

# **The Bluecoat**

**(A company limited by guarantee)**

## **Annual Report and Consolidated Financial Statements**

**Year ending 31 March 2022**

Company number 02246627

Charity number 700862

**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 Johan-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 Esmée 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, Kohenoora Kamal, Emily Lansley, Millie Toyin Olateju, Niloo Sharifi and Linny 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 Dhisso, 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.



**THE BLUECOAT**  
(A company limited by guarantee)

**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.

**THE BLUECOAT**  
(A company limited by guarantee)

**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.

**THE BLUECOAT**  
(A company limited by guarantee)

**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](http://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**  
(A company limited by guarantee)

**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 £
<b>Income</b>					
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
<b>Total</b>		<b>1,820,899</b>	<b>1,128,092</b>	<b>2,948,992</b>	<b>1,801,082</b>
<b>Expenditure</b>					
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
<b>Total</b>		<b>1,654,621</b>	<b>968,954</b>	<b>2,623,575</b>	<b>1,832,858</b>
<b>Net incoming/(outgoing) resources for the year and net movement in funds</b>		<b>166,278</b>	<b>159,138</b>	<b>325,416</b>	<b>(31,776)</b>
<b>Balance b/f</b>		<b>449,031</b>	<b>8,631,650</b>	<b>9,080,681</b>	<b>9,112,457</b>
<b>Balance c/f</b>		<b>615,309</b>	<b>8,790,788</b>	<b>9,406,097</b>	<b>9,080,681</b>

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.



**THE BLUECOAT**  
(A company limited by guarantee)

**CONSOLIDATED AND COMPANY BALANCE SHEET  
AS AT 31 MARCH 2022**


Company number: 02246627

	Notes	GROUP		COMPANY	
		2022 £	2021 £	2022 £	2021 £
<b>FIXED ASSETS</b>					
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>
<b>CURRENT ASSETS</b>					
Stock	14	3,453	1,943	0	0
Debtors	15	335,056	247,202	319,987	250,983
Cash at bank and in hand		<u>285,425</u>	<u>325,073</u>	<u>270,342</u>	<u>310,392</u>
		<u>623,934</u>	<u>574,218</u>	<u>590,329</u>	<u>561,375</u>
<b>CREDITORS: Due within one year</b>	16	571,581	731,074	542,885	709,537
<b>Net Current Assets (Liabilities)</b>		<u>52,352</u>	<u>(156,856)</u>	<u>47,444</u>	<u>(148,162)</u>
<b>Total Assets less Current Liabilities</b>		<u>9,468,458</u>	<u>9,322,030</u>	<u>9,461,323</u>	<u>9,326,069</u>
<b>CREDITORS: Due after one year</b>	17	62,361	241,349	62,361	241,349
<b>Total Net Assets</b>		<u>9,406,097</u>	<u>9,080,681</u>	<u>9,398,963</u>	<u>9,084,720</u>
<b>Funds</b>					
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
<b>Total Funds</b>		<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 9<sup>th</sup> 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**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities:</b>		
Net income (expenditure) for the year (as per the statement of financial activities)	<b>325,416</b>	<b>(31,776)</b>
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
<b>Net cash inflow (outflow) from operating activities</b>	<b>341,011</b>	<b>376,431</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant & equipment	(337,160)	(399,170)
<b>Cash used in investing activities</b>	<b>(337,160)</b>	<b>(399,170)</b>
<b>Cash flows from financing activities</b>		
Repayment of borrowing	(43,499)	(30,805)
Capital Grants Received	0	251,274
<b>Net cash flows used in financing activities</b>	<b>(43,499)</b>	<b>220,469</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>(39,648)</b>	<b>197,730</b>
<b>Opening cash &amp; cash equivalents</b>	<b>325,073</b>	<b>127,343</b>
<b>Closing cash &amp; cash equivalents</b>	<b>285,425</b>	<b>325,073</b>
<b>Movement in cash and cash equivalents</b>	<b>(39,648)</b>	<b>197,730</b>

**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 18<sup>th</sup> 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
	<b>611,619</b>	<b>0</b>	<b>611,619</b>	<b>282,552</b>

**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
	<b>282,550</b>	<b>0</b>	<b>282,550</b>	<b>808,316</b>

**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 £
<b>Revenue Grants</b>				
Arts Council England	496,431	0	496,431	495,846
Liverpool City Council	150,000	0	150,000	150,000
<b>Project Grants</b>				
Arts	2,500	297,463	299,963	43,850
Participation	92,120	131,783	223,903	110,200
<b>Other Income</b>				
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
	<b>1,206,988</b>	<b>1,128,092</b>	<b>2,335,080</b>	<b>1,515,928</b>



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**INCOME FROM CHARITABLE ACTIVITIES (PRIOR YEAR)**

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
<b>Revenue Grants</b>				
Arts Council England	495,846	0	495,846	486,887
Liverpool City Council	150,000	0	150,000	197,000
<b>Project Grants</b>				
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
<b>Other Income</b>				
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
	<b>1,372,189</b>	<b>143,738</b>	<b>1,515,928</b>	<b>967,744</b>

**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
	<b>783,718</b>	<b>0</b>	<b>783,718</b>	<b>522,895</b>

**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
	<b>522,895</b>	<b>0</b>	<b>522,895</b>	<b>932,973</b>

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**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
	<b>870,903</b>	<b>968,954</b>	<b>1,839,858</b>	<b>1,309,963</b>

**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
	<b>863,876</b>	<b>446,087</b>	<b>1,309,963</b>	<b>1,218,268</b>

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
	<b>11,180</b>	<b>10,225</b>

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**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
	<b>176,553</b>	<b>1,033,196</b>	<b>18,187</b>	<b>1,227,937</b>

**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
	<b>183,653</b>	<b>857,446</b>	<b>15,510</b>	<b>1,056,611</b>	<b>848,241</b>

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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**10 SALARIES AND WAGES**

	<b>Average number of employees</b>	
	<b>2022 No.</b>	<b>2021 No.</b>
<b>Group</b>		
Management, Development & Administration	16	12
Arts Programme	22	7
Technicians	15	15
Engagement	19	25
Trading Company	5	6
	<b>77</b>	<b>65</b>
	<b>2022 £</b>	<b>2021 £</b>
<b>Group</b>		
Wages and salaries	1,032,938	976,761
Social security costs	70,504	59,440
Pension costs	20,969	19,723
	<b>1,124,411</b>	<b>1,055,924</b>

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:

	<b>2022</b>	<b>2021</b>
£70,001 to £80,000	1	0

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**11 INTANGIBLE FIXED ASSETS (Group and Company)**

<b>COMPANY AND GROUP</b>	<b>Branding and Website</b>
<b>COST</b>	<b>£</b>
At 1 April 2021	45,635
Additions	0
Disposals	
At 31 March 2022	<u>45,635</u>
<b>DEPRECIATION</b>	
At 1 April 2021	11,409
Charge for year	11,734
Disposals	
At 31 March 2022	<u>23,143</u>
<b>NET BOOK VALUE</b>	
<b>31-Mar-22</b>	<b>22,492</b>
<b>31-Mar-21</b>	<b>34,226</b>

**THE BLUECOAT**  
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**12 TANGIBLE FIXED ASSETS**

GROUP	Freehold Property	Property Improvements	Computer Equipment	Other Equipment	Furniture & Fixtures	TOTAL
<b>COST</b>	£	£	£	£	£	£
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
<b>DEPRECIATION</b>						
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
<b>NET BOOK VALUE</b>						
<b>31-Mar-22</b>	<b>8,844,628</b>	<b>532,579</b>	<b>8,272</b>	<b>4,152</b>	<b>3,982</b>	<b>9,393,613</b>
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
<b>COST</b>	£	£	£	£	£	£
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
<b>DEPRECIATION</b>						
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
<b>NET BOOK VALUE</b>						
<b>31-Mar-22</b>	<b>8,844,628</b>	<b>532,579</b>	<b>8,272</b>	<b>1,925</b>	<b>3,982</b>	<b>9,391,386</b>
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.



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**13 INVESTMENTS**

	Group £	Company £
<b>Cost</b>		
As at 31 March 2021	0	1
As at 31 March 2022	<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 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 31<sup>st</sup> 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 £
<b>Group</b>		
Food & drink	3,453	1,943

**15 DEBTORS**

Amounts due within one year:

	2022 £	2021 £
<b>Group</b>		
Trade debtors	40,813	34,674
Accrued income	257,980	47,500
Other debtors	36,262	165,026
	<b>335,056</b>	<b>247,200</b>
<b>Company</b>		
Trade debtors	30,823	32,980
Accrued income	257,980	41,063
Other debtors	31,184	176,940
	<b>319,987</b>	<b>250,983</b>

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**16 CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Group</b>		
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
	<b>571,582</b>	<b>731,075</b>
<b>Company</b>		
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
	<b>542,884</b>	<b>709,537</b>

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.



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**17 LIABILITIES: AMOUNTS FALLING DUE GREATER THAN ONE YEAR**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Group</b>		
Deferred Capital Grant Income	0	121,153
Other loans	62,361	120,196
<b>Total</b>	<b>62,361</b>	<b>241,349</b>
<b>Company</b>		
Deferred Capital Grant Income	0	121,153
Other loans	62,361	120,196
<b>Total</b>	<b>62,361</b>	<b>241,349</b>
Included in the above total are the following items:		
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Maturity of debt:</b>		
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
	<b>145,196</b>	<b>188,695</b>

**18 FINANCIAL INSTRUMENTS**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Group</b>		
Financial assets at cost	584,219	475,423
Financial liabilities at cost	225,221	272,355
Loan commitments at cost	145,196	188,695
<b>Charity</b>		
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**  
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**19 RESTRICTED FUNDS**

	Balance as at 1st April 2021 £	Movement in Funds		Balance as at 31st March 2022 £
		Income £	Expenditure £	
<b>Group and Company</b>				
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
	<b>8,631,650</b>	<b>1,128,092</b>	<b>968,954</b>	<b>8,790,788</b>

**RESTRICTED FUNDS (PRIOR YEAR)**

	Balance 1 April 2020 £	Movement in Funds		Balance 31 March 2021 £
		Income £	Expenditure £	
<b>Group and Company</b>				
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
	<b>8,933,999</b>	<b>143,738</b>	<b>446,087</b>	<b>8,631,650</b>

**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 Esme 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**  
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**20 UNRESTRICTED FUNDS**

	Balance as at 1st April 2021 £	Movement in Funds		Balance as at 31st March 2022 £
		Income £	Expenditure £	
<b>Group</b>				
General	449,031	1,820,899	1,654,621	615,309
Designated Unrestricted	0	0	0	0
	<b>449,031</b>	<b>1,820,899</b>	<b>1,654,621</b>	<b>615,309</b>
<b>Company</b>				
General	453,070	1,556,233	1,401,128	608,175
Designated Unrestricted	0	0	0	0
	<b>453,070</b>	<b>1,556,233</b>	<b>1,401,128</b>	<b>608,175</b>

**UNRESTRICTED FUNDS (PRIOR YEAR)**

	Balance 1 April 2020 £	Movement in Funds		Balance 31 March 2021 £
		Income £	Expenditure & transfers £	
<b>Group</b>				
General	178,458	1,657,344	1,386,771	449,031
Designated Unrestricted	0	0	0	0
	<b>178,458</b>	<b>1,657,344</b>	<b>1,386,771</b>	<b>449,031</b>
<b>Company</b>				
General	163,210	1,581,431	1,291,573	453,068
Designated Unrestricted	0	0	0	0
	<b>163,210</b>	<b>1,581,431</b>	<b>1,291,573</b>	<b>453,068</b>



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**21 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Fixed Assets	Net Current Assets (Liabilities)	Long Term Liabilities	Total for Year
GROUP	£	£	£	£
<b>Restricted Funds</b>				
Building Development	9,377,207	(597,826)	0	8,779,381
Participation	0	11,407	0	11,407
Arts	0	0	0	0
	9,377,207	(586,419)	0	8,790,788
<b>Unrestricted Funds</b>	38,898	641,767	(62,361)	618,304
<b>Total Funds</b>	9,416,105	55,348	(62,361)	9,409,092

**ANALYSIS OF NET ASSETS BETWEEN FUNDS (PRIOR YEAR)**

	Tangible Fixed Assets	Net Current Assets/ (Liabilities)	Long Term Liabilities	2021 Total
	£	£	£	£
<b>Group</b>				
<b>Restricted Funds</b>				
	9,478,886	(1,019,596)	0	8,459,290
Building Development	6			
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
<b>Unrestricted Funds</b>	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 in relation to capital grants received, to reflect the reallocation of projects and brought forward balances between categories.

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**21 ANALYSIS OF NET ASSETS BETWEEN FUNDS – Continued**

GROUP	Fixed Assets £	Net Current Assets (Liabilities) £	Long Term Liabilities £	Total for Year £
<b>Restricted Funds</b>				
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>
<b>Unrestricted Funds</b>	38,898	638,772	(62,361)	615,309
<b>Total Funds</b>	<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 £
<b>Restricted Funds</b>				
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>
<b>Unrestricted Funds</b>	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:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Expiry date:</b>		
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**  
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**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 £
<b>Income</b>					
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
<b>Total</b>		<b>1,657,344</b>	<b>143,738</b>	<b>1,801,082</b>	<b>1,784,523</b>
<b>Expenditure</b>					
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
<b>Total</b>		<b>1,386,771</b>	<b>446,087</b>	<b>1,832,858</b>	<b>2,151,241</b>
<b>Net incoming/(outgoing) resources for the year and net movement in funds</b>		<b>270,573</b>	<b>(302,349)</b>	<b>(31,776)</b>	<b>(366,718)</b>
<b>Balance b/f</b>		<b>178,458</b>	<b>8,933,999</b>	<b>9,112,457</b>	<b>9,479,174</b>
<b>Balance c/f</b>		<b>449,031</b>	<b>8,631,650</b>	<b>9,080,681</b>	<b>9,112,456</b>