

THE LOWRY CENTRE LIMITED

Annual Report and Financial Statements

For the year ended 31 March 2023

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ANNUAL REPORT AND FINANCIAL STATEMENTS 2023

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Sir RM Aldridge OBE
RS Barker (appointed 18 May 2023)
J Fawcett OBE
AJ Frost CBE
S Fry
D Kasmir (appointed 19 October 2023)
MA Pendergast
A Vinken OBE (resigned 30 September 2022)

CHIEF EXECUTIVE

J Fawcett OBE

SECRETARY

MA Pendergast

REGISTERED OFFICE

The Lowry Centre Limited
Pier 8
Salford Quays
Greater Manchester
M50 3AZ

BANKERS

Barclays Bank plc
Northwest Larger Business Team
1st Floor
3 Hardman Street
Spinningfields
Manchester
M3 3HF

SOLICITORS

CMS Cameron McKenna Nabarro Olswang LLP
1 South Quay
Victoria Quays
Wharf Street
Sheffield
S2 5SY

AUDITOR

Crowe U.K. LLP
3rd Floor, The Lexicon
Mount Street
Manchester
M2 5NT
United Kingdom

STRATEGIC REPORT

For the year ended 31 March 2023

The directors, in preparing the strategic report, have complied with s414C of the Companies Act 2006.

PRINCIPAL ACTIVITIES

The company is a wholly owned subsidiary of The Lowry Centre Trust, a charitable company limited by guarantee.

The principal activity is the operation of the commercial operations within The Lowry, a major visual and performing arts facility. The object is to carry on business with a view to generate funds to support the charitable objectives of its parent, The Lowry Centre Trust and contribute to the overall running costs of the venue and to the development of artistic work. It operates The Lowry's catering, conferencing and events, retail and ticketing functions including a third-party ticket agency business. Any surplus reserves plan to be transferred to the Trust.

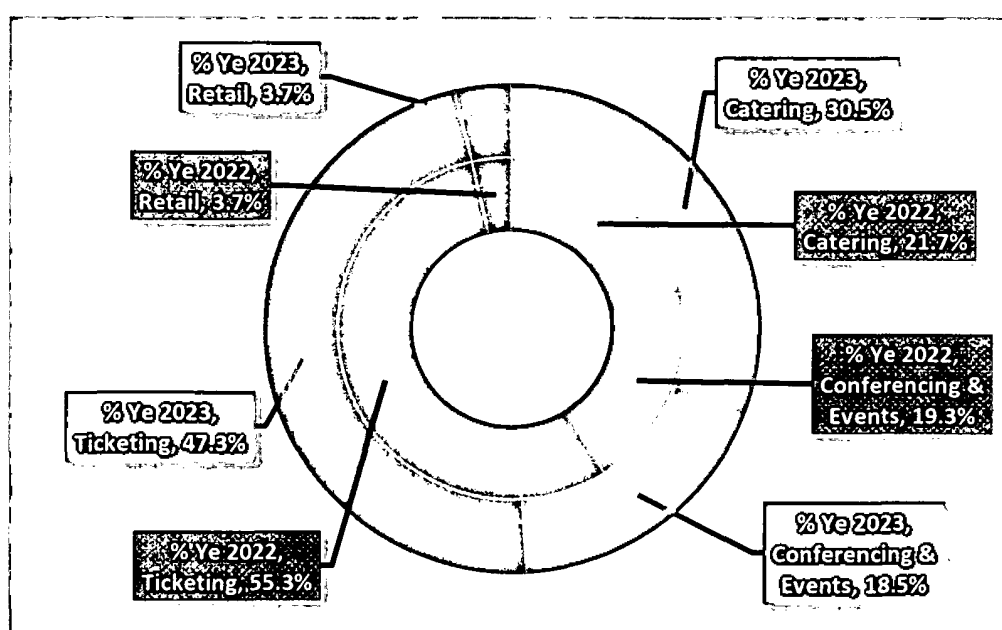
REVIEW OF THE BUSINESS

This financial yearend report presents the first full trading year post-pandemic and the commercial activities have seen a steady growth throughout this recovery period.

Footfall to the building for the year ended 2023 was over double that of 2022 and on par with year ended 2020. Whilst this is an encouraging metric, the conversion to spending whilst on site is more significant.

The profit for the year after tax before donation was £960,385 (2022: £1,159,798). Gift Aid of £960,385 (2022: £1,159,798) was donated to the parent company. The retained profit was £Nil (2022: £Nil). The balance sheet on page 12 reflects the position at the end of the year and Net assets have increased to £1,302,398 (2022: £342,013). The cash balance has increased and shows a year-on-year uplift to £7,559,070 (2022: £4,774,425).

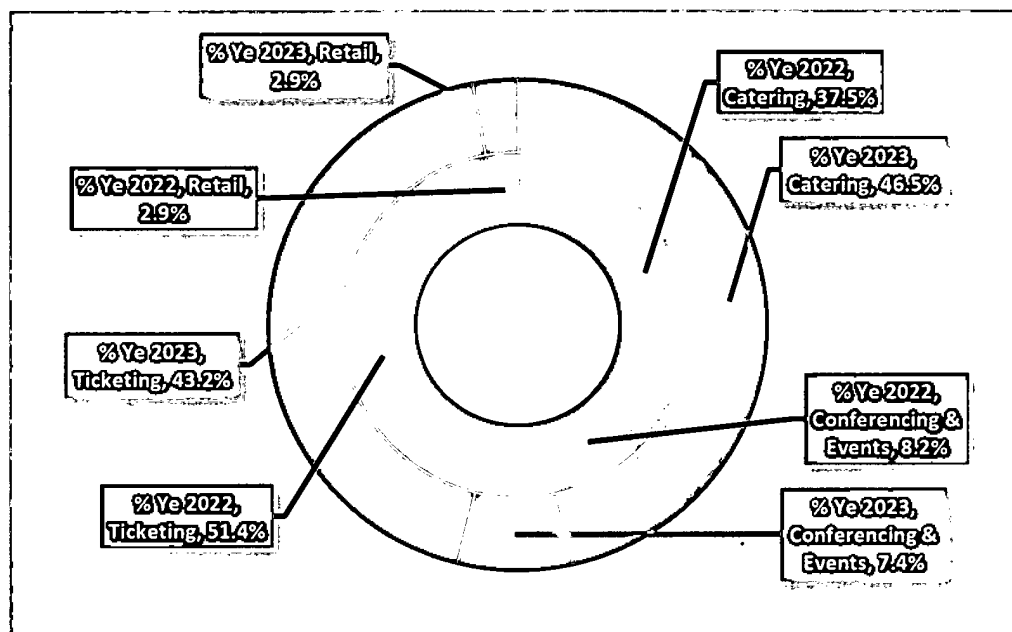
Income grew by over 35% from 2022 and is allocated over the four commercial areas; Conferencing and Events, Catering, Ticketing and Retail. The make-up of income is demonstrated in the chart below:



STRATEGIC REPORT (Continued)
For the year ended 31 March 2023

REVIEW OF THE BUSINESS (CONTINUED)

The operating profit level has increased by over 23%, allocated over each of the four areas as demonstrated:



The activity of Quaytickets, The Lowry's third-party ticketing agency recorded gross profits of £1,659,000 and continues to grow organically, securing new business from across the UK, delivering fully managed services and call centre services to a wide array of clients, from theatres, sports venues and cultural visitor attractions.

Conferencing and events delivered in excess of 200 corporate events, weddings and Christmas parties, serving over 58,000 customers. The Christmas season of 2022 welcomed back the first full Christmas party season since 2019.

The catering offer at The Lowry includes Pier Eight Restaurant and served over 17,000 diners throughout the year. The combined hospitality operations of catering and conferencing and events generated a gross profit of £2,491,000 (2022: £1,136,000).

Retail operations recorded gross profits of £163,000 (2022: £116,000), retaining a stable margin and average spend per head.

FUTURE DEVELOPMENTS

Post year-end, the business has continued to develop and grow with activity levels increasing in all business areas.

The Conferencing and Events business has delivered several high-profile events including *The British Soap Awards* and *The 50th PFA Awards*.

STRATEGIC REPORT (Continued)
For the year ended 31 March 2023

FUTURE DEVELOPMENTS (CONTINUED)

During the summer months, the success of the Gallery exhibition; *Julia and Axel - Thirty Years of Favourite Stories* at The Lowry saw an unprecedented volume of audience's flow through the building. This had a significant positive impact to the retail activity.

The provision of new services by QuayTickets and the emergence of new income streams has seen this area of the business continue to expand, taking on new contracts with visitor attraction clients across the UK.

PRINCIPAL RISKS AND UNCERTAINTIES

The company maintains a risk register that addresses principal external and internal organisational risks and seeks actively to control and mitigate such risks. During the year, attention continued to focus on growth, whilst ensuring tight control on costs, mitigating the negative impact of the cost-of-living crisis and the effect this had to the business.

The parent company operates "receiving theatres" and as such is reliant on the availability of product of sufficient quality throughout the year. Such availability is not within the company's direct control. The fluctuations of theatre attendance to the venue directly influences the potential for trade within the catering and retail functions of The Lowry Centre Limited. A high degree of variable costs is maintained within the operation to enable flex against fluctuations in visitor numbers.

Quaytickets is reliant upon a number of third-party organisations for its business. To enable a degree of certainty of trade in the future, multi-year agreements are entered into with client venues.

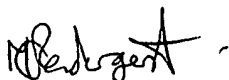
The principal risk arises from the availability of theatre product, the impact of audience numbers and the associated ancillary income.

GOING CONCERN

The company has prepared forecasts that take account of reasonably plausible changes and uncertainties in its performance resulting from general market conditions. After making all appropriate enquiries, the directors have a reasonable assumption that the company has adequate resources and should be able to operate within the level of its current facility based on a review of forecasts and reasonable sensitivity analysis.

The directors have a reasonable expectation that the company has adequate resources available and is therefore able to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

Approved by the board and signed on its behalf by:



MA Pendergast
Secretary

14th December 2023

DIRECTORS' REPORT

For the year ended 31 March 2023

The directors present their annual report on the affairs of the company together with the audited financial statements and auditor's report for the year ended 31 March 2023.

The business review, future developments and principal risks and uncertainties are included in the Strategic Report.

DIVIDENDS AND TRANSFERS FROM RESERVES

The directors do not recommend the payment of a dividend (2022: nil) and the retained profit for the year is £nil (2022: nil).

ENVIRONMENT

The company recognises the importance of its environmental responsibilities and continue to strive towards introducing new initiatives designed to minimise the company's impact on the environment. As standard these include a ban on the use of single use plastics, the safe disposal of waste, recycling and reducing energy consumption.

The company has continued its' commitment to securing a Julie's Bicycle 3-star rating .

EMPLOYEES

Details of the number of employees and related costs can be found in note 7 to the financial statements.

The Lowry aims to offer equal opportunities to everyone. Full and fair consideration is given to applications for employment made by persons with access requirements, having regard for their particular aptitudes and abilities. Appropriate training is arranged for relevant persons. This includes retraining any employees who have a change in access requirements to promote their career development within the organisation.

EMPLOYEE COMMUNICATION

The company recognises the importance of effective communication and employee involvement and has, throughout the year, maintained regular Staff Briefings, Employee Consultation Forum and Volunteer Consultation Forum meetings.

Staff Briefings are held three times each year, each comprising a number of sessions at varying times to allow the maximum number of employees to attend. The briefings presented by directors and key functional heads of department address ongoing plans for the artistic and educational programme and matters of strategic importance and provide the opportunity for open feedback and discussion.

The bi-monthly Employee Consultation Forum and Volunteer's Consultation Forum, attended by the Chief Executive or a Director, comprise of elected employee or volunteer representatives and provides a mutual opportunity to discuss issues of importance in any aspect of the business including employment issues, raised by management or employees through their representatives.

DIRECTORS' REPORT (continued)
For the year ended 31 March 2023

DIRECTORS

The following directors who served during the year and up to date of signing except where stated were:

Sir RM Aldridge OBE
RS Barker (Appointed 18 May 2023)
J Fawcett OBE
AJ Frost CBE
S Fry
D Kasmir (appointed 19 October 2023)
MA Pendergast
AC Vinken OBE (Resigned 30 September 2022)

None of the directors had any interest in the shares of the company during the year (2022: same).
Directors' liability and indemnity insurance was in place for the full year (2022: same).

Directors' attendance at meetings during the year ending 31 March 2023

3/3	RM Aldridge
3/3	J Fawcett
3/3	AJ Frost
2/3	S Fry
3/3	MA Pendergast

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS' REPORT (continued)
For the year ended 31 March 2023

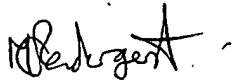
AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the board and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'MA Pendergast', with a stylized flourish at the end.

MA Pendergast
Secretary

14th December 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LOWRY CENTRE LIMITED
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of The Lowry Centre Limited for the year ended 31 March 2023 which the Profit and Loss account; the Balance Sheet, the Statement of Changes in Equity 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 company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

Opinion on other matter 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement as set out on page 6, the directors 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 directors 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 directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that

includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

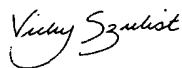
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and income recognition. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, sample testing of income and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Vicky Szulist (Senior Statutory Auditor)

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

3rd Floor

Mount Street

Manchester, M2 5NT

22 December 2023

THE LOWRY CENTRE LIMITED

PROFIT AND LOSS ACCOUNT
Year ended 31 March 2023

	Note	2023 £	2022 £
TURNOVER	3	8,146,784	6,017,170
Cost of sales		(1,924,500)	(1,136,404)
GROSS PROFIT		6,222,284	4,880,766
Administrative expenses		(5,560,112)	(4,513,697)
Other operating income	4	297,142	792,701
OPERATING PROFIT/(LOSS)		959,314	1,159,770
Finance income	5	1,071	28
PROFIT/(LOSS) BEFORE TAXATION	6	960,385	1,159,798
Tax on profit/(loss)		-	-
PROFIT/(LOSS) AFTER TAXATION		960,385	1,159,798

There were no recognised gains and losses other than the profit for the financial years shown in the profit and loss account. All income and expenditure derives from continuing activities.

STATEMENT OF CHANGES IN EQUITY
Year ended 31 March 2023

	Profit and loss account £	Share Capital £	Total £
Balance at 1 April 2021	342,012	1	342,013
Loss after tax for the year	1,159,798	-	1,159,798
Charitable donation credit in the year	(1,159,798)	(1,159,798)	
Balance at 31 March 2022	342,012	1	342,013
Profit after tax for the year	960,385	-	960,385
Charitable donation paid in the year	(960,385)	(960,385)	
Balance at 31 March 2023	342,012	1	342,013

THE LOWRY CENTRE LIMITED

BALANCE SHEET
As at 31 March 2023

	Note	£	2023 £	£	2022 £
FIXED ASSETS					
Tangible assets	8		832,642		1,139,653
			<u>832,642</u>		<u>1,139,653</u>
CURRENT ASSETS					
Stocks	9	163,792		186,937	
Debtors	10	2,130,758		1,781,026	
Cash at bank and in hand		7,559,070		4,774,425	
		<u>9,853,620</u>		<u>6,742,388</u>	
CREDITORS: amounts falling due within one year	11	(10,146,106)		(7,044,743)	
NET CURRENT LIABILITIES			<u>(292,486)</u>		<u>(302,355)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			540,156		837,298
CREDITORS: amounts falling due after more than one year	12		<u>(198,143)</u>		<u>(495,285)</u>
NET ASSETS			<u>342,013</u>		<u>342,013</u>
CAPITAL AND RESERVES					
Called up share capital	14		1		1
Profit and loss account			<u>342,012</u>		<u>342,012</u>
SHAREHOLDER'S FUNDS			<u>342,013</u>		<u>342,013</u>

The financial statements of The Lowry Centre Limited, registered number 3255905, were approved by the Board of Directors and authorised for issue on 14th December 2023.

They were signed on its behalf by:

Julia Fawcett.

J Fawcett OBE
Director

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2023

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

General information and basis of accounting

The Lowry Centre Limited is a private company incorporated in the United Kingdom and registered in England and Wales under the Companies Act 2006. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the strategic report on pages 2 to 4.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies, and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The Company is consolidated in the financial statements of its parent, The Lowry Centre Trust, which may be obtained at Companies House, Crown Way, Cardiff, CF14 3UZ. Exemptions have been taken in these separate Company financial statements in relation to presentation of a cash flow statement, related party transactions and remuneration of key management personnel.

Going concern

The company has prepared forecasts that take account of reasonably plausible changes and uncertainties in its performance resulting from general market conditions. After making all appropriate enquiries, the directors have a reasonable assumption that the company has adequate resources and should be able to operate within the level of its current facility based on a review of forecasts and reasonable sensitivity analysis.

Taking this into account, the directors have a reasonable expectation that the company, alongside support from the parent company, has adequate resources available and is therefore able to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

Taxation

The Lowry Centre Trust is a registered charity. Under Part 11 Corporation Tax Act 2010 and s.256 of the Taxation of Chargeable Gains Act 1992, it is entitled to exemption from Corporation Tax on donations, certain investment income and gains, property income, and on profits from any trading activities exercised in the course of carrying out a primary purpose of the charity, so long as they are applied to The Lowry Centre Trust's charitable purposes.

The Lowry Centre Limited intends to donate a sum equivalent to any taxable profits to The Lowry Centre Trust, to reduce the company's tax liability to nil.

There were no factors that may affect future tax charges.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2023

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Fixtures and fittings	3-10 years
Computer equipment	3 years

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Stocks

Stocks comprise consumable materials held by catering and gift shop supplies for direct re-sale. All stock is stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stocks. Cost is based on the latest purchase price.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2023

1. ACCOUNTING POLICIES (continued)

Turnover

Turnover is stated net of VAT and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the sale of goods is recognised when the goods are physically delivered to the customer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Exchange differences are recognised in profit or loss in the period in which they arise.

Grants

Grant income is recognised in income on a systematic basis over the periods in which the company recognises as expenses, the related costs for which the grants are intended to compensate. Specifically, government grants that are receivable as compensation for expenses already incurred or for the purpose of giving immediate financial support to the company with no future related costs, are recognised in income in the period in which they become receivable.

Grants receivable in respect of tangible fixed assets are credited to the profit and loss account over the expected useful economic lives of the relevant assets to which they relate.

Grants received but not yet released to the profit and loss account are included as deferred income in the balance sheet.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2023

3. TURNOVER

Turnover represents amounts derived from the provision of goods and services which fall within the company's activities after deduction of value added tax. Income from all commercial activities is included in the period in which the company is entitled to receipt.

The turnover and pre-tax profit all arise within the United Kingdom in the current and preceding year and relate to the company's principal activity.

Turnover	2023	2022
	£	£
Commercial trading	8,146,784	6,017,170

4. OTHER OPERATING INCOME

	2023	2022
	£	£
HMRC Coronavirus Job Retention Scheme grant income	-	495,559
Amortisation of grant income from Arts Council England	297,142	297,142
	<u>297,142</u>	<u>792,701</u>

5. FINANCE INCOME

	2023	2022
	£	£
Interest received and similar charges	1,071	28

6. PROFIT/(LOSS) BEFORE TAXATION

Profit/(loss) before taxation is stated after charging:

	2023	2022
	£	£
Depreciation of tangible fixed assets (see note 8)	327,901	340,514
Auditor's remuneration	19,000	16,000

7. STAFF NUMBERS AND COSTS

Staff costs during the year (including executive directors)	2023	2022
	£	£
Wages and salaries	2,655,862	2,261,122
Social security costs	195,559	145,541
Pension costs	34,553	31,616
	<u>2,885,974</u>	<u>2,438,279</u>

Average number of persons employed (including executive directors)	No.	No.
Commercial Trading	<u>207</u>	<u>202</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2023

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 April 2022	3,140,394	110,574	3,250,968
Additions	20,890	-	20,890
At 31 March 2023	3,161,284	110,574	3,271,858
Depreciation			
At 1 April 2022	2,036,951	74,364	2,111,315
Charge for the year	312,428	15,473	327,901
At 31 March 2023	2,349,379	89,837	2,439,216
Net book value			
At 31 March 2023	811,905	20,737	832,642
At 31 March 2022	1,103,443	36,210	1,139,653

9. STOCKS

	2023 £	2022 £
Goods for resale	163,792	186,937

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	352,060	232,162
Prepayments and accrued income	50,670	23,923
Other debtors	1,728,028	1,524,941
	2,130,758	1,781,026

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	91,482	86,816
Amounts owed to group undertakings	8,111,775	4,553,428
Taxation and social security	48,048	40,047
Accruals	1,338,562	1,875,286
Deferred income	511,733	451,171
Other creditors	44,506	37,995
	10,146,106	7,044,743

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2023

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Deferred income – capital grants received	198,143	495,285

13. DEFERRED INCOME

Deferred income includes capital grants as follows:	2023	2022
	£	£
Deferred income brought forward	792,427	1,089,569
Released to profit and loss account	(297,142)	(297,142)
Deferred income carried forward	495,285	792,427

This is disclosed in the financial statements within accruals and deferred income as follows:

	2023	2022
	£	£
Amounts falling due within one year	297,142	297,142
Amounts falling after more than one year	198,143	495,285
	495,285	792,427

Also included in deferred income, amounts falling due within one year is £952,271 (2022: £154,029) in respect of deposits held for room rentals and restaurant reservations.

14. CALLED UP SHARE CAPITAL

	2023	2022
	£	£
Called up, allotted and fully paid		
1 ordinary share of £1 each	1	1

15. CONTINGENT LIABILITIES

The company is party to joint bank facilities with The Lowry Centre Trust, the parent company, and joint guarantees are in place in respect of all amounts drawn under that facility. At 31 March 2023 The Lowry Centre Company Limited had no balances drawn under the joint facility (2022: £nil).

16. CONTROLLING PARTY

The company's immediate and ultimate parent company is The Lowry Centre Trust (a company limited by guarantee), which is incorporated in England and Wales. The Lowry Centre Trust is considered to be the company's ultimate controlling party.

The largest and smallest group in which the results of the company are consolidated is that headed by The Lowry Centre Trust, being the same registered office of The Lowry Centre Limited. Copies of the group financial statements are available from Companies House, Crown Way, Cardiff, CF14 3UZ.