

FACT Liverpool

England & Wales · Charity number 702781

Details

Other names	F A C T, FILM ART AND CREATIVE TECHNOLOGY, THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY, FACT
Status	Registered
Legal form	Charitable company
Company number	02391543
Registered	1990-05-16
Register	View on the Charity Commission register

Contact

Address	FACT Liverpool 88 Wood Street Liverpool L1 4DQ
Phone	01517074400
Email	info@fact.co.uk
Website	www.fact.co.uk

Activities

Objects: To promote the arts and creative technology and to advance the education in this field for the benefit of the public.

Activities: FACT provides a range of activities including an exhibition programme including installations, screenings, etc by artists working with digital and visual arts media; a collaboration programme working with local communities; a range of moving image and new media resource services that support the arts sector; education and training initiatives for a range of audiences; and a research programme.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** MERSEYSIDE AND NEIGHBOURHOOD

- Knowsley
- Liverpool City
- Manchester City
- Sefton
- St Helens
- Wirral

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,888,897	£2,101,793	£4,058,143	41
2024-03-31	£2,216,952	£2,150,294	£4,271,039	33
2023-03-31	£1,955,071	£2,055,389	£4,204,381	44
2022-03-31	£2,023,603	£1,405,703	£4,304,699	43
2021-03-31	£1,708,444	£1,623,307	£3,950,806	38

Trustees

Name	Role	Appointed
Katie Moffat	Chair	2024-02-08
Alison Lacy		2025-02-18
Baff Akoto		2025-02-18
Iain Bennett		2025-11-25
Maleka Egeonu-Roby		2022-02-22
Mary Catrina Hewitson		2025-02-18
Paul Moore		2025-02-18
Ruth Elizabeth Catlow		2022-02-22
Sheralee Lockhart		2019-06-03
Simon Drysdale		2025-02-18
Thomas James Harris		2024-05-23

FACT Liverpool

England & Wales - Charity number 702781

Accounts

Charity registration number 702781 (England and Wales)

Company registration number 02391543

FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees

Katie Moffat
Sheralee Lockhart
Ruth Catlow
Maleka Egeonu-Roby
Bea Freeman
Thomas Harris (Appointed 23 May 2024)
Baff Akoto (Appointed 18 February 2025)
Simon Drysdale (Appointed 18 February 2025)
Lisa Middleton (Appointed 13 December 2024)
Mary Hewitson (Appointed 18 February 2025)
Alison Lacy (Appointed 18 February 2025)
Paul Moore (Appointed 18 February 2025)

Senior staff

Chief Executive Nicola Triscott
Head of Programme Maitreyi Maheshwari
Head of Business & Operations James Hammond

Secretary

Nicola Triscott

Charity number

702781

Company number

02391543

Registered office

88 Wood Street
Liverpool
L1 4DQ

Auditor

DSG Audit
Castle Chambers
43 Castle Street
Liverpool
L2 9TL

Bankers

Natwest Bank
City Office
2-8 Church Street
Liverpool
L1 3BG

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FACT LIVERPOOL COMPANY LIMITED BY GUARANTEE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

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

Objectives and activities

FACT's charitable objective, as defined in the latest Articles of Association approved in February 2022, is to promote the arts and creative technology and to advance the education in this field for the benefit of the public.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake and consider that the charitable objectives have been discharged through the following activities:

- Free to access exhibitions within the FACT Centre building
- Free to access and low-cost workshops, events, and participatory projects that provide educational, participation and engagement objectives
- Free to access, low-cost and paid talent development opportunities and commissions for artists, curators and filmmakers
- Free to access exhibitions or screenings at other locations and venues
- Free on-line content via the FACT website

The trustees believe that the charity genuinely discharges its duty of care relating to public benefit and will continue to undertake additional assessment to underline the charity's effectiveness in this respect.

Vision, Purpose & Offer

FACT is a world-leading centre for contemporary art, film and the creative use of technology. Located in the heart of Liverpool, we are a friendly social space working with artists and people to create transformative experiences that spark the imagination and enrich lives. As a place to help make sense of the world today, FACT provides opportunities across a variety of platforms for people to create, interact and listen. We champion new ideas and experiences, nurturing a diverse future generation of artists, filmmakers, creative makers, imaginists and critical thinkers, and supporting young people and emerging artists to gain confidence, skills and experience.

FACT aims to provide:

- A world-leading programme of exhibitions and projects at the intersection of art, film, technology, and society, offering inspiring extraordinary cultural and learning experiences for diverse audiences, particularly young people.
- Talent and career development opportunities, including residencies, commissions, mentoring, traineeships and training schemes for young and emerging artists and creative professionals.
- Unique opportunities for 11-17-year-olds from diverse backgrounds to participate in art and creative technology projects, exploring and creating new art and knowledge with social impact through collaboration with artists, scientists and technologists.
- A diverse and skilled leadership and workforce, and a model of operation that is sustainable financially and environmentally.

FACT LIVERPOOL COMPANY LIMITED BY GUARANTEE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Achievements and Performance

2024/25 was a year of exceptional achievement for FACT. The cultural sector continues to face real financial pressures, but we exceeded our visitor targets and curated a series of ambitious, compelling exhibitions that sparked important conversations and genuine engagement. Through powerful artistic programming, the successful launch of our talent development hub Studio/Lab, and the culmination of our six-year Resolution programme working with the criminal justice system, FACT demonstrated the transformative power of art and technology to enrich lives and spark positive social change. This year's achievements, alongside innovations in governance and participative management, put us in a strong position for future growth and transformation.

Artistic Programme: Exhibitions & Commissions

FACT presented an ambitious programme of exhibitions in 2024/25, welcoming 206,541 visits to the building - surpassing our target of 200,000 and marking an increase of 12,000 compared to the previous year.

Major Exhibitions

On the other side (1 March - 9 June 2024) Featuring artists Melanie Crean, Katrina Palmer and Pilvi Takala, this exhibition marked the culmination of FACT's multi-year work with the criminal justice system. Exploring challenging themes, the exhibition received critical acclaim from Art Monthly and Corridor 8, with reviewers praising how it "successfully circumvents a polarising spectacle by focusing on process and dialogue."

RIP Germain: "After God, Dudus Comes Next!" (5 July - 13 October 2024) R.I.P. Germain transformed Gallery 1 into a series of commercial shops and 'false fronts', attracting 7,069 visits (80 per day). The exhibition proved particularly popular on TikTok, driving a younger audience and many repeat visitors. Time Out featured it in "Eight amazing art exhibitions to see around the UK this August."

Sara Sadik: Xenon Palace Championship (5 July - 13 October 2024) Sara Sadik's immersive 'magical hookah lounge' in the Foyer Gallery welcomed 7,740 visits (88 per day), with visitors particularly enjoying the interactive gameplay aspects of the work.

Art Plays Games (5 September 2024 - 27 April 2025) This groundbreaking experimental exhibition examined how artists use games to challenge traditional storytelling and explore pressing contemporary issues. Over nine months and four carefully curated rotations, it attracted 9,895 visits (65 per day). The exhibition featured internationally renowned artists alongside emerging local talent, including Rachel Maclean, Sahej Rahal, Angela Washko, David O'Reilly, Alice Bucknell, and our four regional digital artist residents. Visitor feedback was exceptional, with families returning multiple times across rotations and industry professionals suggesting collaborative events. The exhibition concluded with the 'Choose Your Own Adventure' symposium featuring workshops, performances and discussions on world-building.

Cosmotechnics (8 November 2024 - 26 January 2025) Curated by FACT's curator-in-residence Beatrice Zaidenberg, this exhibition explored technology through Latin American perspectives. It became the most visited exhibition since 2022-23, attracting 6,300 visits over 66 days (95 per day), with a significant spike driven by TikTok engagement.

Christopher Kulendran Thomas: Safe Zone & Bahar Noorizadeh: Free to Choose (20 February - 11 May 2025) These powerful solo exhibitions addressing imperialism, capitalism and alternative futures received exceptional visitor feedback. Thomas' compelling work, a major co-commission with Wiels, Brussels, centred on an AI-remixed spherical meditation on 9/11 television footage.

FACT LIVERPOOL COMPANY LIMITED BY GUARANTEE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Public Programme & Events

FACT's 2024/25 public programme created vital spaces for dialogue and community connection. Our approach moved beyond traditional gallery talks to create meaningful encounters between artists, audiences and communities.

Key programme highlights included:

- The 'Choose Your Own Adventure' symposium for Art Plays Games, demonstrating FACT's unique convening power at the intersection of games and arts sectors
- R.I.P. Germain's capacity exhibition tours where audiences decoded hidden meanings
- Christopher Kulendran Thomas in conversation with Google Arts & Culture exploring AI's role in historical narratives
- UK premiere of 'Admiror or Revolutionary Sentiments' at Invisible Wind Factory
- Resolution panel discussions bringing together prison officers, artists, and participants with lived experience
- Book launch for Melanie Crean's 'A Machine to Unmake You' creating dialogue about systemic change

Accessibility remained central with BSL interpretation, relaxed formats, and hybrid delivery ensuring broad participation. The programme established FACT as a crucial forum for exploring how art and technology shape our collective future, and the role of art in policy change.

Learning & Community Programmes

Resolution: Art & Criminal Justice Programme

FACT's six-year Resolution programme reached its powerful conclusion in 2024/25, establishing new methodologies for socially engaged practice:

- Ain Bailey: FOUR presented sonic autobiographies created with imprisoned men and families at HMP Buckley Hall
- Amartey Golding collaborated with 22 men at HMP Altcourse to create a 200kg chainmail sculpture representing their shared stories
- Publication and dissemination of Melanie Crean's book to practitioners, galleries and libraries nationally
- International recognition through hosting the Generative Justice Group, exploring forms to resist exclusion

"Whatever it was that they were involving themselves in had longevity. It was something that wasn't just going to disappear." - Prison Officer

Youth & Schools Engagement

Our commitment to young people remained central to FACT's mission:

- 46 school sessions delivered engaging thousands of students
- 28 youth group sessions working with 10 groups and 236 participants
- 8 Do Something Saturday sessions with 157 participants
- Unity Youth collaboration where young people created work with R.I.P. Germain and Sara Sadik
- BFI Film Academy successfully delivered with 24 young people producing films

Clatterbridge Cancer Centre Partnership

Artist Nina Davies worked with the Teen and Young Adult Support Group to reimagine cancer treatment experiences through science-fiction storytelling. Participants created a fiction podcast set 500 years in the future, transforming personal experiences into creative narratives. One participant noted: "Since taking part in these activities, I have been able to move on with my life a lot easier."

Studio/Lab: Talent Development

Studio/Lab opened its doors to paying members in March 2024, marking a significant milestone in FACT's commitment to supporting artists working with digital technologies. This visionary facility offers production spaces for video editing, podcasting, motion capture, XR development and virtual production, creating a unique creative hub in the North West. What began as a vision for nurturing digital creativity has quickly evolved into a thriving community where artists, filmmakers and creative technologists collaborate, learn and push the boundaries of their practice.

FACT LIVERPOOL COMPANY LIMITED BY GUARANTEE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Key achievements:

- 30 active paying members (up from 9 at year start)
- Nearly £15,000 in revenue generated, exceeding the £14,000 target
- Over £30,000 in funding secured plus £10,000 in-kind support
- 29 events delivered including 13 skills workshops
- 15 paid residencies hosted across micro, regional and international programmes

Digital Artist Residencies

Four Northern artists were selected for the 2024 programme, supported by DaDa and Lucid Games:

- Matt Allen - exploring M.E. and chronic fatigue through digital art
- Gavin Gayagoy - investigating digital spaces and identity
- James McColl - developing a text-based wrestling game
- Livi Wilmore - exploring 'digital childhoods' and abandoned online spaces

International Partnerships

- UK/Hong Kong residency with Videotage, Near Now and Sudden Beams supporting 6 artists
- FACT x Mondriaan Fonds residency renewed for 2026 with increased funding
- New British Council-funded exchange secured with Brazil's Kino Beat festival

Film Programme & Cinema in the City

Our pioneering Cinema in the City offsite screening programme reached diverse communities across Liverpool, bringing cinema experiences to underserved areas:

- **May 2024:** Partnership with Pagoda Arts Chinese Community Centre featuring films from Hong Kong and East Asia
- **October 2024:** 90s nostalgia weekend with VideOdyssey, Toxteth's last video rental shop
- **December 2024:** Family-friendly festive programme at Liverpool Lighthouse, Anfield
- **February 2025:** Valentine's weekend at Ullet Road Church achieving 76% attendance

The programme also delivered twelve community cinema screenings, a screening of *From Ground Zero* (2024) as part of the Palestinian Film Festival, and a special Black History Month programme including the recently-restored *Bushman* (1971) and panel discussions on racial justice.

Audience Development & Communications

Our strategic approach to audience development focused on building sustainable relationships while maintaining broad appeal. Targeted campaigns reached 5,000+ students through university partnerships, family audiences via Visit Liverpool collaborations, and gaming communities through industry connections. Partnerships with LUMA and Chinese Arts Centre ensured our programme reached Liverpool's diverse communities.

Digital Engagement Impact FACT's digital strategy transformed audience connection, with one TikTok video reaching 100,000+ views and doubling gallery visits during Cosmotronics' final week. Strategic platform-specific content and 28% email open rates drove our 12,000 year-on-year visitor increase.

Press and Media Success Despite a challenging media landscape, FACT secured coverage in Art Monthly, Wallpaper*, Dazed and international publications. Critics praised our exhibitions' social relevance and technological innovation, with The Double Negative noting how our work "becomes a portal to rethink our relationship with technology."

Strategic Communications Networks Partnerships with Visit Liverpool, Culture Liverpool and Film Hub North created a multiplier effect, with each partner extending our reach to distinct audiences. This integrated approach contributed directly to exceeding our 200,000 visitor target.

Accessibility FACT's accessibility initiatives established sector-leading inclusive practice through our comprehensive Visual Story, Easy Read guides developed with access consultants, BSL content, and pioneering Quiet Hours sessions. These innovations ensured our ambitious programme truly serves everyone in our community.

FACT LIVERPOOL COMPANY LIMITED BY GUARANTEE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Accessibility FACT's accessibility initiatives established sector-leading inclusive practice through our comprehensive Visual Story, Easy Read guides developed with access consultants, BSL content, and pioneering Quiet Hours sessions. These innovations ensured our ambitious programme truly serves everyone in our community.

Partnerships & International Connections

FACT's collaborative approach amplified our impact through strategic partnerships:

Major Programme Partners

- Liverpool John Moores University - ongoing collaboration through Dr Emma Murray as criminologist-in-residence
- Paul Hamlyn Foundation - funding the complete Resolution programme
- Lucid Games - supporting digital residencies with mentoring and resources
- Mondrian Foundation - supporting Netherlands residency
- DaDaFest - co-producing accessible residencies
- Liverpool Biennial 2025 - hosting three artists including a FACT co-commission
- WIELS, Brussels - co-commissioning Christopher Kulendran Thomas' Safe Zone
- Artspace Sydney - co-commissioning Christopher Kulendran Thomas' Safe Zone
- The Otolith Collective - curating Bahar Noorzadeh's public programme
- Clatterbridge Cancer Centre - long-term partnership for Nina Davies' participatory project
- First Take - delivering BFI Film Academy programme
- Videotage (Hong Kong), Near Now, Sudden Beams - UK/Hong Kong residency partnership
- Kino Beat (Brazil) - British Council-funded residency exchange

International Reach

- FACT commissions toured to prestigious venues: Amos Rex (Finland), Emerson College (USA), Vanderbilt Museum of Art (USA), and iMAL (Brussels)
- Director invited to present at international conferences in Seoul and Beta Festival Dublin

Funding & Development Success

Strategic fundraising secured vital resources for programme delivery and organisational development:

Major Grants Secured

- £301,000 from Fidelity UK Foundation - the largest non-statutory grant since opening
- 1.61% uplift in Arts Council England funding to £1,040,911 annually
- Additional support from Granada Foundation, Fenton Arts Trust, Fluxus, and Goethe Institut

Earned Income Achievement

- Studio/Lab exceeded targets generating nearly £15,000 revenue
- Video production maintained strong client relationships
- Secured valuable in-kind support from Arriva Bus and Merseyrail for youth programmes

Impact & Recognition

FACT's impact in 2024/25 was demonstrated through exceptional visitor engagement and sector-wide recognition. We exceeded visitor targets by 20%, welcoming 206,541 visits - an increase of 12,000 from the previous year. This audience growth was amplified by critical acclaim across major publications, with features in Art Monthly, Wallpaper*, Time Out, and Dazed validating our curatorial vision.

FACT's impact extended into academic and policy spheres through contribution to UKRI-funded research on participatory criminal justice. Our Resolution programme established new methodologies for socially engaged practice, with the Generative Justice Group selecting FACT as an international case study. The programme's methodology publication is now used by practitioners across the UK and internationally.

FACT LIVERPOOL COMPANY LIMITED BY GUARANTEE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Beyond formal recognitions, our impact was felt through:

- Studio/Lab's transformation from concept to thriving hub in one year
- Innovative governance experiments attracting sector-wide interest
- Head of Programme invited to present at REMIX Summit on digital arts programme
- Establishment as thought leader in arts and social justice

This combination of audience growth, critical recognition, academic contribution, and sector leadership confirms FACT's position as a vital force in contemporary culture.

FACT's 2024/25 programme demonstrated resilience and innovation, successfully balancing artistic excellence with community impact while navigating financial challenges. Through powerful exhibitions, meaningful participatory projects, and strategic development of talent and partnerships, FACT continued to establish itself as a leader in art, technology and social change.

Operational Excellence and Organisational Innovation

Governance Development

FACT strengthened its governance through strategic board recruitment and creative approaches to board practice. We welcomed six new trustees during 2024/25, bringing expertise in finance, organisational development, gaming industry, filmmaking, cinema management, and venue operations - appointments that directly support our strategic priorities. Our annual Board Away Day at Bidston Observatory brought trustees and senior management together to work on long-term strategy, including an impact model.

Additionally, we pioneered an experimental approach through collaboration with curator Stella Sideli, who curated interventions incorporating movement and creative practices, challenging traditional board formats and fostering trustee-staff engagement. This creative approach to governance reflects FACT's commitment to innovation extending beyond our artistic programme into how we operate as an organisation.

Organisational Structure and Culture

We continued developing our participative management and leadership model through:

- Implementation of our distinctive 'Circles and Roles' structure promoting transparency
- Dynamic visual mapping using Maptio platform to reduce duplication and identify gaps
- Cross-team working groups addressing strategic priorities
- Regular staff away days fostering departmental connections and collaborative planning

This approach supports our interdependent leadership culture, encouraging innovation and appropriate risk-taking across all organisational levels.

Digital Transformation and Environmental Responsibility

FACT embraced digital transformation while maintaining environmental commitments:

- Comprehensive project management through Asana
- Development of AI Policy balancing a people-centred approach with creative innovation
- Upgraded Building Management System improving efficiency
- Carbon Literacy Project certification for key staff
- Environmental Policy implementation through dedicated working group

Staff Development and Financial Management

Investment in our team included:

- Comprehensive training in public speaking, project management, and EDI
- Director selected for Arts Council England's 'Navigating Digital Change' programme
- Head of Business and Operation's selected for Independent Cinema Office's 'Revisiting Your Cinema Business Model' programme
- Progress toward Disability Confident Employer status

FACT LIVERPOOL COMPANY LIMITED BY GUARANTEE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Despite sector-wide funding challenges, we maintained strong financial governance:

- Reinstated Finance Sub-committee with new expertise
- Successfully claimed £164,000 in Museums & Galleries Tax Relief
- Implemented new banking arrangements
- Achieved more favourable year-end position than budgeted

These operational achievements demonstrate FACT's commitment to being a progressive, well-managed organisation modelling best practice in the cultural sector.

Equality, Diversity and Inclusion

FACT strengthened its EDI commitment through a dedicated staff working group that developed a comprehensive 2025-26 Action Plan focusing on policy updates, inclusive recruitment, and programme accessibility. Our Head of Programme co-chaired the Liverpool Arts & Culture Race Equality Manifesto event, bringing together 29 organisations to share accountability measures. This internal development combined with sector-wide engagement positioned FACT as a model for meaningful EDI implementation.

Financial review

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements. The charity had net expenditure on unrestricted funds of £212K (2024: net income of £67K).

Going concern

The financial statements have been prepared on a going concern basis. The organisation is rebuilding its audiences and earned income strands in the late pandemic, and has obtained funding commitments from core funders, together with additional fundraising.

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 2025/26 year to date, the management accounts forecast for the remainder of 2025/26, the 18 month rolling cash flow forecast, the confirmation of Arts Council England's funding commitment to FACT Liverpool for 2025/26 as part of its National Portfolio Organisations, and longer-term plans and forecasts for 2026/27 and beyond with no indication of a reduction in funding. 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.

Reserves policy

The trustees have agreed a financial policy to keep free reserves at a level that will cover three months of operating costs. In 2025, the level has remained at £350,000 (2024: £350,000) to account for rising costs. The trustees consider that reserves at this level will help to ensure that in the event of a financial shock, such as a significant drop in funding, the company will be able to continue operating during a period of adjustment. This level of reserves has been maintained throughout the year.

Free reserves are defined as total unrestricted funds available for spending less any designated funds. Designated funds are funds set aside by the trustees for a future purpose together with the value of tangible fixed assets used operationally by the charity.

At the year end the total unrestricted reserves stood at £4,058,143 (2024: £4,271,039). Of this amount, £3,498,528 (2024: £3,647,465) represented the value of tangible fixed assets held at the year end and £180,000 (2024: £240,000) was designated for the purpose of maintaining the charity's asset base in good order leaving a balance of free reserves of £379,615 (2024: £383,574).

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Major risks

The trustees are aware of the risks facing the charity by way of financial and strategic management and take appropriate steps to mitigate them. The Finance Sub Committee meets at regular intervals between Board meetings and proposals from these meetings are then put forward to the Board. A risk register is maintained and reviewed at every Board meeting.

The charity continues its strategy to develop an appropriate reserve and the Board is ensuring the charity prioritises the building of this fund over the coming years. The Board and the senior management are not complacent and recognise that continuous review of all risk areas is essential to ensure that the business operates on a sound financial footing both now and in the future.

Health and Safety issues in the building are continually monitored and appropriate action is taken. The charity has carried out full health and safety risk analysis on the operation, the health and safety and equal opportunities policy are included in the staff manual and all new recruits are given health and safety training appropriate to their position.

Structure, governance and management

Governing document

The charity is a company limited by guarantee and registered as a charity with the Charity Commission. It is governed by its Memorandum and Articles of Association dated 8th February 2022.

Trustees

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

Katie Moffat	
Sheralee Lockhart	
Jernice Easthope	(Retired 17 September 2024)
Ruth Catlow	
Chloe Courtney	(Retired 19 November 2024)
Maleka Egeonu-Roby	
Bea Freeman	
Thomas Harris	(Appointed 23 May 2024)
Lisa Middleton	(Retired 19 July 2024)
Baff Akoto	(Appointed 18 February 2025)
Simon Drysdale	(Appointed 18 February 2025)
Lisa Middleton	(Appointed 13 December 2024)
Mary Hewitson	(Appointed 18 February 2025)
Alison Lacy	(Appointed 18 February 2025)
Paul Moore	(Appointed 18 February 2025)

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Recruitment and appointment of trustees

Trustees are appointed to the board by resolution of the trustees of the board. There must be not less than seven and not more than fifteen trustees. The trustees who served during the year, together with any changes up to the date of approving this report are listed above.

The usual term of office for a trustee is three years, at the end of which they shall retire. Trustees are eligible for reappointment by the board of Trustees for up to a further two terms, each of three years, unless a trustee is appointed to be Chair where another one term is permitted. No Trustee shall serve for more than nine consecutive years, unless the Trustees consider it would be in the best interests of FACT for a particular Trustee to continue to serve beyond that period and that Trustee is reappointed in accordance with the Articles.

Trustee recruitment, induction and training

New trustees are appointed after a recruitment process as part of which they will submit a written application. Prospective candidates are interviewed and proposed for appointment to the board. The full board makes the decision on the appointment of any new trustee. All new trustees are issued with an induction pack of information on FACT and its activities and are encouraged to attend events at the centre through regular invitations. Relevant training opportunities for trustees of cultural organisations are circulated on a regular basis.

Organisational structure

The board of trustees, who are also the directors of the charity, administer the charity and meet as necessary but not less than four times a year. The day-to-day operations of the charity are the responsibility of the Chief Executive and the Executive Team, named on the legal and administration page, to whom the board of trustees have delegated authority for operational matters including finance, employment and development, within the overall strategy agreed by the board.

Remuneration policy

The remuneration of key management personnel is determined by the board of trustees. The trustees 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.

Auditor

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

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



Katie Moffat
Trustee

25 November 2025

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2025**

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

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

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

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

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

FACT LIVERPOOL COMPANY LIMITED BY GUARANTEE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FACT LIVERPOOL

Opinion

We have audited the financial statements of FACT Liverpool (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, 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 financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

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

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

FACT LIVERPOOL COMPANY LIMITED BY GUARANTEE INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF FACT LIVERPOOL

Capability of the audit in detecting irregularities, including fraud

Based on our discussions with the charity's management and the Trustees, we identified that the following laws and regulations are significant to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity and therefore may have a material effect on the financial statements include compliance with the charitable objectives, public benefit, fundraising regulations, safeguarding and health and safety legislation.

These matters were discussed amongst the engagement team at the planning stage and the team remained alert to non-compliance throughout the audit.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

Use of our report

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



Andrew Moss BA FCA (Senior Statutory Auditor)

For and on behalf of DSG Audit, Statutory Auditor

Chartered Accountants

Castle Chambers

43 Castle Street

Liverpool

L2 9TL

25 November 2025

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income from:							
Donations and legacies	3	1,131,053	-	1,131,053	1,204,711	-	1,204,711
Charitable activities	4	593,621	163,806	757,427	737,861	272,280	1,010,141
Other trading activities	5	417	-	417	2,100	-	2,100
Total income		<u>1,725,091</u>	<u>163,806</u>	<u>1,888,897</u>	<u>1,944,672</u>	<u>272,280</u>	<u>2,216,952</u>
Expenditure on:							
Raising funds	6	92,674	-	92,674	84,882	-	84,882
Charitable activities	7	1,845,313	163,806	2,009,119	1,930,600	134,812	2,065,412
Total expenditure		<u>1,937,987</u>	<u>163,806</u>	<u>2,101,793</u>	<u>2,015,482</u>	<u>134,812</u>	<u>2,150,294</u>
Net income/(expenditure)		(212,896)	-	(212,896)	(70,810)	137,468	66,658
Transfers between funds		-	-	-	137,468	(137,468)	-
Net movement in funds	9	(212,896)	-	(212,896)	66,658	-	66,658
Reconciliation of funds:							
Fund balances at 1 April 2024		<u>4,271,039</u>	-	<u>4,271,039</u>	<u>4,204,381</u>	-	<u>4,204,381</u>
Fund balances at 31 March 2025		<u><u>4,058,143</u></u>	<u><u>-</u></u>	<u><u>4,058,143</u></u>	<u><u>4,271,039</u></u>	<u><u>-</u></u>	<u><u>4,271,039</u></u>

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

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
BALANCE SHEET**

AS AT 31 MARCH 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	13		3,498,528		3,647,465
Investments	14		1		1
			<u>3,498,529</u>		<u>3,647,466</u>
Current assets					
Debtors	15	351,433		386,350	
Cash at bank and in hand		513,229		602,931	
		<u>864,662</u>		<u>989,281</u>	
Liabilities					
Creditors: amounts falling due within one year	16	(296,683)		(343,809)	
Net current assets			<u>567,979</u>		<u>645,472</u>
Total assets less current liabilities			<u>4,066,508</u>		<u>4,292,938</u>
Creditors: amounts falling due after more than one year	17		(8,365)		(21,899)
Total net assets			<u><u>4,058,143</u></u>		<u><u>4,271,039</u></u>
The funds of the charity					
<u>Unrestricted funds</u>					
Designated funds	22	3,678,528		3,887,465	
General unrestricted funds		379,615		383,574	
Total unrestricted funds			<u>4,058,143</u>		<u>4,271,039</u>
Total charity funds			<u><u>4,058,143</u></u>		<u><u>4,271,039</u></u>

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

The financial statements were approved by the Trustees on 25 November 2025

K. Moffat

Katie Moffat
Trustee

Company registration number 02391543

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025**

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	27		(79,668)		113,709
Investing activities					
Purchase of tangible fixed assets		-		(248,652)	
Net cash used in investing activities			-		(248,652)
Financing activities					
Repayment of bank loans		(10,034)		(9,797)	
Net cash used in financing activities			(10,034)		(9,797)
Net decrease in cash and cash equivalents			(89,702)		(144,740)
Cash and cash equivalents at beginning of year			602,931		747,671
Cash and cash equivalents at end of year			513,229		602,931

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

1 Accounting policies

Charity information

FACT Liverpool is a private company limited by guarantee incorporated in England and Wales. The registered office is 88 Wood Street, Liverpool, L1 4DQ.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

The financial statements do not incorporate the results, assets and liabilities of the charity's wholly owned subsidiary, FACT Trading Limited. Consolidated accounts have not been prepared as these would not be materially different from the single entity financial statements as presented.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

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

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

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

1 Accounting policies (Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

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

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold premises	2% per annum after impairment (net of cost of land)
Leasehold improvements	10% per annum
Exhibitions and collaboration equipment	20% per annum
Film and video equipment	25% per annum
Office and IT equipment	25% per annum

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Investment in subsidiaries are measured at cost.

1.8 Impairment of fixed assets

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

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

1 Accounting policies

(Continued)

1.10 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	7,455	2,581
Grants	1,123,598	1,202,130
	<u>1,131,053</u>	<u>1,204,711</u>
Grants		
Arts Council England	1,024,418	1,024,418
Liverpool City Council	89,000	89,000
Other	10,180	88,712
	<u>1,123,598</u>	<u>1,202,130</u>

4 Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Source						
Income within charitable activities	593,621	-	593,621	737,861	-	737,861
Performance related grants	-	163,806	163,806	-	272,280	272,280
	<u>593,621</u>	<u>163,806</u>	<u>757,427</u>	<u>737,861</u>	<u>272,280</u>	<u>1,010,141</u>

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

5 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other income	417	2,100
	<u>417</u>	<u>2,100</u>

6 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising and publicity		
Staff costs	10,843	9,434
Support costs	5,283	4,162
	<u>16,126</u>	<u>13,596</u>
Trading costs		
Other trading activities	38,518	28,245
Staff costs	31,882	29,762
Support costs	6,148	13,279
	<u>76,548</u>	<u>71,286</u>
Total costs	<u>92,674</u>	<u>84,882</u>

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

7 Expenditure on charitable activities

	Total 2025 £	Total 2024 £
Direct costs		
Staff costs	428,632	406,682
Other charitable expenditure	382,760	346,405
	<u>811,392</u>	<u>753,087</u>
Share of support and governance costs (see note 8)		
Support	1,185,593	1,301,068
Governance	12,134	11,257
	<u>2,009,119</u>	<u>2,065,412</u>
Analysis by fund		
Unrestricted funds	1,845,313	1,930,600
Restricted funds	163,806	134,812
	<u>2,009,119</u>	<u>2,065,412</u>

8 Support costs allocated to activities

	Total 2025 £	Total 2024 £
Staff costs	576,141	561,170
Depreciation	148,937	152,034
Premises costs	364,089	493,248
Office and IT costs	40,349	49,028
Marketing costs	52,834	41,618
Staff related costs	14,674	21,411
Governance	12,134	11,257
	<u>1,209,158</u>	<u>1,329,766</u>

Governance costs comprise:	2025 £	2024 £
Staff costs	4,134	3,922
Audit fees	8,000	7,335
	<u>12,134</u>	<u>11,257</u>

Bases of cost allocations

Costs are allocated on the basis of staff time/cost.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

9	Net movement in funds	2025	2024
		£	£
	The net movement in funds is stated after charging/(crediting):		
	Fees payable to the charity's auditor:		
	- for the audit of the charity's financial statements	8,000	7,335
	- for tax advisory services	-	4,250
	- for other financial services	450	525
	Depreciation of owned tangible fixed assets	148,937	152,034
		<u> </u>	<u> </u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 4 of them were reimbursed a total of £615 travelling expenses (2024: 3 were reimbursed £789).

11 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Fundraising and development	1	2
Charitable activities	10	10
Commercial operations	4	4
Support activities	14	12
Casual staff	12	13
	<u> </u>	<u> </u>
Total	41	41
	<u> </u>	<u> </u>

Employment costs

	2025	2024
	£	£
Wages and salaries	961,062	926,124
Social security costs	69,798	66,879
Other pension costs	20,772	17,967
	<u> </u>	<u> </u>
	1,051,632	1,010,970
	<u> </u>	<u> </u>

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

	2025	2024
	Number	Number
£60,001 to £70,000	1	1
	<u> </u>	<u> </u>

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

11 Employees

(Continued)

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025	2024
	£	£
Aggregate compensation	177,593	171,765

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13 Tangible fixed assets

	Leasehold premises	Leasehold improvements	Exhibitions and collaboration equipment	Film and video equipment	Office and IT equipment	Total
	£	£	£	£	£	£
Cost						
At 1 April 2024	9,198,494	477,640	107,482	118,289	92,400	9,994,305
At 31 March 2025	9,198,494	477,640	107,482	118,289	92,400	9,994,305
Depreciation and impairment						
At 1 April 2024	5,908,165	189,395	55,008	114,975	79,297	6,346,840
Depreciation charged in the year	90,000	37,251	14,486	2,569	4,631	148,937
At 31 March 2025	5,998,165	226,646	69,494	117,544	83,928	6,495,777
Carrying amount						
At 31 March 2025	3,200,329	250,994	37,988	745	8,472	3,498,528
At 31 March 2024	3,290,329	288,245	52,473	3,314	13,104	3,647,465

More information on the charge over the long leasehold premises, with a carrying amount of £3,200,329 (2024: £3,290,329), is given in note 23.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

14 Fixed asset investments

	Other investments £
Cost or valuation	
At 1 April 2024 & 31 March 2025	1
Carrying amount	
At 31 March 2025	1
At 31 March 2024	1

	Notes	2025 £	2024 £
Other investments comprise:			
Investments in subsidiaries	26	1	1

15 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	111,265	128,248
Amounts owed by fellow group undertakings	7,386	7,386
Other debtors	14,671	17,022
Prepayments and accrued income	218,111	233,694
	<u>351,433</u>	<u>386,350</u>

16 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Bank loans	18	10,056	10,056
Other taxation and social security		16,618	15,615
Deferred income	19	124,290	164,711
Trade creditors		50,170	106,799
Other creditors		4,743	3,691
Accruals		90,806	42,937
		<u>296,683</u>	<u>343,809</u>

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

17 Creditors: amounts falling due after more than one year

	Notes	2025 £	2024 £
Bank loans	18	8,365	18,399
Other creditors		-	3,500
		<u>8,365</u>	<u>21,899</u>

18 Loans and overdrafts

	2025 £	2024 £
Bank loans	18,421	28,455
Payable within one year	10,056	10,056
Payable after one year	8,365	18,399
	<u>10,056</u>	<u>10,056</u>
	<u>8,365</u>	<u>18,399</u>

The bank loans relates to a bounce back loan of £50,000 taken in December 2020, with a repayment holiday until January 2022 with a five-year repayment term. This is an unsecured loan with a 2.5% interest rate.

19 Deferred income

	2025 £	2024 £
Other deferred income	124,290	164,711
	<u>124,290</u>	<u>164,711</u>

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	124,290	164,711
	<u>124,290</u>	<u>164,711</u>
Movements in the year:		
Deferred income at 1 April 2024	164,711	310,525
Released from previous periods	(132,354)	(271,346)
Resources deferred in the year	91,933	125,532
	<u>91,933</u>	<u>125,532</u>
Deferred income at 31 March 2025	124,290	164,711
	<u>124,290</u>	<u>164,711</u>

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

20 Retirement benefit schemes

	2025	2024
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	20,772	17,967
	<u>20,772</u>	<u>17,967</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
Exhibition and commission	-	63,806	(63,806)	-	-
Learning and participation	-	100,000	(100,000)	-	-
	<u>-</u>	<u>163,806</u>	<u>(163,806)</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>163,806</u>	<u>(163,806)</u>	<u>-</u>	<u>-</u>
Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Capital grants	-	137,468	-	(137,468)	-
Exhibition and commission	-	88,917	(88,917)	-	-
Learning and participation	-	45,895	(45,895)	-	-
	<u>-</u>	<u>272,280</u>	<u>(134,812)</u>	<u>(137,468)</u>	<u>-</u>
	<u>-</u>	<u>272,280</u>	<u>(134,812)</u>	<u>(137,468)</u>	<u>-</u>

Restricted grants represent amounts received from various funders to support particular projects, all of which having been expended during the year.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
Capital expenditure	240,000	-	-	(60,000)	180,000
Tangible fixed asset fund	3,647,465	-	-	(148,937)	3,498,528
General funds	383,574	1,725,091	(1,937,987)	208,937	379,615
	<u>4,271,039</u>	<u>1,725,091</u>	<u>(1,937,987)</u>	<u>-</u>	<u>4,058,143</u>
	<u><u>4,271,039</u></u>	<u><u>1,725,091</u></u>	<u><u>(1,937,987)</u></u>	<u><u>-</u></u>	<u><u>4,058,143</u></u>
Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Capital expenditure	240,000	-	(237,899)	237,899	240,000
Artist residency support	50,075	-	-	(50,075)	-
Tangible fixed asset fund	3,550,847	-	-	96,618	3,647,465
General funds	363,459	1,944,672	(1,777,583)	(146,974)	383,574
	<u>4,204,381</u>	<u>1,944,672</u>	<u>(2,015,482)</u>	<u>137,468</u>	<u>4,271,039</u>
	<u><u>4,204,381</u></u>	<u><u>1,944,672</u></u>	<u><u>(2,015,482)</u></u>	<u><u>137,468</u></u>	<u><u>4,271,039</u></u>

The trustees have designated £180,000 for the purposes of maintaining the charity's asset base and future further capital spend.

Tangible fixed asset fund - In order to accurately show the reserves tied up in fixed assets held by the charity, a designated tangible fixed asset fund has been created representing assets used operationally by the charity. This fund includes assets acquired with historic capital grants. As these grants have been expended in line with the conditions of funding, this has discharged the restriction on them, and therefore they have been transferred to unrestricted funds.

23 Contingent liabilities

Capital Grants

Grants may be repayable in certain circumstances for example in the event that the building is not used as an arts centre for public benefit or if all the conditions attached to any grant have not been met in full.

In addition, The Arts Council of England has taken a fixed charged over the building (charge registered 5th January 2001) and a floating charge over the other assets of the charity. The terms of a grant provided by the Arts Council for England prohibit the charity from disposing of its interests in the building without their prior consent.

The trustees do not expect any liability to repay grants to crystallise and therefore no provision is made.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

24 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025	2024
	£	£
Within one year	7,401	6,298
Between two and five years	1,624	9,026
	<u>9,025</u>	<u>15,324</u>

Lessor

At the reporting end date the charity had contracted with tenants for the following minimum lease payments:

	2025	2024
	£	£
Within one year	14,000	5,000
Between two and five years	9,583	14,583
	<u>23,583</u>	<u>19,583</u>

Lessor

Lease with City Screen Liverpool

FACT has granted a 25-year lease to City Screen Liverpool Limited, a wholly owned subsidiary of Cineworld Group plc, to let part of its property on a profit-sharing rent arrangement which has been renegotiated to include quarterly rental payments.

The lease began in February 2003, when the FACT Centre opened. Under the terms of the lease, City Screen Liverpool Ltd must provide a cultural cinema programme at the FACT Centre. It is due to come to an end in February 2028.

25 Related party transactions

There were no other related party transactions in the year.

26 Subsidiaries

Details of the charity's subsidiaries at 31 March 2025 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
FACT Trading Limited	England and Wales	Dormant	Ordinary	100.00	

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

26 Subsidiaries (Continued)

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
FACT Trading Limited	-	806

27 Cash (absorbed by)/generated from operations	2025 £	2024 £
(Deficit)/surplus for the year	(212,896)	66,658
Adjustments for:		
Depreciation and impairment of tangible fixed assets	148,937	152,034
Movements in working capital:		
Decrease in debtors	34,917	28,981
(Decrease)/increase in creditors	(10,205)	11,850
(Decrease) in deferred income	(40,421)	(145,814)
Cash (absorbed by)/generated from operations	<u>(79,668)</u>	<u>113,709</u>

28 Analysis of changes in net funds	At 1 April 2024 £	Cash flows At 31 March 2025 £	
Cash at bank and in hand	602,931	(89,702)	513,229
Loans falling due within one year	(10,056)	-	(10,056)
Loans falling due after more than one year	(18,399)	10,034	(8,365)
	<u>574,476</u>	<u>(79,668)</u>	<u>494,808</u>

29 Company limited by guarantee

FACT Liverpool is incorporated under the Companies Act as a company limited by guarantee. The liability of the members is limited to £1.

FACT Liverpool

England & Wales - Charity number 702781

Accounts

Charity registration number 702781

Company registration number 02391543 (England and Wales)

FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees Katie Moffat (Appointed 8 February 2024)
Sheralee Lockhart
Ruth Catlow
Chloe Courtney
Maleka Egeonu-Roby
Bea Freeman
Thomas Harris (Appointed 23 May 2024)

Senior staff
Chief Executive Nicola Triscott
Head of Programme Maitreyi Maheshwari
Head of Business & Operations James Hammond

Secretary Nicola Triscott

Charity number 702781

Company number 02391543

Registered office 88 Wood Street
Liverpool
L1 4DQ

Auditor DSG Audit
Castle Chambers
43 Castle Street
Liverpool
L2 9TL

Bankers Natwest Bank
City Office
2-8 Church Street
Liverpool
L1 3BG

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
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**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2024**

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

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

Objectives and activities

FACT's charitable objective, as defined in the latest Articles of Association approved in February 2022, is to promote the arts and creative technology and to advance the education in this field for the benefit of the public.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake and consider that the charitable objectives have been discharged through the following activities:

- Free to access exhibitions within the FACT Centre building
- Free to access and low-cost workshops, events, and participatory projects that provide educational, participation and engagement objectives
- Free to access, low-cost and paid talent development opportunities and commissions for artists, curators and filmmakers
- Free to access exhibitions or screenings at other locations and venues
- Free on-line content via the FACT website

The trustees believe that the charity genuinely discharges its duty of care relating to public benefit and will continue to undertake additional assessment to underline the charity's effectiveness in this respect.

Vision, Purpose & Offer

FACT is a world-leading centre for contemporary art, film and the creative use of technology. Located in the heart of Liverpool, we are a friendly social space working with artists and people to create transformative experiences that spark the imagination and enrich lives. As a place to help make sense of the world today, FACT provides opportunities across a variety of platforms for people to create, interact and listen. We champion new ideas and experiences, nurturing a diverse future generation of artists, filmmakers, creative makers, imaginists and critical thinkers, and supporting young people and emerging artists to gain confidence, skills and experience.

FACT aims to provide:

- A world-leading programme of exhibitions and projects at the intersection of art, film, technology, and society, offering inspiring extraordinary cultural and learning experiences for diverse audiences, particularly young people.
 - Talent and career development opportunities, including residencies, commissions, mentoring, traineeships and training schemes for young and emerging artists and creative professionals.
 - Unique opportunities for 11-17-year-olds from diverse backgrounds to participate in art and creative technology projects, exploring and creating new art and knowledge with social impact through collaboration with artists, scientists and technologists.
 - A diverse and skilled leadership and workforce, and a model of operation that is sustainable financially and environmentally.
-

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Achievements and Performance during the Year

The year has seen a strong and continued recovery post-pandemic, with visits to the building up 20% on 2022/23 at 192,103, and 58,159 visits to the galleries, an increase of 27% on 22/23's numbers. This means that gallery audiences are back to (in fact, slightly above) 2018/19 levels and notably constitute a larger proportion of building visitors at 30% as against 23% in 2018/19, as a result of the post-pandemic decline in cinema audiences and cafe visitors.

Our annual exhibitions programme started strongly in April with the exhibition "LuYang Arcade Liverpool" and immersive experience "Repetitive Beats." During the Summer, the Liverpool Biennial commission "Respire" by Belinda Kazeem-Kamiński was shown in FACT's main gallery, while LuYang's arcade continued in the foyer and public areas of the building, its visibility instrumental in attracting a crossover cinema audience. The record-breaking double film release of "Barbie" and "Oppenheimer" shown in the Picturehouse screens helped to build strong Summer visitor numbers. Opening in October and coinciding with our well-attended 20th anniversary weekend, FACT's Winter exhibitions Jenkin van Zyl's "Surrender" and Uma Breakdown's "Earth A.D. 2" were our most successful since the pandemic in terms of visitor numbers. The year concluded with the opening of "On the other side", an exhibition that included two artists' commissions created in collaboration with people in the criminal justice system as part of our long-term programme Resolution.

FACT's young people's and talent development initiatives continued to develop and expand. Our young people's engagement developed through collaborations with artists and a partnership with Clatterbridge Cancer Centre, leading to impactful projects such as a film night and podcast series. Our Studio/Lab talent development programme gave vital support to artists and curators, and gave FACT artists-in-residence platforms to exhibit their work.

During the year, FACT made significant strides in environmental sustainability. The completion of the second phase of our solar panel project in January marked a milestone in our sustainability efforts, underscoring our commitment to reducing energy costs. Additionally, the installation of a new Building Management System has provided us with enhanced control over heating and cooling, further reducing our expenses and carbon footprint.

Our dedication to equality, diversity, and inclusion continued to evolve. As part of the cultural sector's Race Equality Action Group, we signed up to an agreed Race Equality Manifesto. We also updated our Equality, Diversity and Inclusion policy to reflect our Disability Confident Employer status and commitment to uphold inclusive recruitment practices.

The financial situation remains challenging, with the closure of our cafe operators The Canteen highlighting ongoing difficulties. Despite this, income from event hires, video production, and Picturehouse rent has been stable, though insufficient to offset funding cuts and high inflation. A boost from Museums & Galleries Tax Relief, due to the Government increasing the rates, improved the picture by £230K, contributing significantly to a much improved £67K surplus outturn against the original £100K deficit budget. Capital grants of £110K towards Studio/Lab have also contributed to an improved financial outlook on paper but are allocated to reserves to cover future depreciation. While commercial hires have performed well, fundraising remains extremely challenging. We have made significant investments in building improvements with the aims of long-term cost savings, as well as income generation, carbon savings and improved safety.

Cineworld, the parent company of Picturehouse, emerged from Chapter 11 Bankruptcy in August 2023. FACT engaged Mark Dobson & Associates to develop a business plan for potentially taking over the cinema screens should Picturehouse exit the lease early, also aiding preparation for the lease's 2028 end.

Numbers of Beneficiaries

Building visitors 192,103
Gallery attendances 58,159
Learning participants 3,022

No. artist commissions: 8
No. exhibitions: 8
No. artist and curator residencies: 4
No. learning sessions: 148

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Exhibitions Programme

In 2023, FACT presented a diverse and thought-provoking range of exhibitions across its three gallery spaces and spilling into the public areas of the building, exploring themes from historical cultural movements to contemporary societal issues, utilising a variety of media and technological forms, including virtual reality, interactive installations, video games, and immersive audiovisual experiences.

In Pursuit of Repetitive Beats (20 April - 14 May 2023)

Coinciding with the Eurovision cultural festival, this VR experience by Darren Emerson took viewers back to 1989, immersing them in the search for an illegal rave. The exhibition celebrated the Acid House movement and Liverpool's role in the UK's club scene. Despite high engagement and positive feedback, the experiment with a paid ticketed model resulted in a financial loss, primarily due to high staffing costs and the £20 ticket price, which was identified as a barrier. Nevertheless, 90% of audiences rated the experience as excellent, with many suggesting a lower price point of £12-15.

LuYang Arcade Liverpool (28 April - 17 September 2023)

This exhibition transformed FACT's foyer gallery into an interactive gaming arcade, featuring ride-on motorbikes, arcade machines, dance mats, and multi-channel film works. LuYang's immersive worlds, inspired by anime, sci-fi, and Buddhism, challenged binary ideas of identity and existence. The exhibition attracted around 700 visitors weekly, with many appreciating the free-to-play arcade machines and returning for repeat visits, particularly young people.

Belinda Kazeem-Kaminski - Respire, Liverpool Biennial (10 June - 17 September 2023)

As part of the Liverpool Biennial, this immersive audiovisual experience explored the theme of Black breath as a form of liberation. Filmed with local participants, the work resonated deeply with audiences, who praised its meditative and impactful nature. The exhibition highlighted the importance of celebrating local people and places.

Chila Kumari Singh Burman - Merseyside Burman Empire (to 27 August 2023)

This experimental gallery space, designed by Burman, continued to serve as a hub for residencies, workshops, and events. It remained popular with visitors as a place for reflection and engagement.

FACT Together: GLOR1A & Kerolaina Linkevica (10 June - 16 July 2023)

2021 FACT Together artists GLOR1A and Kerolaina Linkevica showcased their online commissions GloR1A's "Orun-Rere - SWARM Prototype 4" (2022) and Linkevica's "Primordia" (2022) as temporary physical installations, offering audiences a chance to experience these innovative works in a new format.

FACT Together: Dongni Liang, Nicole Prior, Charlotte Southall and Ellie Towers (8 September - 26 November 2023)

2022 FACT Together artists showcased their new online commissions as physical installations: Dongni Liang's "Kudzu Whispers" (2023), Nicole Prior's "Lab Our" (2023), Charlotte Southall's "The Perfect Influence" (2023) and Ellie Towers' "Rest Rooms" (2023).

Jenkin Van Zyl: Surrender (19 October 2023 - 28 January 2024)

This extremely popular immersive exhibition delved into societal anxieties and their influence on culture. Through a hallucinatory film-world centred around a grueling endurance dance marathon, presented in the belly of a giant silver rat, Jenkin Van Zyl created a transformative experience that invited audiences to explore themes of productivity, escapism, and community.

Uma Breakdown: Earth A.D. 2 (19 October 2023 - 28 January 2024)

Uma Breakdown's work, co-commissioned by Wysing Arts Centre, FACT Liverpool, and QUAD, explored Gothic narratives and trans solidarity through immersive installation, writing, and video games, inviting audiences to consider themes of repair, identity, and social relations.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

On the other side (1 March - 9 June 2024)

This exhibition featured works by Melanie Crean, Katrina Palmer, and Pilvi Takala, addressing the impact of systems of power on individuals and communities. Crean and Palmer had collaborated with participants with firsthand experience of the criminal justice system, while Pilvi had worked - initially undercover - as a private security guard. Through their works, the artists made visible the complex identities shaped by these environments. Through video installations and participatory artworks, the exhibition offered a critical reflection on justice, power, and social order.

FACT commissions nationally and internationally

In 2023/24, FACT's commissioned works were showcased at numerous national and international venues, highlighting the global reach and impact of its artistic collaborations. Larissa Sansour and Soren Lind's film *As If No Misfortune Had Occurred in the Night* (2022) was featured in prestigious festivals and screenings across Europe, Asia, and the Americas, including the International Film Festival Rotterdam and Prismatic Ground in New York. The (new) Constellation, FACT's 2022 EMARE Artists-in-Residence, presented *Retraining Laziness* (2023) at exhibitions in Austria, Poland, and Finland, attracting over 15,000 viewers. Other notable presentations included commissions by Erin Dickson, Uma Breakdown, Larry Achiampong & David Blandy, and elements from Chila Kumari Singh Burman's Merseyside Burman Empire, strengthening FACT's role as a significant influence in the international arts sector.

Film Programme

Continuing to build our film profile and audiences, through the year FACT presented a diverse film programme that highlighted cultural, social, and political themes. Key screenings included features exploring female Asian identity alongside Chila Burman's exhibition and screenings of three short films by LuYang's short films in connection with LuYang Arcade Liverpool. The *Beyond Human* season, inspired by LuYang's work, featured a series of films that question what it means to be human. The *Artists Selects* film season featured curated films by artists Uma Breakdown and Jenkin Van Zyl, with ticket prices adjusted for accessibility. FACT also programmed a Palestinian film season, raising £880 for Medical Aid for Palestinians. Additionally, FACT received funding from Film Hub North to support its Cinema in the City programme for three years. The first of four planned weekend events took place offsite at Exchange Station with films celebrating LGBTQ+ History Month.

Events Programme

Through the year, we hosted a diverse array of events, including Ashley Holmes' sound composition listening event, a virtual reading group on LuYang's art, and a discussion with Johanna Hedya and Uma Breakdown. Highlights included "Reimagining Black Futures", a commissioned event celebrating Black creativity, Lunar New Year activities, and Collective Encounters' "Community Chronicles" performance exploring social behaviours.

FACT's 20th Birthday celebrations, a major highlight of the year, took place over the weekend of 20-21 October. This featured talks, workshops and performances, including panels on FACT's twenty year role in the evolution of digital art and art as a social agent, film screenings of Larissa Sansour and Søren Lind's "As If No Misfortune Had Occurred In The Night" (2022) and a new film by Mandela8, and a day of whole building activities including a computer game tournament, an open day in Studio/Lab, and a public party celebrating the opening of new exhibitions by Jenkinson van Zyl, with a special new edit of a work by van Zyl installed in a limousine.

Young People's Programmes

FACT expanded its young people's engagement, drawing on participant feedback to create new opportunities. Collaborating with YPAS GYRO (Young Person's Advisory Service), FACT involved three young people in a project with artist Jenkin van Zyl. This collaboration included a walking Q&A session about van Zyl's exhibition and a series of TikTok interviews hosted by the participants.

In collaboration with Uma Breakdown, we invited a group of six young people to organise a film night for their peers, with 19 attendees discussing social issues highlighted in the film. This initiative also featured a masterclass with local school students.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

The first phase of FACT's collaboration with Clatterbridge Cancer Centre led to a podcast project with the Teen and Young Adult Unit. Produced by DOMES FM, the podcast allowed participants to share their experiences and connect with others facing similar challenges. This project allowed participants to create their own narratives and reduced feelings of isolation and inspired one participant to apply for a BFI programme.

In its educational outreach, FACT exceeded its target by working with 45 schools, compared to an initial goal of 30. The Spring Programme's family events engaged 174 participants, while FACT hosted 15 school groups and eight additional groups, including youth clubs and colleges, for the Winter exhibition. Two Continued Professional Development sessions were also held.

The summer family programme, 'Do Something Saturday,' inspired by artist LuYang, enabled children aged 6-12 to create digital characters, experiment with motion capture technology, and design computer game worlds using AI. These workshops provided engaging, hands-on experiences that connected young participants with contemporary art and technology.

Resolution: Art Programmes in the Criminal Justice System

Resolution is FACT's long-term art and research initiative aimed at fostering dialogue and representation through art in the Criminal Justice System. Artists collaborate with individuals impacted by the justice system to create artworks that are being showcased in exhibitions at FACT in 2024. Dr. Emma Murray, FACT's criminologist-in-residence, has been pivotal to this programme and will use a sabbatical to document her work and contribute both to academic work and the public programme at FACT. The project also includes a campaign in partnership with the Howard League to present these works to policymakers.

Since 2019, Melanie Crean has engaged with imprisoned veterans and staff at HMP Altcourse to explore justice system experiences. Her project, which involves artwork, a publication on methodology, and an educational pilot with Liverpool John Moores University, highlights lived experiences and potential policy actions. In June, Crean shared draft artworks with participants and held workshops to develop a 'call for action.' Katrina Palmer has worked with incarcerated individuals and prison staff across multiple facilities, including HMP Altcourse, HMP Buckley Hall, and HMP Askham Grange, to create "Sentences," a book of collected writings reflecting on freedom. Ain Bailey's project, "Sonic Stories," focuses on sound and music as a medium for intergenerational sharing and care among imprisoned individuals and their families.

The resulting works "A Machine to Unmake You" by Melanie Crean and "Sentences" by Katrina Palmer are part of the "On the Other Side" exhibition, emphasising hope and imagination as tools for change. Ain Bailey's sound installation opens at FACT in 2024.

Talent Development

FACT undertook several significant strategic initiatives in talent development through the year. Our Studio/Lab project, intended to transform half of FACT's top floor into digital production studios, workshops, and communal spaces, began in May and was completed on time, though slightly over budget at £216K. This space will open to the public in early 2024, with a pre-opening phase offering free memberships to twenty North West artists for three months to provide feedback on the facility. The Studio/Lab Summer School, held on 15th and 29th July, supported artists, researchers, and curators. Feedback from the trial period was overwhelmingly positive, with future improvements focused on access, support, and booking systems.

FACT continued its artist residency programmes with several key developments. The FACT Together programme selected Dongni Liang, Nicole Prior, Charlotte Southall, and Ellie Towers from nearly 100 applicants.

The John Ellerman Curatorial Development Programme appointed Nia Thomas, Temi-Lasade Anderson and Josiah Worth as our first cohort of Curatorial Fellows.

Financial review

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements. The charity had net income on unrestricted funds of £67K (2023: net expenditure of £100K).

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Going concern

The financial statements have been prepared on a going concern basis. The organisation is rebuilding its audiences and earned income strands in the late pandemic, and has obtained funding commitments from core funders, together with additional fundraising.

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 2024/25 year to date, the management accounts forecast for the remainder of 2024/25, the 18 month rolling cash flow forecast, the confirmation of Arts Council England's funding commitment to FACT Liverpool for to 2025/26 as part of its National Portfolio Organisations, and longer-term plans and forecasts for 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.

Reserves policy

The trustees have agreed a financial policy to keep free reserves at a level that will cover three months of operating costs. In 2024, the level has increased to £350,000 (2023: £300,000) to account for rising costs. The trustees consider that reserves at this level will help to ensure that in the event of a financial shock, such significant drop in funding, the company will be able to continue operating during a period of adjustment. This level of reserves has been maintained throughout the year.

Free reserves are defined as total unrestricted funds available for spending less any designated funds. Designated funds are funds set aside by the trustees for a future purpose together with the value of tangible fixed assets used operationally by the charity.

At the year end the total unrestricted reserves stood at £4,271,039 (2023: £4,204,381). Of this amount, £3,647,465 (2023: £3,550,847) represented the value of tangible fixed assets held at the year end and £240,000 (2023: £240,000) was designated for the purpose of maintaining the charity's asset base in good order and £nil (2023: £50,075) towards supporting artist residencies leaving a balance of free reserves of £383,574 (2023: £363,459).

Major risks

The trustees are aware of the risks facing the charity by way of financial and strategic management and take appropriate steps to mitigate them. The Finance Sub Committee meets at regular intervals between Board meetings and proposals from these meetings are then put forward to the Board. A risk register is maintained and reviewed at every Board meeting.

The charity continues its strategy to develop an appropriate reserve and the Board is ensuring the charity prioritises the building of this fund over the coming years. The Board and the senior management are not complacent and recognise that continuous review of all risk areas is essential to ensure that the business operates on a sound financial footing both now and in the future.

Health and Safety issues in the building are continually monitored and appropriate action is taken. The charity has carried out full health and safety risk analysis on the operation, the health and safety and equal opportunities policy are included in the staff manual and all new recruits are given health and safety training appropriate to their position.

Structure, governance and management

Governing document

The charity is a company limited by guarantee and registered as a charity with the Charity Commission. It is governed by its Memorandum and Articles of Association dated 8th February 2022.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Trustees

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

Katie Moffat	(Appointed 8 February 2024)
Sheralee Lockhart	
Jernice Easthope	(Resigned 17 September 2024)
Ruth Catlow	
Chloe Courtney	
Maleka Egeonu-Roby	
Bea Freeman	
Thomas Harris	(Appointed 23 May 2024)
Suzie Lawes	(Retired 5 May 2023)
Matthew Balnaves	(Retired 12 July 2023)
Rachel Higham	(Appointed 1 June 2023 and retired 28 November 2023)
Alvaro Costela Sanchez	(Retired 15 March 2024)
Lisa Middleton	(Retired 19 July 2024)

Recruitment and appointment of trustees

Trustees are appointed to the board by resolution of the trustees of the board. There must be not less than seven and not more than fifteen trustees. The trustees who served during the year, together with any changes up to the date of approving this report are listed above.

The usual term of office for a trustee is three years, at the end of which they shall retire. Trustees are eligible for reappointment by the board of Trustees for up to a further two terms, each of three years, unless a trustee is appointed to be Chair where another one term is permitted. No Trustee shall serve for more than nine consecutive years, unless the Trustees consider it would be in the best interests of FACT for a particular Trustee to continue to serve beyond that period and that Trustee is reappointed in accordance with the Articles.

Trustee recruitment, induction and training

New trustees are appointed after a recruitment process as part of which they will submit a written application. Prospective candidates are interviewed and proposed for appointment to the board. The full board makes the decision on the appointment of any new trustee. All new trustees are issued with an induction pack of information on FACT and its activities and are encouraged to attend events at the centre through regular invitations. Relevant training opportunities for trustees of cultural organisations are circulated on a regular basis.

Organisational structure

The board of trustees, who are also the directors of the charity, administer the charity and meet as necessary but not less than four times a year. The day-to-day operations of the charity are the responsibility of the Chief Executive and the Executive Team, named on the legal and administration page, to whom the board of trustees have delegated authority for operational matters including finance, employment and development, within the overall strategy agreed by the board.

Remuneration policy

The remuneration of key management personnel is determined by the board of trustees. The trustees 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.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Auditor

DSG resigned as auditor on 10 October 2024. DSG Audit were appointed on 10 October 2024 to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

Katie Moffat

Trustee

17 October 2024

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2024**

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

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

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

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

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

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FACT LIVERPOOL**

Opinion

We have audited the financial statements of FACT Liverpool (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, 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 financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Capability of the audit in detecting irregularities, including fraud

Based on our discussions with the charity's management and the Trustees, we identified that the following laws and regulations are significant to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity and therefore may have a material effect on the financial statements include compliance with the charitable objectives, public benefit, fundraising regulations, safeguarding and health and safety legislation.

These matters were discussed amongst the engagement team at the planning stage and the team remained alert to non-compliance throughout the audit.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

Use of our report

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

**Andrew Moss BA FCA (Senior Statutory Auditor)
for and on behalf of DSG Audit**

17 October 2024

**Chartered Accountants
Statutory Auditor**

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2024**

		Unrestricted funds 2024	Restricted funds 2024	Total 2024	Unrestricted funds 2023	Restricted funds 2023	Total 2023
	Notes	£	£	£	£	£	£
Income from:							
Donations and legacies	3	1,204,711	-	1,204,711	1,292,820	-	1,292,820
Charitable activities	4	737,861	272,280	1,010,141	506,140	149,302	655,442
Other trading activities	5	2,100	-	2,100	6,809	-	6,809
Total income		1,944,672	272,280	2,216,952	1,805,769	149,302	1,955,071
Expenditure on:							
Raising funds	6	84,882	-	84,882	324,220	-	324,220
Charitable activities	7	1,930,600	134,812	2,065,412	1,581,867	149,302	1,731,169
Total expenditure		2,015,482	134,812	2,150,294	1,906,087	149,302	2,055,389
Net (outgoing)/incoming resources before transfers		(70,810)	137,468	66,658	(100,318)	-	(100,318)
Gross transfers between funds		137,468	(137,468)	-	-	-	-
Net income/(expenditure) for the year/ Net movement in funds		66,658	-	66,658	(100,318)	-	(100,318)
Reconciliation of funds							
Fund balances at 1 April 2023		4,204,381	-	4,204,381	4,304,699	-	4,304,699
Fund balances at 31 March 2024		4,271,039	-	4,271,039	4,204,381	-	4,204,381

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

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

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

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
BALANCE SHEET**

AS AT 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	13		3,647,465		3,550,847
Investments	14		1		1
			<u>3,647,466</u>		<u>3,550,848</u>
Current assets					
Debtors	15	386,350		415,331	
Cash at bank and in hand		602,931		747,671	
		<u>989,281</u>		<u>1,163,002</u>	
Liabilities					
Creditors: amounts falling due within one year	17	(343,809)		(477,525)	
			<u>645,472</u>		<u>685,477</u>
Total assets less current liabilities			<u>4,292,938</u>		<u>4,236,325</u>
Creditors: amounts falling due after more than one year	18		(21,899)		(31,944)
Total net assets			<u><u>4,271,039</u></u>		<u><u>4,204,381</u></u>
The funds of the charity					
<u>Unrestricted funds</u>					
Designated funds	22	3,887,465		3,840,922	
General unrestricted funds		383,574		363,459	
		<u>4,271,039</u>		<u>4,204,381</u>	
Total charity funds			<u><u>4,271,039</u></u>		<u><u>4,204,381</u></u>

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

The financial statements were approved by the Trustees on 17 October 2024

Katie Moffat
Trustee

Company registration number 02391543

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	27		113,709		213,339
Investing activities					
Purchase of tangible fixed assets		(248,652)		(99,975)	
Net cash used in investing activities			(248,652)		(99,975)
Financing activities					
Repayment of borrowings		-		(5,475)	
Repayment of bank loans		(9,797)		(9,402)	
Net cash used in financing activities			(9,797)		(14,877)
Net (decrease)/increase in cash and cash equivalents			(144,740)		98,487
Cash and cash equivalents at beginning of year			747,671		649,184
Cash and cash equivalents at end of year			<u>602,931</u>		<u>747,671</u>

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1 Accounting policies

Charity information

FACT Liverpool is a private company limited by guarantee incorporated in England and Wales. The registered office is 88 Wood Street, Liverpool, L1 4DQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

The financial statements do not incorporate the results, assets and liabilities of the charity's wholly owned subsidiary, FACT Trading Limited. Consolidated accounts have not been prepared as these would not be materially different from the single entity financial statements as presented.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

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

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

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

1 Accounting policies (Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

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

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold premises	2% per annum after impairment (net of cost of land)
Leasehold improvements	10% per annum
Exhibitions and collaboration equipment	20% per annum
Film and video equipment	25% per annum
Office and IT equipment	25% per annum

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Investment in subsidiaries are measured at cost.

1.8 Impairment of fixed assets

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

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

1 Accounting policies (Continued)

1.10 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	2,581	3,433
Grants receivable	1,202,130	1,289,387
	<u>1,204,711</u>	<u>1,292,820</u>
Grants receivable for core activities		
Arts Council England	1,024,418	1,024,418
Liverpool City Council	89,000	99,164
Kickstarter grant	-	37,237
Other	88,712	128,568
	<u>1,202,130</u>	<u>1,289,387</u>

4 Charitable activities

	2024 £	2023 £
Income within charitable activities	737,861	506,140
Performance related grants	272,280	149,302
	<u>1,010,141</u>	<u>655,442</u>
Analysis by fund		
Unrestricted funds	737,861	506,140
Restricted funds	272,280	149,302
	<u>1,010,141</u>	<u>655,442</u>

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

5 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Miscellaneous income	2,100	6,809
	<u> </u>	<u> </u>

6 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising and publicity		
Staff costs	9,434	57,527
Support costs	4,162	86,322
	<u> </u>	<u> </u>
	13,596	143,849
	<u> </u>	<u> </u>
Trading costs		
Other trading activities	28,245	19,405
Staff costs	29,762	46,647
Support costs	13,279	114,319
	<u> </u>	<u> </u>
	71,286	180,371
	<u> </u>	<u> </u>
Total costs	<u> </u>	<u> </u>
	84,882	324,220
	<u> </u>	<u> </u>

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

7 Expenditure on charitable activities

	Total 2024 £	Total 2023 £
Direct costs		
Staff costs	406,682	273,322
Other charitable expenditure	346,405	405,707
	<u>753,087</u>	<u>679,029</u>
Share of support and governance costs (see note 8)		
Support	1,301,068	1,035,861
Governance	11,257	16,279
	<u>2,065,412</u>	<u>1,731,169</u>
Analysis by fund		
Unrestricted funds	1,930,600	1,581,867
Restricted funds	134,812	149,302
	<u>2,065,412</u>	<u>1,731,169</u>

8 Support costs allocated to activities

	Total 2024 £	Total 2023 £
Staff costs	561,170	589,616
Depreciation	152,034	128,256
Premises costs	493,248	403,464
Office and IT costs	49,028	34,865
Marketing costs	41,618	47,446
Staff related costs	21,411	29,521
Governance	11,257	19,613
	<u>1,329,766</u>	<u>1,252,781</u>

Governance costs comprise:	2024 £	2023 £
Staff costs	3,922	12,413
Audit fees	7,335	7,200
	<u>11,257</u>	<u>19,613</u>

Bases of cost allocations

Costs are allocated on the basis of staff time/cost.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2024

9	Net movement in funds	2024	2023
		£	£
	The net movement in funds is stated after charging/(crediting):		
	Fees payable to the charity's auditor:		
	- for the audit of the charity's financial statements	7,335	7,200
	- for tax advisory services	4,250	-
	- for other financial services	1,315	1,175
	Depreciation of owned tangible fixed assets	152,034	124,469
	Amortisation of intangible assets	-	3,787
		<u> </u>	<u> </u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2023: £nil).

No expenses were reimbursed to trustees in the year (2023: £nil).

11 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Fundraising and development	2	2
Charitable activities	10	12
Commercial operations	4	4
Support activities	12	13
Casual staff	13	13
	<u> </u>	<u> </u>
Total	41	44
	<u> </u>	<u> </u>

Employment costs

	2024	2023
	£	£
Wages and salaries	926,124	896,463
Social security costs	66,879	66,574
Other pension costs	17,967	16,488
	<u> </u>	<u> </u>
	1,010,970	979,525
	<u> </u>	<u> </u>

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

	2024	2023
	Number	Number
£60,001 to £70,000	1	1
	<u> </u>	<u> </u>

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

11 Employees **(Continued)**

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024	2023
	£	£
Aggregate compensation	171,765	170,043
	<u>171,765</u>	<u>170,043</u>

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

13 Tangible fixed assets	Leasehold premises	Leasehold improvements	Exhibitions and collaboration equipment	Film and video equipment	Office and IT equipment	Total
Cost	£	£	£	£	£	£
At 1 April 2023	9,198,165	239,741	106,431	108,916	92,400	9,745,653
Additions	329	237,899	1,051	9,373	-	248,652
At 31 March 2024	9,198,494	477,640	107,482	118,289	92,400	9,994,305
Depreciation						
At 1 April 2023	5,818,165	162,619	38,028	101,983	74,011	6,194,806
Depreciation charged in the year	90,000	26,776	16,981	12,992	5,285	152,034
At 31 March 2024	5,908,165	189,395	55,009	114,975	79,296	6,346,840
Carrying amount						
At 31 March 2024	3,290,329	288,245	52,473	3,314	13,104	3,647,465
At 31 March 2023	3,380,000	77,122	68,403	6,933	18,389	3,550,847

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

13 Tangible fixed assets (Continued)

More information on the charge over the long leasehold premises, with a carrying amount of £3,290,329 (2023: £3,380,000), is given in note 23.

14 Fixed asset investments

	Other investments £
Cost or valuation	
At 1 April 2023 & 31 March 2024	1
Carrying amount	
At 31 March 2024	1
At 31 March 2023	1

	Notes	2024 £	2023 £
Other investments comprise:			
Investments in subsidiaries	25	1	1

15 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	128,248	126,588
Amounts owed by fellow group undertakings	7,386	7,386
Other debtors	189,730	172,885
Prepayments and accrued income	60,986	108,472
	<u>386,350</u>	<u>415,331</u>

16 Loans and overdrafts

	2024 £	2023 £
Bank loans	28,455	38,252
	<u>28,455</u>	<u>38,252</u>
Payable within one year	10,056	9,808
Payable after one year	18,399	28,444
	<u>28,455</u>	<u>66,504</u>

The bank loans relates to a bounce back loan of £50,000 taken in December 2020, with a repayment holiday until January 2022 with a five-year repayment term. This is an unsecured loan with a 2.5% interest rate.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

17 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank loans	16	10,056	9,808
Other taxation and social security		15,615	15,984
Deferred income	19	164,711	310,525
Trade creditors		106,799	39,527
Other creditors		3,691	3,357
Accruals and deferred income		42,937	98,324
		<u>343,809</u>	<u>477,525</u>

18 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	16	18,399	28,444
Other creditors		3,500	3,500
		<u>21,899</u>	<u>31,944</u>

19 Deferred income

	2024 £	2023 £
Other deferred income	<u>164,711</u>	<u>310,525</u>

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Deferred income is included within:		
Current liabilities	<u>164,711</u>	<u>310,525</u>
Movements in the year:		
Deferred income at 1 April 2023	310,525	230,683
Released from previous periods	(271,346)	(230,683)
Resources deferred in the year	<u>125,532</u>	<u>310,525</u>
Deferred income at 31 March 2024	<u>164,711</u>	<u>310,525</u>

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

20 Retirement benefit schemes

	2024	2023
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	17,967	16,488
	<u>17,967</u>	<u>16,488</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Capital grants	-	137,468	-	(137,468)	-
Exhibition and commission	-	88,917	(88,917)	-	-
Learning and participation	-	45,895	(45,895)	-	-
	<u>-</u>	<u>272,280</u>	<u>(134,812)</u>	<u>(137,468)</u>	<u>-</u>
	<u>-</u>	<u>272,280</u>	<u>(134,812)</u>	<u>(137,468)</u>	<u>-</u>
Previous year:	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
Exhibition and commission	-	63,584	(63,584)	-	-
Learning and participation	-	85,718	(85,718)	-	-
	<u>-</u>	<u>149,302</u>	<u>(149,302)</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>149,302</u>	<u>(149,302)</u>	<u>-</u>	<u>-</u>

Restricted grants represent amounts received from various funders to support particular projects, all of which having been expended during the year.

The capital grants include £60,000 from the Foyle Foundation, £27,468 from Bloomberg Philanthropies and £50,000 from Liverpool City Council. As the charity has expended these funds in line with the purpose of the funding this has discharged the restriction on the funds and therefore the assets have been transferred to unrestricted funds.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Capital expenditure	240,000	-	(237,899)	237,899	240,000
Artist residency support	50,075	-	-	(50,075)	-
Tangible fixed asset fund	3,550,847	-	-	96,618	3,647,465
General funds	363,459	1,944,672	(1,777,583)	(146,974)	383,574
	<u>4,204,381</u>	<u>1,944,672</u>	<u>(2,015,482)</u>	<u>137,468</u>	<u>4,271,039</u>
	<u><u>4,204,381</u></u>	<u><u>1,944,672</u></u>	<u><u>(2,015,482)</u></u>	<u><u>137,468</u></u>	<u><u>4,271,039</u></u>
Previous year:	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
Capital expenditure	240,000	-	-	-	240,000
Artist residency support	50,075	-	-	-	50,075
Tangible fixed asset fund	3,575,341	-	-	(24,494)	3,550,847
General funds	439,283	1,805,769	(1,906,087)	24,494	363,459
	<u>4,304,699</u>	<u>1,805,769</u>	<u>(1,906,087)</u>	<u>-</u>	<u>4,204,381</u>
	<u><u>4,304,699</u></u>	<u><u>1,805,769</u></u>	<u><u>(1,906,087)</u></u>	<u><u>-</u></u>	<u><u>4,204,381</u></u>

The trustees have designated £240,000 for the purposes of maintaining the charity's asset base and future further capital spend. The work completed during 23/24, includes the installation of solar panels and digital signage, and the major refurbishment of FACT offices and Artists Studio/Lab.

The £50,075 that was designated towards supporting artist residencies is considered spent, and this amount is released back to general reserves to cover the £50,000 increase in three months running costs.

Tangible fixed asset fund - In order to accurately show the reserves tied up in fixed assets held by the charity, a designated tangible fixed asset fund has been created representing assets used operationally by the charity. This fund includes assets acquired with historic capital grants. As these grants have been expended in line with the conditions of funding, this has discharged the restriction on them, and therefore they have been transferred to unrestricted funds.

23 Contingent liabilities

Capital Grants

Grants may be repayable in certain circumstances for example in the event that the building is not used as an arts centre for public benefit or if all the conditions attached to any grant have not been met in full.

In addition, The Arts Council of England has taken a fixed charged over the building (charge registered 5th January 2001) and a floating charge over the other assets of the charity. The terms of a grant provided by the Arts Council for England prohibit the charity from disposing of its interests in the building without their prior consent.

The trustees do not expect any liability to repay grants to crystallise and therefore no provision is made.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

24 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
	£	£
Within one year	6,298	-
Between two and five years	9,026	-
	<u>15,324</u>	<u>-</u>

Lessor

At the reporting end date the charity had contracted with tenants for the following minimum lease payments:

	2024	2023
	£	£
Within one year	5,000	5,000
Between two and five years	14,583	19,583
	<u>19,583</u>	<u>24,583</u>

Lessor

Lease with City Screen Liverpool

FACT has granted a 25-year lease to City Screen Liverpool Limited, a wholly owned subsidiary of Cineworld Group plc, to let part of its property on a profit-sharing rent arrangement which has been renegotiated to include quarterly rental payments.

The lease began in February 2003, when the FACT Centre opened. Under the terms of the lease, City Screen Liverpool Ltd must provide a cultural cinema programme at the FACT Centre. It is due to come to an end in February 2028.

25 Subsidiaries

Details of the charity's subsidiaries at 31 March 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
FACT Trading Limited	England and Wales	Dormant	Ordinary	100.00	

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

25 Subsidiaries **(Continued)**

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
FACT Trading Limited	-	806

26 Related party transactions

There were no other related party transactions in the year.

27 Cash generated from operations	2024	2023
	£	£
Surplus/(deficit) for the year	66,658	(100,318)
Adjustments for:		
Amortisation and impairment of intangible assets	-	3,787
Depreciation and impairment of tangible fixed assets	152,034	124,469
Movements in working capital:		
Decrease in debtors	28,981	54,379
Increase in creditors	11,850	51,180
(Decrease)/increase in deferred income	(145,814)	79,842
Cash generated from operations	113,709	213,339

28 Company limited by guarantee

FACT Liverpool is incorporated under the Companies Act as a company limited by guarantee. The liability of the members is limited to £1.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.

FACT Liverpool

England & Wales - Charity number 702781

Accounts

Charity registration number 702781

Company registration number 02391543 (England and Wales)

FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees

Rachel Higham (Chair)
Sheralee Lockhart
Jernice Easthope
Ruth Catlow
Alvaro Costela Sanchez
Chloe Courtney
Maleka Egeonu-Roby
Lisa Middleton
Bea Freeman

Secretary Nicola Triscott

Senior staff

Chief Executive Nicola Triscott
Head of Programme Maitreyi Maheshwari
Head of Business & Operations James Hammond

Charity number 702781

Company number 02391543

Registered office

The FACT Centre
88 Wood Street
Liverpool
L1 4DQ

Auditor

DSG
Castle Chambers
43 Castle Street
Liverpool
L2 9TL

Bankers

Natwest Bank
City Office
2-8 Church Street
Liverpool
L1 3BG

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FACT LIVERPOOL COMPANY LIMITED BY GUARANTEE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

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

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

Objectives and activities

FACT's charitable objective, as defined in the latest Articles of Association approved in February 2022, is to promote the arts and creative technology and to advance the education in this field for the benefit of the public.

Public Benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake and consider that the charitable objectives have been discharged through the following activities:

- Free to access exhibitions within the FACT Centre building
- Free to access and low-cost workshops, events, and participatory projects that provide educational, participation and engagement objectives
- Free to access, low-cost and paid talent development opportunities and commissions for artists and filmmakers
- Free to access exhibitions or screenings at other locations and venues
- Free on-line content via the FACT website

The trustees believe that the charity genuinely discharges its duty of care relating to public benefit and will continue to undertake additional assessment to underline the charity's effectiveness in this respect.

Aims, Achievements and Performance during the Year

FACT is a world-leading centre for contemporary art, film and the creative use of technology. Located in the heart of Liverpool, we are a friendly social space working with artists and people to create transformative experiences that spark the imagination and enrich lives. As a place to help make sense of the world today, FACT provides opportunities across a variety of platforms for people to create, interact and listen. We champion new ideas and experiences, nurturing a diverse future generation of artists, filmmakers, creative makers, imaginists and critical thinkers, and supporting young people and emerging artists to gain confidence, skills and experience.

FACT aims to provide:

- A world-leading programme of exhibitions and projects at the intersection of art, film, technology, and society, offering inspiring extraordinary cultural and learning experiences for diverse audiences, particularly young people.
- Talent and career development opportunities, including residencies, commissions, mentoring, traineeships and training schemes for young and emerging artists and creative professionals.
- Unique opportunities for 11-17-year-olds from diverse backgrounds to participate in art and creative technology projects, exploring and creating new art and knowledge with social impact through collaboration with artists, scientists and technologists.
- A diverse and skilled leadership and workforce, and a model of operation that is sustainable financially and environmentally.

FACT LIVERPOOL COMPANY LIMITED BY GUARANTEE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Overview

After a difficult start to 2022/23 with a decline in audiences that impacted most cultural venues across the UK and Europe, triggered by cost of living concerns and the uncertainty created by Russia's invasion of Ukraine, our dedicated cross-building effort to attract audiences and visitors - Campaign Footfall - produced positive results. Over the summer months, audiences grew steadily. Our Summer exhibition My Garden, My Sanctuary was our most visited exhibition since 2019, achieving our target of restoring audiences back to 400 gallery visits per week. Compared to the previous summer, gallery footfall more than doubled (+254%). Our major Winter exhibition, which ran from October 2022 to 9 April 2023, had over 14,000 visitors to the two installations by Danielle Brathwaite-Shirley with the Bandidos and Josefa Ntjam, enhanced by a further 6800 visits to Chila Burman's installation.

Overall, our gallery exhibitions have drawn in the same level of visitors as our 2018 exhibitions, which was one of the most successful years for FACT in terms of attendances. Overall, across the building, we had 145,308 visits - an increase over the previous year of 38,979 visits (these figures include cinema attendances).

Throughout the year, FACT continued its programme theme Radical Ancestry. Through exhibitions, commissions, events, podcasts, activities and participatory projects, both online and in-person, Radical Ancestry explores and examines ideas of belonging and the ways in which we understand and construct who we are. It reconsiders the roles which both our biological and cultural heritages play in shaping our identities.

Numbers of Beneficiaries

Building visitors	145,308
Gallery attendances	39,048
Learning participants:	2,596

No. artist commissions:	12
No. exhibitions:	6
No. artist and curator residencies:	10
No. learning sessions:	201

Major Exhibitions

Let the Song Hold Us (24 March - 19 June 2022)

Centred around song and music as a way to communicate ideas of family, hope, and belonging, the artworks in the group exhibition "Let the Song Hold Us" reimagined the ways we create and share; what we inherit, and what we pass on. Curated by the FACT team and featuring new commissions by Larissa Sansour with Søren Lind, Zinzi Minott, Tessa Norton, Ebun Sodipo, and Rae-Yen Song, and work by Korakrit Arunanondchai, the show was extremely well received by critics, garnering four star reviews in the Guardian and i-news, and an extensive feature on the BBC Radio 4 arts programme, Front Row,

"A probing celebration of the power of melody and lyrics" - The Guardian
"Absolutely stunning as an immersive experience" - BBC Radio 4 Front Row

My Garden, My Sanctuary (20 July - 9 October 2022)

Curated by Carrie Chan, the exhibition challenged conventional ways we define our backgrounds to embrace identities that are more fluid. Artists Sian Fan and Yaloo presented a series of large-scale animated installations and interactive gaming environments to reclaim their cultural identities from the commodified and stereotyped representations of East Asian culture that have become commonplace globally.

Danielle Brathwaite-Shirley & Josefa Ntjam (2 December 2022 - 9 April 2023)

The last major exhibition of our Radical Ancestry season comprised two major new immersive commissions by Danielle Brathwaite-Shirley and Josefa Ntjam.

Danielle Brathwaite-Shirley with The Bandidos, a group of young people from Liverpool, collaborated to create an online and physical immersive video role play game, that allows players and visitors to explore alternate digital realities and reimagine their own past and future.

Joséfa Ntjam's film installation reexamines history in the aftermath of colonialism and the Transatlantic slave trade, presented within an interstellar, underground cave.

FACT LIVERPOOL COMPANY LIMITED BY GUARANTEE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Gallery 2 Experimental Space

Chila Kumari Burman: Merseyside Burman Empire (13 August 2022 - 27 August 2023)

Chila Burman curated a dynamic, long-term environmental installation for our upstairs gallery, redefining it as a versatile venue for workshops, events, and resident artists' works-in-progress. Vibrant kaleidoscopic collages adorned walls and furniture, complemented by a decorated Tuk Tuk and neon artworks. The space screened three of Chila's video works during the opening exhibition. Through the year, the space accommodated various groups through internal and external programs, including educational visits and workshops.

Lucy Hutchinson // The (new) Constellation (Agnes Varnai & Tina Kult) (28 Sept - 20 Nov 2022)

Lucy Hutchinson (FACT x Jerwood Fellow) explored the relationship between printmaking, witchcraft and biotechnology using the Lancashire Witches as a starting point.

Erin Dickson & April Lin 林森 (1 December 2022 - 6 February 2023)

April Lin 林森 (FACT / Jerwood Fellow) presented The Earthly Realm is Out of Balance, a chatbot / choose-your-own-adventure game that investigates how ancestry is constructed, sustained, and embodied.

Erin Dickson (FACT Together artist) presented Harton Moor (2022), an animated guided tour of a 1970's council estate in South Shields led by a child resident, Jessica.

FACT National and International

During the year, FACT commissions have been shown in many venues nationally and internationally.

Larissa Sansour and Soren Lind's As If No Misfortune Had Occurred in the Night (2022) toured to Kindl in Berlin 5 March 2023 – 2 July 2023.

Hope Strickland's film, I'll be back! (2022) was shown at Aesthetica Film Festival, York, Open City Documentary Festival, London, and the ICA, London as part of the BFI London Film Festival.

Yunchul Kim's Impulse (2018), commissioned by Arts at CERN and FACT and co-produced by ScANNER, was part of the artist's solo presentation GYRE in the Korean Pavilion, Venice Biennale 2022, reaching many thousands of biennale attendees.

Yaloo's Birthday Garden (2022) was adapted for exhibition as part of Supernova 7th Dimension Night Lights Denver through September 2022.

Liz Magic Laser's In Real Life (2019) was part of Post-Capital: Art and the Economics of the Digital Age at Kunsthal Charlottenborg, Copenhagen, Denmark (17 September 2022 - 15 January 2023).

Film Programme

We produced two further weekends of Cinema in the City in June and July 2022 at Carnival Brewing Co and Scale in the Fabric District. Disappointing audiences led to a decision to temporarily halt Cinema in the City while we look to secure funding to continue this branded activity as occasional special events.

FACT Films in the Box featured a season of films by black filmmakers for Black History Month, achieving a 74% overall attendance, notably boosted by Q&A sessions and locally produced shorts. The Afrofuturist film season in February garnered attendances ranging from 36% to 94%. Our subsidised Community Cinema package brought new audiences into the building.

Restarting FACT's involvement in the development of filmmakers, we delivered two masterclasses for filmmakers in short film-making and documentary features, and hosted Bea Freeman's Black Screen film seminar. We also supported the delivery of the BFI Film Academy by Edge Hill University, supporting 25 young filmmakers (aged 16-19) over a 14 week period.

FACT LIVERPOOL COMPANY LIMITED BY GUARANTEE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Public Programme

The public programme included numerous talks, curator and artist tours, workshops, online events (podcasts, discussions and game play-throughs) and live performances complementing and bringing to life our exhibitions programme. These included live performances by artists in residence Lucy Hutchison and Ashley Holmes.

Additionally, in June, we organised a Windrush Day event at the Merseyside Caribbean Centre, showing films, and a performance. In September, Jack Tan's performance-event Performing Boardness culminated his board residency. Participants engaged in conversations about how the board of a Future Art Museum would operate and what they should aim to achieve. For Lunar New year in January and February, we organised a programme of events, including food workshops, in-conversations and workshops. In March, as part of its ongoing collaboration with the Virtual Engineering Centre at University of Liverpool, FACT hosted a Creative Arts Digital Sandpit which included presentations about opportunities for cultural organisations in Liverpool to develop their own digital infrastructure.

Learning Programme

When Our Worlds Meet (The Imaginists Society)

As the pilot programme of The Imaginists, which aims to reposition youth experiences and understanding of technology and online culture, artist Danielle Brathwaite-Shirley collaborated with group of local young people calling themselves The Bandidos. Over the course of a year, the group worked together on an imaginary city inspired by Liverpool's history and their favourite pop culture and video game references. The result was a video role play game, a unique adventure across different time periods and youth-designed worlds, which was presented both online and created as an interactive immersive exhibition as part of FACT's main exhibitions programme. In total, the engagement programme reached 3,148 participants, with 770 in the family programme and 19 schools participating in workshops.

Clatterbridge Cancer Centre Project

As the first steps in a long-term collaboration with Clatterbridge Cancer Centre's Young Adults and Teenagers Unit, four taster sessions were conducted with a core group of young people. The participants (ages 6-15) crafted a collective digital mural showcasing their enthusiasm for TV series and video games.

Following the Gourd

This project was led by artist Eburn Sodipo. It involved LGBTQ+ youth, primarily a small group of Black Trans young adults, 'The Cartographer's Committee'. They created an interactive online archive resembling a star chart, which reimaged their daily lives as constellations. The installation was exhibited as part of the exhibition Let the Song Hold Us at FACT.

School Sessions

The Learning Team conducted 34 sessions with schools involving 721 participants. The team also worked with Calderstones Arrival School in December, refugee and asylum-seeking youth.

Family Programme

During Summer 2022, FACT had a major focus on attracting young people and families into the building. A series of activities were developed exploring how young people produce and consume Korean pop culture. Through the Summer, 230 people attended Do Something Saturdays!, FACT's weekend family programme, exploring pop culture, music and social media. The family programme had a total of 772 participants.

Resolution: Art Programmes in the Criminal Justice System

Resolution is FACT's long-term art and research programme in which artists create artworks in collaboration with participants with experience in the Criminal Justice System, art serving as a platform for dialogue and representation. The resulting artworks will come together in a major exhibition at FACT, planned for 2024. The artworks will also be presented to policy makers through a campaign in collaboration with the Howard League. After a year's delay due to COVID-19, workshops resumed in HMP Altcourse during the year, where incarcerated men, ex-military individuals, and guards collaborated on a project led by Melanie Crean. Workshops also engaged staff, ex-forces prison guards, and decision makers, employing graphic design to discuss knowledge distribution. In January, artist Ain Bailey initiated an intergenerational project at HMP Buckley Hall, working with incarcerated men and their families.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Throughout the journey, Resolution has fostered dialogue, creativity, and understanding within the Criminal Justice System, with FACT's criminologist-in-residence, Dr. Emma Murray, organising discussions among policy makers, activists, and researchers to explore new ways of working within criminology.

Talent Development

Studio/Lab

FACT secured £150,000 from Bloomberg Philanthropies and £60,000 from the Foyle Foundation to support our proposed new Studio/Lab, which will enable access for emerging artists and curators to digital art production facilities and expertise. The Foyle Foundation grant is awarded towards the physical conversion of 50% of the top floor of FACT into studios, workshops and communal spaces. The Bloomberg grant will fund staffing, digital production facilities, staff training, and the commission of an online portal to improve the presentation of online artworks. Studio/Lab is planned to open in 2023.

FACT continued its three artist residency strands, which select artists through open calls and support them with research and development to expand their practice and produce new works. FACT x Jerwood Fellows in 2022 were Lucy Hutchinson, Ashley Holmes and April Lin 林森. Our final European Media Artist Residency hosted the (new) Constellation - Agnes Varnai (Austria) and Tina Kult (Hungary) - for two months developing a new video work. For our FACT Together programme, after receiving nearly 100 applications, primarily from the North West, we selected Dongni Liang, Nicole Prior, Charlotte Southhall and Ellie Towers.

John Ellerman Curatorial Development Programme

Two of the first cohort of three curatorial fellows in this new programme have been appointed. Nia Thomas has been appointed as Curatorial Assistant and Temi-Lasade Anderson as Research Curator. The third fellow will be appointed in 2023.

Video Production Service

The Video Production unit completed projects for a range of cultural clients including Bluecoat, Northumbria University, National Museums Liverpool, Tate Liverpool (Turner Prize) and Liverpool Biennial, as well as much internal work.

Picturehouse

Although Cineworld, the parent organisation of Picturehouse has gone into administration following Chapter 11 bankruptcy proceedings in the USA, the cinema continues to operate as usual. Audiences slowly improved through the year.

Environmental Sustainability

We installed arrays of solar panels on our flat roof space, projecting a 5% annual saving on our electricity bill and reducing our carbon consumption. We are also invested in replacing all our gallery lights with LED lights, which means that the whole building is now lit by energy-saving LEDs (apart from the Picturehouse bar area).

Equality, Diversity and Inclusion

FACT was awarded an enei TIDE Bronze Award 2022/23. Talent Inclusion and Diversity Evaluation (TIDE) is the diversity and inclusion self-assessment evaluation and benchmarking tool developed by the Employers Network for Equality & Inclusion (enei).

FACT signed up to the LARC (Liverpool Arts Regeneration Consortium) and COoL (Creative Organisations of Liverpool) Race Equality Manifesto.

We have embarked upon our journey to become a Disability Confident employer by signing up to the scheme's required Disability Confident Commitments.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Financial review

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements. The charity had net expenditure on unrestricted funds of £100,318 (2022: net income £354,698).

Going Concern

The financial statements have been prepared on a going concern basis. The organisation is rebuilding its audiences and earned income strands in the late pandemic, and has obtained funding commitments from core funders, together with additional fundraising.

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 2023/24 year to date, the management accounts forecast for the remainder of 2023/24, the 18 month rolling cash flow forecast, the confirmation of Arts Council England's funding commitment to FACT Liverpool for 2023/24 - 2025/26 as part of its National Portfolio Organisations, and longer-term plans and forecasts for 2024 and beyond. As a result, the trustees are confident about the financial future of the charity and satisfied that these accounts are prepared on a going concern basis.

Reserves policy

The trustees have adopted a financial policy that seeks to maintain free reserves to a level of approximately £300,000, which presently represents three months of operating costs. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Free reserves are defined as total unrestricted funds available for spending less any designated funds. Designated funds are funds set aside by the trustees for a future purpose together with the value of tangible fixed assets used operationally by the charity.

At the year end the total unrestricted reserves stood at £4,204,381 (2022: £4,304,699). Of this amount, £3,550,847 (2022: £3,575,341) represented the value of tangible fixed assets held at the year end and £290,075 (2022: £290,075) was designated for the purpose of maintaining the charity's asset base in good order and towards supporting artist residencies leaving a balance of free reserves of £363,459 (2022: £439,283).

Risk management

The trustees are aware of the risks facing the charity by way of financial and strategic management and take appropriate steps to mitigate them. The Finance Sub Committee meets at regular intervals between Board meetings and proposals from these meetings are then put forward to the Board. A risk register is maintained and reviewed at every Board meeting.

The charity continues its strategy to develop an appropriate reserve and the Board is ensuring the charity prioritises the building of this fund over the coming years. The Board and the senior management are not complacent and recognise that continuous review of all risk areas is essential to ensure that the business operates on a sound financial footing both now and in the future.

Health and Safety issues in the building are continually monitored and appropriate action is taken. The charity has carried out full health and safety risk analysis on the operation, the health and safety and equal opportunities policy are included in the staff manual and all new recruits are given health and safety training appropriate to their position.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Structure, governance and management

Governing document

The charity is a company limited by guarantee and registered as a charity with the Charity Commission. It is governed by its Memorandum and Articles of Association dated 8th February 2022.

Trustees

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

Rachel Higham (Chair)	(Resigned 13 September 2022, reappointed 1 June 2023)
Sheralee Lockhart	
Jernice Easthope	
Ruth Catlow	
Alvaro Costela Sanchez	
Chloe Courtney	
Maleka Egeonu-Roby	
Lisa Middleton	
Bea Freeman	(Appointed 17 May 2022)
Matthew Balnaves	(Resigned 12 July 2023)
Prof Dinah Birch	(Resigned 17 May 2022)
Suzie Lawes	(Appointed 13 September 2022, resigned 5 May 2023)

Appointment and retirement of trustees

Trustees are appointed to the board by resolution of the trustees of the board. There must be not less than seven and not more than fifteen trustees. The trustees who served during the year, together with any changes up to the date of approving this report are listed above.

The usual term of office for a trustee is three years, at the end of which they shall retire. Trustees are eligible for reappointment by the board of Trustees for up to a further two terms, each of three years, unless a trustee is appointed to be Chair where another one term is permitted. No Trustee shall serve for more than nine consecutive years, unless the Trustees consider it would be in the best interests of FACT for a particular Trustee to continue to serve beyond that period and that Trustee is reappointed in accordance with the Articles.

Trustee recruitment, induction and training

New trustees are appointed after a recruitment process as part of which they will submit a written application. Prospective candidates are interviewed and proposed for appointment to the board. The full board makes the decision on the appointment of any new trustee. All new trustees are issued with an induction pack of information on FACT and its activities and are encouraged to attend events at the centre through regular invitations. Relevant training opportunities for trustees of cultural organisations are circulated on a regular basis.

Organisation

The board of trustees, who are also the directors of the charity, administer the charity and meet as necessary but not less than four times a year. The day-to-day operations of the charity are the responsibility of the Chief Executive and the Executive Team, named on the legal and administration page, to whom the board of trustees have delegated authority for operational matters including finance, employment and development, within the overall strategy agreed by the board.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Remuneration of key management personnel

The remuneration of key management personnel is determined by the board of trustees. The trustees 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.

Auditor

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

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



Rachel Higham (Chair)
Trustee

12 October 2023

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2023**

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

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

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

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

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

FACT LIVERPOOL COMPANY LIMITED BY GUARANTEE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FACT LIVERPOOL

Opinion

We have audited the financial statements of FACT Liverpool (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the 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 financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

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

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

FACT LIVERPOOL COMPANY LIMITED BY GUARANTEE INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF FACT LIVERPOOL

Capability of the audit in detecting irregularities, including fraud

Based on our discussions with the charity's management and the Trustees, we identified that the following laws and regulations are significant to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity and therefore may have a material effect on the financial statements include compliance with the charitable objectives, public benefit, fundraising regulations, safeguarding and health and safety legislation.

These matters were discussed amongst the engagement team at the planning stage and the team remained alert to non-compliance throughout the audit.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

Use of our report

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



Andrew Moss BA FCA (Senior Statutory Auditor)
for and on behalf of DSG

12 October 2023

Chartered Accountants
Statutory Auditor

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023**

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	3	1,292,820	-	1,292,820	1,453,129	-	1,453,129
Charitable activities	4	506,140	149,302	655,442	389,665	167,962	557,627
Other trading activities	5	6,809	-	6,809	12,847	-	12,847
Total income		<u>1,805,769</u>	<u>149,302</u>	<u>1,955,071</u>	<u>1,855,641</u>	<u>167,962</u>	<u>2,023,603</u>
Expenditure on:							
Raising funds	6	324,220	-	324,220	277,446	-	277,446
Charitable activities	7	1,581,867	149,302	1,731,169	1,128,258	263,201	1,391,459
Total expenditure		<u>1,906,087</u>	<u>149,302</u>	<u>2,055,389</u>	<u>1,405,704</u>	<u>263,201</u>	<u>1,668,905</u>
Gross transfers between funds		-	-	-	3,473,895	(3,473,895)	-
Net (expenditure)/income for the year/							
Net movement in funds		(100,318)	-	(100,318)	3,923,832	(3,569,134)	354,698
Reconciliation of funds							
Fund balances at 1 April 2022		4,304,699	-	4,304,699	380,867	3,569,134	3,950,001
Fund balances at 31 March 2023		<u>4,204,381</u>	<u>-</u>	<u>4,204,381</u>	<u>4,304,699</u>	<u>-</u>	<u>4,304,699</u>

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

All income and expenditure derive from continuing activities.

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

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
BALANCE SHEET**

AS AT 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Intangible assets	13		-		3,787
Tangible assets	14		3,550,847		3,575,341
Investments	15		1		1
			<u>3,550,848</u>		<u>3,579,129</u>
Current assets					
Debtors	17	415,331		469,710	
Cash at bank and in hand		747,671		649,184	
		<u>1,163,002</u>		<u>1,118,894</u>	
Liabilities					
Creditors: amounts falling due within one year	18	(477,525)		(351,740)	
Net current assets			<u>685,477</u>		<u>767,154</u>
Total assets less current liabilities			4,236,325		4,346,283
Creditors: amounts falling due after more than one year	19		(31,944)		(41,584)
Total net assets			<u><u>4,204,381</u></u>		<u><u>4,304,699</u></u>
The funds of the charity					
<u>Unrestricted funds</u>					
Designated funds	22	3,840,922		3,865,416	
General unrestricted funds		363,459		439,283	
Total unrestricted funds			<u>4,204,381</u>		<u>4,304,699</u>
Total charity funds			<u><u>4,204,381</u></u>		<u><u>4,304,699</u></u>

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

The financial statements were approved by the Trustees on 12 October 2023



Rachel Higham (Chair)
Trustee

Company registration number 02391543

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	27		213,339		160,929
Investing activities					
Purchase of tangible fixed assets		(99,975)		(24,336)	
Proceeds from disposal of tangible fixed assets		-		(458)	
Net cash used in investing activities			(99,975)		(24,794)
Financing activities					
Repayment of borrowings		(5,475)		(15,649)	
Repayment of bank loans		(9,402)		(2,346)	
Net cash used in financing activities			(14,877)		(17,995)
Net increase in cash and cash equivalents			98,487		118,140
Cash and cash equivalents at beginning of year			649,184		531,044
Cash and cash equivalents at end of year			747,671		649,184

FACT LIVERPOOL COMPANY LIMITED BY GUARANTEE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

FACT Liverpool is a private company limited by guarantee incorporated in England and Wales. The registered office is 88 Wood Street, Liverpool, L1 4DQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

The financial statements do not incorporate the results, assets and liabilities of the charity's wholly owned subsidiary, FACT Trading Limited. Consolidated accounts have not been prepared as these would not be materially different from the single entity financial statements as presented.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

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

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

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

1 Accounting policies (Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

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

1.6 Intangible fixed assets other than goodwill

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Development costs	20% per annum
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1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold premises	2% per annum after impairment (net of cost of land)
Leasehold improvements	10% per annum
Exhibitions and collaboration equipment	20% per annum
Film and video equipment	25% per annum
Office and IT equipment	25% per annum

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Investment in subsidiaries are measured at cost.

1.9 Impairment of fixed assets

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

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

1 Accounting policies

(Continued)

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

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

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Donations and gifts	3,433	2,904
Grants receivable	1,289,387	1,450,225
	<u>1,292,820</u>	<u>1,453,129</u>
Grants receivable for core activities		
Arts Council England	1,024,418	1,024,418
Liverpool City Council	99,164	99,164
HMRC CJRS grant	-	19,547
Kickstarter grant	37,237	48,703
LCC capital grant	17,000	33,000
ACE cultural recovery grant	-	198,803
Other	111,568	26,590
	<u>1,289,387</u>	<u>1,450,225</u>

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

4 Charitable activities

	2023	2022
	£	£
Income within charitable activities	506,140	389,665
Performance related grants	149,302	167,962
	<u>655,442</u>	<u>557,627</u>
Analysis by fund		
Unrestricted funds	506,140	389,665
Restricted funds	149,302	167,962
	<u>655,442</u>	<u>557,627</u>

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Event management	<u>6,809</u>	<u>12,847</u>

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
<u>Fundraising and publicity</u>		
Staff costs	57,527	56,030
Support costs	86,322	77,634
	<u>143,849</u>	<u>133,664</u>
<u>Trading costs</u>		
Other trading activities	19,405	32,083
Staff costs	46,647	17,992
Support costs	114,319	93,707
	<u>180,371</u>	<u>143,782</u>
Trading costs	324,220	277,446
	<u>324,220</u>	<u>277,446</u>

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

6 Raising funds **(Continued)**

7 Charitable activities

	2023	2022
	£	£
Staff costs	273,322	266,208
Other charitable expenditure	405,707	212,767
	679,029	478,975
Share of support costs (see note 8)	1,035,861	894,158
Share of governance costs (see note 8)	16,279	18,326
	1,731,169	1,391,459
	1,731,169	1,391,459
Analysis by fund		
Unrestricted funds	1,581,867	1,128,258
Restricted funds	149,302	263,201
	1,731,169	1,391,459
	1,731,169	1,391,459

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

8 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	589,616	12,413	602,029	574,269	12,090	586,359
Depreciation	128,256	-	128,256	133,185	-	133,185
Premises costs	410,180	-	410,180	271,068	-	271,068
Office and IT costs	28,149	-	28,149	26,272	-	26,272
Marketing costs	47,446	-	47,446	34,171	-	34,171
Staff related costs	29,521	-	29,521	22,868	-	22,868
Audit fees	-	7,200	7,200	-	9,902	9,902
	<u>1,233,168</u>	<u>19,613</u>	<u>1,252,781</u>	<u>1,061,833</u>	<u>21,992</u>	<u>1,083,825</u>
Analysed between						
Fundraising	86,322	-	86,322	77,634	-	77,634
Trading	110,985	3,334	114,319	90,041	3,666	93,707
Charitable activities	1,035,861	16,279	1,052,140	894,158	18,326	912,484
	<u>1,233,168</u>	<u>19,613</u>	<u>1,252,781</u>	<u>1,061,833</u>	<u>21,992</u>	<u>1,083,825</u>

Bases of cost allocations

Property and depreciation costs are allocated firstly on the basis of space to the charitable activities and to support costs in respect of all shared space. Marketing costs are allocated on the basis of the estimated share of the value of the services to each of the main charitable areas. Other costs are allocated on the basis of staff numbers.

9 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2023	2022
	£	£
Audit of the charity's annual accounts	<u>7,200</u>	<u>9,902</u>
Non-audit services		
All other non-audit services	<u>1,175</u>	<u>1,200</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2022: £nil).

No expenses were reimbursed to trustees in the year (2022: £nil).

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

11 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Fundraising and development	2	2
Charitable activities	12	13
Commercial operations	4	4
Support activities	13	16
Casual staff	13	8
	<hr/>	<hr/>
Total	44	43
	<hr/> <hr/>	<hr/> <hr/>

Employment costs

	2023	2022
	£	£
Wages and salaries	896,463	849,033
Social security costs	66,574	61,448
Other pension costs	16,488	16,108
	<hr/>	<hr/>
	979,525	926,589
	<hr/> <hr/>	<hr/> <hr/>

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

	2023	2022
	Number	Number
£70,001 to £80,000	1	1
	<hr/> <hr/>	<hr/> <hr/>

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

13 Intangible fixed assets

	Development costs
	£
Cost	
At 1 April 2022 and 31 March 2023	37,870
	<hr/>
Amortisation and impairment	
At 1 April 2022	34,083
Amortisation charged for the year	3,787
	<hr/>
At 31 March 2023	37,870
	<hr/>
Carrying amount	
At 31 March 2023	-
	<hr/> <hr/>
At 31 March 2022	3,787
	<hr/> <hr/>

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

14 Tangible fixed assets

	Leasehold premises	Leasehold improvements	Exhibitions and collaboration equipment	Film and video equipment	Office and IT equipment	Total
	£	£	£	£	£	£
Cost						
At 1 April 2022	9,198,165	206,273	58,219	108,916	74,105	9,645,678
Additions	-	33,468	48,212	-	18,295	99,975
At 31 March 2023	9,198,165	239,741	106,431	108,916	92,400	9,745,653
Depreciation						
At 1 April 2022	5,728,165	147,638	24,217	100,912	69,405	6,070,337
Depreciation charged in the year	90,000	14,981	13,811	1,071	4,606	124,469
At 31 March 2023	5,818,165	162,619	38,028	101,983	74,011	6,194,806
Carrying amount						
At 31 March 2023	3,380,000	77,122	68,403	6,933	18,389	3,550,847
At 31 March 2022	3,470,000	58,635	34,002	8,004	4,700	3,575,341

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

14 Tangible fixed assets **(Continued)**

More information on the charge over the long leasehold premises, with a carrying amount of £3,380,000 (2022: £3,470,000), is given in note 25.

15 Fixed asset investments

		Other investments
Cost or valuation		
At 1 April 2022 & 31 March 2023		1
		<hr/>
Carrying amount		
At 31 March 2023		1
		<hr/> <hr/>
At 31 March 2022		1
		<hr/> <hr/>

	Notes	2023 £	2022 £
Other investments comprise:			
Investments in subsidiaries	16	1	1
		<hr/> <hr/>	<hr/> <hr/>

16 Subsidiaries

Details of the charity's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
FACT Trading Limited	England and Wales	Dormant	Ordinary	100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
FACT Trading Limited	-	806

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

17 Debtors	2023	2022
Amounts falling due within one year:	£	£
Trade debtors	126,588	175,482
Amounts owed by fellow group undertakings	7,386	7,386
Other debtors	172,885	185,146
Prepayments and accrued income	108,472	101,696
	<u>415,331</u>	<u>469,710</u>

18 Creditors: amounts falling due within one year	2023	2022
Notes	£	£
Bank loans	9,808	9,570
Other borrowings	-	5,475
Other taxation and social security	15,984	394
Trade creditors	39,527	46,143
Other creditors	3,357	36
Accruals and deferred income	408,849	290,122
	<u>477,525</u>	<u>351,740</u>

Included in accruals and deferred income is deferred income of £310,524 (2022: £263,079) relating to income received for future periods.

19 Creditors: amounts falling due after more than one year	2023	2022
Notes	£	£
Bank loans	28,444	38,084
Other creditors	3,500	3,500
	<u>31,944</u>	<u>41,584</u>

20 Loans and overdrafts	2023	2022
	£	£
Bank loans	38,252	47,654
Other loans	-	5,475
	<u>38,252</u>	<u>53,129</u>
Payable within one year	9,808	15,045
Payable after one year	28,444	38,084

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

20 Loans and overdrafts

(Continued)

The bank loans relates to a bounce back loan of £50,000 taken in December 2020, with a repayment holiday until January 2022 with a five-year repayment term. This is an unsecured loan with a 2.5% interest rate.

The other loans relates to a social investment loan of £70,000 issued in August 2017 with a five-year repayment term. This was an unsecured loan with a 7% interest rate and was repaid in the year.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds			
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Capital grants	3,569,134	-	(95,240)	(3,473,894)	-	-	-	-
Exhibition and commission	-	94,521	(94,521)	-	-	63,584	(63,584)	-
Learning and participation	-	73,440	(73,440)	-	-	85,718	(85,718)	-
	<u>3,569,134</u>	<u>167,961</u>	<u>(263,201)</u>	<u>(3,473,894)</u>	<u>-</u>	<u>149,302</u>	<u>(149,302)</u>	<u>-</u>

Restricted grants represent amounts received from various funders to support particular projects, all of which having been expended during the year.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

22 Designated funds

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

	Balance at 1 April 2021	Transfers	Balance at 1 April 2022	Transfers	Balance at 31 March 2023
	£	£	£	£	£
Capital expenditure	240,000	-	240,000	-	240,000
Artist residency support	50,075	-	50,075	-	50,075
Tangible fixed asset fund	-	3,575,341	3,575,341	(24,494)	3,550,847
	<u>290,075</u>	<u>3,575,341</u>	<u>3,865,416</u>	<u>(24,494)</u>	<u>3,840,922</u>

The trustees have designated £240,000 of unrestricted reserves for future capital expenditure needs. This is for essential works to maintain the FACT building as a welcoming, accessible, safe and efficient building. Planned capital works include upgrades to public toilets, creating an education space, and installing an LED window that can showcase artist works and increase the visibility of the building.

£50,075 is also designated towards supporting artist residencies.

Tangible fixed asset fund - In order to accurately show the reserves tied up in fixed assets held by the charity, a designated tangible fixed asset fund has been created representing assets used operationally by the charity. This fund includes assets acquired with historic capital grants. As these grants have been expended in line with the conditions of funding, this has discharged the restriction on them, and therefore they have been transferred to unrestricted funds.

23 Capital commitments

The top floor project at our premises at 88 Wood Street, Liverpool with a value of circa £200k.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

24 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	-	1,114
	<u> </u>	<u> </u>

Lessor

At the reporting end date the charity had contracted with tenants for the following minimum lease payments:

	2023	2022
	£	£
Within one year	5,000	5,000
Between two and five years	19,583	24,583
	<u> </u>	<u> </u>
	<u>24,583</u>	<u>29,583</u>

Lessor

Lease with City Screen Liverpool

FACT has granted a 25-year lease to City Screen Liverpool Limited, a wholly owned subsidiary of Cineworld Group plc, to let part of its property on a profit-sharing rent arrangement. During the year, this was renegotiated to include quarterly rental payments.

The lease began in February 2003, when the FACT Centre opened. Under the terms of the lease, City Screen Liverpool Ltd must provide a cultural cinema programme at the FACT Centre. It is due to come to an end in February 2028.

25 Contingent liabilities

Capital Grants

Grants may be repayable in certain circumstances for example in the event that the building is not used as an arts centre for public benefit or if all the conditions attached to any grant have not been met in full.

In addition, The Arts Council of England has taken a fixed charged over the building (charge registered 5th January 2001) and a floating charge over the other assets of the charity. The terms of a grant provided by the Arts Council for England prohibit the charity from disposing of its interests in the building without their prior consent.

The trustees do not expect any liability to repay grants to crystallise and therefore no provision is made.

**FACT LIVERPOOL
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

26 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023	2022
	£	£
Aggregate remuneration	170,043	165,841
	<u>170,043</u>	<u>165,841</u>

There were no other related party transactions in the year.

27 Cash generated from operations

	2023	2022
	£	£
Net income for the year (as per the statement of financial activities)	(100,318)	354,698
Adjustments for:		
(Gain)/loss on disposal of tangible fixed assets	-	458
Amortisation of intangible assets	-	7,574
Depreciation of tangible fixed assets	128,256	125,153
Movements in working capital:		
Decrease/(increase) in debtors	54,379	(265,817)
Increase/(decrease) in creditors	131,022	(61,137)
	<u>213,339</u>	<u>160,929</u>
Net cash provided by operating activities	<u>213,339</u>	<u>160,929</u>

28 Company limited by guarantee

FACT Liverpool is incorporated under the Companies Act as a company limited by guarantee. The liability of the members is limited to £1.

FACT Liverpool

England & Wales - Charity number 702781

Accounts

Charity registration number 702781

Company registration number 02391543 (England and Wales)

FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY) LIMITED BY GUARANTEE COMPANY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY)
LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION**

COMPANY

Trustees	Matthew Balnaves Ruth Catlow Alvaro Costela Sanchez Chloe Courtney Jernice Easthope Maleka Egeonu-Roby Sheralee Lockhart Lisa Middleton Bea Freeman Suzie Lawes (Chair)	(Appointed 22 February 2022) (Appointed 22 February 2022) (Appointed 22 February 2022) (Appointed 22 February 2022) (Appointed 22 February 2022) (Appointed 17 May 2022) (Appointed 13 September 2022)
Secretary	Nicola Triscott	
Senior staff		
Chief Executive	Nicola Triscott	
Head of Programme	Maitreyi Maheshwari	
Head of Business & Operations	James Hammond	
Charity number	702781	
Company number	02391543	
Registered office	The FACT Centre 88 Wood Street Liverpool L1 4DQ	
Auditor	DSG Castle Chambers 43 Castle Street Liverpool L2 9TL	
Bankers	Natwest Bank City Office 2-8 Church Street Liverpool L1 3BG	

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY)
LIMITED BY GUARANTEE
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COMPANY

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**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY)**

COMPANY

**LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

FOR THE YEAR ENDED 31 MARCH 2022

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

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

Objectives and activities

FACT's charitable objective, as defined in the Articles of Association approved in September 2019, is to promote the arts and creative technology and to advance the education in this field for the benefit of the public.

Public Benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake and consider that the charitable objectives have been discharged through the following activities:

- Free to access exhibitions within the FACT Centre building
- Free to access and low-cost workshops, events, and participatory projects that provide educational, participation and engagement objectives
- Free to access exhibitions and other expositions at other locations within the UK
- Free to access exhibitions that have toured internationally
- Free on-line content and digital interaction via the FACT website

The trustees believe that the charity genuinely discharges its duty of care relating to public benefit and will continue to undertake additional assessment to underline the charity's effectiveness in this respect.

Aims, Achievements and Performance during the Year

FACT is a world-leading centre for contemporary art, film and the creative use of technology. Located in the heart of Liverpool, we are a friendly social space working with artists and people to create transformative experiences that spark the imagination and enrich lives. As a place to help make sense of the world today, FACT provides opportunities across a variety of platforms for people to create, interact and listen. We champion new ideas and experiences, nurturing a diverse future generation of artists, filmmakers, creative makers, imaginists and critical thinkers, and supporting young people and emerging artists to gain confidence, skills and experience.

FACT aims to provide:

- A world-leading programme of exhibitions and projects at the intersection of art, film, technology, and society, offering inspiring extraordinary cultural and learning experiences for diverse audiences, particularly young people.
- Talent and career development opportunities, including residencies, commissions, mentoring, traineeships and training schemes for young and emerging artists and creative professionals.
- Unique opportunities for 11–17-year-olds from diverse backgrounds to participate in art and creative technology projects, exploring and creating new art and knowledge with social impact through collaboration with artists, scientists and technologists.
- A diverse and skilled leadership and workforce, and a model of operation that is sustainable financially and environmentally.

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY)
LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

COMPANY

FOR THE YEAR ENDED 31 MARCH 2022

2021/22 has seen FACT able to return to a more normal cycle of exhibitions and other programming and rebuild its audiences, many of whom had had some nervousness about returning to public venues and social activities. When we re-opened in May 2021 after the long Winter lockdown, around 31% of our usual audience numbers returned (in line with the other cultural venues in Liverpool). This grew through 2021 to around 63%, although rapidly rising rates of Covid and the Omicron variant led to a decline in visitor numbers in November and December. Numbers started to build again from January to March 2022.

For the years 2021 and 2022, FACT has chosen the programme theme Radical Ancestry. Through exhibitions, new commissions, events, podcasts, videos, activities and participatory projects, both online and in-person, Radical Ancestry is exploring and examining ideas of belonging and the ways in which we understand and construct who we are. It reconsiders the roles which both our biological and cultural heritages play in shaping our identities. Whilst the Liverpool Biennial exhibition provided a transition point between our 2020 theme The Living Planet and the Radical Ancestry theme, with exhibitions by Zheng Bo and B.O.S.S. resonating with each theme respectively, the first exhibition in our Radical Ancestry programme was Future Ages Will Wonder, which opened in Autumn 2021.

Exhibitions

Liverpool Biennial 2021: The Stomach and the Port. Artists: Black Obsidian Sound System (B.O.S.S) / Zheng Bo (19 May - 29 August 2021)

The exhibition marked FACT's reopening after the very long lockdown. As part of the citywide Biennial, the opening weekend in May and live weekend in June drew many national visitors to the city.

Feedback for the Biennial shows was overwhelmingly positive, with many noting the experimentation in curation within the foyer and Gallery 1 spaces and the focus on the voice of the artists. Other frequent feedback focused on the importance and urgency of the topics discussed (as well as the care with which they were presented), and the emotional and sensual impact of the artworks. Gallery 1 also doubled as a sensory experience for some of our much younger visitors.

The major shows were accompanied by a physical manifestation of our FACT Together residency projects, giving visitors the chance to learn more about our online and residency programmes. Working with the artists, we produced ten posters enhanced with an AR portal into the artworks made during lockdown, as well as a short film which covered the development of each project and their experiences as FACT resident artists.

Soft Boys. Artist: Kiara Mohamed (19 May - 29 August 2021)

Shown in parallel with the Liverpool Biennial, FACT commissioned a solo exhibition, Soft Boys, by Liverpool-based artist Kiara Mohamed, curated by Fauziya Johnson. The exhibition showcased recent and new work by Mohammed, linking to an online resource of older film work and queer/trans activist research undertaken by the artist.

FACT Together. Artists: Day Mattar / Elle Bulger / Gregory Herbert / Jessica El Mal / MICHAELBRAILEY with Callum Coomber / Milda Baginskalte / nil00 / Shonagh Short / Tammy Reynolds / Uma Breakdown (19 May - 29 August 2021)

During the first national lockdown in 2020, FACT Together provided a platform for ten artists based in the North of England to create and present work online. Each artist selected made a new work in response to The Living Planet, FACT's programme theme for 2020. In this exhibition, stills and photographs from each artwork were presented, animated by an AR (augmented reality) layer.

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY)
LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

COMPANY

FOR THE YEAR ENDED 31 MARCH 2022

Uncertain Data. Artists: Andrius Arutjunian, Angela Chan, Tessa Norton, Yambe Tam (15 September - 3 October 2021)

An exhibition of works-in-progress by four of FACT's artists-in-residence, including sound experiences, VR games, ecological comic books and works with online elements. The focus of the projects range from research into border control and the bias of technology, to issues of water scarcity, climate change, and the erasure of identity.

Future Ages will Wonder. Artists: Larry Achiampong & David Blandy, Yarli Allison, Miku Aoki, Trisha Baga, Breakwater, Ai Hasegawa, Boedi Widjaja. Curator: Annie Jael Kwan (27 October 2021 - 20 February 2022)

Future Ages Will Wonder was curated by FACT's 2021 curator-in-residence, Annie Jael Kwan, and presented an 'alternative museum' of artworks that use science and technology to question our past and offer new ways of understanding who we are and where we belong. It featured artworks by nine UK and international artists that presented personal narratives and reimagined stories that reshape understanding of archaeology, botany, genetics and the use of technology in our daily lives, using both traditional media such as textiles, sculpture, and photography and new media of virtual reality, computer algorithms and synthetic DNA. Many of the artists have collaborated with scientific researchers as they developed their works.

The exhibition was provocatively titled after a quote by the Greek statesman Pericles, who made this declaration when Athens - at the height of its glory - was about to venture into war with Sparta. Whilst we continue to admire Athens's architecture, culture, and democracy, soon after Pericles' boast, Athens was devastated by a mysterious epidemic, in which tens of thousands of people died (including Pericles), and the Spartans defeated Athens, imposing a short-lived but murderous oligarchy. It is a cautionary tale.

Film Programme

During the year, FACT organised an itinerant film programme in unusual locations across the city region. Over several weekends across the year, Cinema in The City gave audiences the opportunity to view current titles in new contexts and offered experience-seekers the chance to do things in places they wouldn't normally have access to or usually associate with cultural activity. The programme aimed to lay a strong foundation of film programming, working towards a future when FACT can take control of cinema operations within the building. Each evening's event comprised the screening of a feature film or documentary, preceded by a short film produced by an artist or emerging filmmaker, selected through an open call. Each event was accompanied by catering provided by a local Liverpool company or organisation.

FACT's Community Cinema programme, providing a highly subsidised opportunity for individual filmmakers, community organisations and film societies to screen films with the support of FACT's programming knowledge and marketing reach, proved popular.

Public Programme

FACT's public programmes for the year included a hybrid programme of online and site-based projects and resources, for both professional and general audiences, including:

- Liverpool Biennial / B.O.S.S. Events, a series of events inspired by the sound system, in partnership with B.O.S.S. and Sable Radio, including a programme of podcasts and a closing event featuring sound artists, activists, collectives, community groups and DJs reflecting on the political and transformative power of music, sound, and the cultures built around it. A series of online resources was also produced.
- Light Night, FACT took part in Liverpool's free one night arts festival with streamed DJ sets by members of Black Obsidian Sound System (B.O.S.S), livestreamed through Facebook so that those who were unable or not yet ready to visit public buildings, could enjoy the mix from home.
- UPRISE AR: Twenty Eleven, FACT supported a new Augmented Reality (AR) work by artist Baff Akoto concerned with civil unrest and uprisings with a series of public programme events examining the events in Liverpool during this period of unrest and the broader history of protest in the city.

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
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LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

COMPANY

FOR THE YEAR ENDED 31 MARCH 2022

- Framework for Trust, a range of online resources, conversations and artist interventions bringing together artists and curators from across FACT's exhibitions and learning programmes, including conversations on governance, policy and performance, and balancing care responsibilities with creating art.
- Toolkit To Transform, a series of online workshops with Asia Art Activism looking at heritage and healing through the preparing and sharing of food and reflecting on ideas of ancestry and identity.
- Lunar New Year celebration, a weekend of events, including curator tours of Future Ages Will Wonder, a performance by Breakwater, a cooking workshop, and a heritage walk through Chinatown.
- Framework for Exchange, a series of online events examining and evaluating institutional practice and existing structures, including Accounting and Accountability, How Can Artworks Influence Decision Making? and How To Design Interactive Art Experiences For Collective Decision Making?

Artist Development Programme

During the year, FACT ran hybrid residencies for 8 artists through three schemes:

- Jerwood Arts FACT Digital Fellowships. In the second year of the programme, fellowships were awarded to Ashley Holmes, Lucy Hutchinson and April Lin. The three artists worked with FACT in a hybrid remote-physical residency model. Outcomes from their work will be shown in 2022 and 2023.
- FACT Together. FACT ran a second round of its open call commissioning programme aimed at early career artists in the North. The artists selected for 2021 were Hope Strickland, Erin Dickinson, Kerolaina Linkevica, and GLOR1A, who each produced an online work following a programme of mentoring and development: I'll be Back by Hope Strickland is a short film exploring Black metamorphosis alongside institutional collecting practices and colonial violence, Primordial by Kerolaina Linkevica, is an immersive online work that invites you to explore three worlds inspired by Kerolaina's research into Goddess worship, Harton Moor by Erin Dickinson is an animated guided tour of a 1970's council estate in South Shields, and Swarm Prototype 4 by GLOR1A is an online game that invites players to explore themselves: their ideals, and their futures from a different origin of conception.
- European Media Arts Residency Exchange (EMARE). FACT's 2021 EMARE artist resident was Andrius Arutiunian, an Armenian-Lithuanian sound artist and composer based in The Hague (NL). His new work, produced during the residency, investigates automated deception recognition systems and their use in border surveillance, and resulted in an algorithmically generated multi-channel AV work.

Learning Programme

FACT's Learning programme focuses on participatory projects and resources for families, young people, intergenerational groups, schools, teachers and teacher trainees, and people within the criminal justice system. Highlights included:

- You're on Mute', a webinar series of three online sessions aimed at organisations and practitioners working on participatory digital projects with a focus on older people and isolated and vulnerable individuals. The sessions exchanged best practice in digital arts and participations. Three online resources were produced.
- FACT's Schools Programme, which included workshops on music making and a new online learning resource on how to make music using the online digital audio workspace Soundtrap. FACT reopened for physical schools visits and relaunched its regular Do Something Saturdays sessions for families.
- Young at Art, artists Linda Stupart, Ayeesha Tan Jones and Shonagh Short worked with intergenerational group of 16 participants to produce three artworks reflecting on the rituals that have made us feel more connected to the world around us during the pandemic.

"I really enjoyed all of it ... It has been a horrible 18 months for us and the intimacy together in this project, there's no loneliness through things like this because of that." - participant

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY)
LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

COMPANY

FOR THE YEAR ENDED 31 MARCH 2022

- The Imaginists Society, artist Danielle Brathwaite-Shirley worked with young people from Everton, Anfield and Toxteth to explore "their Liverpool", investigating how interactive technologies and the language of video games allows the telling and sharing of stories. A core group of young people was then selected through an open call to work closely with Danielle to produce a new artwork.
- Following the Gourd, artist Ebum Sodipo worked with groups of young people to produce an online interactive constellation chart that will archive and share the stories of the LGBTQ+ and Black community.
- Resolution, a programme of commissions by artists and people in the criminal justice system. Ain Bailey, the third commissioned artist in the Resolution series worked with group of ten incarcerated men and their families to create a collection of short audio content about their experiences using sound and music.

Video Production Service

The Video Production unit completed projects for a range of cultural clients including Liverpool Biennial, Culture Liverpool, National Museums Liverpool, Royal Liverpool Philharmonic Orchestra, Bluecoat, and Abandon Normal Devices, as well as much internal work.

Traineeships

FACT hosted 7 trainees through the government's Kickstart training scheme, aimed at creating new jobs for 16 to 24 year olds on Universal Credit at risk of long term unemployment. FACT staff put together a comprehensive training and development experience for the trainees, who were based in Visitor Services and Building Operations, but also worked across Programme and Marketing and Communications. Three of the trainees have since joined the FACT staff, currently working in Programme, Visitor Services and Events, and most have gained employment with other cultural organisations and companies in the city.

Financial review

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements. The charity had net incoming resources on unrestricted funds of £449,937 (2021: £180,377). A large proportion of this was due to an award of £198,800 from the third round of the DCMS's Cultural Recovery Fund, administered by Arts Council England, towards reinflating FACT's reserves to be able to afford urgent and strategic capital work and investments during 2021/22 and 2022/23.

Earned income from events, hospitality and rental income has increased to £12,847 (2021: £900).

Following mediation, a longstanding rent dispute with cinema tenant Picturehouse was resolved and a new rent agreement was signed between the two parties. The new rent agreement is based on attendances rather than net profit share, which simplifies calculations and transparency.

FACT Trading Limited is a wholly owned subsidiary company that provides events and hires services within the FACT building, as well as video production services. It made a profit of £Nil for the financial year (2021: £Nil), after allowing for a management fee payable to the Charity of £Nil (2021: £Nil), and a gift aid donation of £Nil (2021: £Nil).

Going Concern

The financial statements have been prepared on a going concern basis. The organisation is rebuilding its audiences and earned income strands in the late pandemic, and has obtained funding commitments from core funders, together with additional fundraising.

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 2022/23 year to date, the management accounts forecast for the remainder of 2022/23, the 18 month rolling cash flow forecast, the confirmation of Arts Council England's funding commitment to FACT Liverpool for 2023/24 - 2025/26 as part of its National Portfolio Organisations, and longer-term plans and forecasts for 2023 and beyond. As a result, the trustees are confident about the financial future of the charity and satisfied that these accounts are prepared on a going concern basis.

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY)
LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

COMPANY

Reserves policy

The trustees have adopted a financial policy that seeks to maintain free reserves to a level of approximately £300,000, which presently represents three months of operating costs. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Free reserves are defined as total unrestricted funds available for spending less any designated funds. Designated funds are funds set aside by the trustees for a future purpose together with the value of tangible fixed assets used operationally by the charity.

At the year end the total unrestricted reserves stood at £4,304,699. Of this amount, £3,575,341 represented the value of tangible fixed assets held at the year end and £290,075 was designated for the purpose of maintaining the charity's asset base in good order and towards supporting artist residencies leaving a balance of free reserves of £439,283.

Risk management

The trustees are aware of the risks facing the charity by way of financial and strategic management and take appropriate steps to mitigate them. The Finance Sub Committee meets at regular intervals between Board meetings and proposals from these meetings are then put forward to the Board. A risk register is maintained and reviewed at every Board meeting.

The charity continues its strategy to develop an appropriate reserve and the Board is ensuring the charity prioritises the building of this fund over the coming years. The Board and the senior management are not complacent and recognise that continuous review of all risk areas is essential to ensure that the business operates on a sound financial footing both now and in the future.

Health and Safety issues in the building are continually monitored and appropriate action is taken. The charity has carried out full health and safety risk analysis on the operation, the health and safety and equal opportunities policy are included in the staff manual and all new recruits are given health and safety training appropriate to their position.

Structure, governance and management

Governing document

The charity is a company limited by guarantee and registered as a charity with the Charity Commission. It is governed by its Memorandum and Articles of Association dated 26th March 1990, as subsequently amended by special resolutions dated, 12th June 1996, 27th September 1999, 8th January 2003, 19th April 2004, 12th September 2019 and 8th February 2022.

At a board meeting on 8th February 2022, a resolution was passed by the Board to change the organisation's name from Foundation for Art and Technology to FACT Liverpool.

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY)
LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

COMPANY

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

Matthew Bainaves	
Prof Dinah Birch	(Resigned 17 May 2022)
Ruth Catlow	(Appointed 22 February 2022)
Alvaro Costela Sanchez	(Appointed 22 February 2022)
Chloe Courtney	(Appointed 22 February 2022)
Jemice Easthope	
Maleka Egeonu-Roby	(Appointed 22 February 2022)
Rachel Higham	(Resigned 13 September 2022)
Dr Richard Jones	(Resigned 11 November 2021)
Sheralee Lockhart	
Lisa Middleton	(Appointed 22 February 2022)
Simon Sprince	(Resigned 9 September 2021)
Emlyn Williams	(Resigned 23 November 2021)
Prof Joe Yates	(Resigned 7 October 2021)
Bea Freeman	(Appointed 17 May 2022)
Suzie Lawes (Chair)	(Appointed 13 September 2022)

Appointment and retirement of trustees

Trustees are appointed to the board by resolution of the trustees of the board. There must be not less than seven and not more than fifteen trustees. The trustees who served during the year, together with any changes up to the date of approving this report are listed above.

The usual term of office for a trustee is three years, at the end of which they shall retire. Trustees are eligible for reappointment by the board of Trustees for up to a further two terms, each of three years, unless a trustee is appointed to be Chair where another one term is permitted. No Trustee shall serve for more than nine consecutive years, unless the Trustees consider it would be in the best interests of FACT for a particular Trustee to continue to serve beyond that period and that Trustee is reappointed in accordance with the Articles.

Trustee recruitment, induction and training

New trustees are appointed after a recruitment process as part of which they will submit a written application. Prospective candidates are interviewed and proposed for appointment to the board. The full board makes the decision on the appointment of any new trustee. All new trustees are issued with an induction pack of information on FACT and its activities and are encouraged to attend events at the centre through regular invitations. Relevant training opportunities for trustees of cultural organisations are circulated on a regular basis.

Organisation

The board of trustees, who are also the directors of the charity, administer the charity and meet as necessary but not less than four times a year. The day-to-day operations of the charity are the responsibility of the Chief Executive and the Executive Team, named on the legal and administration page, to whom the board of trustees have delegated authority for operational matters including finance, employment and development, within the overall strategy agreed by the board.

Remuneration of key management personnel

The remuneration of key management personnel is determined by the board of trustees. The trustees 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.

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY)
LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

COMPANY

Auditor

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

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

Suzie Lawes (Chair)
Trustee

13 December 2022

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY)**

COMPANY

**LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES**

FOR THE YEAR ENDED 31 MARCH 2022

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY)**

COMPANY

**LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF FACT LIVERPOOL

Opinion

We have audited the financial statements of FACT Liverpool (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, 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 financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY)**

COMPANY

**LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE MEMBERS OF FACT LIVERPOOL

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

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

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

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY)**

COMPANY

**LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE MEMBERS OF FACT LIVERPOOL

Capability of the audit in detecting irregularities, including fraud

Based on our discussions with the charity's management and the Trustees, we identified that the following laws and regulations are significant to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity and therefore may have a material effect on the financial statements include compliance with the charitable objectives, public benefit, fundraising regulations, safeguarding and health and safety legislation.

These matters were discussed amongst the engagement team at the planning stage and the team remained alert to non-compliance throughout the audit.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

Use of our report

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

Andrew Moss (Senior Statutory Auditor)
for and on behalf of DSG

13 December 2022

Chartered Accountants
Statutory Auditor

Castle Chambers
43 Castle Street
Liverpool

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY)**

COMPANY

**LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022**

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
Income from:							
Donations and legacies	3	1,453,129	-	1,453,129	1,237,438	-	1,237,438
Charitable activities	4	389,665	167,962	557,627	358,321	111,785	470,106
Other trading activities	5	12,847	-	12,847	900	-	900
Total income		1,855,641	167,962	2,023,603	1,596,659	111,785	1,708,444
Expenditure on:							
Raising funds	6	277,446	-	277,446	236,668	-	236,668
Charitable activities	7	1,128,258	263,201	1,391,459	1,179,614	207,025	1,386,639
Total expenditure		1,405,704	263,201	1,668,905	1,416,282	207,025	1,623,307
Net Incoming/(outgoing) resources before transfers		449,937	(95,239)	354,698	180,377	(95,240)	85,137
Gross transfers between funds		3,473,895	(3,473,895)	-	-	-	-
Net Income/(expenditure) for the year/ Net movement in funds		3,923,832	(3,569,134)	354,698	180,377	(95,240)	85,137
Reconciliation of funds							
Fund balances at 1 April 2021		380,867	3,569,134	3,950,001	200,490	3,664,374	3,864,864
Fund balances at 31 March 2022		4,304,699	-	4,304,699	380,867	3,569,134	3,950,001

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

All income and expenditure derive from continuing activities.

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

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY)**

COMPANY

**LIMITED BY GUARANTEE
BALANCE SHEET**

AS AT 31 MARCH 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Intangible assets	12		3,787		11,361
Tangible assets	13		3,575,341		3,676,158
Investments	14		1		1
			<u>3,579,129</u>		<u>3,687,520</u>
Current assets					
Debtors	16	469,710		203,893	
Cash at bank and in hand		649,184		531,044	
		<u>1,118,894</u>		<u>734,937</u>	
Liabilities					
Creditors: amounts falling due within one year	17	(351,740)		(415,981)	
Net current assets			<u>767,154</u>		<u>318,956</u>
Total assets less current liabilities			<u>4,346,283</u>		<u>4,006,476</u>
Creditors: amounts falling due after more than one year	18		(41,584)		(56,475)
Total net assets			<u><u>4,304,699</u></u>		<u><u>3,950,001</u></u>
The funds of the charity					
Restricted funds	20		-		3,569,134
<u>Unrestricted funds</u>					
Designated funds	21	3,865,416		290,075	
General unrestricted funds		439,283		90,792	
Total unrestricted funds			<u>4,304,699</u>		<u>380,867</u>
Total charity funds			<u><u>4,304,699</u></u>		<u><u>3,950,001</u></u>

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

The financial statements were approved by the Trustees on 13 December 2022

Suzie Lawes (Chair)
Trustee

Company registration number 02391543

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY)**

COMPANY

**LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Net cash provided by operations	26		160,929		545,293
Investing activities					
Purchase of tangible fixed assets		(24,336)		(12,504)	
Proceeds from disposal of tangible fixed assets		(458)		3,335	
Net cash used in investing activities			(24,794)		(9,169)
Financing activities					
Repayment of borrowings		(15,649)		21,124	
Repayment of bank loans		(2,346)		14,283	
Net cash (used in)/generated from financing activities			(17,995)		35,407
Net increase in cash and cash equivalents			118,140		571,531
Cash and cash equivalents at beginning of year			531,044		(40,487)
Cash and cash equivalents at end of year			649,184		531,044

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY)**

COMPANY

**LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

FACT Liverpool is a private company limited by guarantee incorporated in England and Wales. The registered office is 88 Wood Street, Liverpool, L1 4DQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

The financial statements do not incorporate the results, assets and liabilities of the charity's wholly owned subsidiary, FACT Trading Limited. Consolidated accounts have not been prepared as these would not be materially different from the single entity financial statements as presented.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

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

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

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

**FACT LIVERPOOL
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**LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies **(Continued)**

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

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

1.6 Intangible fixed assets other than goodwill

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Development costs	20% per annum
-------------------	---------------

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold premises	2% per annum after impairment (net of cost of land)
Leasehold improvements	10% per annum
Exhibitions and collaboration equipment	15% per annum
Film and video equipment	25% per annum
Office and IT equipment	25% per annum

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Fixed asset investments

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Investment in subsidiaries are measured at cost.

1.9 Impairment of fixed assets

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

**FACT LIVERPOOL
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COMPANY

**LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

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

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
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COMPANY

**LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2022

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	2,904	1,798
Grants receivable	1,450,225	1,235,640
	<u>1,453,129</u>	<u>1,237,438</u>
Grants receivable for core activities		
Arts Council England	1,024,418	1,024,418
Liverpool City Council	99,164	99,164
HMRC CJRS grant	19,547	112,058
Kickstarter grant	48,703	-
LCC capital grant	33,000	-
ACE cultural recovery grant	198,803	-
Other	26,590	-
	<u>1,450,225</u>	<u>1,235,640</u>

**FACT LIVERPOOL
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**LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	2022	2021
	£	£
Income within charitable activities	389,665	358,321
Performance related grants	167,962	111,785
	<u>557,627</u>	<u>470,106</u>
Analysis by fund		
Unrestricted funds	389,665	358,321
Restricted funds	167,962	111,785
	<u>557,627</u>	<u>470,106</u>

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Event management	12,847	900
	<u>12,847</u>	<u>900</u>

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Staff costs	56,030	45,009
Support costs	77,634	73,320
	<u>133,664</u>	<u>118,329</u>
Fundraising and publicity	133,664	118,329

**FACT LIVERPOOL
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**LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2022

6 Raising funds	(Continued)	
Trading costs		
Other trading activities	32,083	16,105
Staff costs	17,992	14,453
Support costs	93,707	87,781
	<hr/>	<hr/>
Trading costs	143,782	118,339
	<hr/>	<hr/>
	277,446	236,668
	<hr/> <hr/>	<hr/> <hr/>
7 Charitable activities		
	2022	2021
	£	£
Staff costs	266,208	213,847
Other charitable expenditure	212,767	314,608
	<hr/>	<hr/>
	478,975	528,455
	<hr/>	<hr/>
Share of support costs (see note 8)	894,158	844,466
Share of governance costs (see note 8)	18,326	13,718
	<hr/>	<hr/>
	1,391,459	1,386,639
	<hr/> <hr/>	<hr/> <hr/>
Analysis by fund		
Unrestricted funds	1,128,258	1,179,614
Restricted funds	263,201	207,025
	<hr/>	<hr/>
	1,391,459	1,386,639
	<hr/> <hr/>	<hr/> <hr/>

**FACT LIVERPOOL
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**LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2022

8 Support costs	Support costs	Governance costs	2022 Support costs		Governance costs	2021
	£	£	£	£	£	£
Staff costs	574,269	12,090	586,359	471,026	9,712	480,738
Depreciation	133,185	-	133,185	136,429	-	136,429
Premises costs	271,068	-	271,068	284,042	-	284,042
Office and IT costs	26,272	-	26,272	84,090	-	84,090
Marketing costs	34,171	-	34,171	26,575	-	26,575
Staff related costs	22,868	-	22,868	661	-	661
 Audit fees	 -	 9,902	 9,902	 -	 6,750	 6,750
	<u>1,061,833</u>	<u>21,992</u>	<u>1,083,825</u>	<u>1,002,823</u>	<u>16,462</u>	<u>1,019,285</u>
 Analysed between						
Fundraising	77,634	-	77,634	73,320	-	73,320
Trading	90,041	3,666	93,707	85,037	2,744	87,781
Charitable activities	894,158	18,326	912,481	844,166	13,718	858,184
	<u>1,061,833</u>	<u>21,992</u>	<u>1,083,825</u>	<u>1,002,823</u>	<u>16,462</u>	<u>1,019,285</u>

Bases of cost allocations

Property and depreciation costs are allocated firstly on the basis of space to the charitable activities and to support costs in respect of all shared space. Marketing costs are allocated on the basis of the estimated share of the value of the services to each of the main charitable areas. Other costs are allocated on the basis of staff numbers.

9 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2022	2021
	£	£
Audit of the charity's annual accounts	9,902	6,750
 Non-audit services		
All other non-audit services	1,200	-

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2021: £nil).

No expenses were reimbursed to trustees in the year (2021: £nil).

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
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COMPANY

**LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2022

11 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Fundraising and development	2	2
Charitable activities	13	12
Commercial operations	4	4
Support activities	16	10
Casual staff	8	10
	<hr/>	<hr/>
Total	43	38
	<hr/> <hr/>	<hr/> <hr/>

Employment costs

	2022	2021
	£	£
Wages and salaries	849,033	673,908
Social security costs	61,448	56,779
Other pension costs	16,108	13,648
	<hr/>	<hr/>
	926,589	744,335
	<hr/> <hr/>	<hr/> <hr/>

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

	2022	2021
	Number	Number
£70,001 to £80,000	1	1
	<hr/> <hr/>	<hr/> <hr/>

**FACT LIVERPOOL
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COMPANY

**LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2022

12 Intangible fixed assets	Development costs
	£
Cost	
At 1 April 2021 and 31 March 2022	37,870
	<hr/>
Amortisation and impairment	
At 1 April 2021	26,509
Amortisation charged for the year	7,574
	<hr/>
At 31 March 2022	34,083
	<hr/>
Carrying amount	
At 31 March 2022	3,787
	<hr/>
At 31 March 2021	11,361
	<hr/> <hr/>

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

COMPANY LIMITED BY GUARANTEE

13 Tangible fixed assets	£	£	£	£	£	£
Cost	£	£	£	£	£	£
At 1 April 2021	9,198,165	206,273	46,433	97,916	72,555	9,621,342
Additions	-	-	11,786	11,000	1,550	24,336
At 31 March 2022	9,198,165	206,273	58,219	108,916	74,105	9,645,678
Depreciation						
At 1 April 2021	5,638,165	127,011	17,472	99,414	63,122	5,945,184
Depreciation charged in the year	90,000	20,627	6,745	1,498	6,283	125,153
At 31 March 2022	5,728,165	147,638	24,217	100,912	69,405	6,070,337
Carrying amount						
At 31 March 2022	3,470,000	58,635	34,002	8,004	4,700	3,575,341
At 31 March 2021	3,560,000	79,262	27,463	-	9,433	3,676,158

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
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**LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2022

13 Tangible fixed assets **(Continued)**

The estimated value of the land included in the leasehold's premises that is not being depreciated is £500,000 (2021: £500,000).

14 Fixed asset investments

Other Investments

Cost or valuation

At 1 April 2021 & 31 March 2022 1

Carrying amount

At 31 March 2022 1

At 31 March 2021 1

	Notes	2022	2021
Other investments comprise:		£	£
Investments in subsidiaries	15	1	1

15 Subsidiaries

Details of the charity's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held
				Direct Indirect
FACT Trading Limited	England and Wales	Trading	Ordinary	100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
FACT Trading Limited	-	806

**FACT LIVERPOOL
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**LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2022

16 Debtors	2022	2021
Amounts falling due within one year:	£	£
Trade debtors	175,482	41,571
Amounts owed by fellow group undertakings	7,386	4,827
Other debtors	185,146	127,342
Prepayments and accrued income	101,696	30,153
	<u>469,710</u>	<u>203,893</u>

17 Creditors: amounts falling due within one year	2022	2021
Notes	£	£
Bank loans	19 9,570	2,500
Other borrowings	5,475	15,649
Other taxation and social security	394	14,241
Trade creditors	46,143	57,089
Other creditors	36	(359)
Accruals and deferred income	290,122	326,861
	<u>351,740</u>	<u>415,981</u>

Included in accruals and deferred income is deferred income of £263,079 (2021: £301,752) relating to income received for future periods.

18 Creditors: amounts falling due after more than one year	2022	2021
Notes	£	£
Bank loans	19 38,084	47,500
Other borrowings	-	5,475
Other creditors	3,500	3,500
	<u>41,584</u>	<u>56,475</u>

**FACT LIVERPOOL
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COMPANY

**LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2022

19 Loans and overdrafts	2022	2021
	£	£
Bank loans	47,654	50,000
Other loans	5,475	21,124
	<u>53,129</u>	<u>71,124</u>
	<u><u>53,129</u></u>	<u><u>71,124</u></u>
Payable within one year	15,045	18,149
Payable after one year	38,084	52,975
	<u><u>38,084</u></u>	<u><u>52,975</u></u>

Other loans relates to a social investment loan of £70,000 issued in August 2017 with a five-year repayment term. It is an unsecured loan with a 7% interest rate.

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
TECHNOLOGY)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

COMPANY LIMITED BY GUARANTEE

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Transfers	Balance at 31 March 2022
	Balance at 1 April 2020	Incoming resources	Resources expended	Balance at 1 April 2021	Incoming resources	Resources expended		
	£	£	£	£	£	£	£	£
Capital grants	3,664,374	-	(95,240)	3,569,134	-	(95,240)	(3,473,894)	-
Exhibition and commission	-	49,054	(49,054)	-	94,521	(94,521)	-	-
Learning and participation	-	4,374	(4,374)	-	73,440	(73,440)	-	-
Other funds	-	58,357	(58,357)	-	-	-	-	-
	<u>3,664,374</u>	<u>111,785</u>	<u>(207,025)</u>	<u>3,569,134</u>	<u>167,961</u>	<u>(263,201)</u>	<u>(3,473,894)</u>	<u>-</u>

Restricted grants represent amounts received from various funders to support particular projects, all of which having been expended during the year.

**FACT LIVERPOOL
(FORMERLY THE FOUNDATION FOR ART AND CREATIVE
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**LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2022

21 Designated funds

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

	Balance at 1 April 2020	Transfers	Balance at 1 April 2021	Transfers	Balance at 31 March 2022
	£	£	£	£	£
Capital expenditure	-	240,000	240,000	-	240,000
Artist residency support	-	50,075	50,075	-	50,075
Tangible fixed asset fund	-	-	-	3,575,341	3,575,341
	-	290,075	290,075	3,575,341	3,865,416

The trustees have designated £240,000 of unrestricted reserves for future capital expenditure needs. This is for essential works to maintain the FACT building as a welcoming, accessible, safe and efficient building. Planned capital works include upgrades to public toilets, creating an education space, and installing an LED window that can showcase artist works and increase the visibility of the building.

£50,075 is also designated towards supporting artist residencies.

Tangible fixed asset fund - In order to accurately show the reserves tied up in fixed assets held by the charity, a designated tangible fixed asset fund has been created representing assets used operationally by the charity. This fund includes assets acquired with historic capital grants. As these grants have been expended in line with the conditions of funding, this has discharged the restriction on them, and therefore they have been transferred to unrestricted funds.

22 Analysis of net assets between funds

	Unrestricted funds 2022	Restricted funds 2022	Total 2022	Unrestricted funds 2021	Restricted funds 2021	Total 2021
	£	£	£	£	£	£
Fund balances at 31 March 2022 are represented by:						
Intangible fixed assets	3,787	-	3,787	11,361	-	11,361
Tangible assets	3,575,341	-	3,575,341	107,024	3,569,134	3,676,158
Investments	1	-	1	1	-	1
Current assets/(liabilities)	767,154	-	767,154	318,956	-	318,956
Long term liabilities	(41,584)	-	(41,584)	(56,475)	-	(56,475)
	4,304,699	-	4,304,699	380,867	3,569,134	3,950,001

**FACT LIVERPOOL
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**LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2022

23 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	1,114	1,180
Between two and five years	-	374
	<u>1,114</u>	<u>1,554</u>

Lessor

At the reporting end date the charity had contracted with tenants for the following minimum lease payments:

	2022	2021
	£	£
Within one year	5,000	-
Between two and five years	24,583	-
	<u>29,583</u>	<u>-</u>

Lessor

Lease with City Screen Liverpool

FACT has granted a 25-year lease to City Screen Liverpool Limited, a wholly owned subsidiary of Cineworld Group plc, to let part of its property on a profit-sharing rent arrangement. During the year, this was renegotiated to include quarterly rental payments.

The lease began in February 2003, when the FACT Centre opened. Under the terms of the lease, City Screen Liverpool Ltd must provide a cultural cinema programme at the FACT Centre. It is due to come to an end in February 2028.

24 Contingent liabilities

Capital Grants

Grants may be repayable in certain circumstances for example in the event that the building is not used as an arts centre for public benefit or if all the conditions attached to any grant have not been met in full.

In addition, The Arts Council of England has taken a fixed charged over the building (charge registered 5th January 2001) and a floating charge over the other assets of the charity. The terms of a grant provided by the Arts Council for England prohibit the charity from disposing of its interests in the building without their prior consent.

The trustees do not expect any liability to repay grants to crystallise and therefore no provision is made.

**FACT LIVERPOOL
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**LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2022

25 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022	2021
	£	£
Aggregate remuneration	165,841	164,072
	<u>165,841</u>	<u>164,072</u>

There were no other related party transactions in the year.

26 Cash generated from operations

	2022	2021
	£	£
Net income for the year (as per the statement of financial activities)	354,698	85,137
Adjustments for:		
Loss/(gain) on disposal of tangible fixed assets	458	(441)
Amortisation of intangible assets	7,574	7,574
Depreciation of tangible fixed assets	125,153	129,296
Movements in working capital:		
(Increase)/decrease in debtors	(265,817)	262,671
(Decrease)/increase in creditors	(61,137)	61,056
Net cash provided by operating activities	<u>160,929</u>	<u>545,293</u>

27 Company limited by guarantee

FACT Liverpool is incorporated under the Companies Act as a company limited by guarantee. The liability of the members is limited to £1.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.

FACT Liverpool

England & Wales - Charity number 702781

Accounts

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

ANNUAL REPORT AND ACCOUNTS

for the year ended

31st March 2021

REGISTERED NUMBER: 02391543

CHARITY NUMBER: 702781

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Annual Report and Accounts for the year ended 31st March 2021

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THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Company Information for the year ended 31st March 2021

Incorporated in England and Wales on 11th June 1999

Company number: 02391543

Charity number: 702781

Trustees: Rachel Higham (Chair)
Prof. Dinah Birch
Simon Sprince (resigned 9 September 2021)
Emlyn Williams (resigned 23 November 2021)
Prof. Joe Yates (resigned 7 October 2021)
Matthew Balnaves
Sheralee Lockhart
Jernice Easthope (appointed 5 May 2020)
Dr Richard Jones (appointed 27 April 2020, resigned 11th Nov 2021)

Secretary: Nicola Triscott (appointed 13th October 2021)

Senior Staff:

Chief Executive: Nicola Triscott
Head of Programme: Maitreyi Maheshwari
Head of Operations: James Hammond

Registered office: The FACT Centre
88 Wood Street
Liverpool
L1 4DQ

Statutory auditor: DSG
43 Castle Street
Liverpool
L2 9TL

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

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Report of the Trustees for the year ended 31st March 2021

The trustees, who are the directors of the charity, present their annual report and the audited accounts for the year ended 31st March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP 2019) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and financial statements of the charity.

Governing document

The charity is a company limited by guarantee and registered as a charity with the Charity Commission. It is governed by its Memorandum and Articles of Association dated 26th March 1990, as subsequently amended by special resolutions dated, 12th June 1996, 27th September 1999, 8th January 2003, 19th April 2004 and 12th September 2019.

Charitable Objective

FACT's charitable objective, as defined in the Articles of Association approved in September 2019, is to promote the arts and creative technology and to advance the education in this field for the benefit of the public.

Public Benefit

The trustees of the charity are mindful of their particular responsibilities as outlined in Guidance Note "Charities and Public Benefit (2009)", and consider that the charitable objectives have been discharged through the following activities:

- Free to access exhibitions within the FACT Centre building
- Free to access and low-cost workshops, events, and participatory projects that provide educational, participation and engagement objectives
- Free to access exhibitions and other expositions at other locations within the UK
- Free to access exhibitions that have toured internationally
- Free on-line content and digital interaction via the FACT website

The trustees believe that the charity genuinely discharges its duty of care relating to public benefit and will continue to undertake additional assessment to underline the charity's effectiveness in this respect.

Appointment and retirement of trustees

Trustees are appointed to the board by resolution of the trustees of the board. There must be not less than seven and not more than fifteen trustees. The trustees who served during the year, together with any changes up to the date of approving this report are listed on page 1.

The usual term of office for a trustee is three years, at the end of which they shall retire. Trustees are eligible for reappointment by the board of Trustees for up to a further two terms, each of three years, unless a trustee is appointed to be Chair where another one term is permitted. No Trustee shall serve for more than nine consecutive years, unless the Trustees consider it would be in the best interests of FACT for a particular Trustee to continue to serve beyond that period and that Trustee is reappointed in accordance with the Articles.

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Report of the Trustees (continued)
for the year ended 31st March 2021

Trustee recruitment, induction and training

New trustees are appointed after a recruitment process as part of which they will submit a written application. Prospective candidates are interviewed and proposed for appointment to the board. The full board makes the decision on the appointment of any new trustee. All new trustees are issued with an induction pack of information on FACT and its activities and are encouraged to attend events at the centre through regular invitations. Relevant training opportunities for trustees of cultural organisations are circulated on a regular basis.

Risk management

The trustees are aware of the risks facing the charity by way of financial and strategic management and take appropriate steps to mitigate them. The Finance Sub Committee meets at regular intervals between Board meetings and proposals from these meetings are then put forward to the Board. A risk register is maintained and reviewed at every Board meeting.

The charity continues its strategy to develop an appropriate reserve and the Board is ensuring the charity prioritises the building of this fund over the coming years. The Board and the senior management are not complacent and recognise that continuous review of all risk areas is essential to ensure that the business operates on a sound financial footing both now and in the future.

Health and Safety issues in the building are continually monitored and appropriate action is taken. The charity has carried out full health and safety risk analysis on the operation, the health and safety and equal opportunities policy are included in the staff manual and all new recruits are given health and safety training appropriate to their position.

Organisation

The board of trustees, who are also the directors of the charity, administer the charity and meets as necessary but not less than four times a year. The day-to-day operations of the charity are the responsibility of the Chief Executive and the Executive Team, named above, to whom the board of trustees have delegated authority for operational matters including finance, employment and development, within the overall strategy agreed by the board.

Aims, Achievements and Performance during the Year

Renowned internationally and based in Liverpool, FACT inspires people with bold and experimental projects and exhibitions exploring art, technology, science and society. FACT nurtures a diverse future generation of artists, filmmakers, creative makers, imaginists and critical thinkers, and supports young people and emerging artists to gain confidence, skills and experience that can pave the way to more productive and enriching futures.

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Report of the Trustees (continued) for the year ended 31st March 2021

FACT aims to provide:

- A world-leading programme of exhibitions and projects at the intersection of art, technology, science and society, offering inspiring extraordinary cultural and learning experiences for diverse audiences, particularly young people.
- Talent and career development opportunities, including residencies, commissions, mentoring, traineeships and training schemes for young and emerging artists and creative professionals.
- Unique opportunities for 11–17-year-olds from diverse backgrounds to participate in art and creative technology projects, exploring and creating new art and knowledge with social impact through collaboration with artists, scientists, and technologists.
- A diverse and skilled leadership and workforce, and a model of operation that is sustainable financially and environmentally.

These aims are each underpinned by a range of objectives and key performance indicators covering all aspects of the organisation's ambitions. FACT has weathered the uncertainty of COVID-19. We have kept steadfast in our mission - enriching and shaping lives through film, art and creative technology - by being resilient, flexible and responsive to the needs of our audiences. In the last year, we delivered 80+ learning sessions, worked with over 450 school children, supported 33 artists, and engaged global audiences of over 300,000 in the last year.

While the pandemic and the transition to new ways of working were extremely demanding on staff, the lockdowns had inadvertently positive effects in terms of triggering innovation and resourcefulness. New online commissions, participatory programmes, events activities and artist development programmes were developed, along with other forms of remote delivery of projects. When the building reopened, the team re-worked our exhibitions for a Covid-safe audience experience, introducing interactivity to eliminate the need for touch and to assist social distancing, such as motion sensor triggers, QR codes, the use of AR filters, etc.

For the year 2020/2021, FACT chose a programme theme of The Living Planet, which proved timely. Through exhibitions, new commissions, events, podcasts, videos, activities and learning projects, both online and in-person, The Living Planet looked at our relationship with the natural world, exploring ways in which wildlife, plant life and ecological systems respond to the impact of human actions. Although the building was closed at times, FACT remained open, providing events and activities online and offsite.

Exhibitions Programme

And Say the Animal Responded? (Exhibition, 12 August 2020 - 14 February 2021)

FACT's major exhibition for 2020/21, postponed from its intended opening date in March, opened in August after the first pandemic lockdown. It then had an extended run though the year, allowing people to access it during periods between lockdowns.

The exhibition presented work by five international artist/artist groups: including a new sound-sculptural installation by Ariel Guzik (Mexico) and works by Amalia Pica (Argentina/UK) with Rafael Ortega (Mexico, Alexandra Daisy Ginsberg (UK), Demelza Kooij (Netherlands/UK) and Kuai Shen (Ecuador).

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Report of the Trustees (continued) for the year ended 31st March 2021

And Say the Animal Responded? enabled visitors to encounter the (non-human) animal on its own terms, without placing human characteristics or logic onto the animal's behaviours and communications. Underpinning the exhibition were considerations of the ever-diminishing environments of the animal, and how human-centric behaviours and technologies govern the ways in which we encounter the creatures with whom we share our planet. The exhibition encouraged audiences to look at the world through very different eyes, suggesting that we need radically to rethink the way we engage with our ecosystems and how we construct our ideas of community.

"A captivating show that explores our fragile connection to other species" - The Guardian

Broken Symmetries (International tour)

The exhibition Broken Symmetries: Art x Physics ran from 14 March - 31 May 2020 at the National Taiwan Museum of Fine Art, remaining open despite the pandemic and attracting 34,146 visitors. It opened in parallel at iMAL, Brussels, on 5 March and ran until 16 August 2020, with total visitor figures of 1490. The exhibition then toured to KUMU in Tallinn, Estonia, where it ran from 29 October 2020 - 21 February 2021.

Public Programme

In addition to a programme of podcasts and online talks, activities and events, FACT's transformer summit moved online and was reworked as Framework for Resilience.

Framework for Resilience (Discursive event)

Following the cancellation of FACT's first transformer summit in March 2020, Framework for Resilience was the first of a new series of discursive events. This three-part series of online conversations, concluding FACT's Year of the Living Planet, brought together activists, artists, researchers and educators to think about the world we are creating, the world we are destroying, the systems which will fall, and those which should prevail. The conversations were attended by 399 people.

"The series does not offer an answer to how we reverse the world's destruction - it never claimed it would. But it is a good place to start in the process of unlearning the colonial attitudes that underpin our systems of living. It offers a sense of community and common purpose that feeds resilience; the framework that might lead towards resistance." – Art Monthly

Artist Development Programme

During the 2020/21 year, FACT ran remote residencies for 15 artists through three schemes:

FACT Together, set up in response to the financial uncertainty for artists caused by COVID-19, offered 10 early career artists living in the North of England a grant of £1,500 each, plus three months of support from the FACT team, to develop a new project to be presented online. Projects responded to FACT's 2020 theme of *The Living Planet*. A rich variety of work was produced, including games, an IGTV series, a lunar calendar poetry subscription, meditative AV works, and an interactive map. Some highlights of the reach of the artworks were Milda Baginskaite's IGTV series Global Challenges, which received over 5600 views, more than 400 people exploring Niloo Sharifi's The Magic Tree, and 338 people participating in Shonagh Short's online game PESTS.

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Report of the Trustees (continued) for the year ended 31st March 2021

‘It helped develop my practice by allowing me to work in a way I've only dreamed of before and shown me the direction I want to take in future.’ - 2020 Participating Artist.

Our 2020 European Media Arts Residency Exchange artists, Carolin Liebl and Nikolas Schmid-Pfähler), who are based in Germany, had a remote residency with FACT through the first six months of the year, with the outputs shared online in November 2020 across a blog post and social media presence. A video documenting the artists’ process and finished work was later produced.

The first year of the Jerwood Arts FACT Digital Fellowships scheme appointed three emerging creatives – Angele Chan, Tessa Norton and Yambe Tan - for this paid remote residency and artistic development opportunity. During their residency, the fellows received bespoke training, mentoring, crits, production support and research input from the team at FACT, the other Fellows, and an invited selection of wider collaborators, presenting their work in Spring 2021 when the centre reopened.

Learning Programme

Augmented Empathy (Participatory commission with young people)

Artist collective Keiken (Hana Omori, Isabel Ramos and Tanya Cruz) developed a multi-layered participatory project called Augmented Empathy in a new collaborative commission with FACT’s Learning team. In Augmented Empathy, Keiken explored the subversion of existing tools - in this case, Instagram filters - and how social media can be used as a space for exchange and artistic creation. The result was 4 Instagram filters which can be downloaded and used by anyone. With dance artist Sakeema Crook and CGI artist Ryan Vautier, Keiken then developed a series of live performances and this film installation using the filters.

Learning Non-Human (Learning project for intergenerational group of young people and older adults)

Young at Art engages with over-60s to creatively explore art, technology and culture towards an active notion of digital agency. It is run by FACT, Open Eye Gallery and the Happy Older People’s Network, National Museums Liverpool.

FACT’s Young at Art project for 2020/21 was Learning Non-Human, an intergenerational project developed by artist and former lawyer, Jack Tan, alongside local participants. Commissioned as part of FACT’s Year of the Living Planet, the project gave participants the opportunity to explore Intergenerational Climate Justice and how future humans and non-humans will be affected by our current actions. FACT’s Learning team and Tan worked alongside youth leaders at Team Oasis, Dingle to initiate the project, and participants were selected from FACT’s Digital Ambassadors (over-60’s group), and FACT’s young people’s programme. The project allowed the participants to continue regularly engaging with FACT throughout the Covid-19 pandemic and resulting lockdowns. The result of the project was a digital tool and online game, Non-Humans of Liverpool, that can be used to affect policymaking, which takes into account the voices of non-humans, such as birds, trees and flowers, that are affected by our organisations, lives and businesses. Participants were invited to play the game, assuming the roles of these non-human folk.

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Report of the Trustees (continued)
for the year ended 31st March 2021

Resolution (Learning programme for adults in prisons)

Funded by the Paul Hamlyn Foundation, this three-year programme brings together participants within the criminal justice system, artists and staff to collaboratively produce a series of new artworks, which critically explore their understanding and experience of the world, both within the criminal justice system and beyond. Whilst the prisons closed across the country due to the pandemic, the Learning team was still able to work remotely with a group of prisoners at HMP Altcourse. Artist Melanie Crean designed a self-led activity for the group of ex-military men engaged in the project. Melanie also led a session with policy makers and activists from The Howard League Penal Reform to test some of the ideas in her project, *The Machine to Unmake you*.

Financial Review

The financial results for the year are set out on pages 14 to 31. The charity had net incoming resources on unrestricted funds of £180,377 (2020: £53,619). This strong financial performance reflects a number of non-recurrent impacts related to the Covid-19 pandemic: the closure of the building to the public for much of the financial year temporarily reduced estates running costs and allowed for a temporary reduction in staffing cost, with support of the coronavirus job retention scheme grant. However, earned income from events, hospitality and rental income were negatively impacted and will take some time to recover.

FACT Trading Limited is a wholly owned subsidiary company that provides events and hires services within the FACT building, as well as video production services. It made a profit of £Nil for the financial year (2020: £Nil), after allowing for a management fee payable to the Charity of £Nil (2020: £Nil), and a gift aid donation of £Nil (2020: £Nil).

Going Concern

The financial statements have been prepared on a going concern basis. The organisation has been able to successfully negotiate the economic disruption caused by the Covid-19 pandemic through careful management of costs, obtaining funding commitments from core funders, together with additional fundraising and cash flow management.

The trustees have considered the level of funds held and the expected level of income and expenditure for the twelve months from authorising these financial statements. The trustees assess the charity to be a going concern based on review of financial performance of the 2021/22 year to date, the management accounts forecast for the remainder of 2021/22, the 18 month rolling cash flow forecast, funding commitments from Arts Council England and Liverpool City Council, and longer-term plans and forecasts for 2022 and beyond. As a result, the trustees are confident about the financial future of the charity and satisfied that these accounts are prepared on a going concern basis.

Reserves Policy

The trustees have adopted a financial policy that seeks to increase unrestricted reserves to a level of approximately £300,000, which presently represents two to three months of operating costs. The charity is also intending in future years to set aside designated funds for the purpose of maintaining the charity's asset base in good order through timely repair and replacement. The unrestricted reserve at the end of the year stood at £381,672 (2020: £201,295).

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Report of the Trustees (continued) for the year ended 31st March 2021

At the year end the group had free reserves of £235,826 (2020: £83,782), consisting of unrestricted reserves of £381,672 and commitments for future depreciation of unrestricted fixed assets of £145,846. During the year the trustees designated £240,000 of unrestricted reserves for future capital expenditure needs, and a further £50,075 towards supporting artist residencies.

Related Parties and Co-operation with other organisations

No Trustees receive remuneration from their work with the charity. Details of transactions with the Trustees and key management personnel are set out in Note 12. No connections between Trustees/senior managers have been disclosed during the year, and therefore no such related party transactions have been reported.

Remuneration of key management personnel

The remuneration of key management personnel is determined by the board of trustees. The trustees 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.

Changes in fixed assets

Movements in fixed assets are shown in note 14 to the accounts.

Future Plans

Radical Ancestry is FACT's next annual theme: an exploration of race, migration and belonging. Three exhibitions/seasons are planned within this theme. The first will be curated by FACT's 2021 curator-in-residence Annie Jael Kwan. The second, curated by the FACT team, is titled Stories of Us. The third, with a theme of Global Futurisms, will be curated by our 2022 curator-in-residence (to be appointed). Building on the success of our online programme, residencies and commissions, in 2021-2023 and beyond, online commissions, public events and residencies will become continued and important parts of FACT's offer.

A new initiative by FACT, Cinema in the City will extend FACT's world-leading digital art and film programme beyond our doors, taking cinema into distinctive new corners of the city and offering film lovers a unique experience of film and location. Each film screening will be preceded by a short film produced by a local artist, curated by FACT's Programme team through a city-wide open call. By programming their work alongside larger titles, we offer new artists a culturally engaged audience, raising their profile and developing their practice. This platform supports our mission to inspire and nurture a diverse new generation of artists and film-makers, enabling emerging artists to gain confidence, skills and experience.

Responding to the difficult experience of young people and emerging creative professionals over the course of the pandemic, FACT has a renewed focus on supporting young people, particularly teenagers taking decisions that will affect the direction of their lives and those in their twenties starting out on their careers.

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Report of the Trustees (continued) for the year ended 31st March 2021

Our initiatives for 2021/22 include:

- Kickstart – 6-month traineeships for unemployed 21-24 year-olds, funded by the Government's new Kickstart Scheme in Visitor Services and Building Operations.
- FACT FWD - exhibition technicians training programme, giving participants on-the job training in exhibition installation design, carpentry, AV, art handling, risk assessments and budgeting.
- FACT Fellowships – annual residencies for three UK-based emerging artists.
- FACT Together – online residencies for emerging artists in the North.
- Learning programme – participatory projects and work with schools

Statement of trustees' responsibilities

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Annual Report and Accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these accounts, the trustees are required to:

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

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

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Report of the Trustees (continued) for the year ended 31st March 2021

Trustees' statement of disclosure of information to the auditors

Each of the persons who is a trustee at the date of approval of this report confirm in so far as they are aware that:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

DSG have agreed to offer themselves for re-appointment as auditors of the charity, and a resolution for their reappointment will be proposed at the Annual General Meeting.

This report was approved by the Board of Trustees on 6th December 2021 and signed on its behalf by:



Rachel Higham
Chair of the Board

Independent auditors' report to the members and trustees of The Foundation for Art and Creative Technology

Opinion

We have audited the financial statements of The Foundation for Art and Creative Technology (the 'parent charitable company') for the year ended 31st March 2021 which comprise the Consolidated Statement of Financial Activities (including Consolidated Income and Expenditure Account), the Group and Company Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, 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 charitable company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources, including its income and expenditure, 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 financial statements section of our report. We are independent of the Group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report 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 charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Group's and parent charitable company'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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our discussions with the Group and parent charitable company's management and the Trustees, we identified that the following laws and regulations are significant to the Group and parent charitable company:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the Group and parent charitable company and therefore may have a material effect on the financial statements include compliance with the charitable objectives, public benefit, fundraising regulations, safeguarding and health and safety legislation.

These matters were discussed amongst the engagement team at the planning stage and the team remained alert to non-compliance throughout the audit.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Andrew Moss BA FCA (Senior Statutory Auditor)

For and on behalf of DSG Chartered Accountants, Statutory Auditor
Castle Chambers
43 Castle Street
Liverpool
L2 9TL

6th December 2021

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Consolidated Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31st March 2021

	Notes	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020 (Restated)
Income from:		£	£	£	£
Donations and legacies	2	1,125,380	0	1,125,380	1,133,681
Charitable activities	3	358,322	111,785	470,106	542,582
Other trading activities	4	900	0	900	33,414
Other income	5	112,058	0	112,058	0
Total income		1,596,659	111,785	1,708,444	1,709,677
Expenditure on:					
Raising funds	6	236,668	0	236,668	153,886
Charitable activities	7	1,179,614	207,025	1,386,639	1,597,412
Total expenditure		1,416,282	207,025	1,623,307	1,751,298
Net income/(expenditure)	10	180,377	(95,240)	85,137	(41,621)
Reconciliation of funds:					
Total funds brought forward		201,295	3,664,374	3,865,669	3,907,290
Total funds carried forward		381,672	3,569,134	3,950,806	3,865,669

All income and expenditure relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised during the year.

The notes on pages 17 to 31 form part of these accounts.

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Balance Sheets as at:
31st March 2021

Company Number: 2391543

	Consolidated		Company	
	2021	2020 (restated)	2021	2020 (restated)
	£	£	£	£
Fixed assets				
Tangible Assets	3,676,158	3,795,847	3,676,158	3,795,847
Intangible Assets	11,361	18,935	11,361	18,935
Investments	0	0	1	1
	3,687,519	3,814,782	3,687,520	3,814,783
Current assets				
Debtors	197,585	466,564	203,893	477,814
Cash at bank and in hand	538,159	(40,487)	531,044	(41,419)
	735,743	426,077	734,937	436,396
Creditors: amounts falling due within one year				
	415,981	350,567	415,981	361,692
Net current assets	319,763	75,510	318,956	74,704
Creditors: amounts falling due after more than one year				
	56,475	24,624	56,475	24,624
Total Net Assets	3,950,806	3,865,669	3,950,001	3,864,863
Charity Funds				
Unrestricted funds - general	91,597	201,295	90,792	200,490
Unrestricted funds - designated	290,075	0	290,075	0
Restricted funds	3,569,134	3,664,374	3,569,134	3,664,374
Total funds	3,950,806	3,865,669	3,950,001	3,864,864

These accounts were approved by the trustees and authorised for use on 6th December 2021, and are signed on their behalf by:



Rachel Higham
Chair of the Board

The notes on pages 17 to 31 form part of these accounts.

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Consolidated Statement of Cash Flows For the year ended 31st March 2021

	Notes	2021 £	2020 £
Cash Flow from Operating Activities	26	555,743	(7,192)
Cash Flow from Investing Activities			
Payments to acquire fixed assets		(12,504)	(36,777)
Gains (losses) on foreign currency exchange rates		0	(1,981)
Repayment of social investment loan		(14,594)	(13,604)
Receipt for Bounce Back Loan		50,000	0
Net Cash Flow from Investing Activities		22,902	(52,362)
Net increase (decrease) in cash in the year		578,646	(59,554)
Cash and cash equivalents at start of year		(40,487)	19,067
Cash and cash equivalents at end of year		538,159	(40,487)
Cash and cash equivalents consist of:			
Cash at bank and in hand		538,159	(40,487)

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Notes to the Accounts

Year ended 31st March 2021

1. Summary of significant accounting policies

(a) General information and basis of preparation

The Foundation for Art and Creative Technology is a limited company by guarantee and a registered charity in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out in the Trustees' Report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Notes to the Accounts

Year ended 31st March 2021

1. Summary of significant accounting policies (continued)

(c) Income recognition (continued)

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The charity receives government and other grants in respect of specific projects and to support general revenue requirements. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as bank deposits and is primarily in the form of interest. It is included when the amount can be measured reliably using the effective interest method.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds.
- Expenditure on charitable activities.
- Other expenditure represents those items not falling into the categories above.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at the FACT centre. Where support costs cannot be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Premises overheads have been allocated on the basis of space used by the various charitable activities and other overheads have been allocated on the basis of staff numbers.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 8.

(f) Fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Notes to the Accounts

Year ended 31st March 2021

1. Summary of significant accounting policies (continued)

(f) Fixed assets (continued)

Depreciation is provided on all tangible fixed assets with a purchase cost in excess of £400, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Long leasehold premises	2% per annum after impairment, net of the cost of land
Leasehold Improvements	10% per annum
Exhibitions & collaboration equipment	15% per annum
Film and video equipment	25% per annum
Fittings and office equipment	25% per annum

Intangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated amortisation over an economic life of 5 years unless there are any impairment losses to be recognised.

(g) Investments

Investments in subsidiaries are measured at cost less impairment.

(h) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(i) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

(j) Concessionary loans

Concessionary loans include those payable to a third party which are interest free or below market interest rates and are made to advance charitable purposes. Where the loan is repayable on demand within one year, the loan is measured at cost, less impairment. Where the loan is repayable more than one year, the loan is initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method, less impairment.

(k) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(l) Operating leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Notes to the Accounts

Year ended 31st March 2021

1. Summary of significant accounting policies (continued)

(m) Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

(n) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

(o) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(p) Going concern

The financial statements show a net current asset position of £319,763 (2020: £122,778). The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure are sufficient with the level of reserves for the charity to be able to continue as a going concern. Having regard to this matter, the trustees consider it appropriate to prepare the financial statements on the going concern basis.

Note 2 - Income from Donations and Legacies	Unrestricted Funds	
	Total 2021	Total 2020
	£	£
Revenue Grants		
Arts Council England	1,024,418	1,005,909
Liverpool City Council	99,164	124,164
Donations		
Unrestricted Donations	1,798	3,608
	1,125,380	1,133,681

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Notes to the Accounts

Year ended 31st March 2021

Note 3: Income from Charitable Activities			Total	
	Grants	Other earned income	2021	2020
	£	£	£	£
Income receivable				
Exhibitions & commissions	49,054	76,785	125,839	113,922
Learning and Participation Programme	4,374	50,075	54,449	112,267
Media services	0	31,209	31,209	29,859
Recharges to third parties	0	178,940	178,940	237,506
Museums & Galleries Tax Relief	0	21,312	21,312	49,028
Cultural Recovery Fund	58,357	0	58,357	0
	111,785	358,322	470,106	542,582

	Deferred income			Total	
	Received	Brought forward	Carried forward	2021	2020
	£	£	£	£	£
Project grants - restricted funds					
Exhibitions & commissions	9,193	73,381	33,520	49,054	83,231
Learning and Participation Programme	4,374	0	0	4,374	101,118
Cultural Recovery Fund	58,357	0	0	58,357	0
	71,924	73,381	33,520	111,785	184,349
Other earned income - unrestricted funds					
Exhibitions & commissions	76,785	0	0	76,785	30,691
Learning and Participation Programme	50,075	0	0	50,075	11,148
Media services	31,209	0	0	31,209	29,859
Recharges to third parties	178,940	0	0	178,940	237,506
Museums & Galleries Tax Relief	21,312	0	0	21,312	49,028
Other Income	0	0	0	0	0
	358,322	0	0	358,322	358,233

Note 4: Income from other Trading Activities	Unrestricted Funds	
	2021	2020
	£	£
Events Management	900	33,414
Note 5: Other Income	Unrestricted Funds	
	2021	2020
	£	£
Job Retention Scheme Grant	112,058	0

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Notes to the Accounts

Year ended 31st March 2021

Note 6: Expenditure on Raising Funds				
	Direct	Support	Total	Total
	Costs	Costs	2021	2020
	£	£	£	£
Commercial Operations	30,558	87,781	118,339	63,272
Fundraising and Development	45,009	73,320	118,329	90,614
	75,567	161,101	236,668	153,886

Note 7: Expenditure on Charitable Activities				
	Direct	Support	Total	Total
	Costs	Costs	2021	2020
	£	£	£	£
Exhibition & Commissions	354,525	508,314	862,838	959,273
Learning and Participation Programme	115,574	349,870	465,444	638,139
Cultural Recovery Fund	54,620	3,737	58,357	0
	524,718	861,921	1,386,639	1,597,412

£159,757 (2020: £279,589) of the above costs were attributable to restricted funds and £1,226,882 (2020: £1,317,823) of the above costs were attributable to unrestricted funds.

Note 8: Allocation of Support Costs					
	Raising Funds	Exhibition & Commissions	Learning Programme	Commercial Operations	Total
	£	£	£	£	£
Staff Costs	52,336	235,513	157,009	26,168	471,026
Staff-related Expenses	73	330	220	37	661
Premises and Insurance Costs	5,681	142,021	99,415	36,925	284,042
Marketing Costs	1,329	11,959	11,959	1,329	26,575
Depreciation	2,729	68,215	47,750	17,736	136,429
Office and IT Costs	9,343	42,046	28,030	4,672	84,091
Governance Costs	1,829	8,231	5,487	915	16,462
	73,320	508,314	349,870	87,781	1,019,285

Bases of cost allocations

Property and depreciation costs are allocated firstly on the basis of space to the charitable activities and to support costs in respect of all shared space. Marketing costs are allocated on the basis of the estimated share of the value of the services to each of the main charitable areas. Other costs are allocated on the basis of staff numbers.

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Notes to the Accounts

Year ended 31st March 2021

For comparison, the prior year allocation of support costs was as follows:

Note 8: Allocation of Support Costs - 2019/20					
	Commercial Operations £	Raising Funds £	Exhibition & Commissions £	Learning Programme £	Total £
Staff Costs	-	20,620	206,199	185,579	412,398
Staff-related Expenses	1,272	288	2,880	2,592	7,033
Premises and Insurance Costs	-	17,858	178,577	160,719	357,154
Marketing Costs	-	1,410	14,104	12,693	28,208
Depreciation	-	7,035	70,351	63,316	140,702
Office and IT Costs	923	4,686	46,855	42,170	94,633
Governance Costs	-	663	6,627	5,964	13,254
	2,195	52,559	525,593	473,034	1,053,382

Note 9: Governance Costs	2021	2020
	£	£
Board Expenses	0	1,141
Auditor's Remuneration	6,750	5,000
Governance Support Costs	9,712	7,113
	16,462	13,254

Note 10: Net Income/Expenditure for the Year	2021	2020
	£	£
This is stated after charging:		
Auditor's Remuneration		
- Audit Fees	6,750	5,000
- Non audit services	0	1,255
Depreciation of intangible and tangible fixed assets	136,869	140,702
Operating Lease Rentals	1,180	6,272
	144,799	153,229

Note 11: Auditors Remuneration

The Auditor's remuneration amounts to an audit fee of £6,750 (2020: £5,000).

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Notes to the Accounts

Year ended 31st March 2021

Note 12: Trustees' and key management personnel remuneration and expenses

None of the trustees (or any persons connected with them) received or waived any remuneration during the year (2020 - £Nil).

Travel expenses totalling £Nil (2020 - £Nil) were reimbursed to trustees during the year.

Note 13: Staff Costs	2021	2020
	£	£
Staff Costs for the Year were as follows:		
Salaries and Wages	673,908	648,851
Social Security Costs	56,779	53,249
Defined Contribution Pension Costs	13,648	12,221
	744,335	714,321
	2021	2020
	Number	Number
The Average Number of Employees on a headcount basis were as follows:		
Fundraising and Development	2	2
Direct Charitable Activities	12	14
Commercial Operations	4	3
Support Activities	10	12
Casual Staff	10	10
	38	40
The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:		
	2021	2020
	Number	Number
£60,001 to £70,000	0	1
£70,001 to £80,000	1	0

The trustees consider the key management personnel to be the Chief Executive, together with the Head of Operations and the Head of Programme. The total amount of employee benefits received by key management personnel in the year was £164,072 (2020: £101,955).

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Notes to the Accounts

Year ended 31st March 2021

Note 14: Tangible Fixed Assets						
Group and Company	Leasehold premises	Lease Improvements	Exhibitions and collaboration equipment	Film and video equipment	Office and IT Equipment	Total
	£	£	£	£	£	£
<u>Cost or Valuation</u>						
As at 31/03/2020	9,198,165	209,731	182,546	360,252	125,890	10,076,584
Additions	0	0	12,504	0	0	12,504
Disposals	0	(3,458)	(148,617)	(262,336)	(53,335)	(467,746)
As at 31/03/2021	9,198,165	206,273	46,433	97,916	72,555	9,621,342
<u>Depreciation</u>						
As at 31/03/2020	5,548,165	108,806	159,938	359,767	104,061	6,280,737
Charge for the period	90,000	21,663	6,413	440	10,780	129,296
Disposals	0	(3,458)	(147,381)	(262,291)	(51,719)	(464,849)
As at 31/03/2021	5,638,165	127,011	18,970	97,916	63,122	5,945,184
<u>Net Book Value</u>						
As at 31/03/2020	3,650,000	100,925	22,608	485	21,829	3,795,846
As at 31/03/2021	3,560,000	79,262	27,463	0	9,433	3,676,158

The estimated value of the land included in the leasehold's premises that is not being depreciated is £500,000 (2020: £500,000).

Note 14 continued: Intangible Fixed Assets	
Group and Company	Intangible Assets
	£
<u>Cost or Valuation</u>	
As at 31/03/2020	37,870
Additions	0
Disposals	0
As at 31/03/2021	37,870
<u>Depreciation</u>	
As at 31/03/2020	18,935
Charge for the period	7,574
Disposals	0
As at 31/03/2021	26,509
<u>Net Book Value</u>	
As at 31/03/2020	18,935
As at 31/03/2021	11,361

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Notes to the Accounts

Year ended 31st March 2021

Note 15: Fixed Asset Investment				
The investment of £1 represents the whole of the issued share capital of FACT Trading Ltd, a subsidiary company which manages the commercial activities within the FACT Centre. The company is currently dormant.				
Subsidiary Company	2021		2020	
	£		£	
Turnover	0		63,272	
Cost of Sales	0		61,077	
Gross Profit	0		2,195	
Administration Expenses	0		2,195	
Gift to Charity	0		0	
Net Profit (Loss) before Taxation	0		0	
Taxation	0		0	
Net Profit (Loss) after Taxation	0		0	
Current Assets	7,115		12,797	
Creditors Due within One Year	6,309		11,991	
Total Net Assets	806		806	

Note 16: Debtors	Group	Group	Company	Company
	2021	2020	2021	2020
	£	£	£	£
Fees Receivable	41,571	182,832	41,571	170,967
Grants and Accrued Income	109,178	226,463	109,178	226,463
Other Taxes	16,682	(7,216)	18,164	(2,049)
Amounts owed from Group Undertaking	0	0	4,827	17,948
Other Debtors	0	0	0	0
Prepayments	30,153	64,485	30,153	64,485
	197,585	466,564	203,893	477,814

Note 17: Creditors	Group	Group	Company	Company
	2021	2020	2021	2020
	£	£	£	£
Trade Creditors	57,089	23,767	57,089	34,892
Other taxation and social security	14,241	13,838	14,241	13,838
Accruals	25,108	5,774	25,108	5,774
Amounts owed to Group Undertaking	0	0	0	0
Social Investment Loan	15,649	14,593	15,649	14,593
Bounce Back Loan	2,500	0	2,500	0
Other Creditors	(359)	2,491	(359)	2,491
Grants and deferred income	301,752	290,103	301,752	290,103
	415,981	350,567	415,981	361,692

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Notes to the Accounts

Year ended 31st March 2021

Note 18: Amounts falling due greater than one year				
	Group	Group	Company	Group
	2021	2020	2021	2020
	£	£	£	£
Elaine Riley Bursary Fund	3,500	3,500	3,500	3,500
Bounce Back Loan	47,500	0	47,500	0
Social Investment Loan	5,475	21,124	5,475	21,124
	56,475	24,624	56,475	24,624
Maturity of Debt:				
Amounts falling due:				
- in one year or less	18,149	14,593	18,149	14,593
- between one and two years	15,475	15,649	15,475	15,649
- between two and five years	37,500	5,475	37,500	5,475
	71,124	35,717	71,124	35,717

The social investment loan is a £70,000 loan issued in August 2017 with a five-year repayment term. It is an unsecured loan with a 7% interest rate.

Note 19: Operating Lease Commitments				
Total future minimum lease payments under non-cancellable operating leases are as follows:				
			2021	2020
			£	£
Within one year			1,180	3,099
Two to five years			374	3,173
			1,554	6,272

Note 20: Deferred Income	
	£
As at 1st April 2020	290,103
Additions during the year	159,648
Amounts released to income	(147,999)
As at 31st March 2021	301,752

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Notes to the Accounts

Year ended 31st March 2021

Note 21: Accrued Funding Commitment	
	£
As at 1st April 2020	226,463
Additions during the year charged to income	60,150
Amounts released to income	(177,435)
As at 31st March 2021	109,178

Note 22: Contingent Liabilities

Capital Grants

Grants may be repayable in certain circumstances for example in the event that the building is not used as an arts centre for public benefit or if all the conditions attached to any grant have not been met in full.

In addition, The Arts Council of England has taken a fixed charged over the building (charge registered 5th January 2001) and a floating charge over the other assets of the charity. The terms of a grant provided by the Arts Council for England prohibit the charity from disposing of its interests in the building without their prior consent.

The trustees do not expect any liability to repay grants to crystallise and therefore no provision is made.

Note 23: Lease with City Screen Liverpool

FACT has granted a 25-year lease to City Screen Liverpool Limited, a wholly owned subsidiary of Cineworld Group plc, to let part of its property on a profit-sharing rent arrangement. The lease began in February 2003, when the FACT Centre opened. Under the terms of the lease, City Screen Liverpool Ltd must provide a cultural cinema programme at the FACT Centre. It is due to come to an end in February 2028.

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Notes to the Accounts

Year ended 31st March 2021

Note 24: Fund Reconciliation					
	Balance	Incoming	Resources	Transfers	Balance
Unrestricted Funds	31/03/2020	Resources	Expended		31/03/2021
	as restated				
	£	£	£	£	£
Group					
General Funds	201,295	1,596,659	1,416,282	(290,075)	91,597
Designated Funds	0	0	0	290,075	290,075
	201,295	1,596,659	1,416,282	0	381,672
Company					
General Funds	200,490	1,596,659	1,416,282	(290,075)	90,792
Designated Funds	0	0	0	290,075	290,075
	200,490	1,596,659	1,416,282	0	380,867
	Balance	Incoming	Resources	Transfers	Balance
Restricted Funds	31/03/2020	Resources	Expended		31/03/2021
	£	£	£	£	£
Group and Company					
Exhibitions & commissions	0	49,054	49,054	0	0
Learning and Participation Programme	0	4,374	4,374	0	0
Other Income	0	58,357	58,357	0	0
Capital Grants	3,664,374	0	95,240	0	3,569,134
	3,664,374	111,785	207,025	0	3,569,134

Restricted grants represent amounts received from various funders to support particular projects, all of which having been expended during the year.

During the year the trustees designated £240,000 of unrestricted reserves for future capital expenditure needs. This is for essential works to maintain the FACT building as a welcoming, accessible, safe and efficient building. Planned capital works include upgrades to public toilets, creating an education space, and installing an LED window that can showcase artist works and increase the visibility of the building. A further £50,075 was also designated towards supporting artist residencies.

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Notes to the Accounts

Year ended 31st March 2021

Note 25: Analysis of net assets between funds			
Fund balances at 31st March 2021 are represented by:			
	Unrestricted funds	Restricted funds	Total
Group	£	£	£
Fixed assets	118,385	3,569,134	3,687,519
Cash	538,159	0	538,159
Social Investment Loan	(21,124)	0	(21,124)
Bounce Back Loan	(50,000)	0	(50,000)
Elaine Riley Bursary Fund	(3,500)	0	(3,500)
Other current (liabilities)/assets	(200,247)	0	(200,247)
	381,672	3,569,134	3,950,806
Company			
Fixed assets	118,385	3,569,134	3,687,519
Investments	1	0	1
Cash	531,044	0	531,044
Social Investment Loan	(21,124)	0	(21,124)
Bounce Back Loan	(50,000)	0	(50,000)
Elaine Riley Bursary Fund	(3,500)	0	(3,500)
Other current (liabilities)/assets	(193,939)	0	(193,939)
	380,867	3,569,134	3,950,001

Note 26: Reconciliation of net movement in funds to net cash flow from operating activities			
	2021		2020
	£		£
Net income (expenditure) for year	37,869		(41,621)
Depreciation of fixed assets	136,870		140,704
(Profit)/loss on disposal of fixed assets	2,897		0
(Increase)/decrease in debtors	268,979		(45,432)
Increase / (decrease) in creditors excluding loan repayments	109,127		(60,843)
Net cash flow from operating activities	555,743		(7,192)

Note 27: Constitution

The company is limited by guarantee and does not have a share capital. In the event of the company being wound up, the members are committed in contributing £1 each.

Note 28: Pensions

The company operates a number of money purchase pension plans on behalf of the employees. The assets of the scheme are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the fund and amounted to £13,648 (2020: £12,221).

THE FOUNDATION FOR ART AND CREATIVE TECHNOLOGY

Notes to the Accounts

Year ended 31st March 2021

Note 29: Related Party Transactions

The company is controlled by its directors whose names are shown on page 1.

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.

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

Note 30: Prior Year Comparative Statement of Financial Activities

	Unrestricted Funds	Restricted Funds	Total 2020
	as restated		as restated
Income from:	£	£	£
Donations and legacies	1,133,681	0	1,133,681
Charitable activities	358,233	184,349	542,582
Other trading activities	33,414	0	33,414
Other income	0	0	0
Total income	1,525,327	184,349	1,709,677
Expenditure on:			
Raising funds	153,886	0	153,886
Charitable activities	1,317,823	279,589	1,597,412
Total expenditure	1,471,708	279,589	1,751,298
Net income/(expenditure)	53,619	(95,240)	(41,621)
Reconciliation of funds:			
Total funds brought forward	147,676	3,759,614	3,907,290
Total funds carried forward	201,295	3,664,374	3,865,669

Prior Period Adjustment

In accordance with the Charities SORP (FRS 102) income must only be recognised to the extent that the charity has provided the specified services as entitlement to the grant only occurs when the performance conditions are met. In a prior period, the charity has incorrectly recognised income of £47,268 in respect of funding where the grant has performance related conditions and therefore a prior period adjustment has been processed to correct this. The adjustment has had the effect of reducing closing unrestricted funds at 31 March 2019 by £47,268.