

Charity registration number 509458

Company registration number 01437514 (England and Wales)

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST
LIMITED COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND UNAUDITED FINANCIAL
STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**

Draft Financial Statements at 04 November 2024 at 17:05:04

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST
LIMITED COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees Mr D Morgan (Chairman) His Honour G A Ensor
Mrs P J McGaffney
Miss L Marshall
Mr J J Thompson
Mr S P Marley

Secretary Ms C Mason

Charity number 509458

Company number 01437514

Principal address c/o Morecrofts LLP

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Old Hall Street
Liverpool
L3 9LQ

Registered office c/o Morecrofts LLP

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THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED COMPANY LIMITED BY GUARANTEE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) *FOR THE YEAR ENDED 31 MARCH 2024*

The trustees present their 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 governing document, 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

The principal objectives of the charitable company are to promote, maintain, improve, and advance education, particularly by the production of educational plays and the encouragement of the arts, including the arts of drama, mime, dance, singing and music for the benefit of the community living in the areas of Merseyside, Wirral and outlying

districts including North Wales, Cheshire, and West Lancashire.

The activities throughout each year are designed to encourage interest, enthusiasm, and appreciation for the wide variety of performances at the Empire Theatre (musical theatre, opera, ballet, drama, singing and dance).

The Trustees consider the continued development of the education and community programme within the Creative Learning Department ('the Department') and the activities managed by the Trust to be the cornerstone of its charitable aims to assist in delivering a new and wider audience for the Theatre in part by developing young persons' interest in the arts and dance.

The Trustees are committed to making these activities available to as wider part of the community as possible and to extend these activities to all who are interested to take part and experience a full Arts programme. The Trustees are supportive in increasing diversity and providing opportunity to those from disadvantaged backgrounds.

In conjunction with its managers, the ATG Entertainment (ATG) (which rebranded to this new name this year) and through a variety of programmes, the Trust aims to develop the audience of the future and to increase the occupancy rate of the Theatre, and in particular to help young persons in the appreciation of the arts.

The Trust supports and encourages an active Department and its variety of programmes, some of which are linked to and supported by the companies, producers and performers visiting the Theatre. In addition, some activities of the Department receive financial support from local businesses and organisations as well as from the Trust. Assistance with fees is provided where otherwise applicants may not be able to take part.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in its dialogue with ATG.

Representatives of ATG (the Business Director (UK Venues), the Theatre Director, the Head of Operations (North), and the Head of Creative Learning) attend board meetings to present their respective management reports, which are circulated to the Trustees prior to the meetings and discussed in advance of the ATG representatives joining the meeting.

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Draft Financial Statements at 04 November 2024 at 17:05:04

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST
LIMITED COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
(CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024**

An overview of developments, activities and achievements

The theatre has had a very busy and successful year and has exceeded all expectations. Everyone in the Creative Learning Department is delighted with the amount of projects and participants who have been involved over the past year. The Department have provided a full and busy programme over the last 12 months which has seen them grow and develop the opportunities available and the Trustees have been delighted to support and fund various projects and initiatives. Overall, there have been 24,016 participants in 610 sessions involving 162 freelancers and casual contracts, 174 schools, 58,054 audiences for Creative Learning shows and 1522 targeted audience development tickets distributed.

The Trustees continue to hold Trust meetings throughout the year and in between meetings liaise with ATG on a variety of matters as required.

The Trustees have supported ATG wherever possible to provide a full and varied offering to the Public and to raise

their own profile in the media and on social media to make the public aware of the Trustees role. The Trustees propose to go on raising their profile whenever appropriate to increase public awareness.

There are regular updates from the Chair of Trustees in the “in house” programme for performances and increasing support to the Department to develop the Youth Programme which always proves very popular and has a vital role in helping youngsters to gain new skills both in performing and life skills. The Trustees remain of the view this is very important particularly in view of increasing costs of living and increase in mental health issues for young people.

This year also saw the continuation by the Trustees of the “Terry Smith” Award scheme which is a bursary scheme named after the former Chairman of the Trust to assist those students going on to further studies usually at Drama schools and to help pay for vital equipment, dance shoes and similar, to aid them in the studies. Once again this proved very popular and a vital means of financial support for current Members of the Youth theatre and those who have recently been involved and may now be at drama schools. All are invited to apply who meet the relevant criteria which is not means tested. The Trustees after review and discussion decide on the amount to be paid. The Trustees granted awards totaling £12,000 in this financial year to assist them to continue in their studies and hopefully go on to be “future ambassadors” for the Liverpool Empire. Those members who received bursaries have been very grateful and provide regular updates to the Trustees on their progress with their studies.

This has proved very successful and the Trustees plan to continue to support this vital bursary scheme and expand it to provide support for those students preparing and travelling to auditions.

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**THE EMPIRE THEATRE (MERSEYSIDE) TRUST
LIMITED COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
(CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024**

Creative learning

The Creative Learning Department works on three main areas:

1. Creative Generation – the work that is done with and for schools to create opportunities for a creative curriculum across the education landscape. Capturing the mind and imaginations of first-time theatre goers.
2. Community Engagement – working with local and national partners to create opportunity to engage with the theatre.
3. Talent Development – Providing opportunity to connect young people from all backgrounds with everything the entertainment industry has to offer. Provide skills training and performance opportunities.

All areas of the programme benefit from connection to the shows in the theatre through cast led workshops, Q&A's, backstage tours, and special projects.

Creative Learning aims to provide opportunity to nurture the audiences and workforce, both on and off stage, of the future.

The year was a very busy year and there was a large breadth of work delivered both in and out of the theatre. Outside performance opportunities are constantly appraised and efforts made to give students as much performance experience as possible in different venues and at events. This promotes both the Department and the Liverpool Empire Theatre.

The report will not go into detail on the work created and delivered through the year but examples of this are as follows: -

1. Creative Generation - Schools Partnership Programmes

The school's partnership is a whole school engagement programme connecting teachers and pupils with the world of theatre. This includes Industry Insights and careers events, practical workshops, show based activities, Teacher Continuing Professional Development (CPD) and ticket offers.

The Programme is designed by primary and secondary education specialists and led by entertainment industry experts. It is focused not only on the development of the future workforce both on and off stage but also on developing transferrable skills such as teamwork, critical thinking, curious mindsets and productivity.

The Department engaged this year with 174 primary and secondary schools

2. English National Ballet's Live Drawing Workshops

Ballet explored project, live drawing and careers insights. There were 315 participants from local schools who worked closely with English National Ballet (ENB) and included a careers insight and matinee performance at Manchester Palace Theatre for 153 young people to attend from schools and colleges across the Liverpool City region and northwest. They were able to take part in bitesize insight sessions in costume, set design, make up and marketing. Students also took part in a live drawing workshop

3. Community Engagement - Project workshops

171 young people and 12 schools engaged with creative dance workshops led by English National Ballet (ENB) professional dance artists and local emerging dance practitioners. Teachers continued to develop performance material with support from local dance artists working towards the culmination of the project, a festival style performance celebration of International Women's Day at the Liverpool Empire.

A teacher CPD event also took place led by ENB Associate Facilitator and Associate choreographer and supported by ENB Dance Artist, musician and 2 Creative Learning Dance Artists aimed at enhancing teachers' skills and knowledge of dance and choreography.

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THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED COMPANY LIMITED BY GUARANTEE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

(CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

The emerging artists programme supported 4 Liverpool based early-career dance artists who took part in an artist training day led by ENB in London and in which they learned rep and developing facilitation skills

"Ballet Explored" raised the aspiration of young people and developed skills and creative thinking and supported emerging artists in developing their skills and relationships with organisations.

Project MTI School Festival

This was year 1 of a three-year initiative at the Liverpool Empire theatre and was partnered with Music Theatre International.

6 local primary schools took part with full support and financial contribution. Training was provided for teachers to create musical theatre performance with young people. Each school was granted the rights to perform the full version of Madagascar Jr at their school and supported by the Creative Learning team through workshops.

4. Talent Development - Liverpool Empire Youth Theatre Academies

The Trust supports the activities of the Department throughout the year and the Trustees attend productions and events where possible.

Industry professionals teach the youth theatre academy with weekly sessions focused on building skills in acting,

singing and dance and working towards several performances.

The students range in age from 6 to 22 and are placed in different groups according to age.

In August 2023 there were three spectacular performances of Legally Blond at the Empire Theatre to an audience of 5000 people.

Auditions take place in September each year to select participants This saw weekly engagement numbers climb to 124 and there is great demand for places.

The first production project was to perform at Liverpool One Christmas launch event in November

2023. Other projects throughout the year were: -

Stage in the Park to celebrate Eurovision in Liverpool in May 2023 where the Department was able to showcase local performing talent and involved 174 performers and local schools

Fame JR with junior youth theatre

Matilda Junior with the mini and home school students

MTI Youth theatre festival

Liverpool Pride

All programmes aim to help and promote theatre skills to all and take place in a safe and supportive environment. This helps to boost confidence, self-esteem, develop communication skills and build resilience and improve mental health and well being and to build strong friendships.

Many Youth theatre alumni have gone on to study at top drama schools and to make professional debuts in major West End and touring productions both nationally and internationally. They are nationally recognised as having the skills to go on into the demands of performing and the theatre industry.

It has been a priority to ensure that young people from all backgrounds and particularly those who might otherwise face barriers to engaging in the Arts have been actively encouraged to collaborate and financial support is provided to those who need it. The Trustees have continued to support through funding and the Trustees have already committed to further funding of projects and bursaries to students for the coming year.

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**THE EMPIRE THEATRE (MERSEYSIDE) TRUST
LIMITED COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
(CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024**

Productions, Attendances and Plans

The Theatre (with a capacity is 2365 seated with 16 wheelchair spaces). There was strong growth, and this was an exceptional record-breaking year, and the financial result was outstanding with over 311 performances in the Theatre and an average occupancy of 74.5%.

The Theatre continues to be very well supported for most productions and has exceeded expectations in the current year and is one of the most successful theatres run by ATG. Further growth and more shows are forecast for the coming financial year.

Property

The Trust has a lease of the Empire Theatre building from Liverpool City Council for a term of 125 years; the lease expires in 2127. The charity sub-lets the Theatre to ATG, for commercial use. ATG, as the tenant, is responsible for all property care and maintenance and takes all commercial risks for theatrical activities. ATG makes a management contribution to the Trust.

Following completion of the refurbishment and extension of the Theatre (incorporating the adjoining Legs of Man public house acquired by compulsory purchase) some years ago (the finance for which was provided by grants from the Arts Council and ERDF together with substantial contributions from ATG and individuals), the Trust takes all necessary steps to ensure ATG complies with its leasing obligations and in particular that the Theatre is properly

managed and kept in good repair and condition.

At the time the lease was granted, the Trust took advice (having regard to the charitable status of the Trust) from Irving Rice, Surveyors of Liverpool on the structure of the lease arrangements from Liverpool City Council and ATG. No premium was paid to Liverpool City Council by the Trust for the lease although Liverpool City Council placed a value of £350,000 on the lease and this was taken as matched funding towards the Arts Council grant.

The Trustees do not consider any merit in seeking a professional valuation of the Lease with Liverpool City Council in view of the user restriction and the obligations of the Trust in maintaining the building as a Theatre. The value of £350,000 calculated by Liverpool City Council has been accepted by the Trustees for the purposes of these accounts and is reflected as such in the designated reserves in the balance sheet.

The upkeep and development of one of the City's best known and most loved buildings are always a major concern of the Trust and that view is shared by ATG. A biannual report is prepared by Trident Building Consultancy which is commissioned by the Trust and shared with ATG who then actively take steps to address any issues noted in the report and the Trustees receive regular reports of work undertaken or work planned.

The presentation of the fabric and facilities of the Empire to the public is constantly reviewed and the Trust receives regular reports on the state of the building and facilities for successful theatre productions. The report is discussed between the Trustees and ATG thus ensuring that ongoing maintenance issues are attended to, and, in addition, future capital expenditure is proposed for the enhancement and development of the theatre and its facilities.

Some major projects continued to be undertaken to improve the building during the year (funded by ATG). These are closely monitored and reviewed by the Trustees. Further work is anticipated in the coming year in time for centenary celebrations for the Theatre in 2025.

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Draft Financial Statements at 04 November 2024 at 17:05:04
THE EMPIRE THEATRE (MERSEYSIDE) TRUST
LIMITED COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
(CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Financial review

The results for the year and the charity's financial position at the end of the year are shown on pages 10 to

19. The surplus of income over expenditure for the year amounted to £10,690 (2022-23: deficit of £1,054).

The Trustees believe that sufficient assets are presently available to fulfil the obligations and aims of the charity. However, there is also awareness that in the longer term and in view of uncertainties in the worldwide economy there will be an increasing cost for professional services (accountants and building surveyors, for example) and other expenditures, which will require the Trust to reappraise its future levels of income and donations.

In order to achieve its main objectives, the financial viability of the theatre remains fundamental, and the Trust will liaise closely with ATG to identify any issues that might affect the long-term viability of the theatre as and when necessary

At 31 March 2024, total reserves were £640,595 (2022-23: £629,905) of which £350,000 (2022-23: £350,000) is a designated fund representing the fair value of the lease between Liverpool City Council and the charity.

Risk policy

The charity has continued to review risks which it faces and will establish controls to mitigate risk where necessary.

Risks continue to be subject to periodic review.

Reserves policy

The Reserves Policy is reviewed in line with Charity Commission publication on 'Charity Reserves: building resilience'. Whilst the Trustees are looking to spend most of its annual income (which increases annually by the rate of RPI) on charitable objectives, with the balance on administrative costs, part of the sum held as reserves will be made available periodically for the objectives of the charity although the Trustees will take into account the need to hold the reserves against continuing liabilities under its lease with Liverpool City Council in circumstances where the indemnity from its tenants is not available.

The Trustees are further aware that the reserves (which arose from a payment from ATG resulting from a lease negotiation) are not likely to be replaced in the future and for this reason the Trustees consider it is a prudent decision in the long term interests of the charity to maintain the reserves close to their present level, thus allowing the Trustees to apply some of the reserves on charitable function where the annual income has been accounted for.

Investment policy

The charity's investment policy currently is to hold any reserves at the bank on deposit.

Structure, governance and management

Legal status

The Empire Theatre (Merseyside) Trust Limited is a charitable company limited by guarantee, incorporated on 16 July 1979 and registered as a charity on 7 January 1980.

The charity was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1. None of the Trustees have any beneficial interest in the charity.

Governance and management

The directors, who are also Trustees of the charitable company for the purposes of company law, have a variety of specific experience and skills including arts administration, theatre and film productions, journalism, private sector administration and management and legal experience. These skills are all needed for the successful running of the Trust linked to the Theatre managers and the continued work of the Creative Learning department. The Trustees are responsible for all decision-making activities taking account, where appropriate the requirements of the 'public benefit'. The Trustees meet regularly to review progress of the objectives of the Trust and the performance of ATG (its manager and tenant).

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Draft Financial Statements at 04 November 2024 at 17:05:04

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED COMPANY LIMITED BY GUARANTEE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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:

Mr D Morgan (Chairman)
His Honour G A Ensor
Mrs P J McGaffney
Miss L Marshall
Mr J J Thompson
Mr S P Marley

The chairman of the Trust is nominated and seconded by one of the Trustees.

The secretary is Carol Mason a solicitor and partner with the law firm Morecrofts LLP of 7 Church Road, Woolton, Liverpool, L25 5JE.

The Trustees are advised by Daniel McEvoy of Trident Building Consultancy, 43 Castle Street Liverpool, on property matters generally and in particular to review compliance by ATG of their Lease obligations.

The Trustees have considered no formal training is required to fulfil their duties and obligations.

The Trustees have assessed the major risks (in conjunction with its managers) to which the Trust is exposed and are satisfied that systems are in place to mitigate exposure to major risks.

Small company provisions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

.....
Mr D Morgan (Chairman)
Trustee

Date:

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Draft Financial Statements at 04 November 2024 at 17:05:04
THE EMPIRE THEATRE (MERSEYSIDE) TRUST
LIMITED COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also the directors of The Empire Theatre (Merseyside) Trust Limited 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.

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Draft Financial Statements at 04 November 2024 at 17:05:04

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST
LIMITED COMPANY LIMITED BY GUARANTEE
INDEPENDENT EXAMINER'S REPORT**

TO THE TRUSTEES OF THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED

I report to the trustees on my examination of the financial statements of The Empire Theatre (Merseyside) Trust Limited (the charity) for the year ended 31 March 2024.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My examination has been undertaken so that I might state to the charity's trustees those matters that I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my examination, for the report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the

examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

**Tony Stanley ACA
Independent Examiner**

Mitchell Charlesworth
Tempest
Suite 5.1
12 Tithebarn Street
Liverpool
L2 2DT

Dated:

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Draft Financial Statements at 04 November 2024 at 17:05:04
**THE EMPIRE THEATRE (MERSEYSIDE) TRUST
LIMITED COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE
ACCOUNT FOR THE YEAR ENDED 31 MARCH 2024**

Current financial year

	Unrestricted funds general	Unrestricted funds designated	Total 2024	Total 2023
			2024	2023
			£	£
Income from:				
Charitable activities	3 87,615 - 87,615	77,262	Investments	4 4,415 - 4,415
			1,999	
			Total income	92,030 - 92,030
			79,261	
Expenditure on:				
			Charitable activities	5 81,340 - 81,340
			80,315	
Net income/(expenditure) for the year/				
Net movement in funds	10,690 - 10,690	(1,054)	Fund balances at 1 April	2023 279,905 350,000
			629,905	630,959
Fund balances at 31 March 2024	290,595	350,000	640,595	629,905

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.

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**THE EMPIRE THEATRE (MERSEYSIDE) TRUST
LIMITED COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
(CONTINUED) INCLUDING INCOME AND
EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 MARCH 2024

Prior financial year

**Unrestricted Unrestricted Total
funds funds
general designated
2023 2023 2023
Notes £ £ £**

Income from:

Charitable activities **3** 77,262 - 77,262 Investments **4** 1,999 - 1,999

Total income 79,261 - 79,261

Expenditure on:

Charitable activities **5** 80,315 - 80,315

Net income/(expenditure) for the year/

Net movement in funds (1,054) - (1,054) Fund balances at 1 April 2022 280,959 350,000 630,959 **Fund balances**

at 31 March 2023 279,905 350,000 629,905

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST
LIMITED COMPANY LIMITED BY GUARANTEE
BALANCE SHEET**

AS AT 31 MARCH 2024

2024 2023
Notes £ £ £ £

Fixed assets

Tangible assets **9** 350,000 350,000

Current assets

Debtors **11** 3,986 5,741 Cash at bank and in hand 288,818 276,010

292,804 281,751

Creditors: amounts falling due within

one year 12 (2,209) (1,846) Net current assets 290,595 279,905 **Total assets less current liabilities** 640,595

629,905

Income funds

Unrestricted funds

Designated funds **13** 350,000 350,000 General unrestricted funds 290,595 279,905

640,595 629,905

640,595 629,905

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

.....
Mr D Morgan (Chairman)

Trustee

Company registration number 01437514

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

The Empire Theatre (Merseyside) Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o Morecrofts LLP, Cotton Exchange, Old Hall Street, Liverpool, L3 9LQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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 accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The Charity has taken advantage of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

Funds held by the charity are:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes.

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.

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Grants, including grants for the purposes of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable. Income deferred only when the donor has specified that the income is to be expended in a future period.

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.

Expenditure reflects all amounts paid and accrued during the year. All costs are allocated between the expenditure categories of the Statement of Financial Activities (SoFA) on a basis designed to reflect the use of the resource.

Charitable expenditure

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Governance costs

These represent costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the charity.

1.6 Tangible fixed assets

The charity has a lease of the Empire Theatre building from Liverpool City Centre for a term of 125 years; the lease expires in 2127. The charity sub-lets the theatre to ATG, for commercial use. The tenant is responsible for all property care and maintenance and takes all commercial risks for theatrical activities. ATG makes a management contribution to the Trust.

The financial statements include the value of the lease from Liverpool City Council in its current use by the Trust for its charitable purposes (see note 9). This is estimated at £350,000.

The initial valuation of this asset was based on a valuation that was carried out in April 2000. The trustees consider there is no impairment and that the fair value fairly represents the value in use of the property at the year end.

The lease was not depreciated owing to the long useful economic life of the asset (125 years) and currently no dilapidations have been provided for in repairs.

The trustees consider there is no value to the underlease between the charity and ATG and hence this does not appear in the financial statements.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible 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).

1.8 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.

1 Accounting policies (Continued)

1.9 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.

1.10 Taxation

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions. The charity is also able to recover Value Added Tax.

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 Charitable activities	Unrestricted funds	Unrestricted funds	2024	2023
			£	£
				Charitable rental income 87,615 77,262

4 Investments	Unrestricted funds	Unrestricted funds	2024	2023
			£	£
Interest receivable 4,415 1,999				

5 Charitable activities

	Unrestricted funds	Unrestricted funds	2024	2023
			£	£
Management contribution 43,808 38,666				
Other professional fees 1,547 13				
Promotion of the arts 32,364 38,345				
Website costs 196 196				
Donations 500 600				
				78,415 77,820

Share of governance costs (see note 6) 2,925 2,495 81,340 80,315

Analysis by fund

Unrestricted funds - general 81,340 81,340

For the year ended 31 March 2023

Unrestricted funds - general 80,315 80,315

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Draft Financial Statements at 04 November 2024 at 17:05:04

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST
LIMITED COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2024

6 Support costs	Support costs	Governance costs	2024	2023
			£	£
Accountancy - 2,925 2,925 2,495 - 2,925 2,925 2,495				
Analysed between				Charitable activities - 2,925 2,925 2,495

Governance costs includes payments to the independent examiner of £1,595 (2023 - £1,450) for year end statutory accounts and £900 (2023 - £890) for bookkeeping and other services.

7 Trustees

None of the trustees received remuneration for services rendered £nil during the year (2022-23: £nil). None of the trustees (or any persons connected with them) received any expenses during the year (2022-23: £nil).

8 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

9 Tangible fixed assets

Leasehold property
£

Cost or valuation

At 1 April 2023 350,000 At 31 March 2024 350,000

Carrying amount

At 31 March 2024 350,000 At 31 March 2023 350,000

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Draft Financial Statements at 04 November 2024 at 17:05:04

THE EMPIRE THEATRE (MERSEYSIDE) TRUST LIMITED COMPANY LIMITED BY GUARANTEE NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

9 Tangible fixed assets (Continued)

The initial valuation of the lease between the charity and Liverpool City Council is based on a valuation on 28 April 2000 by Irving Rice, Surveyors, in the region of £350,000. The Trustees consider there is no impairment to that value and that the net book value fairly represents the fair value of the lease at the year end.

The trustees do not consider any merit in seeking a professional valuation of the lease with Liverpool City Council due to the undue cost to the charity. Accordingly due to the user restrictions and obligations of the Trust in maintaining the building as a theatre there is no readily available comparison in the market.

10 Financial instruments 2024 2023 £ £

Carrying amount of financial assets

Debt instruments measured at cost 288,818 276,110

Carrying amount of financial liabilities

Measured at cost 2,209 1,846

11 Debtors

2024 2023
Amounts falling due within one year: £ £

Trade debtors - 100 Other debtors 3,986 5,641

3,986 5,741

12 Creditors: amounts falling due within one year

2024 2023
£ £

Trade creditors 260 - Accruals 1,949 1,846

2,209 1,846

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Draft Financial Statements at 04 November 2024 at 17:05:04

**THE EMPIRE THEATRE (MERSEYSIDE) TRUST
 LIMITED COMPANY LIMITED BY GUARANTEE
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED 31 MARCH 2024**

13 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:

	in funds	in funds
	Balance at 1 April 2022 Movement	Income Balance at 1 April 2023 Movement
		Income Balance at 31 March 2024
		£ £ £ £ £
Designated fund 350,000 - 350,000 - 350,000	350,000 - 350,000 - 350,000	

The designated fund relates to the value of the lease between the charity and Liverpool City Council (see note 9).

14 Analysis of net assets between funds

	Unrestricted funds Designated	funds Total Unrestricted	funds Designated funds	Total
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Fund balances at 31
 March 2024 are
 represented by:

Tangible assets - 350,000 350,000 - 350,000 350,000 Current assets/(liabilities) 290,595 - 290,595 279,905 -
 279,905

290,595 350,000 640,595 279,905 350,000 629,905

15 Related party transactions

There were no related party transactions within the period.

16 Company limited by guarantee

The Empire Theatre (Merseyside) Trust Limited is incorporated under the Companies Act 1985 as a company limited by guarantee. The liability of the members is limited to £1.