

The Bluecoat

(A company limited by guarantee)

Annual Report and Consolidated Financial Statements

Year ending 31 March 2024

Company number 02246627

Charity number 700862

THE BLUECOAT
(A company limited by guarantee)

**FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2024**

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THE BLUECOAT
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Company Information for Year Ended 31 March 2024

Company number: 02246627

Charity Number: 700862

Registered Office: School Lane, Liverpool, L1 3BX

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

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

Directors

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

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

Chief Executive	Mary Cloake
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Governing Document

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

THE BLUECOAT
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Directors' Report for the Year Ending 31 March 2024

The directors of the company, who are also the trustees of the charity, are pleased to present their annual report, together with the consolidated financial statements of the charity and its wholly owned subsidiary for the year ending 31 March 2024.

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

Our Purposes and Objectives

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

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

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

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

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

Directors' Report for the Year Ending 31 March 2024

Introduction

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

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

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

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

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

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

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

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

Artist Development

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

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

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

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

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

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

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

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

Directors' Report for the Year Ending 31 March 2024

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

Blue Room

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

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

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

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

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

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

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

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

Directors' Report for the Year Ending 31 March 2024

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

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

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

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

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

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

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

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

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

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

Where the Arts Belong

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

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

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

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

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

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

Children and Families / Out of the Blue

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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Cultural Legacies

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

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

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

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

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

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

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

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

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

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

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

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

Public Visibility and Influence

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Business Development

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

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

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

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

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

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

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

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

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

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

Directors' Report for the Year Ending 31 March 2024

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

Development

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

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

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

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

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

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

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

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

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

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

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

Directors' Report for the Year Ending 31 March 2024

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

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

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

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

Financial Review

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

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

Reserves and Investment Policy

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

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

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

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

Directors' Report for the Year Ending 31 March 2024

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

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

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

Appointment of Directors

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

Directors' Induction and Training

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

Organisation and Governance and Management Structures

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

Related Parties and Co-Operation with Other Organisations

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

Directors' Report for the Year Ending 31 March 2024

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

Pay Policy for Key Management Personnel

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

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

Plans for the Future

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

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

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

Directors' Report for the Year Ending 31 March 2024

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

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

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

Risk Management

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

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

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

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

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

Directors' Responsibilities in Relation to the Financial Statements

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

Company law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and of the income or expenditure of the charitable group for the year. In preparing those financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent, whilst ensuring that applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements

Directors' Report for the Year Ending 31 March 2024

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

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

Information Provided to Auditors

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

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

By order of the Board

Peter Mearns
Chairman



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

Opinion

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

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

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

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

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

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

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

THE BLUECOAT
(A company limited by guarantee)

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

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

Use of our report

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

Mitchell Charlesworth (Audit) Limited

Louise Casey ACA (Senior Statutory Auditor)

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

Suite 5.1
12 Tithebarn Street
Liverpool
L2 2DT

Date: 23 December 2024

THE BLUECOAT
(A company limited by guarantee)

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

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

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

All income and expenditure derive from continuing activities.

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

THE BLUECOAT
(A company limited by guarantee)

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


Company number: 02246627
(2023 as restated)

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

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

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

Signed on behalf of the Board of Directors


Peter Mearns
Chairman

THE BLUECOAT
(A company limited by guarantee)

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

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

THE BLUECOAT

(A company limited by guarantee)

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

1 ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) - (Charities SORP (FRS102)), and the Companies Act 2006. These financial statements have been presented in pound sterling, which is the functional currency of the company, and rounded to the nearest £.

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

General Information

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

Group Financial Statements

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

Principal Activity

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

Going Concern

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

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

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

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

1 ACCOUNTING POLICIES (continued)

Taxation

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

Government grants

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

Income

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

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

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

Donated services and facilities

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

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

Fund accounting

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

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

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 2024

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 2024

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY

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

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

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

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

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

3 OTHER TRADING ACTIVITIES

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

OTHER TRADING ACTIVITIES (PRIOR YEAR)

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

4 DONATION AND GIFTS INCOME

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

THE BLUECOAT
(A company limited by guarantee)

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

5 INCOME FROM CHARITABLE ACTIVITIES

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

INCOME FROM CHARITABLE ACTIVITIES (PRIOR YEAR)

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

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

6 EXPENDITURE ON RAISING FUNDS

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

EXPENDITURE ON RAISING FUNDS (PRIOR YEAR)

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

7 EXPENDITURE ON CHARITABLE ACTIVITIES (2023 as restated)

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

EXPENDITURE ON CHARITABLE ACTIVITIES (PRIOR YEAR)

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

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

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

8 AUDITOR'S REMUNERATION

The Group incurred the following charges from auditors:

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

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

9 SUPPORT COSTS

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

SUPPORT COSTS (PRIOR YEAR)

Cost area	Costs of raising funds	Charitable activities	Charitable Activities Governance	Total 2023	Total 2022
	£	£	£	£	£
Professional fees	81,172	112,849	3,960	197,981	222,863
Wages and salaries	83,418	115,971	4,069	203,458	483,912
Staff Expenses, Recruitment & Training	9,251	12,861	451	22,563	8,101
Bank charges	1,504	2,091	73	3,668	2,492
Depreciation	0	403,715	0	403,715	397,512
ICT Support, Telephone & Stationery	8,638	12,009	421	21,068	22,730
Loan Interest	16,965	0	0	16,965	8,825
Materials, Equipment & Sundry	616	856	30	1,502	22,304
Irrecoverable VAT	0	19,376	0	19,376	48,634
Bad debts written off	(4,737)	0	0	(4,737)	0
Audit fees	0	0	8,161	8,161	8,000
Board expenses	0	0	2,242	2,242	2563
	<u>196,827</u>	<u>679,726</u>	<u>19,407</u>	<u>895,962</u>	<u>1,227,936</u>

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

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

10 SALARIES AND WAGES

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

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

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

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

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

	2024	2023
£70,001 to £80,000	1	1

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

11 INTANGIBLE FIXED ASSETS (Group and Company)

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

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

12 TANGIBLE FIXED ASSETS

OUP	Freehold Property	Property Improvements	Computer Equipment	Other Equipment	Furniture & Fixtures	TOTAL
COST	£	£	£	£	£	£
At 1 April 2023	12,284,705	707,405	187,314	386,365	448,102	14,013,891
Additions	0	0	68,948	0	0	68,949
Disposals	0	0	0	0	0	0
At 31 March 2024	12,284,705	707,405	256,262	386,365	448,102	14,082,841
DEPRECIATION						
At 1 April 2023	3,685,263	312,483	181,320	382,599	445,074	5,006,738
Charge for year	245,683	135,414	15,612	1,444	953	399,105
Disposals	0	0	0	0	0	0
At 31 March 2024	3,930,946	447,897	196,931	384,043	446,026	5,405,843
NET BOOK VALUE						
31-Mar-24	8,353,760	259,510	59,330	2,321	2,075	8,676,997
31-Mar-23	8,599,443	394,921	5,994	3,766	3,028	9,007,152

COMPANY	Freehold Property	Property Improvements	Computer Equipment	Other Equipment	Furniture & Fixtures	TOTAL
COST	£	£	£	£	£	£
At 1 April 2023	12,284,705	707,405	185,816	378,752	441,286	13,997,963
Additions	0	0	0	0	0	0
Disposals	0	0	0	0	0	0
At 31 March 2024	12,284,705	707,405	185,816	378,752	441,286	13,997,963
DEPRECIATION						
At 1 April 2023	3,685,262	312,483	180,945	377,330	438,258	4,994,278
Charge for year	245,683	135,414	2,230	500	953	384,780
Disposals	0	0	0	0	0	0
At 31 March 2024	3,930,945	447,897	183,176	377,831	439,210	5,379,058
NET BOOK VALUE						
31-Mar-24	8,353,760	259,509	2,639	921	2,075	8,618,905
31-Mar-23	8,599,443	394,921	4,871	1,422	3,028	9,003,686

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

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

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

13 INVESTMENTS

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

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

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

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

14 STOCK

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

15 DEBTORS

Amounts due within one year:

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

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

16 CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

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

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

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

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

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

17 LIABILITIES: AMOUNTS FALLING DUE GREATER THAN ONE YEAR

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

Included in the above total are the following items:

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

18 FINANCIAL INSTRUMENTS

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

THE BLUECOAT
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19 RESTRICTED FUNDS (2023 as restated)

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

RESTRICTED FUNDS (PRIOR YEAR)

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

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

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

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

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

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

20 UNRESTRICTED FUNDS (2023 as restated)

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

UNRESTRICTED FUNDS (PRIOR YEAR)

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

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

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

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

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

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

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

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

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS – Continued

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

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

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

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

22 RELATED PARTIES

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

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

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

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

23 OTHER FINANCIAL COMMITMENTS

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

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

24 PENSION COMMITMENTS

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

25 RESTATEMENT OF PRIOR YEAR

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

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

26 CAPITAL COMMITMENTS

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

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

27 PRIOR YEAR COMPARATIVE SOFA (2023 as restated)

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