has taken the opportunity to seek a corporation tax credit under the museums and galleries tax relief scheme.

Government grants

Revenue grants are credited as income when they are receivable, provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred. Grants for the purchase of fixed assets are credited to income when receivable.

Income

Income, including from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income received in advance of performance or provision of other specified service is deferred until the criteria for income recognition are met. Room hire, rent and other income are recognised on an accruals basis.

The charity has not been the beneficiary of any legacies during the year.

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the directors' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the directors have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for specific areas of the charity's work or for specific artistic projects being undertaken by the charity.

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1 ACCOUNTING POLICIES (continued)

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading including the bar and bistro and their associated support costs.
- Expenditure on charitable activities includes the costs of performances, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Governance costs included in expenditure on charitable activities include those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs are apportioned to activity cost categories directly on a basis consistent with the use of resources, for example, staff costs by time.
- Other expenditure represents those items not falling into any other heading.

Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's artistic programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated is set out in note 9.

Fixed assets and depreciation

All fixed assets are stated at cost less accumulated depreciation. All items over £500 are capitalised.

Depreciation of fixed assets is calculated to write-off their cost less any residual value over their estimated useful lives on a straight-line basis as follows:

Freehold Property	2.0%
Computers and Related Equipment	33.3%
Furniture and Fixtures	20.0% - 25.0%
Other Equipment	12.5% - 25.0%
Property Improvements	10%

Intangible fixed assets, which consist of brand and website collateral, are stated at cost (or deemed cost) or valuation less accumulated amortisation over an economic life of 3 years unless there are any impairment losses to be recognised.

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1 ACCOUNTING POLICIES (continued)

Stock

Purchased stock is included at the lower of cost or net realisable value.

Donated artworks which have been received by the charity for future sale have not been recognised as stock in the accounts. This is because the charity is unable to determine with any certainty the timing or value of any potential sale of the donated artworks.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Concessionary loans are measured at amortised cost.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Reserves

The charity has a number of restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

All other funds are classified as unrestricted funds. Unrestricted reserves, if designated for a specific purpose or period, are accounted for as designated unrestricted reserves.

Operating lease agreements

Rentals paid under operating leases are charged in the Statement of Financial Activities as they are incurred.

Pension contributions

The charity has a defined contribution pension scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the scheme rules.

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that affect the carrying amounts of assets and liabilities at the balance sheet date and income and expenditure during the year. The judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved, the actual results and outcomes could differ from the estimates.

In the process of applying the charity's accounting policies, the directors believe that the critical judgements or estimates that have the most significant effect on the amounts recognised in the financial statements are as follows:

- *Assessing any indicators of impairment in relation to assets.* The directors have considered both external and internal sources of information such as market conditions and experience of recoverability. There have been no indicators of impairments identified during the current financial year.
- *Recoverability of debtors.* The charity establishes a provision for debtors that are estimated not to be recoverable. To assess recoverability the directors consider factors such as the ageing of the debtors and past experience of recoverability.
- *Determining residual values and useful economic lives of property, plant and equipment* - The charity depreciates tangible assets over their estimated useful lives. The estimation of the useful lives is based on historic performance as well as expectations about future use. The actual lives of these assets can vary depending on a variety of factors, including technological innovation and maintenance programmes. Judgement is applied by management when determining the residual values for plant and equipment. When determining the residual value management aim to assess the amount that the charity would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible, this is done with reference to external market prices.

The estimates and underlying assumptions are reviewed on an ongoing basis. Any revisions are recognised in the period in which the estimate is revised.

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

3 OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income from rents and room hires	259,568	0	259,568	208,203
Government Grants	65,519	0	65,519	58,064
Catering Outlet Income	282,930	0	282,930	16,000
Box Office & Merchandise Income	3,602	0	3,602	285
	611,619	0	611,619	282,552

OTHER TRADING ACTIVITIES (PRIOR YEAR)

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Rent of offices and studios	206,433	0	206,433	285,914
Events and room hire	1,770	0	1,770	200,318
Government Grants	58,064	0	58,064	0
Catering outlet income	16,000	0	16,000	316,449
Box office & Merchandise	285	0	285	5,635
	282,550	0	282,550	808,316

4 DONATION AND GIFTS INCOME

This represents unrestricted income from fundraising events and other donations received.

5 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Revenue Grants				
Arts Council England	496,431	0	496,431	495,846
Liverpool City Council	150,000	0	150,000	150,000
Project Grants				
Arts	2,500	297,463	299,963	43,850
Participation	92,120	131,783	223,903	110,200
Other Income				
Covid Recovery Grants	424,451	0	424,451	610,264
Capital Grant Release	0	698,847	698,847	49,355
Museums & Galleries Tax Relief	36,489	0	36,489	12,500
Other Charitable Activity Income	4,996	0	4,996	43,913
	1,206,988	1,128,092	2,335,080	1,515,928

THE BLUECOAT
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

INCOME FROM CHARITABLE ACTIVITIES (PRIOR YEAR)

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Revenue Grants				
Arts Council England	495,846	0	495,846	486,887
Liverpool City Council	150,000	0	150,000	197,000
Project Grants				
Arts	21,000	22,850	43,850	36,941
Participation	78,666	31,533	110,200	162,961
Investment Readiness	0	0	0	13,487
Inhabit	0	0	0	2,847
Other Income				
Covid Recovery Grants	610,264	0	610,264	0
Capital Grant Release	0	49,355	49,355	3,745
Print Room	0	0	0	16,701
Museums & Galleries Tax Relief	12,500	0	12,500	30,005
Other	3,913	40,000	43,913	17,170
	1,372,189	143,738	1,515,928	967,744

6 EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2022	Total 2021
Advertising and Marketing	179,049	0	179,049	64,504
Building running costs	173,808	0	173,808	130,870
Support costs (See note 9)	176,553	0	176,553	183,653
Fundraising and Development	814	0	814	48,606
Commercial Operations	253,493	0	253,493	95,262
	783,718	0	783,718	522,895

EXPENDITURE ON RAISING FUNDS (PRIOR YEAR)

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Advertising and marketing expenses	64,504	0	64,504	77,196
Building running costs	130,870	0	130,870	216,721
Support costs (See note 9)	183,653	0	183,653	131,524
Fundraising and Development	48,606	0	48,606	68,643
Commercial Operations	95,262	0	95,262	438,889
	522,895	0	522,895	932,973

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£	£	£	£
Arts Programme	94,259	435,541	529,800	288,521
Participation	104,016	154,659	258,675	148,486
Support costs (See note 9)	654,441	378,755	1,033,196	857,446
Governance costs	18,187	0	18,187	15,510
	870,903	968,954	1,839,858	1,309,963

EXPENDITURE ON CHARITABLE ACTIVITIES (PRIOR YEAR)

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
Arts Programme	224,954	63,567	288,521	329,583
Participation	107,783	40,703	148,486	169,522
Inhabit	0	0	0	2,446
Support costs (See note 9)	515,629	341,817	857,446	695,283
Governance costs	15,510	0	15,510	21,434
	863,876	446,087	1,309,963	1,218,268

The charitable expenditure on charitable activities includes staff costs directly attributed to the named activities above in addition to the support costs noted.

8 AUDITOR'S REMUNERATION

The Group incurred the following charges from auditors:

	2022	2021
	£	£
Auditor's fee	10,300	9,545
Other services	880	680
	11,180	10,225

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9 SUPPORT COSTS

Cost area	Costs of raising funds	Charitable activities	Governance	Total 2022
	£	£	£	£
Professional fees	49,030	171,604	2,229	222,863
Wages and salaries	106,461	372,612	4,839	483,912
Staff Expenses, Recruitment & Training	1,782	6,238	81	8,101
Bank charges	548	1,919	25	2,492
Depreciation	0	397,512	0	397,512
ICT Support, Telephone & Stationery	5,001	17,502	227	22,730
Loan Interest	8,825	0	0	8,825
Materials, Equipment & Sundry	4,907	17,174	223	22,304
Irrecoverable VAT	0	48,634	0	48,634
Bad debts written off	0	0	0	0
Audit fees	0	0	8,000	8,000
Board expenses	0	0	2,563	2,563
	176,553	1,033,196	18,187	1,227,937

SUPPORT COSTS (PRIOR YEAR)

Cost area	Costs of raising funds	Charitable activities	Governance	Total 2021	Total 2020
	£	£	£	£	£
Professional fees	24,192	84,673	1,100	109,965	68,182
Wages and salaries	126,217	441,759	5,737	573,713	464,081
Telephone and stationery	954	3,339	43	4,336	3,590
Staff expenses & sundries	503	1,762	23	2,289	9,154
Bank charges	454	1,589	21	2,064	3,727
Recruitment & training	578	2,024	26	2,628	368
Depreciation	0	301,817	0	301,817	250,580
ICT Support	3,322	11,628	151	15,102	13,008
Loan Interest	3,720	0	0	3,720	0
Volunteer expenses	0	0	0	0	4,765
Materials & Equipment	1,004	3,513	46	4,563	5,210
Bad debt	21,182	0	0	21,182	5,827
Subscriptions and sundry	1,526	5,342	69	6,938	4,028
Audit fees	0	0	7,905	7,905	7,903
Board expenses	0	0	389	389	7,818
	183,653	857,446	15,510	1,056,611	848,241

Support costs are apportioned to activity cost categories directly on a basis consistent with the use of resources, for example, staff costs by time. Governance support costs relate to staff time on governance matters as well as expenses incurred by governance matters.

THE BLUECOAT
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

10 SALARIES AND WAGES

Group	Average number of employees	
	2022 No.	2021 No.
Management, Development & Administration	16	12
Arts Programme	22	7
Technicians	15	15
Engagement	19	25
Trading Company	5	6
	77	65
	77	65
Group	2022 £	2021 £
Wages and salaries	1,032,938	976,761
Social security costs	70,504	59,440
Pension costs	20,969	19,723
	1,124,411	1,055,924
	1,124,411	1,055,924

Salary costs includes severance and redundancy payments of £nil (2021: £73,913) and seconded staff of £54,732 (2021: £24,730). The company has a defined contribution pension scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the scheme rules.

No trustees received remuneration in 2022 or 2021. During the year three directors (2021 – one) were reimbursed for travel expenses totalling £809 (2021 - £77).

The key management personnel of the parent company, The Bluecoat, comprises the directors, who are also the trustees of the charity, and the leadership team. The key management personnel of the group, and the employee benefits, are identified as the same as for the Charity. During the year the leadership team comprised the Chief Executive, the Head of Engagement, the Head of Programme and the Head of Projects (2021: Chief Executive, Artistic Director, Head of Engagement, Head of Programme, Head of Projects and Head of Development). The total employee benefits of the leadership team were £199,497 (2021: £265,641).

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 in the year is as follows:

	2022	2021
£70,001 to £80,000	1	0

THE BLUECOAT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11 INTANGIBLE FIXED ASSETS (Group and Company)

COMPANY AND GROUP	Branding and Website
COST	£
At 1 April 2021	45,635
Additions	0
Disposals	
At 31 March 2022	<u>45,635</u>
DEPRECIATION	
At 1 April 2021	11,409
Charge for year	11,734
Disposals	
At 31 March 2022	<u>23,143</u>
NET BOOK VALUE	
31-Mar-22	22,492
31-Mar-21	34,226

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12 TANGIBLE FIXED ASSETS

GROUP	Freehold Property	Property Improvements	Computer Equipment	Other Equipment	Furniture & Fixtures	TOTAL
COST	£	£	£	£	£	£
At 1 April 2021	12,284,205	378,823	179,119	383,412	444,449	13,670,008
Additions	0	328,582	2,917	2,009	3,653	337,160
Disposals	0	0	0	0	0	0
At 31 March 2022	12,284,205	707,405	182,036	385,421	448,102	14,007,168
DEPRECIATION						
At 1 April 2021	3,193,893	41,755	167,387	378,756	443,557	4,225,348
Charge for year	245,684	133,071	6,376	2,513	563	388,207
Disposals	0	0	0	0	0	0
At 31 March 2022	3,439,577	174,825	173,764	381,269	444,120	4,613,555
NET BOOK VALUE						
31-Mar-22	8,844,628	532,579	8,272	4,152	3,982	9,393,613
31-Mar-21	9,090,312	337,068	11,732	4,656	892	9,444,660

COMPANY	Freehold Property	Property Improvements	Computer Equipment	Other Equipment	Furniture & Fixtures	TOTAL
COST	£	£	£	£	£	£
At 1 April 2021	12,284,205	378,823	179,119	376,743	437,633	13,656,523
Additions	0	328,582	2,917	2,009	3,653	337,160
Disposals	0	0	0	0	0	0
At 31 March 2022	12,284,205	707,405	182,036	378,752	441,286	13,993,683
DEPRECIATION						
At 1 April 2021	3,193,893	41,755	167,387	376,743	436,741	4,216,519
Charge for year	245,684	133,071	6,376	84	563	385,778
Disposals	0	0	0	0	0	0
At 31 March 2022	3,439,577	174,825	173,764	376,827	437,304	4,602,297
NET BOOK VALUE						
31-Mar-22	8,844,628	532,579	8,272	1,925	3,982	9,391,386
31-Mar-21	9,090,312	337,068	11,732	(0)	892	9,440,004

The freehold property and other assets are included at cost. The net book value of freehold property at 31 March 2022 is £8,844,628.

The Arts Council of England and the National Heritage Memorial Fund hold charges over the property.

THE BLUECOAT
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13 INVESTMENTS

	Group	Company
	£	£
Cost		
As at 31 March 2021	0	1
As at 31 March 2022	0	1

The investment relates to 100% of the ordinary share capital owned by The Bluecoat in the subsidiary, Trading at the Bluecoat Limited, a company incorporated in England & Wales, company registration number 06825349 and whose registered office is The Bluecoat, School Lane, Liverpool, L1 3BX.

As at 31 March 2022, its reserves stood at £7,133 after a gift aid donation of £25,000 to the charity was made. The principal activity of Trading at the Bluecoat Limited is to operate catering and hospitality outlets situated within the building. The company also undertakes events and room hire. The venture's financial results for the year ended 31st March 2022 were:

	2022	2021
	£	£
Turnover	282,930	40,541
Other Operating Income	37,119	58,064
Expenditure	(280,881)	(125,966)
Tax	(2,995)	8,073
Profit (Loss) before gift aid	36,173	(19,288)

14 STOCK

	2022	2021
	£	£
Group		
Food & drink	3,453	1,943

15 DEBTORS

Amounts due within one year:

	2022	2021
	£	£
Group		
Trade debtors	40,813	34,674
Accrued income	257,980	47,500
Other debtors	36,262	165,026
	335,056	247,200
Company		
Trade debtors	30,823	32,980
Accrued income	257,980	41,063
Other debtors	31,184	176,940
	319,987	250,983

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

16 CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Group		
Trade creditors	160,352	214,550
Deferred income	246,807	377,928
Social security and other taxes	16,719	12,293
Accruals and provisions	64,869	57,805
Loans	82,835	68,499
	571,582	731,075
Company		
Trade creditors	141,343	213,302
Deferred income	229,948	362,857
Social security and other taxes	10,774	11,191
Accruals and provisions	61,695	53,688
Loans	82,835	68,499
Amounts due to (from) group companies	16,288	0
	542,884	709,537

The Arts Council of England has a fixed and floating charge over land and properties of the Charity. The National Heritage Memorial Fund has legal charges over all monies due or to become due.

Within loans is £62,500 which relates to a concessionary loan provided by Liverpool City Council, which is interest free and is repayable by instalments. There is also a £82,696 social investment loan from Livv Housing Group that is provided over a five-year term.

Deferred income comprises grants received in advance of expenditure, and advanced ticket sales and deposits for events to be held at The Bluecoat after the balance sheet date.

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

17 LIABILITIES: AMOUNTS FALLING DUE GREATER THAN ONE YEAR

	2022	2021
	£	£
Group		
Deferred Capital Grant Income	0	121,153
Other loans	62,361	120,196
Total	62,361	241,349
Company		
Deferred Capital Grant Income	0	121,153
Other loans	62,361	120,196
Total	62,361	241,349
Included in the above total are the following items:		
	2022	2021
	£	£
Maturity of debt:		
Amounts falling due:		
- In one year or less	82,835	68,499
- Between one and two years	22,342	57,835
- Between two and five years	40,019	62,361
	145,196	188,695

18 FINANCIAL INSTRUMENTS

	2022	2021
	£	£
Group		
Financial assets at cost	584,219	475,423
Financial liabilities at cost	225,221	272,355
Loan commitments at cost	145,196	188,695
Charity		
Financial assets at cost	559,146	473,880
Financial liabilities at cost	244,326	266,990
Loan commitments at cost	145,196	188,695

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

19 RESTRICTED FUNDS

	Balance as at	Movement in Funds		Balance as at
	1st April	Income	Expenditure	31st March
	2021			2022
	£	£	£	£
Group and Company				
Building Development	8,459,289	698,847	378,755	8,779,381
Participation	34,283	131,783	154,659	11,407
Arts	44,712	297,463	342,175	0
My Bluecoat	65,235	0	65,235	0
Inhabit	23,215	0	23,215	0
Fundraising & development	4,916	0	4,916	0
	8,631,650	1,128,092	968,954	8,790,788

RESTRICTED FUNDS (PRIOR YEAR)

	Movement in Funds			Balance 31 March 2021 £
	Balance	Income	Expenditu	
	1 April 2020 £	£	re £	
Group and Company				
Building Development	8,711,751	49,355	301,817	8,459,289
Participation	43,453	31,533	40,703	34,283
Arts	85,429	22,850	63,567	44,712
My Bluecoat	65,235	0	0	65,235
Inhabit	23,215	0	0	23,215
Livv Social Investment Grant	0	40,000	40,000	0
Fundraising & development	4,916	0	0	4,916
	8,933,999	143,738	446,087	8,631,650

Building Development - This represents capital grants received to finance the major refurbishment of The Bluecoat that took place between 2006 - 2008, and the renovation and refurbishment of the reception areas in 2020 - 2021.

Participation - Funding for outreach programmes of participation events aimed at the local community. This includes receipts from BBC Children in Need, My Clubmoor, and Arts Council England Celebrating Age Fund.

Arts - Funding is received for a range of artistic commissions. This includes receipts from Jerwood Arts, Garfield Weston Foundation, National Lottery Heritage Fund, and Ellerman Foundation.

My Bluecoat - Heritage Lottery Fund grant funding for a web and building based project that tells the story of Bluecoat and the effect it has had on the lives of the people of Liverpool and beyond.

Inhabit - A project funded by Esmee Fairburn Foundation to deliver a new approach to dance and engagement in partnership with Liverpool Improvisation Collective.

Fundraising and Development - Arts Council England Catalyst funding to support the charity in developing more diverse sources of income.

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

20 UNRESTRICTED FUNDS

	Balance as at	Movement in Funds		Balance as at
	1st April	Income	Expenditure	31st March
	2021			2022
	£	£	£	£
Group				
General	449,031	1,820,899	1,654,621	615,309
Designated Unrestricted	0	0	0	0
	449,031	1,820,899	1,654,621	615,309
Company				
General	453,070	1,556,233	1,401,128	608,175
Designated Unrestricted	0	0	0	0
	453,070	1,556,233	1,401,128	608,175

UNRESTRICTED FUNDS (PRIOR YEAR)

	Balance	Movement in Funds		Balance
		1 April	Income	
	2020	£	& transfers	31 March
	£	£	£	2021
	£			£
Group				
General	178,458	1,657,344	1,386,771	449,031
Designated Unrestricted	0	0	0	0
	178,458	1,657,344	1,386,771	449,031
Company				
General	163,210	1,581,431	1,291,573	453,068
Designated Unrestricted	0	0	0	0
	163,210	1,581,431	1,291,573	453,068

THE BLUECOAT
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets	Net Current Assets (Liabilities)	Long Term Liabilities	Total for Year
GROUP	£	£	£	£
Restricted Funds				
Building Development	9,377,207	(597,826)	0	8,779,381
Participation	0	11,407	0	11,407
Arts	0	0	0	0
	<u>9,377,207</u>	<u>(586,419)</u>	<u>0</u>	<u>8,790,788</u>
Unrestricted Funds	38,898	641,767	(62,361)	618,304
Total Funds	<u>9,416,105</u>	<u>55,348</u>	<u>(62,361)</u>	<u>9,409,092</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS (PRIOR YEAR)

	Tangible Fixed Assets	Net Current Assets/ (Liabilities)	Long Term Liabilities	2021 Total
Group	£	£	£	£
Restricted Funds				
Building Development	9,478,886	(1,019,596)	0	8,459,290
Participation	6	34,283	0	34,283
Arts	0	44,712	0	44,712
My Bluecoat	0	65,235	0	65,235
Inhabit	0	23,215	0	23,215
Fundraising and Development	0	4,916	0	4,916
	<u>9,478,886</u>	<u>(847,235)</u>	<u>0</u>	<u>8,631,651</u>
Unrestricted Funds	0	690,380	(241,349)	449,031
	<u>9,478,886</u>	<u>(156,855)</u>	<u>(241,349)</u>	<u>9,080,681</u>

The net current liability on the Building Development Restricted Fund represents the transfer of funds from restricted to unrestricted in relation to capital grants received, to reflect the reallocation of projects and brought forward balances between categories.

THE BLUECOAT
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS – Continued

GROUP	Fixed Assets £	Net Current Assets (Liabilities) £	Long Term Liabilities £	Total for Year £
Restricted Funds				
Building Development	9,377,207	(597,826)	0	8,779,381
Participation	0	11,407	0	11,407
Arts	0	0	0	0
	<u>9,377,207</u>	<u>(586,419)</u>	<u>0</u>	<u>8,790,788</u>
Unrestricted Funds	38,898	638,772	(62,361)	615,309
Total Funds	<u>9,416,105</u>	<u>52,353</u>	<u>(62,361)</u>	<u>9,406,097</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS (PRIOR YEAR)

Company	Tangible Fixed Assets £	Net Current Assets/ (Liabilities) £	Long Term Liabilities £	2021 Total £
Restricted Funds				
Building Development	9,474,231	(1,014,941)	0	8,459,290
Participation	0	34,283	0	34,283
Arts	0	44,712	0	44,712
My Bluecoat	0	65,235	0	65,235
Inhabit	0	23,215	0	23,215
Fundraising and Development	0	4,916	0	4,916
	<u>9,474,231</u>	<u>(842,580)</u>	<u>0</u>	<u>8,631,651</u>
Unrestricted Funds	0	694,417	(241,349)	453,068
	<u>9,474,231</u>	<u>(148,163)</u>	<u>(241,349)</u>	<u>9,084,720</u>

THE BLUECOAT
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

22 RELATED PARTIES

The company is controlled by its directors whose names are shown on page 2.

The charity has taken advantage of the exemption in Section 33 of FRS 102 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared.

The charity continued to enjoy a close working relationship with the Arts Council and Liverpool City Council who provide funding to enable the charity to carry out its charitable objectives. The grants received are included in the financial statements under income from charitable activities.

There were no other related party transactions during the year, nor any outstanding balances at the year end.

23 OTHER FINANCIAL COMMITMENTS

At 31 March 2022 the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases as at the reporting date as follows:

	2022	2021
	£	£
Expiry date:		
Not later than one year	2,612	2,612
Later than one year and not later than five years	1,088	3,700

24 PENSION COMMITMENTS

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £20,969 (2021: £19,723).

THE BLUECOAT
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

25 CAPITAL COMMITMENTS

At 31 March 2022 the charity had capital commitments as follows:

	2022 £	2021 £
Contracted for but not provided in the financial statements:		
Acquisition of property, improvements and fixtures and fittings	9,001	248,604

26 PRIOR YEAR COMPARATIVE SOFA

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2020/21 £	Total Funds 2019/20 £
<i>Income</i>					
Other trading activities	3	282,550	0	282,550	808,316
Donations and legacies	4	2,604	0	2,604	8,483
Income from charitable activities	5	1,372,189	143,738	1,515,928	967,744
Total		1,657,344	143,738	1,801,082	1,784,523
<i>Expenditure</i>					
Expenditure on raising funds	6	522,895	0	522,895	932,973
Expenditure on charitable activities	7	863,876	446,087	1,309,963	1,218,268
Total		1,386,771	446,087	1,832,858	2,151,241
Net incoming/(outgoing) resources for the year and net movement in funds		270,573	(302,349)	(31,776)	(366,718)
Balance b/f		178,458	8,933,999	9,112,457	9,479,174
Balance c/f		449,031	8,631,650	9,080,681	9,112,456

THE BLUECOAT

England & Wales - Charity number 700862

Accounts

The Bluecoat
(A company limited by guarantee)

Annual Report and Consolidated Financial Statements

Year ending 31 March 2021

Company number 02246627

Charity number 700862

THE BLUECOAT
(A company limited by guarantee)

**FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021**

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THE BLUECOAT
(A company limited by guarantee)

Company Information for Year Ended 31 March 2021

Company number: 02246627

Charity Number: 700862

Registered Office: School Lane, Liverpool, L1 3BX

Auditors: BWM, Suite 5.1, 12 Tithebarn Street, Liverpool, L2 2DT

Bankers: Barclays Bank Plc, 11th Floor, 20 Chapel Street, Liverpool, L3 9AG

Directors

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees serving during the year and since the year end were as follows:

Chair	Peter Mearns
Directors	Dan Stinson
	Eddie Berg
	Kelly Salvoni
	Jamie Eastman
	Ralph Bullivant
	Sri Sarker
	Michael Birchall
	Sally-Anne Watkiss
	Philomena Harrison
	Gabriella Chauke (appointed 25 January 2021)
Chief Executive	Mary Cloake

Governing Document

The Bluecoat is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 21 April 1988, as amended by special resolutions dated passed 27 September 1988 and 9 December 2003.

Chair's Report for Year Ending 31 March 2021

This year has been a year like no other - for Bluecoat, for the cultural sector, for the whole world. COVID-19 has changed our lives completely but looking back on the year I am amazed at the resilience and strength demonstrated by the Bluecoat team to get through such a difficult time with grace and stoicism. And, although it has been extremely challenging, it has also provided Bluecoat with a moment to reflect on and strengthen our strategy for the next ten years.

While COVID changed many things about the way we run our organisation, the death of George Floyd and the subsequent emphasis on Black Lives Matter has, perhaps, had a more fundamental effect on the Bluecoat. It has led us to re-evaluate the responsibilities we have in civic society and how we relate to all parts of society - as a visitor attraction, an employer and a Liverpool institution. I'm pleased to say we have made some progress in this area in the last year and have developed an action plan aimed at taking decisive action towards creating a more equal organisation and diversifying our sector.

Although we had to close our doors to the public for much of this financial year, we were keen to use this time wisely to create a better visitor experience when we were able to open. One of our major achievements was to reconfigure our Hub space to make it more comfortable, safer and easier to navigate in line with feedback from visitors who use this space. Our lighting systems were replaced throughout the building much improving our environmental impact.

During this time, we worked on a brand strategy for Bluecoat with Manchester-based Modern Designers, to improve our communications with audiences. As part of this we rearticulated Bluecoat's purpose and developed four brand pillars to underpin our marketing strategy. Modern Designers developed a flexible, playful new visual identity providing a fresh new look for the Bluecoat, which will drive the organisation forward over the next ten years.

Without our beautiful building open to the public, our digital presence became all important and gave us the impetus to fast track the creation of a new website that reflects our organisation and provides a platform to showcase work in its own right. During lockdown, we launched a number of online events to support our programme and have been encouraged by their success.

This unprecedented year saw us all significantly change our working practices, not least within the participation team whose work would normally rely on face to face interactions with participants. Within days, programmes like Blue Room had been completely reimaged to run online and provided a valuable lifeline for participants at a time when feelings of isolation and loneliness were at their highest.

Although our artistic programme was compromised by the multiple venue closures, I was delighted to see Sean Edwards' Wales in Venice exhibition Undo Things Done make its way to Liverpool. Although it wasn't open for as long as planned, the exhibition's themes of place, politics and class couldn't have been more relevant to our current context, and I'm pleased we were able to raise awareness of food poverty through our Christmas family initiative. Alongside Edwards' show we introduced Sadia Pineda Hameed's most recent moving image work, tiny bubbles in the wine (2019), a collaged film that evoked the artist's mother's previously untold experiences of migrating from the Philippines to the UK.

Shortly before lockdown, we welcomed Frances Disley and Jonathan Baldock to the gallery. In a somewhat prophetic exhibition Pattern Buffer, Disley explored the potential of the gallery space to create a restorative environment. Relaxing film works combined with plants and comfortable seating to create an experience focused on the wellbeing of the visitor. Alongside Pattern Buffer we opened Facecrime by Jonathan Baldock, which featured a landscape of ceramic columns inspired by an early system of writing and explored clay as a tool of communication. Inspired by Orwell's dystopian novel, 1984, a facecrime is an "unconscious look of anxiety, a habit of muttering to yourself", and his ceramic column characters were complete with expressive faces, emoji symbols and even audible groans, whistles and chuckles.

THE BLUECOAT

(A company limited by guarantee)

While we continue to bring artists with an international profile to Liverpool, this year also saw the launch of an initiative to show and support the work of local artists, with premieres of two films by Kiara Mohamed, Home and The Lives We Lead, and an exhibition by painter Josie Jenkins. We welcomed Andrea Ku as our Gardener in Residence in the Autumn, as part of the Liverpool City Council's Without Walls programme.

Despite the challenges of this year and those that we still face, I believe that Bluecoat will come out of the pandemic in a strong position to play our part in civic society, contributing to the revitalisation of the city centre, supporting the well-being of communities and providing a creative inspiration and outlet to audiences and artists alike. I am immensely proud of the Bluecoat team and how they have not only navigated an extremely difficult environment but moved the organisation forward at the same time. We owe big thank you to everyone that made it possible - all the artists that we've worked with, staff and volunteers. Our studio holders, creative organisations and retailers, Bluecoat's supporters, members and patrons, who have stuck with us throughout this extraordinary year. Our major funders Arts Council England and Liverpool City Council, who have passionately advocated for the arts to central government on our behalf. And most importantly, our visitors, who we can't wait to welcome back.



Peter Mearns
Chair

Directors' Report for the Year Ending 31 March 2021

The directors of the company, who are also the trustees of the charity, are pleased to present their annual report, together with the consolidated financial statements of the charity and its wholly owned subsidiary for the year ending 31 March 2021.

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

Our Purposes and Objectives

Bluecoat is Liverpool's centre for the contemporary arts. We offer a year-round programme of visual art, music, dance, live art and literature that connects to and offers new perspectives on our contemporary world.

Our purpose is to open up possibilities for individuals and communities by:

- supporting diverse artists to develop their practice at all stages of their career, to engage with audiences and to communicate the power and value of art to as broad a spectrum of people as possible;
- helping people find a meaningful place for the arts in their lives, creating safe and inclusive spaces for everyone to engage as audiences and participants;
- preserving, revealing and interpreting the multifaceted story of our historic building, and also the country's first arts centre, making it accessible to a range of audiences through activities, exhibitions, events and digital content in appropriate formats.

Through these we deliver the agreed objectives of the Charity when it was first constituted in 1927, which are to:

- foster and promote the improvement, development and maintenance of artistic knowledge and understanding and appreciation of the arts;
- promote and advance aesthetic education;
- cultivate and improve the public taste in the arts in the United Kingdom, in particular in Merseyside;
- provide facilities for the education of the public in the fields of visual and performing arts.

Directors' Report for the Year Ending 31 March 2021

Annual Review

This is a good opportunity to take stock on our business plan aims from our 2018-22 plan. At the start of the planning process, we established 5 key areas of focus: artist development, our heritage programme, growth in our participation programme, our public visibility and commercial trading.

In addition to these, we have embarked on a series of initiatives at the Bluecoat that will create the right environment for these aims to come to fruition. Following the death of George Floyd and the subsequent focus on the Black Lives Matter movement we are taking decisive action to create a more equitable Bluecoat, both for our workforce and for visitors, and to diversify the sector we work in.

We spent time during lockdown redesigning our main entrance space, or Hub, to create a better and more user-friendly experience for our visitors. In doing this we have realised a long term ambition to bring art out of the gallery and into all spaces at Bluecoat with three new artists commissions.

To complement the new space, we are planning to trial a new Visitor Experience Team over the Summer to ensure visitors receive a warm welcome. A new team will be focused on ensuring an excellent experience for everyone who comes through our doors and will provide a crucial conduit between our communication channels and our audiences.

The needs of the organisation have had to be carefully balanced with the well being of our people, who are working hard to maintain programmes in very difficult circumstances. Although we closed the site completely in the first lockdown, during subsequent closures we kept the building open for our creative community and for staff who struggled with homeworking.

Artist Development

We have made great progress this year in supporting artist development. In Autumn we launched our PIVOT programme in partnership with Castlefield Gallery, focusing support for mid-career artists based in the North West. The successful artists Pat Flynn, Gareth Gratrix, Bridget O'Gorman, Salma Noor and Chester Tenneson are now undertaking an 18-month programme of mentoring, coaching, studio visits and support with individual bursaries of £5,000. This year we provided support for a wide range of individual artists and creatives including letters of support for bids, advice and feedback on applications and nominations for awards and prizes. In January 2021 during the third lockdown we offered help specifically on ACE Develop Your Creative Practice (DYCP) applications, within our creative community and beyond. Over the year, we supported 245 artists in total. In recognition of the work we do to support artists, Jerwood Arts awarded us £15,000 from their 'Commissioning for the Future Fund', which will go towards commissioning early-career artists in 2021.

Our partnership with New Contemporaries goes from strength to strength and they have confirmed the continued support of an alumni studio following the success of Emily Motto's residency in 2020. Liverpool-based painter Gareth Kemp will join us as the next artist in residence this Summer.

No sooner had we opened exhibitions by Frances Disley and Jonathan Baldock, we had to close for the first lockdown. Thankfully, we were able to reopen shows in July and they ran until

Directors' Report for the Year Ending 31 March 2021

November, albeit with some alterations. During lockdown we made a concerted effort to continue to bring high quality content to people, through a regular newsletter that went to our mailing list. Over 150,000 recipients received Bluecoat newsletters with an above average open rate of 24%.

In light of our commitment to work with and support artists through their careers, we were delighted that a key piece in Frances Disley's show was acquired by the Walker Art Gallery through the Contemporary Art Society. Bluecoat commissioned the piece and will feature in a new temporary display in 2021.

In the Autumn, Andrea Ku joined us as our Gardener in Residence, an initiative supported by Liverpool City Council's Without Walls programme. Hailing from Liverpool 8, Ku is a gardener and highly skilled beekeeper. As part of the programme she developed the highly popular 'bee bags' for children promoting biodiversity and a map of past and present green spaces to celebrate Heritage Open Days. The bee bags were later given out by Homebaked in Anfield with free lunches for children during the school holidays.

Later in the year we hosted Undo Things Done, Sean Edwards' presentation for Wales in Venice 2019. The artist was awarded a Turner Prize bursary along with nine other artists in recognition of this exhibition, curated by Bluecoat's Head of Programme Marie-Anne McQuay. Edwards invited upcoming Welsh artist Sadia Pineda Hameed to show new work alongside the exhibition.

To celebrate the launch of a new publication to accompany the show two online events were held with the invited writers Maria Fusco, Professor of Art at Dundee and Kim McAleese, Programme Director at Grand Union Birmingham who is currently on the Turner Prize Jury 2021. The two events combined drew an online audience of over 200 people.

In December, we launched a new initiative to show more Liverpool based artists in our galleries. The programme debuted with an exhibition by painter Josie Jenkins. In the new year, during the third lockdown we launched Kiara Mohamed's film *The Lives We Lead* online. The programme comes as we renew our focus on showing work from artists living and working in the Liverpool city region, with an emphasis on existing art works made recently that haven't been shown in a public gallery before.

We have worked throughout the year to bring the sculpture Bluecoat Platform by Tom & Simon Bloor to fruition. The work was commissioned as A Here and Now Project led by Future Arts Centres and marks the National Lottery's 25th birthday. The artists worked with children from our Out of the Blue programme to create the sculpture, which will form the stage for our summer family programme.

Heritage

Our heritage programme has picked up great momentum this year, and we have rearticulated this as Cultural legacies. With this strand of programming, we hope to provide new perspectives on Liverpool's past through the history and heritage of our grade I listed building and explore them in relation to the present. It is supported by our collaborative doctoral award student, Michelle Girvan, who recently completed the first draft chapter of her dissertation, which reveals some new and fascinating research into the origins of our building.

Directors' Report for the Year Ending 31 March 2021

The programme connects Bluecoat's role as custodians of Liverpool's oldest building and its 300 year history with our century long life as an arts centre. The focus on Black Lives Matter (BLM) in 2020 helped bring this into particular focus, as we provided more context on our building's origins in Britain's colonial period and direct links to Liverpool's transatlantic slave trade, including the role of charity school founder, Bryan Blundell.

A fantastic development in our Cultural Legacies programme is Echoes and Origins, a project that interrogates the building's origins and explores how continuing legacies from its original purpose connect to the lives of young people in the city. The project is split into two strands, with the first taking its starting point from the building's connections to the sea, through the Liverpool merchants who supported the school using profits derived from trade with Africa and the British colonies. We are working with young people from the Greenhouse Project in Toxteth to explore themes such as colonialism and the empire, slavery, migration, diaspora, independence, race and identity through discussions, creative activities and research.

The project will culminate in a public programme of talks, performances, displays and other activities devised by the young people, staged at Bluecoat, Greenhouse and online in early 2022. The second part of the project will focus on 'Looked After Children', and will take as its starting point Bluecoat's original philanthropic purpose as an educational institution set up to help the town's poor and destitute children.

Bluecoat's 100 year history as a creative hub was captured in a new publication, Bluecoat, Liverpool: The UK's First Arts Centre. Although we weren't able to launch the book at a live event, we hosted an online discussion event A Dissident View, hosted by Laura Brown and featuring Jon Belchem, Anjalie Dalal-Clayton and Bryan Biggs in conversation.

Public Visibility and Influence

Over the past year we have been able to prioritise our public image and narrative by bringing in specialist marketing and communications knowledge and skills. The two main parts to this were developing a new brand purpose and creating a new online platform that provides an improved shop window and a place to showcase work.

Creating a new brand and visual identity began with a research phase where our brand partners Modern Designers consulted with staff and stakeholders, as well as undertaking a peer review and digital and brand audits. From this we learnt that people were not clear about what Bluecoat did and although we already had a clear purpose, we worked on really honing this so that we could communicate it effectively.

Bluecoat's purpose is: A home for creative potential where art and people meet.
Our purpose is to create new, more meaningful ways to experience art.
For artists and for everyone - we bring art into life.

Leading on from this, we created four brand pillars which cover our priorities as an organisation: Breaking new ground, inspiring curiosity, unlocking creative process and purposefully inclusive. These were underpinned by the communications principle to 'show not tell'. The purpose and brand pillars formed a brief to the creative team for a flexible, creative and expressive visual identity launching in May 2021.

Directors' Report for the Year Ending 31 March 2021

The pandemic brought to the fore the importance of a high quality digital platform, not only as a way to present Bluecoat to current and potential visitors but as a way to develop new audiences for online content and artist's work. We have spent the last year developing a new website, which reflects our visual identity and provides an easy to navigate experience. In addition, we have decided to move content from mybluecoat.org.uk across to the main site so that we house all of our content in one place.

Our social media presence has been revitalised by the tools the new brand has provided, such as visual assets and textures, image guidance and a new tone of voice, and with a more strategic and personalised approach to content. We were delighted to secure almost £200k from the Weston Culture Fund to help us increase our programming for local audiences and transform our approach to presenting work online.

Commercial Trading

This year has been very difficult for the trading company as we haven't been able to operate for the majority of the year. However, a key part of the capital scheme was to reconfigure Bluecoat's well loved cafe to create a more welcoming, attractive and user friendly space. A social investment loan from First Ark enabled us to purchase new equipment so we can provide a modern, efficient service to visitors.

We are grateful to the Arts Council for their tireless advocacy for the arts and to DCMS for recognising the important role of culture in the UK's recovery and providing the Culture Recovery Fund. We were lucky to receive grants from a series of ACE/DCMS funds including the NPO Emergency Fund, the Culture Recovery Fund and ACE's Cultural Capital Kickstart Fund.

Participation

Despite the challenges of Covid-19, our Participation work continued to thrive and we were able to connect digitally with many of our participants. We delivered over 7000 arts experiences, in line with our figure for 2019/20, although much of the engagement was more condensed than under normal circumstances.

Just before the full lockdown was imposed, Blue Room delivery staff quickly created and distributed 12 weeks' worth of arts activity worksheets and materials to all members. Staff then supported members creatively by making and sharing short films to explain the activities and pastorally through regular phone calls. Blue Room soon moved into full digital delivery, facilitated by vital support from Arts Council England's Emergency Grant which enabled us to purchase equipment and wifi/data for members who had no access at home. Before long we were delivering four creative "Blue Zooms" each week, and a regular newsletter which proved very popular with members and their support. Most members remained engaged with the programme throughout, in no small part as a result of the tenacity and flexibility of our team.

The care home sector was particularly hard hit at the start of the pandemic so initially our residency programme with partners Belong was completely suspended. In October 2020 we launched Belong at Home, a three phase programme taking digital artist residencies into people's own homes. With input and support from care staff we were able to facilitate remote creative relationships between older people in the Wigan area and our residency artists Alan Dunn, Brigitte Jurack, Roger Hill and Mary Prestidge. In addition, we helped to combat

Directors' Report for the Year Ending 31 March 2021

loneliness through a series of group workshop programmes in Belong Villages from February 2021 onwards. These were delivered digitally by the same artists and brought groups of residents together in creative endeavour for up to 6 weekly sessions.

Our Children and Families programme also turned to digital delivery with Bluecoat's facilitation staff devising and producing their own short films introducing activities people could do at home. These were shared with families from our Out of the Blue (OOTB) programme and distributed to our audiences through e-shots and social media. We also sent out art packs to OOTB members with activities and materials. In October 2020 we had a brief return to direct delivery of art clubs in two of our OOTB schools before a second lockdown hit and clubs would not restart until after Easter 2021.

Volunteering

We suspended our volunteering programme during Covid, to protect the safety of volunteers and visitors. We look forward to welcoming back volunteers in 2022.

Fundraising Approach

Fundraising strategy is determined by the Bluecoat's Directors. The Development team supports the fundraising function across the organisation and raises income from the public sector, trusts and foundations, corporates and individuals, including major donors, crowdfunding, donation boxes, legacies and Bluecoat's Patrons' and a membership scheme.

Bluecoat ensures compliance with the Code of Fundraising Practice, closely monitoring any changes and developments, and we follow the new General Data Protection Regulations and the Data Protection Act. We do not make unreasonably persistent approaches for donations and never put pressure on anyone to donate to Bluecoat. We record contact we have had with individuals so that we can assess this before making further contact, thereby ensuring there is no intrusion on a person's privacy.

If we have perceived that a person may be vulnerable, we do not approach them for any fundraising activities. We use a sensitive and common-sense approach to fundraising, treating our donors fairly and making sure they can make informed decisions about donations. In addition, neither Bluecoat, nor anyone acting on our behalf, has received any complaints regarding fundraising.

Public Benefit

The Directors are mindful of their particular responsibilities as outlined in Guidance Note *Charities and Public Benefit (2009)*. Bluecoat seeks to discharge its charitable objectives by:

- supporting diverse artists to develop their practice at all stages of their career, to engage with audiences and to communicate the power and value of art to as broad a spectrum of people as possible
- helping people find a meaningful place for the arts in their lives, creating safe and inclusive spaces for everyone to engage as audiences and participants
- preserving, revealing and interpreting the multifaceted story of our historic building, and also the country's first arts centre, making it accessible to a range of audiences through activities, exhibitions, events and digital content in appropriate formats.

Directors' Report for the Year Ending 31 March 2021

Despite curtailed opening due to Covid 19 restrictions, the Directors consider that the charitable objectives have been discharged through the following activities:

- Free entry exhibitions in the building attracted an attendance of 5390 visitors.
- 8681 people clicked through to enjoy digital arts content we curated or attended digital arts events we organised.
- Free access to the building when we were able to open resulted in 6784 visits.
- Through our participation programme for targeted groups, we provided 7022 direct digital arts experiences, mostly through zoom workshops.
- We offered support and advice on 245 occasions to artists at various stages of their careers without charge.

Strategic Report

Financial Review

The consolidated financial results for the year are set out on pages 20 to 43 for Bluecoat and its wholly owned subsidiary, Trading at the Bluecoat Ltd. The group had net expenditure of £31,776 (2020: £366,718), after charging depreciation and amortisation of £303,674 (2020: £252,653).

Trading at the Bluecoat Ltd operates the espresso café, the bistro, events, conferencing and catering facilities and the profits generated are distributed to the charity under gift aid to assist the charity in meeting its objectives. The venture generated a loss for the year of £19,288 (2020: profit of £2,229).

Reserves and Investment Policy

Bluecoat understands the need for unrestricted reserves to cover downturns in both earned income and public funding. The Directors have agreed that the reserves level should aim to cover at least three months' operating expenditure, this being approximately £500,000. At 31 March 2021, the group had unrestricted general reserves totalling £449,031 (2020: £178,458).

The Directors review the Reserves Policy on an annual basis. They recognise that growth in reserves will only arise from having a more sustainable business that is attractive to investment. To this end, the Directors have made plans and taken action to improve the reserves position, including:

- reducing the operating cost base through the review and renegotiation of supplier contracts, and through reduction in staffing levels
- increasing earned income generation through the bringing in of skilled new board members on to the subsidiary trading company's board, the development of a commercial strategy that will maximise the earnings potential from all areas of the building, and the implementation of this strategy
- increasing grant income generation through a focused fundraising and development strategy supported by additional management focus on this area
- creating operating efficiencies in how the building is used through the forthcoming grant-funded capital investment into the central areas of the building

Directors' Report for the Year Ending 31 March 2021

The Directors have reviewed a broad range of evidence, including budgetary projections for a period of at least one year from the approval of these financial statements in order to confirm the going concern principle for the organisation. More detail on this matter is included in note 1 to these financial statements.

The charity's investment in the subsidiary company is valued at cost less provision for any permanent diminution in value. The charity has no other investments, and surplus cash is held in bank accounts.

Appointment of Directors

As set out in the governing document the Board has a minimum of four Directors and a maximum of twenty. Membership of the Board is open to anyone who has an interest in the objects of the company and are elected by the members.

The Board has the power to co-opt members considered to have specialist skills or knowledge that will be beneficial to the company, providing the number of co-opted members does not exceed a third of the membership of the Board. Co-opted members serve on the Board for a period determined by the Board, not to exceed five years. Currently there are no co-opted members.

Directors' Induction and Training

Board members on appointment receive a full induction and there are also away-days each year, where the Board and senior staff review the direction and effectiveness of the organisation. These are augmented by courses and other board development interventions as appropriate. The term of office of Directors is four years. Suitable indemnity insurance is in place.

Organisation and Governance and Management Structures

The Board of Directors is responsible for the definition of policy and general oversight of all the functions and activities of the Company. The board delegates additional scrutiny and policy development to its committees. These consist of the Finance and General Purposes Committee, the Artistic Advisory Committee, the Board Development Committee, and the Safeguarding Committee. In addition, the charity's subsidiary company Trading at the Bluecoat Ltd has its own board of directors. The strategic and operational leadership and management responsibility is delegated to the Chief Executive.

Related Parties and Co-Operation with Other Organisations

Any connection between a Director or senior manager of the charity with a production company, contracted artist, performer, exhibitor or supplier must be disclosed to the full board of Directors in the same way as any other contractual relationship with a related party. In the current year, related party transactions are set out in note 22 to the accounts.

The charity's wholly owned subsidiary, Trading at The Bluecoat Ltd., operates the café, bistro, event and conferencing facilities at Bluecoat.

Pay Policy for Key Management Personnel

Directors' Report for the Year Ending 31 March 2021

None of the board Directors receive remuneration or other benefit from their work with the charity.

The remuneration of key management personnel is determined by the board Directors of the charity. They consider the seniority of the post, the expertise and experience of the post holder, the local market conditions and sector market conditions for remuneration, and benchmarking information from similar organisations in determining the remuneration of key management personnel.

Risk Management

The major risks to which Bluecoat is exposed, as identified in the risk register, have been reviewed and mitigations and contingency plans put in place to manage these risks. The risk register is monitored and updated on an ongoing basis and reported to the Finance & General Purposes Committee of the Board at least twice a year.

The directors consider the key risks and uncertainties facing the charity are:

- Pandemic Planning is insufficient, leading to lack of public confidence that the building is safe, an increased risk of infection, and the risk of closure by public health authorities.

This is mitigated by the active management of the situation by the senior team, led by the Head of Projects, implementation of safety measures throughout the building, communications with public and building users through newsletters and social media, and through close liaison with the city council and other city centre partners.

- The Building is not sufficient to support strategy through lack of investment in day to day repairs and maintenance, and the conservation of the historic building is compromised.

This is mitigated by repairs and maintenance plan in place; Capital investment plan (balanced against cash constraints) in place; Capital grant funding bids.

- Insufficient reserves resulting in inability to invest in future capital needs or respond to unforeseen circumstances. This is mitigated by future operating surplus budgets planned; margin identified and sought on all projects; Reserves Policy in place and strategy to achieve this; regular Finance Committee monitoring.

Plans for the future

Looking forward to the new financial year we're poised to reopen our doors to the public and can't wait to invite visitors in to see the new look Hub and the art works specifically commissioned for the space. London-based Babak Ganjei's witty observations on the art world have been applied to tiles that wrap around our new information desk, Liverpool-based Sumuyya Khader has created a bespoke tile design that references our popular garden, and Cambridge-based Harold Offeh has created an area specifically for children and families.

When we open, our galleries will play host to Liverpool Biennial and our courtyard will be home to Bluecoat Platform, a sculpture by artists Simon & Tom Bloor, which has been developed with

Directors' Report for the Year Ending 31 March 2021

children from Out of the Blue, our after school art club. We will be welcoming families with a summer of fun as we present a programme developed in partnership with local school children.

Alongside the Biennial, we are pleased to welcome back Bluecoat alumni artist, Tony Phillips who grew up in Liverpool 8 and returns to the city with his Twentieth Century Chapel project which celebrates two local institutions, Bluecoat and St. Luke's Church - the 'Bombed Out Church'. The project focuses on the nature of technological progress embodied by our age-old aspiration to fly, starting with an image of the first powered flight in 1903, and proceeding through the decades into the modern era of supersonic jet fighters and drones.

In the Autumn, we host exhibitions by three prominent female artists (16 October - 23 January 2022). Rosa-Johan Uddoh (b. Croydon, 1993) is an interdisciplinary artist inspired by Black feminist practice and writing. Through performance, ceramics and sound, she explores places, objects and celebrities in British popular culture, and the effects of these on self-formation. She was previously resident artist at Liverpool School of Art & Design, Liverpool John Moores University and returns to the city with a major new installation, commissioned by Focal Point Gallery in partnership with the Bluecoat.

This will be shown alongside the first UK solo show by American artist Deborah Roberts (b. Austin, Texas, 1962). She uses collage to reflect the challenges encountered by young Black children as they strive to build their identity, addressing preconceived social constructs perpetuated by the Black community, the white gaze and visual culture at large. Combining a range of different facial features, skin tones, hairstyles and clothes, Roberts explains that with collage she can 'create a more expansive and inclusive view of the black cultural experience'.

At the same time we will be presenting work by Sumuyya Khader, an artist we have worked with before when she exhibited in Bluecoat's 2017 group exhibition, In the Peaceful Dome. She was commissioned to produce a set of one-off posters for a series of exhibitions at Bluecoat in the winter of 2019, and organised an exhibition of Black artists from Liverpool on the exterior of our building in 2020. Khader recently set up Granby Press, a community-based organisation with a focus on printed material and design.

In March 2022, we present new work by London-based artist Suki Chan. CONSCIOUS is a multi-platform project bringing together the diverse perspectives of scientists and ordinary people whose stories unwrap layers of thinking and preconceptions about individual and collective consciousness. Comprising films, moving image installations and a VR experience, the exhibition explores the nuances of consciousness in a technological age. The work includes documentary testimonies from people living with dementia, neuroscientists, computer scientists, pilots, historians and beekeepers, along with soundtracks composed by award winning TV and film composer Dominik Scherrer.

Chan's research includes collaborations with individuals experiencing early stage dementia: Pegeen O'Sullivan, the daughter of Irish novelist, Liam O'Flaherty, who currently lives in a care village in North West England, and Wendy Mitchell, who wrote her first book after being diagnosed with young-onset dementia at the age of 58. Part of Chan's research took place in a Belong Village in Crewe, part-funded by Arts Council England and the Baring Foundation through Celebrating Age, alongside commissions with Liverpool City Region artists Alan Dunn, Roger Hill, Philip Jeck, Brigitte Jurack and Mary Prestidge.

Directors' Report for the Year Ending 31 March 2021

In addition to our exhibition programme, we will be presenting performances by dance artists Janine Harrington, Zinzi Minott and Freestylers as part of the Siobhan Davies Dance and Baltic Continuous Network in 2022.

A new Cultural Legacies programme focuses on three themed exhibitions in the Vide space starting in September, each accompanied by a digital commission, a discursive event and a new archive collection. The first, A Creative Community, will reveal Bluecoat's rich heritage of artists' studios and the 'extended family' of artists we work with, reflecting the building as a place that unlocks creativity. The second looks at Bluecoat's civic role in the city, including how we extend artistic work out into the public realm and engage with communities. The third, in early 2022, focuses on our building's colonial legacies and their contemporary resonances.

A new participation project, Echoes and Origins, funded by National Lottery Heritage Fund, will engage children, young people and adults whose lived experiences intersect with Bluecoat's eighteenth-century narrative as a charity school for orphans, funded from maritime trade. This will explore themes of slavery, migration, diaspora, cultural identity, childhood and independence through a historical lens, using creative activities and research into the Bluecoat building's origins.

Two complementary strands will explore contradictions between philanthropy and exploitation. Working with young volunteers from diverse backgrounds at Greenhouse Project in Toxteth, Colonial Legacies will look at our archive and how diverse artists over 35 years have responded to Bluecoat's historical connections to Liverpool as 'gateway of Empire'. Looked After Children will involve artists, including dance artist Paula Hampson who will lead activities with looked after children - current and past - drawing on material relating to the school to explore their experiences. Both strands will culminate in a public programme in 2022.

Directors' Responsibilities in Relation to the Financial Statements

The Directors (who are also trustees of the charity) are responsible for preparing a Directors' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and of the income or expenditure of the charitable group for the year. In preparing those financial statements the Directors 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, whilst ensuring that applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Directors are responsible for keeping 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

Directors' Report for the Year Ending 31 March 2021

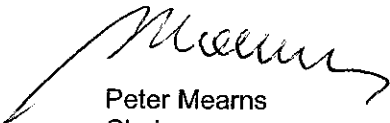
safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Information Provided to Auditors

In respect of each Director at the date the Directors' Report is signed:

- so far as we are aware, there is no information needed by the Charity's auditors in connection with preparing their report (relevant audit information) of which they are unaware; and
- as the Trustees of the Charity we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

By order of the Board



Peter Mearns
Chair

6 December 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BLUECOAT FOR THE YEAR ENDED 31 March 2021

Opinion

We have audited the accounts of The Bluecoat (the 'Parent Charity') and its subsidiary (the "Group") for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and parent charitable company Balance Sheets, the Consolidated Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and Parent Charity's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

THE BLUECOAT
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
BLUECOAT FOR THE YEAR ENDED 31 March 2021 (continued)**

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charity and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

- adequate accounting records have not been kept by the Parent Charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charity accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; and
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees, who are also the directors of the Parent Charity for the purpose of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the Group's and the Parent Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the Parent Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
BLUECOAT FOR THE YEAR ENDED 31 March 2021 (continued)**

Extent to which the audit has considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management,;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence, and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

THE BLUECOAT
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
BLUECOAT FOR THE YEAR ENDED 31 March 2021 (continued)**

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

Use of our report

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

BWM

Peter Taaffe FCA CTA DChA (Senior Statutory Auditor)
For and on behalf of BWM
Chartered Accountants
Statutory Auditor
Suite 5.1
12 Tithebarn Street
Liverpool
L2 2DT

Date: 17/12/2021

THE BLUECOAT
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING THE INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 March 2021**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2020/21 £	Total Funds 2019/20 £
Income					
Other trading activities	3	282,550	0	282,550	808,316
Donations and legacies	4	2,604	0	2,604	8,463
Income from charitable activities	5	1,372,189	143,738	1,515,928	967,744
Total		1,657,344	143,738	1,801,082	1,784,523
Expenditure					
Expenditure on raising funds	6	522,895	0	522,895	932,973
Expenditure on charitable activities	7	863,876	446,087	1,309,963	1,218,268
Total		1,386,771	446,087	1,832,858	2,151,241
Net incoming/(outgoing) resources for the year and net movement in funds		270,573	(302,349)	(31,776)	(366,718)
Balance b/f		178,458	8,933,999	9,112,457	9,479,174
Balance c/f		449,031	8,631,650	9,080,681	9,112,456

There are no recognised gains and losses in 2021 or 2020 other than the result for the year.

All income and expenditure derive from continuing activities.

The movement in funds detailed above complies with the requirements for a statement of changes in equity under FRS102.

THE BLUECOAT
(A company limited by guarantee)


**CONSOLIDATED BALANCE SHEET
AS AT 31 March 2021**

Company number: 02246627

	Notes	2021 £	2020 £
FIXED ASSETS			
Intangible Fixed Assets	11	34,226	0
Tangible assets	12	9,444,660	9,383,391
		<u>9,478,886</u>	<u>9,383,391</u>
CURRENT ASSETS			
Stock	14	1,943	5,015
Debtors	15	247,202	158,743
Cash at bank and in hand		325,073	127,343
		<u>574,218</u>	<u>291,100</u>
CREDITORS: Due within one year	16	(731,074)	(469,572)
Net Current Liabilities		<u>(156,856)</u>	<u>(178,472)</u>
Total Assets less Current Liabilities		<u>9,322,030</u>	<u>9,204,919</u>
CREDITORS: Due after one year	17	(241,349)	(92,462)
Total Net Assets		<u>9,080,681</u>	<u>9,112,457</u>
Funds of the Charity Group			
Unrestricted Funds - General Reserve	20	449,031	178,458
Restricted Reserve	19	8,631,650	8,933,999
Total Funds		<u>9,080,681</u>	<u>9,112,457</u>

The financial statements on pages 25 to 45 were approved and authorised for issue by the Board of Directors on *6th December 2021*.

Signed on behalf of the Board of Directors


P Mearns
Director

THE BLUECOAT
(A company limited by guarantee)

**CHARITABLE COMPANY BALANCE SHEET
AS AT 31 March 2021**

Company number: 02246627

	Notes	2021 £	2020 £
FIXED ASSETS			
Intangible assets	11	34,226	0
Tangible assets	12	9,440,004	9,376,879
Investments	13	1	1
		9,474,231	9,376,880
CURRENT ASSETS			
Debtors	15	250,983	150,640
Cash at bank and in hand		310,392	123,966
		561,375	274,606
CREDITORS: Due within one year	16	(709,537)	(461,816)
Net Current Liabilities		(148,162)	(187,210)
Total Assets less Current Liabilities		9,326,069	9,189,670
CREDITORS: Due after one year	17	(241,349)	(92,462)
Total Net Assets		9,084,720	9,097,208
Funds of the Charity			
General Reserve	20	453,070	163,210
Restricted Reserve	19	8,631,650	8,933,999
Total Funds		9,084,720	9,097,208

The Trustees have taken advantage of Section 408 of Companies Act 2006 from the requirement to prepare a separate Statement of Financial Activities for the charity. The net expenditure dealt with in the financial statements of the charity is £12,488 (2020: £368,946).

The financial statements on pages 25 to 45 were approved and authorised for issue by the Board of Directors on *6th December 2021*.

Signed on behalf of the Board of Directors


P Mearns
Director

THE BLUECOAT
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 March 2021**

	2021	2020
	£	£
Cash flows from operating activities:		
Net expenditure for the year (per the statement of financial activities)	(31,776)	(366,718)
Adjusted for:		
Depreciation	303,673	252,653
Taxation paid	0	0
Decrease / (increase) in stock	3,072	2,557
Decrease / (increase) in trade and other receivables	(90,890)	(5,625)
Increase in trade and other payables	192,352	221,711
Net cash inflow (outflow) from operating activities	376,431	104,578
Cash flows from investing activities		
Purchase of property, plant & equipment	(399,170)	(50,580)
Cash used in investing activities	(399,170)	(50,580)
Cash flows from financing activities		
Repayment of borrowing	(30,805)	(12,500)
Capital Grants Received	251,274	37,452
Net cash flows used in financing activities	220,469	24,952
Net increase/(decrease) in cash & cash equivalents	197,730	78,950
Opening cash & cash equivalents	127,343	48,393
Closing cash & cash equivalents	325,073	127,343
Movement in cash and cash equivalents	197,730	78,950

THE BLUECOAT
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

1 ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the 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 (FRS102) (effective 1 January 2015) - (Charities SORP (FRS102)), and the Companies Act 2006. These financial statements have been presented in pound sterling, which is the functional currency of the company, and rounded to the nearest £.

The Bluecoat meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

General Information

The Bluecoat is a company limited by guarantee and a registered charity. The Bluecoat is incorporated in the United Kingdom. The registered office is The Bluecoat, School Lane, Liverpool, L1 3BX.

Group Financial Statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary, Trading at the Bluecoat Limited, on a line-by-line basis.

Principal Activity

Bluecoat is Liverpool's centre for the contemporary arts. Our purpose is to open up creative possibilities for individuals and communities. We do this through a programme of exhibitions, live art and participation projects; through support to artists; by opening up our 18th century building to makers, traders and visitors; and by creating connections between Liverpool and the rest of the world.

Going Concern

The financial statements have been prepared on a going concern basis. Whilst the Bluecoat has been significantly impacted by Covid-19, causing trading and earned income to noticeably reduce, we have been able to successfully navigate through the economic disruption. We have done this through the careful management of costs, obtaining funding commitments from core funders, together with achieving additional fundraising and careful cash flow management.

Costs have been reduced through the implementation of a staff restructure and minimising building running costs during periods of closure. We were strongly supported by our core funders, Arts Council England and Liverpool City Council, whose early release of funding for 2020/21 has supported our cash flow. During 2020/21 we have achieved £124,568 of ACE Emergency Fund grant and £224,996 of Cultural Recovery Fund Round 1 grant. Whilst some of these grants are to alleviate the immediate impact of Covid-19, some of these grants have been invested in IT equipment and new ways of working that will improve our efficiency and effectiveness of delivery going forward. Also during 2020/21 we have received £147,000 of grant and social investment from Livv Investment (formerly known as First Ark Social Investment).

At the same time we have capital grant commitments of £450,000 from Arts Council England, £105,000 from Liverpool City Council and £72,565 from ESIF which is allowing us to actively invest in our facilities, to improve the visitor experience, to increase our commercial trading opportunities and to reduce our building running costs.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

1 ACCOUNTING POLICIES (continued)

The directors remain committed to maintaining annual spending within available resources and increasing general reserves and are fully aware that the economic outlook remains challenging for The Bluecoat and its principal funders - Arts Council England and Liverpool City Council. Both funders have given The Bluecoat commitments of continuing levels of funding that enable The Bluecoat to plan and budget from a firm financial base, and Bluecoat's directors are committed to continue to work with funders to develop plans to improve the charity's financial resilience over the immediate period and in the medium to long term.

The trustees have considered the level of funds held and the expected level of income and expenditure for the twelve months from authorising these financial statements. The trustees assess the charity to be a going concern based on review of financial performance of the 2021/22 year to date, the management accounts forecast for the remainder of 2021/22, the 18 month rolling cash flow forecast, funding commitments from Arts Council England and Liverpool City Council, and longer-term plans and forecasts for 2022 and beyond. As a result, the trustees are confident about the financial future of the charity and satisfied that these accounts are prepared on a going concern basis.

Taxation

The organisation is a registered charity and as such is exempt from taxation on its charitable activities. The charity has taken the opportunity to seek a corporation tax credit under the museums and galleries tax relief scheme.

Government grants

Revenue grants are credited as income when they are receivable, provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred. Grants for the purchase of fixed assets are credited to income when receivable.

Income

Income, including from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income received in advance of performance or provision of other specified service is deferred until the criteria for income recognition are met. Room hire, rent and other income are recognised on an accruals basis.

The charity has not been the beneficiary of any legacies during the year.

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the directors' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

1 ACCOUNTING POLICIES (continued)

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the directors have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for specific areas of the charity's work or for specific artistic projects being undertaken by the charity.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading including the bar and bistro and their associated support costs.
- Expenditure on charitable activities includes the costs of performances, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Governance costs included in expenditure on charitable activities include those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs are apportioned to activity cost categories directly on a basis consistent with the use of resources, for example, staff costs by time.
- Other expenditure represents those items not falling into any other heading.

Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's artistic programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated is set out in note 9.

Fixed assets and depreciation

All fixed assets are stated at cost less accumulated depreciation. All items over £500 are capitalised.

Depreciation of fixed assets is calculated to write-off their cost less any residual value over their estimated useful lives on a straight-line basis as follows:

Freehold Property	2.0%
Computers and Related Equipment	33.3%
Furniture and Fixtures	20.0% - 25.0%
Other Equipment	12.5% - 25.0%
Property Improvements	10%

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

1 ACCOUNTING POLICIES (continued)

Intangible fixed assets, which consist of brand and website collateral, are stated at cost (or deemed cost) or valuation less accumulated amortisation over an economic life of 4 years unless there are any impairment losses to be recognised.

Stock

Purchased stock is included at the lower of cost or net realisable value.

Donated artworks which have been received by the charity for future sale have not been recognised as stock in the accounts. This is because the charity is unable to determine with any certainty the timing or value of any potential sale of the donated artworks.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Concessionary loans are measured at amortised cost.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Reserves

The charity has a number of restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

All other funds are classified as unrestricted funds. Unrestricted reserves, if designated for a specific purpose or period, are accounted for as designated unrestricted reserves.

Operating lease agreements

Rentals paid under operating leases are charged in the Statement of Financial Activities as they are incurred.

Pension contributions

The charity has a defined contribution pension scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the scheme rules.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that affect the carrying amounts of assets and liabilities at the balance sheet date and income and expenditure during the year. The judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved, the actual results and outcomes could differ from the estimates.

In the process of applying the charity's accounting policies, the directors believe that the critical judgements or estimates that have the most significant effect on the amounts recognised in the financial statements are as follows:

- *Assessing any indicators of impairment in relation to assets.* The directors have considered both external and internal sources of information such as market conditions and experience of recoverability. There have been no indicators of impairments identified during the current financial year.
- *Recoverability of debtors.* The charity establishes a provision for debtors that are estimated not to be recoverable. To assess recoverability the directors consider factors such as the ageing of the debtors and past experience of recoverability.
- *Determining residual values and useful economic lives of property, plant and equipment* - The charity depreciates tangible assets over their estimated useful lives. The estimation of the useful lives is based on historic performance as well as expectations about future use. The actual lives of these assets can vary depending on a variety of factors, including technological innovation and maintenance programmes. Judgement is applied by management when determining the residual values for plant and equipment. When determining the residual value management aim to assess the amount that the charity would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible, this is done with reference to external market prices.

The estimates and underlying assumptions are reviewed on an ongoing basis. Any revisions are recognised in the period in which the estimate is revised.

THE BLUECOAT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

3 OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Rent of offices and studios	206,433	0	206,433	285,914
Events and room hire	1,770	0	1,770	200,318
Government Grants	58,064	0	58,064	0
Catering outlet income	16,000	0	16,000	316,449
Box office & Merchandise	285	0	285	5,635
	282,550	0	282,550	808,316

OTHER TRADING ACTIVITIES (PRIOR YEAR)

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Rent of offices and studios	285,914	0	285,914	281,722
Events and room hire	200,318	0	200,318	211,125
Catering outlet income	316,449	0	316,449	306,233
Box office & Merchandise	5,635	0	5,635	7,754
	808,316	0	808,316	806,834

4 DONATION AND GIFTS INCOME

This represents income from fundraising events and other donations received.

5 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Revenue Grants				
Arts Council England	495,846	0	495,846	486,887
Liverpool City Council	150,000	0	150,000	197,000
Project Grants				
Arts	21,000	22,850	43,850	36,941
Participation	78,666	31,533	110,200	162,961
Investment Readiness	0	0	0	13,487
Inhabit	0	0	0	2,847
Other Income				
Covid Recovery Grants	610,264	0	610,264	0
Capital Grant Release	0	49,355	49,355	3,745
Print Room	0	0	0	16,701
Museums & Galleries Tax Relief	12,500	0	12,500	30,005
Other	3,913	40,000	43,913	17,170
	1,372,189	143,738	1,515,928	967,744

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

INCOME FROM CHARITABLE ACTIVITIES (PRIOR YEAR)

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Revenue Grants				
Arts Council England	486,887	0	486,887	486,887
Liverpool City Council	197,000	0	197,000	197,000
Project Grants				
Arts	6,979	29,962	36,941	165,504
Participation	120,959	42,002	162,961	127,399
My Bluecoat	0	0	00-	47,237
Investment Readiness	0	13,487	13,487	0
Inhabit	2,847	0	2,847	6,808
Other Income				
Capital Grant Release	-	3,745	3,745	0
Print Room	16,701	0	16,701	20,982
Museums & Galleries Tax Relief	30,005	0	30,005	28,830
Other	17,170	0	17,170	14,552
	878,548	89,196	967,744	1,095,198

6 EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Advertising and marketing expenses	64,504	0	64,504	77,196
Building running costs	130,870	0	130,870	216,721
Support costs (See note 9)	183,653	0	183,653	131,524
Fundraising and Development	48,606	0	48,606	68,643
Commercial Operations	95,262	0	95,262	438,889
	522,895	0	522,895	932,973

EXPENDITURE ON RAISING FUNDS (PRIOR YEAR)

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Advertising and marketing expenses	77,196	0	77,196	84,660
Building running costs	216,721	0	216,721	229,396
Support costs (See note 9)	131,524	0	131,524	138,913
Direct development and fundraising	68,643	0	68,643	67,883
Trading subsidiary costs	438,889	0	438,889	405,021
	932,973	0	932,973	925,873

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Arts Programme	224,954	63,567	288,521	329,583
Participation	107,783	40,703	148,486	169,522
Inhabit	0	0	0	2,446
Support costs (See note 9)	515,629	341,817	857,446	695,283
Governance costs	15,510	0	15,510	21,434
	863,876	446,087	1,309,963	1,218,268

EXPENDITURE ON CHARITABLE ACTIVITIES (PRIOR YEAR)

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Arts Programme	252,231	77,352	329,583	339,835
Participation	128,031	41,491	169,522	159,304
Inhabit	2,446	0	2,446	48,548
Support costs (See note 9)	431,216	264,067	695,283	677,667
Governance costs	21,434	0	21,434	27,971
	835,358	382,910	1,218,268	1,253,324

The charitable expenditure on charitable activities includes staff costs directly attributed to the named activities above in addition to the support costs noted.

8 AUDITOR'S REMUNERATION

The Group incurred the following charges from auditors:

	2021 £	2020 £
Auditor's fee	9,545	9,270
Other services	680	660
	10,225	9,930

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

9 SUPPORT COSTS

Cost area	Costs of raising funds £	Charitable activities £	Governance £	Total 2021 £	Total 2020 £
Professional fees	24,192	84,673	1,100	109,965	68,182
Wages and salaries	126,217	441,759	5,737	573,713	464,081
Telephone and stationery	954	3,339	43	4,336	3,590
Staff expenses & sundries	503	1,762	23	2,289	9,154
Bank charges	454	1,589	21	2,064	3,727
Recruitment & training	578	2,024	26	2,628	368
Depreciation	0	301,817	0	301,817	250,580
ICT Support	3,322	11,628	151	15,102	13,008
Loan Interest	3,720	0	0	3,720	0
Volunteer expenses	0	0	0	0	4,765
Materials & Equipment	1,004	3,513	46	4,563	5,210
Bad debt	21,182	0	0	21,182	5,827
Subscriptions and sundry	1,526	5,342	69	6,938	4,028
Audit fees	0	0	7,905	7,905	7,903
Board expenses	0	0	389	389	7,818
	183,653	857,446	15,510	1,056,609	848,241

SUPPORT COSTS (PRIOR YEAR)

Cost area	Costs of raising funds £	Charitable activities £	Governance £	Total 2020 £	Total 2019 £
Professional fees	15,000	52,500	682	68,182	38,429
Wages and salaries	102,098	357,343	4,640	464,081	475,045
Telephone and stationery	790	2,764	36	3,590	4,565
Staff expenses & sundries	2,014	7,048	92	9,154	7,096
Bank charges	820	2,870	37	3,727	2,659
Recruitment & training	81	283	4	368	1,529
Depreciation	0	250,580	0	250,580	246,267
ICT Support	2,862	10,016	130	13,008	17,588
Volunteer expenses	0	4,765	0	4,765	5,524
Non-Recoverable VAT	0	0	0	0	4,067
Materials & Equipment	1,146	4,012	52	5,210	2,006
Bad debt	5,827	0	0	5,827	17,234
Subscriptions and sundry	886	3,102	40	4,028	102
Audit fees	0	0	7,903	7,903	13,350
Board expenses	0	0	7,818	7,818	9,090
	131,524	695,283	21,434	848,241	844,550

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

Support costs are apportioned to activity cost categories directly on a basis consistent with the use of resources, for example, staff costs by time. Governance support costs relate to staff time on governance matters as well as expenses incurred by governance matters.

10 SALARIES AND WAGES

Group	Average number of employees	
	2021 No.	2020 No.
Management, Development & Administration	12	13
Arts Programme	7	8
My Bluecoat	0	1
Technicians	15	11
Engagement	25	29
Trading Company	6	7
	65	58
	2021	2020
	£	£
Group		
Wages and salaries	976,761	1,009,731
Social security costs	59,440	66,937
Pension costs	19,723	23,259
	1,055,924	1,099,927

Salary costs includes severance and redundancy payments of £73,913 (2020; £nil) and seconded staff of £24,730 (2020: £nil).

The company has a defined contribution pension scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the scheme rules.

There were no employees earning a salary in excess of £60,000 in either year.

No trustees received remuneration in 2021 or 2020. During the year one director (2020 – three) was reimbursed for travel expenses totalling £77 (2020 - £4,551).

The key management personnel of the parent company, The Bluecoat, comprises the directors, who are also the trustees of the charity, and the leadership team. The key management personnel of the group, and the employee benefits, are identified as the same as for the Charity.

During the year the leadership team comprised the Chief Executive, the Artistic Director, the Head of Engagement, the Head of Programme, the Head of Projects and the Head of Development. The total employee benefits of the leadership team were £265,641 (2020: £268,558).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

11 INTANGIBLE FIXED ASSETS

Group and Company	Branding and Website £
Cost	
At 1 April 2020	0
Additions	45,635
At 31 March 2021	45,635
Depreciation	
At 1 April 2020	0
Charge for year	11,409
At 31 March 2021	11,409
Net book value	
At 31 March 2021	34,226
At 1 April 2020	0

12 TANGIBLE FIXED ASSETS

Group	Freehold Property £	Property Improvements £	Computer & Equipment £	Other Equipment £	Furniture & Fixtures £	Total £
Cost						
At 1 April 2020	12,284,205	44,950	161,521	383,412	442,385	13,316,473
Additions	0	333,873	17,598	0	2,064	353,535
At 31 March 2021	12,284,205	378,823	179,119	383,412	444,449	13,670,008
Depreciation						
At 1 April 2020	2,948,209	4,495	161,521	377,922	440,935	3,933,082
Charge for year	245,684	37,260	5,866	834	2,621	292,265
At 31 March 2021	3,193,893	41,755	167,387	378,756	443,556	4,225,348
Net book value						
At 31 March 2021	9,090,312	337,068	11,732	4,656	892	9,444,660
At 1 April 2020	9,335,996	40,455	0	5,490	1,450	9,383,391

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

12 TANGIBLE FIXED ASSETS (continued)

Company	Freehold Property £	Property Improve- ments £	Computer & Equipment £	Other Equipment £	Furniture & Fixtures £	Total £
Cost						
At 1 April 2020	12,284,205	44,950	161,521	376,743	435,569	13,302,988
Additions	0	333,873	17,598	0	2,064	353,535
At 31 March 2021	12,284,205	378,823	179,119	376,743	437,633	13,656,523
Depreciation						
At 1 April 2020	2,948,209	4,495	161,521	376,743	435,142	3,926,109
Charge for year	245,684	37,260	5,866	0	1,599	290,408
At 31 March 2021	3,193,893	41,755	167,387	376,743	436,741	4,216,519
Net book value						
At 31 March 2021	9,090,312	337,068	11,732	0	892	9,440,004
At 1 April 2020	9,335,996	40,455	0	0	428	9,376,879

The freehold property and other assets are included at cost. The net book value of freehold property at 31 March 2021 is £9,090,312.

The Arts Council of England, the National Heritage Memorial Fund and Barclays Bank plc hold charges over the property.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

13 INVESTMENTS

	Group £	Company £
Cost		
As at 31 March 2020	0	1
As at 31 March 2021	0	1

The investment relates to 100% of the ordinary share capital owned by The Bluecoat in the subsidiary, Trading at the Bluecoat Limited, a company incorporated in England & Wales, company registration number 06825349 and whose registered office is The Bluecoat, School Lane, Liverpool, L1 3BX.

As at 31 March 2021, its reserves stood at (£4,040). The principal activity of Trading at the Bluecoat Limited is to operate catering and hospitality outlets situated within the building. The company also undertakes events and room hire. The venture's financial results for the year ended 31st March 2021 were:

	2021 £	2020 £
Turnover	40,541	512,527
Grant Income	58,064	0
Expenditure	(125,966)	(510,298)
Tax	8,073	0
Profit (Loss)	(19,288)	2,229

14 STOCK

	2021 £	2020 £
Group		
Food & drink	1,943	5,015

15 DEBTORS

	2021 £	2020 £
Group		
Trade debtors	34,674	34,797
Accrued income	47,500	78,283
Other debtors	165,026	45,663
	247,201	158,743
 Company		
Trade debtors	32,980	27,947
Accrued income	41,063	77,030
Other debtors	176,940	45,663
	250,983	150,640

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

16 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Group		
Trade creditors	214,550	85,464
Deferred income	377,928	254,995
Social security and other taxes	12,293	35,814
Accruals and provisions	57,805	43,299
Other loans	68,499	50,000
	731,074	469,572
Company		
Trade creditors	213,302	76,504
Deferred income	362,857	237,976
Social security and other taxes	11,191	20,677
Accruals and provisions	53,688	39,116
Other loans	68,499	50,000
Amounts due to (from) group companies	0	37,541
	709,537	461,814

The Arts Council of England has a fixed and floating charge over land and properties of the Charity. The National Heritage Memorial Fund and Barclays Bank plc have legal charges over all monies due or to become due. Barclays Bank plc also has a fixed and floating charge over all property and assets.

Within other loans is £50,000 which relates to a concessionary loan provided by Liverpool City Council. The loan is interest free and is repayable by instalments, the final of which is due in 2022.

Deferred income comprises grants received in advance of expenditure, and advanced ticket sales and deposits for events to be held at The Bluecoat after the balance sheet date.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

17 LIABILITIES: AMOUNTS FALLING DUE GREATER THAN ONE YEAR

	2021	2020
	£	£
Group		
Deferred Capital Grant Income	121,153	29,962
Other loans	120,196	62,500
Total	241,349	92,462
Company		
Deferred Capital Grant Income	121,153	29,962
Other loans	120,196	62,500
Total	241,349	92,462

Included in the above total are the following items:

	2021	2020
	£	£
Maturity of debt:		
Amounts falling due:		
- In one year or less	68,499	50,000
- Between one and two years	57,835	62,500
- Between two and five years	62,361	0
	188,695	112,500

There is a £87,500 unsecured and concessionary loan provided by Liverpool City Council. There is a £101,195 social investment loan from Livv Housing Group that is provided over a five-year term.

18 FINANCIAL INSTRUMENTS

	2021	2020
	£	£
Group		
Financial assets at cost	475,423	190,155
Financial liabilities at cost	272,355	128,763
Loan commitments at cost	188,695	112,500
Charity		
Financial assets at cost	473,880	178,676
Financial liabilities at cost	266,990	153,160
Loan commitments at cost	188,695	112,500

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**NOTES TO THE FINANCIAL STATEMENTS
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19 RESTRICTED FUNDS

	Movement in Funds			Balance 31 March 2021 £
	Balance 1 April 2020 £	Income £	Expenditu re £	
Group and Company				
Building Development	8,711,751	49,355	301,817	8,459,289
Participation	43,453	31,533	40,703	34,283
Arts	85,429	22,850	63,567	44,712
My Bluecoat	65,235	0	0	65,235
Inhabit	23,215	0	0	23,215
Livv Social Investment Grant	0	40,000	40,000	0
Fundraising & development	4,916	0	0	4,916
	8,933,999	143,738	446,087	8,631,650

RESTRICTED FUNDS (PRIOR YEAR)

	Movement in Funds			Balance 31 March 2020 £
	Balance 1 April 2019 £	Income £	Expenditu re £	
Group and Company				
Building Development	8,958,587	3,745	250,580	8,711,752
Participation	42,942	42,002	41,491	43,453
Arts	132,819	29,962	77,352	85,429
My Bluecoat	65,235	0	0	65,235
Inhabit	23,215	0	0	23,215
Fundraising & development	4,916	13,487	13,487	4,916
	9,227,714	89,196	382,910	8,934,000

Building Development - This represents grants received to finance the major refurbishment of The Bluecoat that took place between 2006 - 2008, and more recently capital grants received in 2020-21 to renovate and refurbish the reception areas.

Participation - Funding for outreach programmes of participation events aimed at the local community. This includes receipts from BBC Children in Need and My Clubmoor.

Arts - Funding is received for a range of artistic commissions. This includes receipts from Ty Pawb and the British Council, Cre-Art, and Arts Council England Celebrating Age Fund.

My Bluecoat - Heritage Lottery Fund grant funding for a web and building based project that tells the story of Bluecoat and the effect it has had on the lives of the people of Liverpool and beyond.

Inhabit - A project funded by Esmee Fairburn Foundation to deliver a new approach to dance and engagement in partnership with Liverpool Improvisation Collective.

Fundraising and Development - Arts Council England Catalyst funding to support the charity in developing more diverse sources of income, and more recently funding from the Access Reach Fund to support investment readiness.

Livv Social Investment Grant - Grant funding from Livv Investment to support the charity's commercial development.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

20 UNRESTRICTED FUNDS

	Movement in Funds			Balance 31 March 2021 £
	Balance 1 April 2020 £	Income £	Expenditure & transfers £	
Group				
General	178,458	1,657,344	1,386,771	449,031
Designated Unrestricted	0	0	0	0
	178,458	1,657,344	1,386,771	449,031
Company				
General	163,210	1,581,431	1,291,573	453,068
Designated Unrestricted	0	0	0	0
	163,210	1,581,431	1,291,573	453,068

UNRESTRICTED FUNDS (PRIOR YEAR)

	Movement in Funds			Balance 31 March 2020 £
	Balance 1 April 2019 £	Income £	Expenditure & transfers £	
Group				
General	251,461	1,695,327	1,768,330	178,458
Designated Unrestricted	0	0	0	0
	251,461	1,695,327	1,768,330	178,458
Company				
General	205,441	1,284,164	1,329,396	163,210
Designated Unrestricted	0	0	0	0
	205,441	1,284,164	1,329,396	163,210

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Net Current Assets/ (Liabilities) £	Long Term Liabilities £	2021 Total £
Group				
Restricted Funds				
Building Development	9,478,886	(1,019,596)	0	8,459,290
Participation	0	34,283	0	34,283
Arts	0	44,712	0	44,712
My Bluecoat	0	65,235	0	65,235
Inhabit	0	23,215	0	23,215
Fundraising and Development	0	4,916	0	4,916
	9,478,886	(847,235)	0	8,631,651
Unrestricted Funds	0	690,380	(241,349)	449,031
	9,478,886	(156,855)	(241,349)	9,080,681

The net current liability on the Building Development Restricted Fund represents the transfer of funds from restricted to unrestricted that took place between 2006 and 2009 to reflect the reallocation of projects and brought forward balances between categories, and more recently capital grants received and spent in 2020-21 to renovate and refurbish the reception areas.

ANALYSIS OF NET ASSETS BETWEEN FUNDS (PRIOR YEAR)

	Tangible Fixed Assets £	Net Current Assets/ (Liabilities) £	Long Term Liabilities £	2020 Total £
Group				
Restricted Funds				
Building Development	9,383,391	(671,639)	0	8,711,752
Participation	0	43,453	0	43,453
Arts	0	85,429	0	85,429
My Bluecoat	0	65,235	0	65,235
Inhabit	0	23,215	0	23,215
Fundraising and Development	0	4,916	0	4,916
	9,383,391	(449,391)	0	8,934,000
Unrestricted Funds	0	270,920	(92,462)	178,458
	9,383,391	(178,471)	(92,462)	9,112,458

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

Company	Tangible Fixed Assets £	Net Current Assets/ (Liabilities) £	Long Term Liabilities £	2021 Total £
Restricted Funds				
Building Development	9,474,231	(1,014,941)	0	8,459,290
Participation	0	34,283	0	34,283
Arts	0	44,712	0	44,712
My Bluecoat	0	65,235	0	65,235
Inhabit	0	23,215	0	23,215
Fundraising and Development	0	4,916	0	4,916
	<u>9,474,231</u>	<u>(842,580)</u>	<u>0</u>	<u>8,631,651</u>
Unrestricted Funds	0	694,417	(241,349)	453,068
	<u>9,474,231</u>	<u>(148,163)</u>	<u>(241,349)</u>	<u>9,084,720</u>

The net current liability on the Building Development Restricted Fund represents the transfer of funds from restricted to unrestricted that took place between 2006 and 2009 to reflect the reallocation of projects and brought forward balances between categories, and more recently capital grants received and spent in 2020-21 to renovate and refurbish the reception areas.

ANALYSIS OF NET ASSETS BETWEEN FUNDS (PRIOR YEAR)

Company	Tangible Fixed Assets £	Net Current Assets/ (Liabilities) £	Long Term Liabilities £	2020 Total £
Restricted Funds				
Building Development	9,376,880	(665,128)	0	8,711,752
Participation	0	43,453	0	43,453
Arts	0	85,429	0	85,429
My Bluecoat	0	65,235	0	65,235
Inhabit	0	23,215	0	23,215
Fundraising and Development	0	4,916	0	4,916
	<u>9,376,880</u>	<u>(442,880)</u>	<u>0</u>	<u>8,934,000</u>
Unrestricted Funds	0	255,672	(92,462)	163,210
	<u>9,376,880</u>	<u>(187,208)</u>	<u>(92,462)</u>	<u>9,097,210</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

22 RELATED PARTIES

The company is controlled by its Directors whose names are shown on page 2.

The charity has taken advantage of the exemption in Section 33 of FRS 102 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared.

In the year ending 31 March 2021 the charity continued to enjoy a close working relationship with the Arts Council and Liverpool City Council who provide funding to enable the charity to carry out its charitable objectives. The grants received are included in the financial statements under income from charitable activities.

There were no other related party transactions during the year, nor any outstanding balances at the year end.

23 OTHER FINANCIAL COMMITMENTS

At 31 March 2021 the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases as at the reporting date as follows:

	2021	2020
	£	£
Expiry date:		
Not later than one year	2,612	2,612
Later than one year and not later than five years	3,700	6,312
	<hr/>	<hr/>

24 PENSION COMMITMENTS

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £19,723 (2020: £23,259). At the year-end £2,752 was included within creditors in respect of pension commitments (2020: £7,027).

25 EVENTS AFTER THE BALANCE SHEET DATE

Bluecoat has completed its capital upgrade works and successfully reopened to the public. The organisation continues to receive support from Arts Council England and Liverpool City Council to support its activities.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2021**

26 CAPITAL COMMITMENTS

At 31 March 2021 the charity had capital commitments as follows:

	2021 £	2020 £
Contracted for but not provided in the financial statements:		
Acquisition of property, improvements and fixtures and fittings	248,604	0

27 PRIOR YEAR COMPARATIVE SOFA

	Notes	Unrestricted Funds £	Restricted Funds £	2020 £	2019 £
<i>Income</i>					
Donations and legacies	3	8,463	-	8,463	8,776
Other trading activities	4	808,316	-	808,316	806,834
Income from charitable activities	5	878,548	89,196	967,744	1,095,198
Total Income		1,695,327	89,196	1,784,523	1,910,808
<i>Expenditure</i>					
Expenditure on raising funds	6	932,973	-	932,973	925,873
Expenditure on charitable activities:	7	835,358	382,910	1,218,268	1,253,324
Total Expenditure		1,768,330	382,910	2,151,241	2,179,197
Net expenditure for the year and Net movement in funds		(73,003)	(293,714)	(366,718)	(268,389)
Balance brought forward		251,461	9,227,713	9,479,174	9,747,563
Balance carried forward		178,458	8,933,999	9,112,456	9,479,174