

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 Sheralee Lockhart Ruth Catlow Chloe Courtney Maleka Egeonu-Roby Bea Freeman Thomas Harris	{Appointed 8 February 2024} {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	

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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-Kaminski 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.

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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 Søren 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 Hedva 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.

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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

		2024		2023	
	Notes	£	£	£	£
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></u>		<u></u>	
Net current assets		645,472		685,477	
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)	
		<u></u>		<u></u>	
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></u>		<u></u>	
Total unrestricted funds		4,271,039		4,204,381	
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

		2024		2023	
	Notes	£	£	£	£
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			602,931		747,671

**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> 84,882	<u> </u> 324,220

**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> </u>	<u> </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
		2024	2023
	Notes	£	£
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
	386,350	415,331

16 Loans and overdrafts

	2024	2023
	£	£
Bank loans	28,455	38,252
Payable within one year	10,056	9,808
Payable after one year	18,399	28,444

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.

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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.

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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
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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.