Everyman Media Group PLC

Registered number 08684079

Annual report and financial statements

Year ended

28 December 2023

EVERYMAN

Contents

Company information

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Adam Kaye	Executive Director
Alexander Scrimgeour	Chief Executive Officer
Charles Dorfman	Non-Executive Director
Maggie Todd	Non-Executive Director
Michael Rosehill FCA	Non-Executive Director
Philip Jacobson FCA	Non-Executive Chairman
Ruby McGregor-Smith FCA	Non-Executive Director
William Worsdell ACA	Finance Director

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Chairman's statement

I am pleased to report that 2023 was another year of progress for the business. The Group delivered double digit growth in both revenue and EBITDA, despite the backdrop of a difficult consumer environment. Our results for the year demonstrate that the Everyman offer is the most relevant form of cinema, and that we are the market leader in what we do.

Review of the Business

The Group saw progress in all key performance indicators when compared to 2022. Admissions increased by 9.7%, and we delivered improvements in Paid for Average Ticket Price and Food & Beverage Spend per Head. The 10.2% increase in the latter is an exceptional result, demonstrating the effect of ongoing focus and investment into our offer.

We opened four new venues during the year, in Salisbury, Marlow, Northallerton and Plymouth, each of which showcase the exceptional quality and distinctive look and feel that has become synonymous with Everyman. In addition, we acquired the Tivoli cinemas in Bath and Cheltenham in December 2023. These are two exciting venues in highly desirable locations for the Group and, during 2024, we will refurbish both to bring them in line with the high standards of the wider estate. At the end of the year, the Group had 44 venues and 152 screens.

As ever, I extend my thanks to the Everyman teams in both venues and Head Office, who have shown outstanding commitment to delivering exceptional standards of hospitality. This is what sets Everyman apart, encourages guests to return to us, and allows us to demonstrate ongoing progress.

Outlook

We look to the future with confidence. Despite the impact of the SAG-AFTRA and WGA strikes in 2023, we anticipate a continuously improving film slate in 2024 and beyond. This year, we will proceed with our expansion plans at a measured pace, with three new openings planned, mindful of reducing net banking debt and leverage. Beyond this, our focus remains to do, what we do best, and to deliver high-quality hospitality to our guests through our venues, people, food and beverage and – of course - film.

Philip Jacobson
Non-Executive Chairman
15 April 2024

Chief Executive's Statement

Business Model and Growth Strategy

The Everyman brand is positioned at the premium end of the UK leisure market. The Group's proposition is based on high quality and unique venues in town centre locations, and has a greater number of revenue-generating activities than the traditional cinema or multiplex model. Everyman has a core focus on exceptional hospitality, which it delivers through its venues, food and beverage, people and film.

The Directors believe that the opportunities to develop new Everyman venues both across the UK are significant. As a result, the Group's expansion strategy is as follows:

- Expanding our geographical footprint by opening venues to reach new audiences, including an ongoing assessment of the market for acquisition opportunities
- Continually evolving the quality of experience and our film programming
- Expanding our food and beverage offer through increased choice and innovation
- Engaging in effective, revenue-generating marketing activity

Financial Overview

Everyman has delivered robust, double-digit growth in both revenue and EBITDA against a challenging economic backdrop, delays to new openings and both writers' and actors' strikes. Further operational progress has been made with improvements in all key metrics. We are pleased to report a 15.3% increase in Revenue to £90.9m (2022: £78.8m), and an 11.7% increase in Adjusted EBITDA, to £16.2m (2022: £14.5m). In addition, Paid for Average Ticket Price increased, and the upward trajectory of Spend per Head continued, resulting in total spend per customer increasing by £1.34 when compared to the previous year.

We continued our programme of measured expansion, organically opening four new venues and acquiring the two Tivoli venues in Bath and Cheltenham. As such, the cash flow statement for the year includes £18.6m on the acquisition of Property, Plant & Equipment (2022: £18.9m). This amount also includes work in progress on our 45th venue, in Bury St Edmunds, which opened in February 2024.

The Group has been able to finance the majority of its expansion through £17.9m of operating cash flow (2022: £11.8m). In addition, the Group raised £6.5m (2022: £Nil) through the sale and leaseback of its freehold venues in Crystal Palace and Salisbury, and received lease incentives of £4.1m (2022: £5.0m) in the form of contributions to venue fit out costs.. The latter illustrates landlords' ongoing desire to work with us, and the appeal of having Everyman as a leisure tenant.

Net banking debt at the end of the period was £19.4m (2022: £18.3m). Despite the small increase, the Group was pleased to have opened six new venues whilst reducing leverage. With capital expenditure on these new openings excluded, the Group would have generated significant free cash flow.

The Directors remain of the view that the property deal landscape is highly favourable, with the majority of transactions attracting significant landlord contributions. However, there is a balance to be found between continuing expansion and making the most of attractive market conditions, and maintaining sensible levels of net banking debt. In light of this, the Group now expects to open three venues in 2024 and three or four venues in 2025, with the fully-built venue in Durham currently expected to open in Q1 2025. The Directors expect this to have a deleveraging effect, with a higher proportion of expansion financed through operating cash flow. Strategic acquisitions, such as the Tivoli venues in Bath and Cheltenham acquired in December 2023, will continue to be judged on their merit.

The Directors consider that the Group balance sheet remains robust, with sufficient working capital to service ongoing requirements and to support our growth going forward.

The Group's financial performance is given in detail in the Finance Director's statement later in this report.

Chief Executive's Statement (cont.)

KPIs

The Group uses the following key performance indicators, in addition to total revenues, to monitor the progress of the Group's activities:

	Year ended 28 December 2023 (52 weeks)	Year ended 29 December 2022 (52 weeks)
Admissions	**3,749,120**	3,418,599
Paid for average ticket price*	**£11.65**	£11.29
Food and beverage spend per head**	**£10.29**	£9.34

*Paid for average ticket price has been adjusted to remove the impact of the Temporarily Reduced Rate of VAT in the first quarter of 2022 in order to provide a like-for-like comparison.
**Food and beverage spend per head has been adjusted to remove the impact of the Temporarily Reduced Rate of VAT in the first quarter of 2022 in order to provide a like-for-like comparison, and includes income from Deliveroo.

New Venues

During 2023 the Group opened six new venues. Four were organic openings – a two-screen venue in Marlow, a three-screen venue in Plymouth and four-screen venues in Salisbury and Northallerton.

On 14th December 2023 the Group acquired the two Tivoli cinemas from the Empire Cinemas administration process - a four-screen venue in Bath and a five-screen venue in Cheltenham. These are two premium venues in desirable locations and will be highly complementary to the Everyman estate. During 2024 we will refurbish both cinemas to bring them in line with the high standards commensurate with our existing venues.

Trading across new openings has been encouraging. Management is confident that they will create significant value moving forward, with new venues typically taking four years to reach full maturity.

Post year end, in February 2024, we opened a new three-screen venue in Bury St Edmunds. Two further venues in Cambridge and Stratford (London) are expected to open later in the year. In 2025, the Group plans to open venues at The Whiteley (Bayswater), Brentford Lock and Lichfield. Other venues are in advanced stages of negotiation; however, the Board remains mindful of measured expansion funded through free cash flow.

Our fully fitted out venue in Durham is ready to open, pending practical completion of the wider Milburngate scheme. Our current expectation is that the venue will open in the final quarter of 2024 or first quarter of 2025.

At the end of the year, the Group operated 44 venues with 152 screens:

Location	Number of Screens	Number of Seats
Altrincham	4	247
Bath	4	229
Birmingham	3	328
Bristol	4	476
Cardiff	5	253
Chelmsford	6	411
Cheltenham	5	369
Clitheroe	4	255
Edinburgh	5	407
Egham	4	275
Esher	4	336
Gerrards Cross	3	257
Glasgow	3	201
Harrogate	5	410

Horsham	3	239
Leeds	5	611
Lincoln	4	291
Liverpool	4	288
London, 13 venues	37	3,136
Manchester	3	247
Marlow	2	161
Newcastle	4	215
Northallerton	4	274
Oxted	3	212
Plymouth	3	190
Reigate	2	170
Salisbury	4	311
Stratford-Upon-Avon	4	384
Walton-On-Thames	2	158
Winchester	2	236
Wokingham	3	289
York	4	329
	152	12,195

The Market

The film slate for 2023 emphasised our confidence in the enduring strength of demand for high-quality, original content. With performance weighted towards the second half of the year, the most compelling examples were the remarkable performances of Barbie and Oppenheimer during July and August. The week following the release of these two titles was a record week of admissions for Everyman. The intimate atmosphere of our venues complemented the vibrant energy of Barbie, with audiences arriving in fancy dress to savour themed cocktails and our enticing food and beverage offer.

Barbie and Oppenheimer are, however, not an exception: in fact, at the UK Box Office, five of the top fifteen highest grossing films of all time have been post pandemic (Barbie, No Time to Die, Spiderman: No Way Home, Top Gun: Maverick and Avatar: The Way of Water), which emphasises our belief that consumer demand for high-quality, original content remains undiminished.

The Group was pleased that market share for the year was 4.8%, up from 4.5% in 2022. Positive momentum in market share has continued into the new year.

The Writers' Guild of America (WGA) and Screen Actors' Guild – American Federation of Television and Radio Artists (SAG-AFTRA) strikes began in May 2023 and ultimately concluded in November 2023. We did see some impact to the film slate as a result, the most notable change being the release of Dune: Part II moving from November 2023 to March 2024. We continue to have confidence in the continuously improving film slate during 2024; titles to look forward to include Wicked, Despicable Me 4, Paddington in Peru, Joker: Folie à Deux, Inside Out 2, Mufasa: The Lion King, Dune: Part II and an untitled Gladiator sequel. The year ahead should continue an upward growth trajectory, and we expect a full film slate by the end of the year.

Key Business Developments

Our new, best-in-class website launched in February 2023. The website features new functionality for customers, including an improved Quick Book widget, and more flexibility for members, including self-service ticket cancellation. It has also given us greater visibility of the booking flow and the potential for more targeted advertising based on customer profiles and web behaviours. Average monthly visitors since the website launched have been c. 970,000, a 21% uplift on the comparative period in 2022. In addition, a new iOS and Android app is currently in development and is set to launch in 2024.

Our Food and Beverage offer goes from strength to strength. We continued our focus on speed of service, completing our digital ordering system roll out in February 2023. Menu development during the year included a new Raclette Burger and Prosciutto & Rocket Pizza, new sharing dishes such as Truffle & Porcini Arancini, and new vegan items such as Corn "Ribs" and a Vegan Pizza. New cocktails included Strawberry Daiquiri, Passionfruit Martini, Mezcal Paloma and SoCo Sour, and we also had successful menu brand partnerships with paid listings from Menabrea and Sipsmith, amongst others. In addition, we evolved our menu architecture in the fourth quarter of the year to further encourage sales of higher-value items. Our Food and Beverage offer is a strategically important part of our business and one in which we continue to invest time and resource. Further innovation is expected to continue to drive spend per head moving forward.

Chief Executive's Statement (cont.)

During the year we launched a new partnership with American Express, who hosted nationwide previews of Wes Anderson's Asteroid City, Past Lives and A Haunting in Venice, as well as additional events at the Everyman Secret Garden pop-up cinema at The Grove Hotel from July to September. Our signature partnerships with Jaguar and Green & Black's went from strength to strength, with Jaguar sponsoring an immersive event for Babylon at our Crystal Palace venue in January and continuing their support for the Screen on the Canal at King's Cross during the summer months. Our relationship with AppleTV+ continued to grow, with screenings of The Reluctant Traveller, Prehistoric Planet, Sharper and Tetris.

Renewed Banking Facilities

In August we secured a new three-year £35m Revolving Credit Facility with Barclays Bank Plc and National Westminster Bank Plc, extendable for up to two years subject to lender consent, and replacing the previous £25m Revolving Credit Facility and £15m Coronavirus Large Business Interruption Loan Scheme ("CLBILS") held with Barclays Bank Plc and Santander UK Plc. The new facility ensures that the Group is soundly financially structured and well-positioned to take advantage of opportunities moving forwards. There was strong appetite from multiple lenders to work with Everyman, and the covenants and commercial terms agreed were materially similar to the previous agreement.

People

We recognise the commitment our people have shown to Everyman, our guests and to each other. Our teams' passion remains key to delivering our signature brand of hospitality across all our venues, both existing and new.

We have invested in training programmes, and in our digital training and engagement platforms, in support of our commitment to internal development. We are delighted to see so many people progressing their careers with Everyman.

During the year we opened four and acquired two new venues, and our existing teams supported our newest managers to deliver hospitality the Everyman way. We would particularly like to welcome the teams at the two Tivoli venues as they integrate into Everyman.

Outlook

Our results demonstrate that appetite for film is as strong as ever, and that the Everyman model has become the most relevant form of cinema. Guests are returning to our venues in greater numbers and spending more with us than they have in previous years.

We were pleased to have financed the majority of 2023 openings through Operating Cash Flow and to reduce leverage whilst growing our estate further. Our new banking facilities, signed in August, ensure that we are soundly financially structured and well-positioned to take advantage of opportunities moving forwards.

We continue to take a measured approach to organic expansion. The deal landscape remains favourable and landlords are as keen as ever to work with Everyman, with several further exciting opportunities in the pipeline. We look forward to 2024 with increasing optimism.

Alex W.

Alex Scrimgeour
CEO
15 April 2024

Strategic Report

The Directors present their strategic report for the Group for the year ended 28 December 2023 (comparative period: 52 weeks 29 December 2022).

Review of the business

The Group made a loss after tax of £2,696,000 (2022: £3,504,000). Non-GAAP adjusted EBITDA was £16.2m (2022: £14.5m).

The Finance Director's Statement contains a detailed financial review. Further details are also shown in the Chief Executive's Statement and consolidated statement of profit and loss and other comprehensive income, together with the notes to the financial statements.

Principal risks and uncertainties

The Board considers risk assessment to be important in achieving its strategic objectives. There is a process of evaluation of performance targets through regular reviews by senior management to forecasts. Project milestones and timelines are reviewed regularly.

1 **Film release schedule** - The level of the Group's box office revenues fluctuates throughout the course of any given year and are largely dependent on the timing of film releases, over which the Group has no control. Whilst the film slate continued to recover from the pandemic during 2023, the Group saw some disruption from the SAG-AFTRA and WGA strikes. The Group expects to see the film slate continuously improve during 2024. The Group mitigates this through high-quality programming, widening the sources for new content and focusing on creating a great overall experience at venues independent from the films themselves.

2 **Consumer environment** – A reduction in consumer spending because of broader economic factors could impact the Group's revenues. During 2023, inflation and interest rates have continued to increase due to geopolitical events. Historically, the cinema industry has been resilient to difficult macroeconomic conditions, with it remaining an affordable treat during such times for most consumers. Whilst the Board considers that the impact has been minimal in 2023, the Group continues to monitor long term trends and the broader leisure market.

3 **Alternative media channels** - The proliferation of alternative media channels, including streaming, has introduced new competitive forces for the film-going audience, which was accelerated by the pandemic. To date this has proven to be a virtuous relationship, both increasing the investment in film production and further fuelling an overall interest in film with customers of all ages. The Board considers that the Everyman business model works well alongside other film channels. It remains an ever-present caution that to maintain this position we must continue to deliver an exceptional experience in order to deliver real added value for our customers who choose to see a film at our venues.

4 **Inflation** – There is a risk to the cost base from inflation, given the current economic and geopolitical situation. To mitigate this, the Group enters into long-term contracts and works very closely with suppliers to improve efficiencies and limit costs. In addition, and thanks to its size, the Group can take advantage of lower price points for higher volumes, and payroll costs are closely monitored and managed to the level of admissions. The Group entered into a new fixed-rate energy agreement in November 2023 for a period of one year, to allow the utilities market to settle further, and will seek a longer-term agreement during 2024. We remain cautious when passing on price increases to our customer base.

5 **Climate change** – The Group's business could suffer because of extreme or unseasonal weather conditions. Cinema admissions are affected by periods of abnormal, severe, or unseasonal weather conditions, such as exceptionally hot weather or heavy snowfall. Climate change is also high on the agenda for investors and increasingly institutional investors are looking closely at the actions being taken by business to reduce carbon emissions. The Group is working towards developing a net zero carbon emissions strategy to mitigate this risk. The Group is compliant with climate-related financial disclosure requirements under the Companies (Strategic Report) (Climate-Related Financial Disclosure) Regulations 2022 ("CRFD"), which are aligned to the Taskforce on Climate-Related Financial Disclosures framework ("TCFD").

6 **Data and cyber security** – The possibility of data breaches and system attacks would have a material impact on the business through potentially exposing the business to a reduction in service availability for customers, potentially significant levels of fines, and reputational damage. To mitigate this risk the IT infrastructure is upgraded to ensure the latest security patches are in place and that ongoing security processes are regularly updated. This is supported by regular pen testing and back-ups.

7 **Film piracy** - Film piracy, aided by technological advances, continues to be a real threat to the cinema industry generally. Any theft within our venues may result in distributors withholding content to the business. Everyman's typically smaller, more intimate auditoria, with much higher occupancy levels than the industry average, make our venues less appealing to film thieves. As we see the numbers returning to cinema coming close to pre-pandemic levels, we see this risk reducing to a pre-pandemic level.

8 **Reputation** - The strong positive reputation of the Everyman brand is a key benefit, helping to ensure the successful future performance and growth which also serves to mitigate many of the risks identified above. The Group focuses on customer experience and monitors feedback from many different sources. A culture of partnership and respect for customers and our suppliers is fostered within the business at all levels. Since re-opening we have seen our market share increase and received positive customer feedback.

Strategic Report (cont.)

Financial risks

The Group has direct exposure to interest rate movements in relation to interest charges on bank borrowings, with a 1% increase in rates resulting in an increase in interest charges of £0.3m on current forecast borrowings over the next twelve months. The Board manages this risk by minimising bank borrowings and reviewing forecast borrowing positions.

The Group takes out suitable insurance against property and operational risks where considered material to the anticipated revenue of the Group.

Climate-Related Financial Disclosures

2023 is the first time that the Group reports under the Companies (Strategic Report) (Climate-Related Financial Disclosure) Regulations 2022, which are aligned with the Taskforce on Climate-Related Financial Disclosures (TCFD). As part of this, the Group has considered its obligations under the four pillars of the TCFD and re-assessed our governance and processes accordingly.

The four pillars of the TCFD are Governance, Risk Management, Strategy and Metrics and Targets.

Governance

Disclosure Requirement	2023	Going Forward
Describe the Board's oversight of climate-related risks and opportunities	The Board meets on a monthly basis. The Board considers climate change as a principal risk, and recognises that cinema admissions are impacted by periods of abnormal, severe, or unseasonal weather conditions, such as exceptionally hot weather or heavy snowfall, and that the topic is also high on the agenda for investors and other stakeholders. The Group is working towards developing a net zero carbon emissions strategy, and the Board are updated regularly on progress towards this goal.	The Group has established a Sustainability Committee which meets on a bi-monthly basis. The Sustainability Committee includes an Executive Director, ensuring that all relevant matters are reported to and considered by the Board. The Sustainability Committee ensures that climate-related risks and opportunities are identified and managed through ongoing monitoring, scenario analysis, stakeholder engagement, and regular assessments of our operations and supply chain.
Describe management's role in assessing and managing climate-related risks and opportunities	Finance and Operations senior management currently hold weekly trading meetings, during which they analyse key financial and non-financial KPIs. These meetings routinely assess the influence of weather and climate conditions on trading activities. Assessment of flood risk is carried out by the Property team and externally-appointed property consultants when assessing new venue opportunities.	As per above, the Group has established a Sustainability Committee, which includes representatives from management teams across the business.

Risk Management

Disclosure Requirement	2023	Going Forward
Describe the organisation's processes for identifying and assessing climate-related risks Describe the organisation's processes for managing climate-related risks	The Group currently works with externally-appointed sustainability consultants, CCC Energy Ltd, to identify, assess and manage climate-related risks and opportunities. Risks and opportunities are identified at Group level.	As per above, the Group has established a Sustainability Committee, which meets on a bi-monthly basis and includes representatives from management teams across the business and an Executive Director. This ensures that identified risks and opportunities are effectively communicated to the Board.

		The Sustainability Committee will continue to work with our externally-appointed sustainability advisors on climate-related matters.
Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	The Board considers Climate Change to be a principal risk, in line with the Principal Risks and Uncertainties detailed earlier in the Strategic Report. As a result, Climate Change is considered in key strategic decisions, where relevant.	The Sustainability Committee includes an Executive Director, who will report identified risks and opportunities to the Board on a bi-monthly basis.

Strategy

Disclosure Requirement	
Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term	The Group defines Risks and Opportunities over the following time frames: • Short-term (S): within 2 years • Medium-term (M): 2 to 10 years • Long-term (L): 10 years + **Opportunities** **Reputational (S,M,L)** With an ever-growing climate-conscious customer base, improving the Group's climate-related credentials could enhance the reputation of the business and improve performance. **Risks** **Weather (S,M,L)** Trading patterns may vary based on weather conditions; however, the diversity of Everyman's estate assists in the mitigation of this risk. Additionally, extreme cold, snow, or rainy conditions may impede suppliers, guests, and staff from accessing certain locations. **Flooding (S,M,L)** Flooding was identified as a potential risk from extreme weather conditions. All sites were researched to assess the current flood risk level based on location from environment government data available. All 47 locations were reviewed (including the Group's Head Office, the completed venue in Durham and the new venue in Bury St Edmunds opened post-period end). The information came from the gov.uk check for long-term flood risk. The risks are recorded as Very Low, Low, Medium and High Risk. A flood risk plan for all sites is prepared with emphasis on the sites with a medium to high-risk potential.

	<table><tr><th>Flood Risk</th><th>Very Low</th><th>Low</th><th>Medium</th><th>High</th></tr><tr><td>Surface Water</td><td>22</td><td>14</td><td>5</td><td>6</td></tr><tr><td>River & Sea</td><td>39</td><td>5</td><td>3</td><td>0</td></tr><tr><td>Reservoirs</td><td>0</td><td>31</td><td>6</td><td>0</td></tr><tr><td>Groundwater</td><td>0</td><td>36</td><td>1</td><td>0</td></tr></table> **Supply Chain (S,M,L)** Flooding, extreme heat, or drought can pose challenges within the supply chain. Contingency plans are in position for essential product lines, although acquiring them from secondary suppliers may incur higher cost. **Compliance (M,L)** Increased cost to comply with new government regulation to meet climate targets, such as packaging tax and carbon taxes. In the case of non-compliance, there could be financial penalties and reputational damage.
Describe the impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning	The Group's strategy is to support long-term business growth whilst minimising its impact on the environment and operating in an ethical and responsible way. The Board considers Climate Change to be a principal risk and therefore takes it into consideration when making key business and strategic decisions, where relevant. As detailed above, specific consideration is given to current and potential future flood risk in new venue evaluation. All identified risks with potential cost implication, as per the section above, are considered in the Group's financial planning, with sensitivity scenarios prepared, where considered relevant.
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2° or lower scenario	The environmental risks considered included a 2° increase in global temperature. This scenario has the potential to affect extreme weather conditions including heatwaves, droughts, floods and wildfires. In addition, the health impact from air pollution and heat stress increases demand on cooling, which may have a knock-on impact on energy prices. The Board have considered the above scenario and do not consider the business to be significantly impacted, given that it is not in a high risk sector.

Metrics and Targets

Disclosure Requirement	

Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	The Group considers the following metrics to assess climate-related Risks and Opportunities:
	
	• Re-cycling rate:
	  ○ % of total waste recycled. This is measured and monitored through our partnership with First Mile.
	  ○ % of food waste recycled. This is measured and monitored through our partnership with First Mile.
	• Business mileage. This is measured and monitored through SAP Concur for personal car mileage, and through our partnership with TravelPerk for all other forms of business mileage.
	• Direct CO2 emissions (Gas / Electricity). This is measured and monitored through collaboration with a third party, CCC Energy.

Disclose Scope 1, Scope 2 and, if appropriate, Scope 2 greenhouse gas ("GHG") emissions and the related risks	Please refer to the Streamlined Energy and Carbon Reporting ("SECR") statement in the Directors' Report.
Describe the targets used by the organization to manage climate-relates risks and opportunities and performance against targets	During the year the Group has invested establishing base line metrics for climate-related KPIs, through partnerships with First Mile, TravelPerk and CCC Energy, as described above. In 2024, the Sustainability Committee will set targets for re-cycling rates, business mileage and direct CO2 emissions as part of the journey to achieving net zero.

EVERYMAN

Finance Director's Statement

Summary

- Group revenue of £90.9m (2022: £78.8m)
- Gross profit of £58.1m (2022: £50.5m)
- Non-GAAP adjusted EBITDA of £16.2m (2022: £14.5m)
- Operating loss of £0.1m (2022: £0.4m profit)
- Operating profit excluding impairment charges of £0.7m (2022: £0.4m)
- Net banking debt £19.4m (2022: £18.3m), with significant headroom in facilities

Revenue and Operating Profit

Admissions for the 52 weeks ending 28 December 2023 totalled 3.75m, an increase of 9.7% on the prior year (2022: 3.4m). 2023 is the first year in recent memory where the comparative period was not impacted by government-imposed closures, with all venues trading through both periods fully, aside from any temporary closures for refurbishments.

The uplift in admissions was driven both by four organic new openings during the year (Marlow, Salisbury, Northallerton and Plymouth) as well as a high-quality film slate, with performance weighted towards the second half the year. In particular, the remarkable and well-publicised performance of Barbie and Oppenheimer during July and August saw the Group achieve its highest ever week of admissions, surpassing the previous record by a factor of 50%. At the UK Box Office, five of the top fifteen highest-grossing films of all time have now been released post-pandemic, which emphasises our belief that consumer demand for high-quality, original content remains strong and undiminished.

Paid-for Average Ticket Price was £11.65, a 3.2% increase vs. the prior year (2022: £11.29) and Food & Beverage Spend per Head was £10.29, a 10.2% increase vs. the prior year (2022: £9.34). Both of these metrics have been adjusted to remove the benefit from the Temporarily Reduced Rate of VAT in the first quarter of 2022. In recognition of the challenging macroenvironment, the Group has remained conservative when passing on price increases to guests, and is therefore pleased to see such positive growth in these two metrics.

As a result of the above, revenue for the period was £90.9m, a 15.4% increase on the prior year (2022: £78.8m).

The Group is pleased to report that Gross Margin remained consistent with 2022 at 64.0%, despite the inflationary headwinds faced during the year. This was substantially due to continued strong cost control by our Film and Procurement teams.

Other operating income was £0.6m (2022: £0.6m) and related entirely to landlord compensation. 2023 was the first year post-pandemic in which the Group received no Coronavirus-related grants or payments, with 2022 including a £0.2m payment pertaining to the Omicron Hospitality and Leisure Grant.

Administrative Expenses for the period were £58.8m (2022: £50.7m). This was driven in the main by increased admissions and trading activity, as well as the impact of new venue openings and associated fixed asset depreciation. Beyond this, the Group's people costs are inherently linked the National Living Wage, which increased by 9.7% in April 2023.

Additionally, the Group's fixed-rate Utilities contracts came to an end in October 2023. Whilst increases were below management expectations, the Group has entered into a new one-year fixed rate agreement to allow the Utilities market to settle further, and will seek a longer-term agreement during 2024. Other than this, and despite the continued macroeconomic environment, the Directors believe that the impact to the cost base from inflation has been minimal.

The Board carried out an impairment review at the year end, based on a judgement of future cash flows from venues considered to have indicators of impairment. As a result of this, Administrative Expenses includes a charge of £0.7m (2022: £Nil) relating to the impairment of our venue in Leeds. This is based on the Board's assessment that, at the Balance Sheet date, the present value of future cash flows was less than the carrying amount of the Right-of-Use Asset and Property, Plant and Equipment. The Board anticipates that the UK Box Office will continue to improve during 2024 and 2025 and will closely monitor the impact of this on any venues with carried forward impairment to Right-of-Use Assets and Property, Plant and Equipment, in the event that any charges previously incurred can be reversed.

Financial Expenses

Financial expenses were £5.4m (2022: £3.9m) and relate mainly to interest charges on the Group's banking facilities and on lease liabilities under IFRS 16. This increase relates mainly to an increased draw down on the Group's Revolving Credit Facility as well as increases to underlying interest rates, as well as the IFRS 16 impact of new leases entered into during the year.

Finance Director's Statement (cont.)

Taxation

The Group's loss for the year includes a £2.8m credit relating to the recognition of a Deferred Tax Asset. The Group has consulted the FRC's thematic review of Deferred Tax Assets published in September 2022 and concluded that an asset should be recognised on the basis of a sufficient level of probable future taxable profits.

The Group has taken the decision to recognise the Deferred Tax Asset in 2023 due to increased certainty over future trading performance as we emerge further from the pandemic, and following the conclusion of the WGA and SAG-AFTRA strikes, which no longer pose the threat of long-term disruption to the film slate.

Non-GAAP adjusted EBITDA

In addition to performance measures directly observable in the financial statements, the following additional performance measures are used internally by management to assess performance:

- Non-GAAP Adjusted EBITDA
- Admissions
- Paid-for Average Ticket Price
- Food & Beverage Spend per Head

Management believes that these measures provide useful information to evaluate performance of the business as well as individual venues, to analyse trends in cash-based operating expenses, and to establish operational goals and allocate resources.

Non-GAAP adjusted EBITDA was £16.2m, compared with £14.5m in 2022. It is worth nothing that the prior year figure includes a £0.9m benefit from the Temporary Reduced Rate of VAT.

Non-GAAP adjusted EBITDA is defined as earnings before interest, taxes, depreciation, amortisation, profit or loss on disposal of Property, Plant & Equipment, impairment, share based payments, pre-opening expenses and exceptional costs.

The reconciliation between operating (loss) / profit and non-GAAP adjusted EBITDA is shown at the end of the consolidated statement of profit and loss.

Cash Flows

The Directors believe that the Group balance sheet remains well capitalised, with sufficient working capital to service ongoing requirements. Net cash generated in operating activities was £17.9m (2022: £11.8m) with a net cash inflow for the year of £2.9m (2022: £0.5m outflow).

Cash flow used in investing activities was £14.2m (2022: £19.9m). This related mainly to payments for new venues in Marlow, Salisbury, Northallerton and Plymouth, as well as the acquisition of the two Tivoli venues in Bath and Cheltenham from the Empire Cinemas Limited administration process in December 2023. The amount also includes £6.5m from the sale and leaseback of our two freehold venues in Crystal Palace and Salisbury (2022: £Nil).

The Group financed the majority of its expansion from operating cash flow. The remainder was financed via £4.1m landlord contributions (2022: £5.0m) and a £4m draw on the Group's Revolving Credit Facility (2022: £9.5m).

The Group ended the year with cash and cash equivalents of £6.6m (2022: £3.7m) and net banking debt of £19.4m (2022: £18.3m). Whilst net banking debt is marginally higher than the prior year, the Group has invested in a total of six new venues (four organically and two through acquisition) whilst reducing leverage.

Pre-opening costs

Pre-opening costs, which have been expensed within administrative expenses, were £0.9m (2022: £0.2m). These costs include expenses which are necessarily incurred in the period prior to a new venue being opened but which are specific to the opening of that venue.

Exceptional costs

The Group incurred exceptional costs of £0.5m during the year (2022: £0.2m), which related both to transactional expenses pertaining to the two Tivoli venues, as well as one-off reorganisational costs relating to certain Head Office teams.

Finance Director's Statement (cont.)

Banking

On 17th August 2023, the Group agreed a new three year loan facility of £35m with Barclays Bank Plc and National Westminster Bank Plc, extendable by a further two years subject to lender consent. The facility ensures that the Group is soundly financially structured and well positioned to take advantage of opportunities moving forwards. The facility also includes an additional £5m accordion element, again subject to lender consent.

The new facility replaced the previous £25m Revolving Credit Facility and £15m Coronavirus Large Business Interruption Loan Scheme ("CLBILS") held with Barclays Bank Plc and Santander UK Plc.

The covenants on the new facility are based on Adjusted Leverage and Fixed Charge Cover, as per the previous facility. The Group's current forecasts demonstrate that the Group will remain within these covenants for the foreseeable future.

At the end of the year the Group had drawn down £26m (2022: £22m) of the available funds under the new facility, and therefore £9m of the £35m facility was undrawn (2022: £18m of the £40m facility).

Acquisitions

On 14 December 2023 the Group acquired the trade and assets of the two Tivoli cinemas in Bath and Cheltenham from T4051 Limited, a subsidiary of Empire Cinemas Limited. The principal reason for this acquisition was to secure two additional cinemas in desired regional areas.

Details of this acquisition are set out in Note 17 of the financial statements.

Annual General Meeting

The Annual General Meeting of the Company will be held on 13 June 2024 at 9:30am at Everyman Cinema Hampstead, 5 Holly Bush Vale, London NW3 6TX.

Companies Act Section 172 Statement

Our Board of Directors are bound by their duties under the Companies Act 2006 (the "Act") to promote the success of the company for the benefit of our members as a whole taking into account the factors listed in section 172 of the Act. In doing so, however, they must have regard for the interests of all of our stakeholders, to ensure the long-term sustainability of the Company. The Board is therefore responsible for ensuring that it fulfils its obligations to those impacted by our business, in its stakeholder consideration and engagement.

The ongoing sustainable success of Everyman is dependent on its relationship with a wide range of stakeholders, including consumers, employees, governments & regulators, customers, suppliers, and investors. We are aware that each stakeholder group requires a tailored engagement approach in order to foster effective and mutually beneficial relationships. Our understanding of stakeholders is then factored into Board discussions, regarding the potential long-term impacts of our strategic decisions on each group, and how we might best address their needs and concerns. The Board understands that it is not always possible to provide positive outcomes for all stakeholders and therefore, sometimes, must make decisions based on the competing priorities of stakeholders. However, the Board acts in the best long-term interests of the Company and its stakeholders generally.

Throughout this Annual Report, we provide examples of how we:

- Take into account the likely consequences of long-term decisions;
- Consider the interests of the Company's employees;
- Consider the interests of the Company's shareholders;
- Foster the Company's business relationships with suppliers, customers and others;
- Understand our impact on our local community and the environment; and
- Maintain a reputation for high standards of business conduct.

This section serves as our section 172 statement and should be read in conjunction with the Strategic Report and the Company's Corporate Governance Statement. Section 172 of the Companies Act 2006 requires Directors to take into consideration the interests of stakeholders in their decision making. The Directors continue to have regard to the interests of the Company's employees and other stakeholders, including the impact of its activities on the community, the environment and the Company's reputation, when making decisions. Acting in good faith and fairly between members, the Directors consider what is most likely to promote the success of the Company for its members in the long term.

The principles underpinning section 172 are not only considered at Board level, the differing interests of stakeholders are taken into consideration by management when making wider business decisions. The Board regularly reviews our principal stakeholders and how we engage with them. The stakeholder voice is brought into the Boardroom throughout the annual cycle through information provided by management and also by direct engagement with stakeholders themselves. The relevance of each stakeholder group may increase or decrease depending on the matter or issue in question, so the Board seeks to consider the needs and priorities of each stakeholder group during its discussions and as part of its decision making.

The table below acts as our s172(1) statement by setting out the key stakeholder groups, their interests and how Everyman has engaged with them over the reporting period. However, given the importance of stakeholder focus, long-term strategy and reputation, these themes are also discussed throughout this Annual Report.

Stakeholder	Their interests	How we engage	2023 highlights
Our employees	• Training, development and career prospects. • Health and Safety • Working conditions • Diversity and Inclusion • Human Rights and modern slavery • Fair pay, employee benefits	• Workforce posters and communications • Ongoing training and development opportunities • Whistleblowing procedures • Publication of Modern Slavery Statement • Employee benefits packages • Employee questionnaires • Staff intranet	• Re-platformed our Learning Management System • Relaunch of Workplace, the employee engagement platform • Rollout of team member incentive program • Introduction of WSET qualifications

Companies Act s172 Statement (cont.)

Stakeholder	Their interests	How we engage	2023 highlights
Our customers	• Comfort and hospitality. • Good quality food and drink • High quality viewing environment • Ease of access • Safety • Data security	• Venue staff welcome every customer • Focus on in-theatre service • Regular review of menu quality • High specification auditoria • Customer support service • Marketing and communications	• New website launched in February 2023 • Functionality for customers to order food and beverage from mobile devices launched • Improvements made to the membership booking journey • Four new state-of-the-art venues opened, widening our reach
Our suppliers & landlords	• Workers' rights • Supplier engagement and management to prevent modern slavery • Fair trading and payment terms • Sustainability and environmental impact • Collaboration • Long-term partnerships	• Initial meetings and negotiations • KPIs and Feedback • Board approval on significant changes to suppliers • Direct engagement between suppliers and specified company contact	• Introduction of non-profit suppliers as partners, working with Change Please for coffee and Serious Tissues for paper products • Working with Food Made Good to audit our supply chain and highlight ways to improve the sustainability of the Food & Beverage offer
Our Investors	• Comprehensive review of financial performance of the business • Business sustainability • High standard of governance • Success of the business • Ethical behaviour • Awareness of long-term strategy and direction	• Regular reports and analysis on investors and shareholders • Investor roadshows • Annual Report • Company website • Shareholder circulars • AGM • Stock exchange announcements	• Bi-annual investor roadshows • Regular ad-hoc communication with shareholders
Our banking partners	• Business performance & forecast accuracy • Cash management and financial control • Compliance with laws and regulations • High standard of governance • Ethical behaviour • Data security	• Regular meetings & updates • Regular reports and analysis • Annual Report • Stock exchange announcements	• Regular meetings and communication with banking partners • New banking partner in NatWest following renewal of banking facilities in August 2023
Regulatory bodies	• Compliance with regulations • Worker pay and conditions • Gender Pay • Health and Safety • Treatment of Suppliers • Brand reputation • Insurance • Waste and environment	• Company website • Stock exchange announcements • Annual Report • Direct contact with regulators • Compliance updates at Board Meetings • Consistent risk review	• Full review of pay across all roles • NOMAD attended Board meeting to update on compliance
Community and Environment	• Sustainability • Human Rights • Energy usage • Recycling	• Philanthropy • Oversight of corporate responsibility plans • CSR initiatives	• Defining net zero strategy with partnership with the Zero Carbon Forum.

	• Waste Management • Community outreach and CSR	• Workplace recycling policies and processes	• Recycling rates up 69% after working with First Mile on a waste initiative. • Implementation of Travel Perk, tracking all company travel to measure associated carbon dioxide emissions. • Establishment of Internal Wellbeing Hub, a resourced aimed at fostering a healthy work-life balance

Within the Corporate Governance Report on pages 21 to 25 we describe how the Board operates and the culture of the business including employee engagement.

Will Worsdell
Finance Director
15 April 2024

Corporate Governance

It is the responsibility of the Chairman of the Board of Directors of Everyman Media Group PLC to ensure that the Group has both sound corporate governance and an effective Board. This is managed by ensuring that the Group and the Board are acting in the best interests of shareholders, and by making sure that the Board discharges its responsibilities appropriately. This includes creating the right Board dynamic and ensuring that all important matters, in particular strategic decisions, receive adequate time and attention at Board meetings. The Board considers that the Group complies with the QCA Code so far as it is practicable having regard to the size, nature and current stage of development of the Group.

While seeking to build a strong governance framework, the Board is mindful to ensure that the Group takes a proportionate approach and that processes remain fit for purpose as well as embedded within the culture of the organisation. Good governance provides a framework that allows the right decisions to be taken by the right people at the right time.

QCA principles

A description of the Group's business model and strategy can be found in the Strategic report along with key challenges in their execution and information in relation to the Group's risk management.

Board of Directors

Philip Jacobson FCA

Independent Non-Executive Chairman

Philip is a Fellow of the Institute of Chartered Accountants in England & Wales and was previously a partner at BDO LLP, where he was involved in a number of flotations in the leisure sector. Philip was appointed to the Board on 8 October 2013, and as Chairman on 28 February 2023. Since retiring from BDO LLP, Philip has acted as family office to a small number of families. The Board consider Philip's shareholding and tenure as a director to be immaterial to his independence.

Alex Scrimgeour

Executive Director – Group Chief Executive Officer

Alex joined Everyman from Côte Brasserie, the UK's largest French restaurant Group. He joined Côte as a start-up business in 2008 and was appointed as joint Managing Director in 2011 and CEO in 2015. Alex has extensive experience in the hospitality sector, and was appointed to the Board on 18 January 2021.

Adam Kaye

Executive Director

Adam founded ASK Central plc with his brother Sam in 1993. Adam studied catering at Westminster College, London and subsequently worked at City Centre Restaurants, before opening the first ASK restaurant at Haverstock Hill in 1993. ASK Central plc was sold in 2004. Adam was appointed to the Board on 8 October 2013.

William (Will) Worsdell ACA

Executive Director – Group Finance Director

Will is a member of the Institute of Chartered Accountants in England & Wales and has held senior financial roles at several leisure and hospitality businesses, including Head of Commercial Finance at Côte Brasserie. Previously, Will worked in financial and operational planning at Heathrow for 3 years and started his career with Smith & Williamson (now Evelyn Partners), where he qualified as a Chartered Accountant in 2014. Will was appointed to the Board on 28 June 2022.

Charles Dorfman

Non-Executive Director

Charles was co-founder of Esselco properties serviced office business (now known as The Office Group). He was involved in the financing of the development phase of the Oscar winning 'The King's Speech' with See Saw films and became the Executive Producer, following this success by producing titles such as 'Untouchable' and 'The Lost Daughter'. He is CEO of Dorfman Media Holdings, Chairman of Media Finance Capital and Chairs the Young Patrons of the National Theatre. Charles was appointed to the Board on 8 October 2013.

EVERYMAN

Corporate Governance (cont.)

Margaret (Maggie) Todd
Independent Non-Executive Director
Maggie joined Everyman from the Walt Disney Studios Motion Pictures European marketing leadership team, where she most recently held the role of Vice President of Communications for twelve years. Prior to Disney, Maggie worked at Twentieth Century Fox, in the music industry and has delivered campaigns for BAFTA, AMPAS and world-renowned European film festivals.

Maggie was appointed to the Board on 14 July 2021. The Directors consider Ms Todd to be independent in line with the Quoted Companies Alliance Corporate Governance Code for small and mid-size quoted companies.

Michael Rosehill FCA
Non-Executive Director
Michael is a member of Chartered Accountants Ireland and has spent most of his career at the Lewis Trust Group (owners of the River Island group of companies) in both the finance and private equity divisions. Michael is a Director of Blue Coast Private Equity L.P. and therefore also has an interest in the shareholding of Blue Coast Private Equity L.P in the Ordinary Shares of the Company.

Baroness Ruby McGregor-Smith CBE
Independent Non-Executive Director
Ruby brings with her a wealth of business acumen, acquired over a career spanning more than three decades. One of the few women to have held the position of Chief Executive at a FTSE 250 company, she grew revenues at Mitie more than four-fold to £2.2 billion, establishing it as the largest business in its sector. She is highly decorated as an industry leader, winning the 'Leader of the Year' accolade at the 2011 National Business Awards, and in 2013 being recognised by the Financial Times as one of the top 50 female business leaders in the world. Ruby is a Fellow of the Institute of Chartered Accountants in England and Wales, and was appointed a member of the House of Lords in 2015.

Ruby was appointed to the Board on 20 September 2022. The Directors consider Ruby to be independent in line with the Quoted Companies Alliance Corporate Governance Code for small and mid-size quoted companies.

All Directors are encouraged to challenge and to bring independent judgement to bear on all matters, both strategic and operational. Biographical details of the Directors can be found on the Group’s website.

All Non-Executive Directors are expected to dedicate at least one day per month to the Group. The Board is satisfied that each of the Directors are able to allocate sufficient time to the Group to discharge their responsibilities effectively. The number of meetings of the Board and its Committees are outlined below:

Attendance by Directors	Board	Audit	Remuneration	Nomination
Philip Jacobson	11	n/a	4	-
Paul Wise*	2	n/a	n/a	n/a
Alex Scrimgeour	11	n/a	n/a	n/a
Adam Kaye	9	n/a	n/a	n/a
Will Worsdell	11	n/a	n/a	n/a
Charles Dorfman	9	n/a	4	-
Maggie Todd	10	n/a	n/a	-
Michael Rosehill	9	3	4	n/a
Ruby McGregor-Smith	8	3	4	n/a
Total meetings held	11	3	4	-

* Resigned 28 February 2023

Corporate Governance (cont.)

The Directors have both a breadth and depth of skills and experience to fulfil their roles. The Company believes that the current balance of skills in the Board as a whole are appropriate and beneficial for all shareholders and stakeholders. Each Director has significant experience in building a successful business and offer key expertise that are beneficial to the Group as a whole.

To enable each Director to keep their skill-set up to date, individual training needs are identified as part of the annual Board evaluation process and training is provided as required. All Directors receive regular updates on legal, regulatory and governance issues. In addition, there are regular 'deep dives' from across the business at Board level to ensure the Directors' understanding of the operational aspects of the business are kept up to date.

Advisors

One Advisory acts as Group Secretary and support to ensure the necessary information is supplied to Directors on a timely basis and to enable them to discharge their duties effectively. All Directors have access to the advice of the Group's solicitors as well as access to independent professional advice, at the Group's expense, as and when required.

Neither the Board nor its Committees have sought external advice on a significant matter.

Board evaluation

The Board accepts that the Group does not fully comply with this aspect of the QCA code and has not implemented a Board evaluation. In the frequent Board meetings, Directors can discuss any areas where they feel a change would benefit the Group, and the independent Group Secretary and other Group advisers remain on hand to provide impartial advice.

Culture

The Board recognises that its decisions regarding strategy and risk will impact the corporate culture of the Group as a whole and that this will impact the performance of the Group. Similarly, the tone and culture set by the Board will greatly impact all aspects of the Group as a whole and the way employees behave. The Corporate Governance arrangements that the Board has adopted are designed to ensure that the Group delivers long term value to its shareholders and that shareholders have the opportunity to express their views and expectations for the Group in a manner that encourages open dialogue with the Board. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Group to successfully achieve its corporate objectives.

A large part of the Group's activities are centred on an open and respectful dialogue with employees, customers and other stakeholders. The Board places great importance on this aspect of corporate life and seeks to ensure that this flows through all that the Group does. The Directors consider that the Group has an open culture facilitating comprehensive dialogue and feedback that enables positive and constructive challenge.

The Board also recognises that as an operator of cinemas within local communities, it has responsibility to engage openly, transparently and effectively with community stakeholders, local planning and Government agencies.

The Group places considerable emphasis on maintaining good relations with all its employees. The Group places great importance on managers at each venue being well trained and capable of recruiting, training and developing a strong team and equips them with the necessary tools in order to provide a positive working environment. The Group regularly communicates important updates with employees and seeks engagement and consultation whenever making decisions that affect them or their interests. Employees are provided with regular on-the-job training, including a staff handbook and career development opportunities. The Group places a significant importance on developing from within.

The Group is an equal opportunities employer and is committed to the employment of people with disabilities and guarantees an interview for those who meet the minimum selection criteria. The Group provides training and development for people with disabilities tailored, where appropriate, to ensure they have the opportunity to achieve their potential. If an employee becomes disabled while in our employment the Group will do its best to retain them, including consulting with them about their requirements, making reasonable and appropriate adjustments and providing alternative suitable employment where possible.

The Group has an anti-bribery and confidentiality policy in place to ensure the highest standards of personal and professional ethical behaviour are adhered to. The Company has adopted a code for Directors' and employees' dealings in securities in relation to its Ordinary Shares and related securities which is compliant with AIM as well as being in accordance with the requirements of the Market Abuse Regulation which came into effect in 2016 and was transposed into British law following Brexit.

There is a system in place for financial reporting and the Board receives regular reports to enable it to carry out these functions in the most efficient manner. These procedures include the preparation of management accounts, forecast variance analysis and other ad-hoc reports. There are clearly defined authority limits throughout the Group, including those matters which are reserved specifically for the Board.

The Board has responsibility for the effectiveness of the internal financial control framework. Such a system can only provide reasonable

Corporate Governance (cont.)

and not absolute assurance against material misstatement. The Group does not currently have, nor considers there is currently a need for, an internal audit function. As the number of venues operated by the Group increases, the Board intends to regularly assess the ongoing need for strengthening internal financial controls.

The Board's financial risk management, objectives and policies together with the Board's policies in respect of credit risk, liquidity risk and cash flow risk are set out in the notes to the financial statements.

Audit Committee Report

The Audit Committee is chaired by Ruby McGregor-Smith FCA and also includes Michael Rosehill FCA. Both Ruby and Michael have extensive experience as Chartered Accountants working both within audit practice and industry. The Audit Committee met three times during the year. The external auditors attended two of these meetings at the invitation of the Committee Chairman.

Objectives and Responsibilities

The Committee, operating under its Terms of Reference, discharged its responsibilities by, amongst other things, reviewing and monitoring:

- the consistency of, and any changes to, accounting policies both on a year-on-year basis and across the parent Company and the Group.
- the methods used to account for significant or unusual transactions.
- whether the Company has followed appropriate accounting standards and made appropriate estimates and judgments, taking into account the views of the external auditors.
- the effectiveness of the external auditors and considering and making recommendations on the reappointment of the external auditors.
- the adequacy and effectiveness of the Company's internal financial controls and internal control and risk management systems.
- the clarity of disclosure in the Company's financial reports and the context in which statements are made; and
- all material information presented with the financial statements, such as the operating and financial review including the audit and risk management statements within the corporate governance report.

Financial Reporting

The Committee concluded that the Annual Report and financial statements, taken as a whole, were fair, balanced, and understandable and provided the information necessary for shareholders to assess the Company's and the Group's financial position, performance, business model and strategy.

The Committee reviewed the 2023 full-year and half-year results announcements and considered matters raised by the external auditors identifying certain issues requiring its attention.

The Committee has continued its monitoring of the financial reporting process and its integrity, risk management systems and assurance.

External Audit

The Committee will meet with the auditor at least twice a year, once at the planning stage, where the nature and scope of the audit will be considered, and once post-audit at the reporting stage. The Committee is responsible for reviewing and approving the annual audit plan with the auditor and ensuring that it is consistent with the scope of the audit engagement and the effectiveness of the audit.

In addition, the Committee is responsible for reviewing the findings of the audit with the external auditor which shall include but not be limited to discussing any issues which arose during the audit, accounting and audit judgements, levels of errors identified and the effectiveness of the audit.

BDO LLP were appointed as external auditors in 2020 following an audit tender process carried out in 2020. The Company will look to rotate auditors through an external audit tender by 2029.

The Committee will engage in discussions with the auditor regarding fees, internal controls and such issues as compliance with accounting standards.

Risk Management and Internal Controls

The Committee shall keep under review the adequacy and effectiveness of the Company's internal financial controls and risk management systems including monitoring the proper implementation of such controls and will review and approve the statements to be included in the annual report concerning internal controls and risk management. The Committee will also consider annually whether there is a need for an internal audit function and make a recommendation to the Board. At present, the function is not yet considered necessary as day-to-day control is sufficiently exercised by the Company's Executive Directors. Further details on the Company's risk management and internal controls can be found on pages 9 and 10.

Audit Committee Report (cont.)

The Committee also has a responsibility to review the adequacy of the Company's arrangements for its employees and contractors to confidentially raise any concerns about possible wrongdoings regarding financial reporting or other matters. The Audit Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action. In addition, the Committee shall review the Company's procedures for detecting fraud and the Company's systems and controls for the prevention of bribery and receive reports on non-compliance. The Committee will also monitor and ensure the Company's adherence to its AIM Rules compliance policy.

Significant issues considered by the Audit Committee during the year

During the year the Committee, Management and the external auditor considered and concluded what the significant risks and issues were in relation to the financial statements and how these would be addressed. In relation to the 2023 Group financial statements, significant risks have been identified which are outlined as follows:

- Management override of controls
- Fraud in revenue recognition
- Impairment of goodwill, property, plant and equipment and right of use assets

In addition to the above significant risks, the Committee, management and the external auditor considered the following elevated risks:

- Accounting for new property leases under IFRS 16
- Going concern
- Completeness of lease modifications and rent concessions
- Revenue – Film, Food and Beverage

Auditor's Independence

The Committee approves the external auditor's terms of engagement, scope of work, the process for the interim review and the annual audit. It also reviews and discusses with the auditor the written reports submitted and the findings of their work. It has primary responsibility for making recommendations to the Board, for it to put to the shareholders for their approval at a general meeting, in relation to the appointment, re-appointment, and removal of the external auditor.

The Committee is also responsible for reviewing and monitoring external auditor's independence and objectivity as well as their qualifications, expertise and resources and the effectiveness of the audit process, taking into consideration relevant UK and other relevant professional and regulatory requirements. The Group have considered the auditor's independence and continues to believe that BDO is independent within the meaning of all UK regulatory and professional requirements and the objectivity of the audit engagement partner and audit staff are not impaired.

Ruby McGregor-Smith
Chair
Audit Committee
15 April 2024

Remuneration Committee Report

The Remuneration Committee is chaired by Michael Rosehill (non-executive Director) and includes Charles Dorfman and Ruby McGregor-Smith. The Committee meets as required during the year and invites recommendations as to remuneration levels, incentive arrangements for senior executives and proposals regarding share option awards from the Chief Executive Officer.

The Remuneration Committee reviews the performance of the Executive Directors and makes recommendations to the Board on matters relating to their remuneration and terms of service. The Remuneration Committee also makes recommendations to the Board on proposals for the granting of share options and other equity incentives pursuant to any employee share option scheme or equity incentive plans in operation. The Remuneration Committee meets as and when necessary and met four times during 2023.

Bonus plans, share option awards and the Company's LTIP scheme are regularly reviewed by the Committee to ensure that they are appropriately incentivising key management.

Responsibilities

The Committee's principal responsibilities include:

- Determining and agreeing with the Board the framework or broad policy for the remuneration of Executive Management;
- Reviewing and having regard to pay and employment conditions across the Company when setting remuneration policy for Executive Management and especially when determining salary increases;
- Approving the design of and determining targets for any performance-related pay schemes operated by the Company;
- Overseeing the design and application of share options and any other such reward plan in conjunction with the Board; and
- Determining the policy for and scope of pension arrangements for Executive Management.

The Non-Executive Directors, whose remuneration is determined by the Board as a whole, receive fees in connection with their services provided to the Group, to the Board and to Board Committees.

Certain senior staff and Executive Directors receive basic salaries, annual bonuses according to performance against defined targets, and certain benefits in kind.

Basic salary

The base salary, benefits in kind and Company pension contributions are determined by the Committee with reference to the experience and responsibilities of each individual and having regard to prevailing market conditions.

Annual Bonus

The Committee has recommended that no bonus be awarded to the Chief Executive Officer, Finance Director and Executive Director as performance targets for the 2023 financial year were not met.

Share Options

The Group's policy is that in addition to their salaries and bonuses, Executive Directors and senior management should be awarded share options in order that their interests may be more closely aligned with those of shareholders. The company operates a Long-Term Incentive Plan (LTIP) and the Committee recommended to the Board that share options were awarded and set the performance criteria (see note 31).

The Group also operates a non-approved share incentive plan, and believes that all the venue managers, head office staff, and the Executive and senior management team should have the opportunity to participate, alongside shareholders, in the long-term growth and success of the Group. During the year awards were recommended by the Committee (see note 31).

Remuneration Committee Report (cont.)

Directors' remuneration

For the year ended 28 December 2023

Director	Salary	Pension Contributions	Other benefits	Bonus	Share-based payments	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Alex Scrimgeour	312	10	6	-	368	696
William Worsdell ACA	144	6	1	-	44	195
Paul Wise	31	-	-	-	109	140
Adam Kaye	111	-	-	-	109	220
Philip Jacobson FCA	69	-	-	-	16	85
Charles Dorfman	26	1	-	-	8	35
Michael Rosehill FCA	25	-	-	-	8	33
Maggie Todd	42	-	-	-	-	42
Ruby McGregor-Smith FCA	55	-	-	-	-	55
	815	17	7	-	662	1,501

For the year ended 29 December 2022

Director	Salary	Pension Contributions	Other benefits	Bonus	Share-based payments	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Alex Scrimgeour	294	10	21	44	598	967
William Worsdell ACA	73	1	-	11	21	106
Elizabeth Lake FCA	51	3	1	-	-	55
Paul Wise	157	-	-	20	125	302
Adam Kaye	105	-	-	13	125	243
Philip Jacobson FCA	36	-	-	-	-	36
Charles Dorfman	18	-	-	-	-	18
Michael Rosehill FCA	18	-	-	-	-	18
Maggie Todd	40	-	-	-	-	40
Ruby McGregor-Smith FCA	15	-	-	-	-	15
	807	14	22	88	869	1,800

Other benefits include interest in respect of an amount of uncalled share capital due in respect of the issue of performance shares in Everyman Media Holdings Limited, a subsidiary of the Company, to Alex Scrimgeour.

Share based payments are valued using the share price at the original grant date.

Remuneration policy for 2024 and future years

The Group remuneration policy is designed to support strategy and promote long-term sustainable success. It is committed to complying with the principles of good corporate governance in relation to the design of the Group's remuneration policy. As such, our policy takes account of the QCA Corporate Governance Code. The Committee also considers other best practice guidance such as the QCA Remuneration Committee Guide and the Investment Association's Principles of Remuneration, as far as is appropriate to the Group's management structure, size and listing.

Future salary awards and increases will be set in line with relevant market levels, economic changes and to retain and attract high quality executives. Performance elements of remuneration will have clearly defined and challenging targets that link rewards to business performance in the short and medium-term. All variable elements of remuneration are subject to clawback or repayment in the event of serious financial misstatement or misconduct.

Remuneration Committee Report (cont.)

Consideration of Shareholder Views

The Remuneration Committee considers feedback received from Shareholders during any meetings or otherwise from time to time, when undertaking the Group's annual review of its Policy. In addition, the Chairman of the Remuneration Committee will seek to engage directly with institutional Shareholders and their representative bodies should any material changes be made to the Policy.

Consideration of employment conditions elsewhere in the Group

The Remuneration Committee considers any general basic salary increase for the broader employee population when determining the annual salary increases for the Executive Directors. The Remuneration Committee did not consult with other employees regarding remuneration of the Executive Directors.

Michael Rosehill
Chair
Remuneration Committee
15 April 2024

Director's Report

The Directors present their annual report and audited financial statements for the Group for the year ended 28 December 2023 (comparative period: year ended 29 December 2022).

Results and dividends

The results of the Group are included in the strategic report. Further details are shown in the consolidated statement of profit and loss and other comprehensive income and the related notes to the financial statements. The Group generated a loss after tax for the year of £2.7m (2022: £3.5m loss). The Directors do not recommend the payment of a dividend (2022: £nil).

Principal activity

The Group is a leading independent cinema group in the UK. Further information is contained in the strategic report. The subsidiaries of the Group are set out in the related notes to the financial statements.

Financial risk management: objectives and policies

The financial and other risks to which the Group is exposed, together with the Group's objectives and policies in respect of these risks, are set out in the strategic report.

Energy and carbon

Everyman recognises that its operation has an environmental impact globally and is committed to monitoring and reducing its emissions. The Group is also aware of the reporting obligations under The Companies and Limited Liability Partnerships Regulations 2018. The table below summarises emissions and energy usage to increase the transparency with which the business communicates about the environmental impact to stakeholders.

Emissions Source	**2023**	**2022**
Natural Gas (Scope 1)	838	904
Electricity (Scope 2)	2,657	2,416
Fuel for transport (employees only; Scope 3)	33	12
Total tCO_2e	**3,528**	3,332
Total Energy Usage (kWh)	**17,551,870**	17,494,207
Energy Intensity – CO2t per ft2	**0.074**	0.083

The EMA methodology has been used to calculate the GhG emissions is in accordance with the relevant requirements of the following standards:

- GHG Reporting Protocol: Corporate Standard
- Internal Organisation for Standardisation, ISO (ISO 14064-1:2018)
- The Global Reporting Initiative Sustainability Reporting Guidelines

In the period covered by the report, the Group has undertaken the following emissions and energy reduction initiatives:

- Continued roll-out of air conditioning controls enabling timing, temperature regulation and demand-controlled ventilation for auditoria based on occupancy levels
- Continued installation of heat recovery reclaiming a portion of the energy used in heating, venting and air conditioning
- Continued installation of LED lamps and Passive Infrared Sensors in areas of infrequent occupancy to conserve electricity usage
- Continued roll-out of energy saving catering electrical kitchen equipment

Capital structure

The number of Ordinary shares in issue at 28 December 2023 was 91.2m (2022: 91.2m). The Group also issued options over the share capital of the Company to members of the Board and to certain employees which amounted to 7.2m Ordinary shares (2022: 7.0m Ordinary shares) which, if exercised, would comprise 7.9% (2022: 7.1%) of the current issued share capital of the Company (see also Directors' interests below and the related notes). The shares of the Company are quoted on the London AIM market.

Director's report (cont.)

Going concern

Current trading is in line with management expectations. Management note momentum from the current film slate, additional investment in customer acquisition and the acquisition of the Tivoli venues in Bath and Cheltenham. The Group also recognises the disruption from the WGA and SAG-AFTRA strikes during 2023 which resulted in the delay of a number of titles from 2023 to 2024 (most notably, 'Dune: Part 2'). However, the Directors expect a continuously improving film slate in 2024 and 2025, and expect admissions to continue to recover towards pre-pandemic levels.

Banking

A new three-year facility with Barclays Bank Plc and National Westminster Bank Plc was signed on 17th August 2023. The Group therefore has no current requirement to re-finance. The headline terms of the new agreement are as follows:

- £35m facility with £5m accordion
- Initial 3 year term, extendable by up to 2 years
- SONIA + c. 2.55% margin (variable dependant on Adjusted Leverage).

At the end of the year, the Group had drawn down £26.0m on its facilities and held £6.6m in cash; the undrawn facility was therefore £9.0m and net banking debt £19.4m.

Covenants on the facility are based on Adjusted Leverage and Fixed Charge Cover. The Group has operated within these covenants all year and expects to continue to do so going forward.

Base case Scenario

The period forecast is up to 30 April 2025.

The forecast assumes that admissions grow in line with the new venue pipeline. Three new venues are assumed to open in 2024, in Bury St Edmunds, Stratford (London) and Cambridge. The forecast also assumes the opening of new venues in Durham and Brentford Lock in the first quarter of 2025, and includes corresponding capital investment for all aforementioned venues aside from Durham, which is fully built.

Increases in forecasts costs reflect the current inflationary environment.

In this scenario the Group maintains significant headroom in its banking facilities.

Stress testing

The Board considers budget assumptions on admissions to be conservative, particularly in light of current trading, the improving consumer environment and additional investment in customer acquisition. A reduction in admissions of 6% during 2024 and 2025 has been modelled. This scenario would cause a breach in the Adjusted Leverage covenant in August and September 2024.

If such a scenario were to occur, Management would be able to temporarily reduce administrative expenditure to increase EBITDA and avoid a breach, without material impact to the Group's operations and the quality of customer experience. The Group also has the ability to delay the deployment of capital expenditure. In this scenario, the Group would remain compliant with the Fixed Charge Cover covenant.

The Directors believe that the Group is well-placed to manage its financing and other business risks satisfactorily and have a reasonable expectation that the Group will have adequate resources to continue in operation for at least 12 months from the signing date of these consolidated financial statements.

The Board considers that a 6% reduction in budgeted admissions is very unlikely, particularly in light of business performance in the first quarter of 2024. As a result, the Board does not believe this to represent a material uncertainty, and therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Substantial shareholdings

As at 28 December 2023 the Company was aware of the following interests in 3% or more of the Company's Ordinary share capital as set out below.

Shareholder	% of issued share capital 2023	% of issued share capital 2022
Blue Coast Private Equity LP	23.91%	19.58%
Gresham House Asset Management	9.56%	3.96%
Canaccord Genuity Wealth Management	7.03%	7.99%
Samuel Kaye	6.89%	5.51%
Charles Dorfman*	6.44%	6.44%
Otus Capital Management	6.33%	5.07%
Adam Kaye	5.98%	5.98%
Tellworth Investments	5.84%	8.63%
Shore Capital	3.29%	3.29%

*Of the 5,870,027 Ordinary shares Charles Dorfman is interested in 3,213,876 (2022:3,213,876) Ordinary shares are held by the Lloyd Dorfman Children's Settlement. Charles Dorfman is one of the potential beneficiaries of the settlement.

Directors

Biographical details of continuing Directors are set out on the Company's website: investors.everymancinema.com.

The Directors of the Company during the year were:

Directors	Function
Adam Kaye	Executive Director
Alex Scrimgeour	Chief Executive Officer
Charles Dorfman (R,N)	Non-Executive Director
Maggie Todd (N)	Independent Non-Executive Director
Michael Rosehill FCA (R,A)	Non-Executive Director
Paul Wise (resigned 28 February 2023)	Executive Chairman
Philip Jacobson FCA (N)	Independent Non-Executive Chairman
Ruby McGregor-Smith (R,A)	Independent Non-Executive Director
William Worsdell ACA	Finance Director

R = Member of the remuneration committee
N = Member of the nominations committee
A = Member of the audit committee

Directors' interests in the Company

The following Directors held shares in the Company at the year-end (there were no significant changes between the shareholdings at the year end and the date of this report):

Director	**Number of Ordinary shares 2023**	**% of issued share capital 2023**	**Number of Ordinary shares 2022**	**% of issued share capital 2022**
Charles Dorfman	5,870,027	6.44%	5,870,027	6.44%
Adam Kaye	5,449,956	5.98%	5,449,956	5.98%
Paul Wise	2,986,752	3.28%	2,986,752	3.28%
Alex Scrimgeour	307,652	0.34%	250,974	0.28%
Michael Rosehill FCA*	218,710	0.24%	218,710	0.24%
Philip Jacobson FCA	98,336	0.11%	98,336	0.11%
William Worsdell ACA	16,949	0.02%	-	-

*Michael Rosehill is a Director of Blue Coast Private Equity and therefore has an interest in its shareholding.

Director's report (cont.)

As at the Balance Sheet date, the following options over Ordinary shares were held by the Directors (see also notes to the financial statements):

Director	Grant Date	Exercise Price Pence	29 December 2022 Number	Issued in the year Number	Lapsed in the year Number	Exercised in the year Number	28 December 2023 Number
Alex Scrimgeour	8 April 21	100	1,000,000	-	-	-	1,000,000
	24 Oct 22*	10	37,333	-	-	-	37,333
	31 Jan 23	10	-	212,482	141,655	-	70,827
Adam Kaye	12 Nov 20	94	800,000	-	266,667	-	533,333
	18 Aug 23	60	-	266,667	266,667	-	-
Philip Jacobson	29 Oct 13	83	100,000	-	-	-	100,000
Charles Dorfman	29 Oct 13	83	50,000	-	-	-	50,000
Michael Rosehill	04 Nov 13	83	50,000	-	-	-	50,000
William Worsdell	05 May 22**	60	100,000	-	-	-	100,000
	27 June 22**	60	100,000				100,000
	24 Oct 22*	10	9,312	-	-	-	9,312
	31 Jan 23	10	-	88,636	59,091	-	29,545
Total			**2,246,645**	**567,785**	**734,080**	**-**	**2,080,350**

* At 29 December 2022, Long Term Incentive Plan awards issued to Alex Scrimgeour and Will Worsdell on 24 October 2022 were deemed to have lapsed as performance criteria had not been met. However, post year end, the Remuneration Committee resolved that 20% of the original award would vest on 1 January 2026.

** At 29 December 2022, non-qualifying grants made to William Worsdell on 5 May 2022 and 27 June 2022 had an exercise price of 130p and 111p respectively. On 18 August 2023, the Remuneration Committee resolved that the exercise price of these grants would be amended to 60p and that the vesting period for these options would be extended to 5th May 2026. All other terms and conditions pertaining to these options remain unchanged.

In addition to the options in the table above, Alex Scrimgeour holds Growth Shares in Everyman Media Holdings Limited which subject to certain performance conditions can be exchanged for new shares in Everyman Media Group PLC.

Director	Grant Date	Exercise Price (Pence)	29 December 2022 Number	Issued in the Year	Lapsed in the Year	Exercised in the Year	28 December 2023 Number
Alex Scrimgeour	10 June 21	10	1,000,000	-	(1,000,000)	-	-
	10 June 21	10	1,000,000	-	-	-	1,000,000
Total			2,000,000	-	(1,000,000)	-	1,000,000

No share options (2022: Nil) were exercised by Directors during the year.

Policy and practice on the payment of creditors

The policy of the Group is to settle supplier invoices within the terms and conditions of trade agreed with individual suppliers, unless other arrangements have been agreed.

Director's report (cont.)

Employees

Employee involvement

The Group places considerable emphasis on maintaining good relations with all its employees. The Group places great importance on managers at each venue being well trained and capable of recruiting, training and developing a strong team and the Group equips them with the necessary tools in order to provide a positive working atmosphere. Employees are provided with regular on-the-job training and career development opportunities and the Group places a significant importance on developing from within.

Employment of disabled persons

The Group is an equal opportunities employer and is committed to the employment of people with disabilities and guarantees an interview for those who meet the minimum selection criteria. The Group provides training and development for people with disabilities tailored, where appropriate, to ensure they have the opportunity to achieve their potential. If a Group employee becomes disabled while in our employment the Group will do its best to retain them, including consulting with them about their requirements, making reasonable and appropriate adjustments and providing alternative suitable employment where possible.

Political and charitable donations

The Group made charitable donations in the year of £Nil (2022: £8,833).

Disclosure of information to auditor

In the case of each person who was a Director at the time this report was approved:

- So far as that each Director was aware, there was no relevant available information of which the Company's auditor is unaware
- Each Director has taken all steps that they ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor was aware of that information.

Auditor

In accordance with s489 of the Companies Act 2006, a resolution for the re-appointment of BDO LLP as auditor of the Company is to be proposed at the forthcoming annual general meeting.

Internal financial control

The Group operates a system of internal financial controls commensurate with its current size and activities, which is designed to ensure that the possibility of misstatement or loss is kept to a minimum. There is a system in place for financial reporting and the Board receives regular reports to enable it to carry out these functions in the most efficient manner. These procedures include the preparation of management accounts, forecast variance analysis and other ad hoc reports. There are clearly defined authority limits throughout the Group, including those matters which are reserved specifically for the Board.

The Board has responsibility for the effectiveness of the internal financial control framework. Such a system can only provide reasonable and not absolute assurance against material misstatement. The Group does not currently have, nor considers there is currently a need for, an internal audit function. As the number of sites operated by the Group increases the Board intends to regularly assess the ongoing need for strengthening internal financial controls.

The Board's financial risk management, objectives and policies together with the Board's policies in respect of price risk, credit risk, liquidity risk and cash flow risk are set out in the notes to the financial statements.

Alex W.

On behalf of the Board
Alex Scrimgeour
CEO
Everyman Media Group PLC
Studio 4, 2 Downshire Hill
London NW3 1NR
15 April 2024

Statement of Directors' responsibilities in respect of the annual report and financial statements

The Directors are responsible for preparing the annual report and the Group and parent Company financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Group financial statements in accordance with UK adopted International Accounting Standards and the parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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 Group and parent Company and of the profit or loss of the Group for that period.

In preparing each of the Group and Parent company financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable, relevant, reliable and prudent.
- For the Group financial statements, state whether they have been prepared in accordance with UK adopted international accounting standards subject to any material departures disclosed and explained in the financial statements.
- For the parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and parent Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Independent auditor's report to the members of Everyman Media Group PLC

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 28 December 2023 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Everyman Media Group PLC (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 28 December 2023 which comprise the Consolidated statement of profit and loss and other comprehensive income, the Consolidated balance sheet, the Consolidated statement of changes in equity, the Consolidated cash flow statement, the Company balance sheet and the Company statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent 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 as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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. Our evaluation of the Directors' assessment of the Group and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- obtaining an understanding of how the Directors undertook the going concern assessment process to determine if we considered it to be appropriate for the current economic circumstances;
- obtaining the Directors' base case forecast and stress test scenarios underlying the going concern assessment and considering sensitivities over the level of financial resources indicated by the financial forecasts including admissions, average ticket prices and spend per head;
- confirming compliance with loan covenants is expected during the forecast period based on the above scenarios to identify the existence of breaches;
- obtaining copies of revised banking facility agreements, and checking management have reflected debt service costs and covenant tests accurately in their models;
- comparing post year end trading performance against the forecasts to evaluate the achievability of the forecasts prepared; and
- considering whether the going concern disclosures in note 2 to the financial statements give a full and accurate description of the Directors' assessment of going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent 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.

Independent auditor's report to the members of Everyman Media Group PLC (cont.)

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

Overview

Coverage	These areas have been subject to full scope audit by the group engagement team. 100% (2022: 100%) of Group profit before tax 100% (2022: 100%) of Group revenue 100% (2022: 100%) of Group total assets
Key audit matters	<table><tr><td></td><td>2023</td><td>2022</td></tr><tr><td>Impairment of the carrying value of cinema venues*</td><td>✓</td><td>✓</td></tr><tr><td>Going concern</td><td>✕</td><td>✓</td></tr></table> Given the renewal of the banking facilities as described in note 2 to the financial statements and continued recovery of admissions towards pre-pandemic levels, going concern is no longer considered to be a key audit matter. **Impairment of the carrying value of cinema venues has been renamed to better clarify the key audit matter. It was previously titled 'Impairment of goodwill, property, plant and equipment and right-of-use asset'.*
Materiality	*Group financial statements as a whole* £900,000 (2022: £800,000) based on 1% (2022: 1%) of revenue.

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

We analysed the key financial metrics and risk factors of the Group's components to determine those we consider significant to the Group. We considered Everyman Media Group PLC, Everyman Media Holdings Limited, and Everyman Media Limited to be significant components. As such, these companies were subject to full scope audits to their respective component materiality performed by the Group engagement team.

In respect of non-significant components we performed analytical procedures together with further limited procedures over certain balance sheet and expense items where these were material. We considered each key audit matter identified below in respect of the non-significant components to ensure that these risks were appropriately addressed through our work performed at a Group level.

The Group audit team obtained an understanding of the internal control environment related to the financial reporting process and assessed the appropriateness, completeness and accuracy of Group journals and other adjustments performed on consolidation.

Climate change

Our work on the assessment of potential impacts of climate-related risks on the Group's operations and financial statements included:

- Enquiries and challenge of management to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and adequately disclose climate-related risks within the annual report;

- Our own qualitative risk assessment taking into consideration the sector in which the Group operates and how climate change affects this particular sector.

We challenged the extent to which climate-related considerations, including the expected cash flows from the initiatives and commitments have been reflected, where appropriate, in the Directors' going concern assessment.

We also assessed the consistency of managements disclosures included in the Climate Related Financial Disclosures with the financial statements and with our knowledge obtained from the audit.

Based on our risk assessment procedures, we did not identify there to be any Key Audit Matters materially impacted by climate-related risks.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter		**How the scope of our audit addressed the key audit matter**
Impairment of the carrying value of cinema venues See accounting policy in note 2, note 15 Property, plant and equipment, note 18 Leases, and note 19 Goodwill, intangible assets and impairment. The carrying value of cinema venues comprises assets contained within property, plant and equipment of £101,544,000 (2022: £90,067,000), right-of-use assets of £68,088,000 (2022: £58,920,000), and Intangibles of £9,388,000 (2022: £9,312,000).	Property, plant and equipment (PPE), including the right-of-use assets (ROU Assets) and intangibles are significant balances. Cash Generating Units (CGU) are assessed for impairment on an individual venue basis, which management believes is the lowest level for which there are identifiable cash flows. CGU's containing goodwill are subject to annual impairment reviews. The remaining CGU's have been subject to an impairment trigger analysis. Impairment reviews require use of assumptions, including discount rates, forecast admissions, average ticket price and spend per head. The assessment of any potential impairment of the carrying values are subject to management judgment and estimation uncertainty where there is a requirement to estimate the recoverable amount. Due to the high degree of estimation uncertainty included in impairment models we consider this to be a significant risk and key audit matter.	We have obtained managements impairment analysis and: • checked the mathematical accuracy of the cash flow forecasts and impairment models, checking consistency with the requirements of the applicable accounting standard; • agreed the budgeted performance data to board approved forecasts and evaluated the process by which management prepared its forecast, including whether it appropriately factored in the potential impacts of cost of living crisis, and any expected decline in consumer spending; • challenged the appropriateness of key estimates and assumptions used by management within the forecast model including admissions, average ticket price and spend per head, comparing these against prior periods, industry peers and external sources of data including industry outlook reports; • reviewed management's sensitivity analysis and considered whether a reasonable change in assumptions could indicate a potential impairment; and • with the assistance of our internal valuation experts, we assessed the appropriateness

		of the discount rate and impairment model used to calculate value in use. We also critically reviewed completeness and accuracy of disclosures relating to assumptions used in management's model. *Key observations:* We are satisfied that the judgements applied by management and disclosures within the financial statements are appropriate.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements		**Parent company financial statements**	
	2023	2022	2023	2022
Materiality	£900,000	£800,000	£1,989,000	£1,920,000
Basis for determining materiality	1% of Group revenue	1% of Group revenue	2% of Company net assets	2% of Company net assets
Rationale for the benchmark applied	As the Group continues to expand through investment in new venues, advertising and promotion, we consider revenue to be the most stable measure on which to base materiality and provides users of the financial statements with the most appropriate benchmark to assess performance of the Group.		We have selected net assets as the appropriate benchmark as it most accurately reflects the Parent Company's status as a non- trading holding company. However, since the Company was a full scope component, for accounts that were relevant to the Group financial statements, a component materiality level of £675,000 (2022: £600,000) was applied.	
Performance materiality	£630,000	£560,000	£1,390,000	£1,340,000
Basis for determining performance materiality	70% of Group materiality		70% of Parent company materiality	
Rationale for the percentage applied for performance materiality	In setting the level of performance materiality, we have considered the level of specific risk associated with the audit, including the potential for aggregation and sampling risk across the Group.			

Component materiality
For the purposes of our Group audit opinion, we set materiality for each significant component of the Group, based on a percentage of between 22% and 94% (2022: 25% and 98%) of Group materiality dependent on the size and our assessment of the risk of material misstatement of that component. Component materiality ranged from £200,000 to £850,000 (2022: £200,000 to £780,000). In the audit of each component, we further applied performance materiality levels of 70% (2022: 70%) of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

Independent auditor's report to the members of Everyman Media Group PLC (cont.)

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £36,000 (2022: £32,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual report and financial statements 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 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.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: • the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.
Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: • adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or • the Parent Company 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.

Responsibilities of Directors

As explained more fully in the Statement of Directors' responsibilities, 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 Group's and the Parent 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 Group or the Parent 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.

Independent auditor's report to the members of Everyman Media Group PLC (cont.)

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.

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

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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management, those charged with governance and the Audit Committee; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations.We considered the significant laws and regulations to be the applicable accounting frameworks, the UK Companies Act, UK tax legislation and the AIM Listing Rules.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be Health and safety regulations, the Data Protection Act, Food hygiene regulations, Alcohol licencing, the British Board of Film Classification and Premises licencing (under the licencing act 2003).

Our procedures in respect of the above included:

- Enquiries of management, those charged with governance and the Audit Committee regarding any non-compliance with laws and regulations;
- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management, those charged with governance and the Audit Committee, regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
- Detecting and responding to the risks of fraud; and
- Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be revenue recognition and management override of controls.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;

Independent auditor's report to the members of Everyman Media Group PLC (cont.)

- Testing a sample of journal entries posted as part of the financial statement preparation and consolidation process;
- Performing testing to identify journal entries impacting revenue which did not follow the expected business process;
- Reconciliation of revenue to receipts in the bank; and
- Assessing significant estimates made by management for bias including those in relation to the Impairment of the carrying value of cinema venues outlined in the Key audit matters section.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

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

DocuSigned by:
Daniel Henwood
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Daniel Henwood (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Reading, UK
15 April 2024
BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

EVERYMAN

Consolidated statement of profit and loss and other comprehensive income for the year ended 28 December 2023

	Note	Year ended 28 December 2023 £000	Year ended 29 December 2022 £000
Revenue	6	90,859	78,817
Cost of sales		(32,724)	(28,338)
Gross profit		58,135	50,479
Other Operating Income	11	647	622
Administrative expenses		(58,834)	(50,699)
Operating (loss)/profit		(52)	402
Financial expenses	12	(5,449)	(3,906)
Loss before tax		(5,501)	(3,504)
Tax credit	13	2,805	-
Loss for the year		(2,696)	(3,504)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(2,696)	(3,504)
Basic loss per share (pence)	14	(2.96)	(3.84)
Diluted loss per share (pence)	14	(2.96)	(3.84)

All amounts relate to continuing activities.

Non-GAAP measure: adjusted EBITDA		Year ended 28 December 2023 £000	Year ended 29 December 2022 £000
Adjusted EBITDA		**16,180**	14,527
Before:			
Depreciation and amortisation	15/18/19	**(13,152)**	(11,725)
Loss on disposal of Property, Plant & Equipment	15	**(121)**	(434)
Impairment	20	**(724)**	-
Pre-opening expenses*		**(934)**	(195)
Exceptional**		**(481)**	(234)
Share-based payment expense	31	**(820)**	(1,537)
Operating (loss)/profit		(52)	402

*Pre-opening expenses mainly include venue staff costs (new venue preparation and staff training) and property expenses (such as utilities, service charges and business rates) incurred prior to a new venue opening.

**Exceptional costs mainly relate to transaction-related costs pertaining to the acquisition of the Tivoli venues in Bath and Cheltenham, as well as one-off reorganisational costs relating to certain Head Office teams.

EVERYMAN

Consolidated balance sheet at 28 December 2023

Registered in England and Wales
Company number: 08684079

	Note	28 December 2023 £000	29 December 2022 £000
Assets			
Non-current assets			
Property, plant and equipment	15	101,544	90,067
Right-of-use assets	18	68,088	58,920
Intangible assets	19	9,388	9,312
Deferred tax assets	29	2,805	-
Trade and other receivables	22	173	173
		181,998	158,472
Asset held for sale	16	-	3,219
		181,998	161,691
Current assets			
Inventories	21	858	690
Trade and other receivables	22	5,216	5,840
Cash and cash equivalents		6,645	3,701
		12,719	10,231
Total assets		194,717	171,922
Liabilities			
Current liabilities			
Trade and other payables	23	19,455	15,818
Lease liabilities	18	2,824	3,014
		22,279	18,832
Non-current liabilities			
Loans and borrowings	24	26,000	22,000
Other provisions	28	1,631	1,362
Lease liabilities	18	100,414	83,459
		128,045	106,821
Total liabilities		150,324	125,653
Net assets		44,393	46,269
Equity attributable to owners of the Company			
Share capital	30	9,118	9,118
Share premium	30	57,112	57,112
Merger reserve	30	11,152	11,152
Other reserve		83	83
Retained earnings		(33,072)	(31,196)
Total equity		44,393	46,269

These financial statements were approved by the Board of Directors and authorised for issue on 15 April 2024 and signed on its behalf by:

Will Worsdell
Finance Director

Consolidated statement of changes in equity for the year ended 28 December 2023

	Note	Share capital £000	Share premium £000	Merger reserve £000	Other reserve £000	Retained earnings £000	Total Equity £000
Balance at 30 December 2021		9,117	57,097	11,152	83	(29,229)	48,220
Loss for the year		-	-	-	-	(3,504)	(3,504)
Total comprehensive loss		-	-	-	-	(3,504)	(3,504)
Shares issued in the period	30	1	15	-	-	-	16
Share-based payments	31	-	-	-	-	1,537	1,537
Total transactions with owners of the parent		1	15	-	-	1,537	1,553
Balance at 29 December 2022		9,118	57,112	11,152	83	(31,196)	46,269
Loss for the year		-	-	-	-	(2,696)	(2,696)
Total comprehensive loss		-	-	-	-	(2,696)	(2,696)
Share-based payments	31			-	-	820	820
Total transactions with owners of the parent				-	-	820	820
Balance at 28 December 2023		9,118	57,112	11,152	83	(33,072)	44,393

EVERYMAN

Consolidated cash flow statement for the year ended 28 December 2023

	Note	28 December 2023 £000	29 December 2022 £000
Cash flows from operating activities			
Loss for the year		(2,696)	(3,504)
Adjustments for:			
Financial expenses	12	5,449	3,906
Tax credit	29	(2,805)	-
Operating (loss)/profit		(52)	402
Depreciation and amortisation	15,18,19	13,152	11,725
Loss on disposal of property, plant and equipment		122	434
Impairment	20	724	-
Loss/(Gain) on lease modification		15	(99)
Share-based payment expense	31	820	1,537
		14,781	13,999
Changes in working capital:			
Decrease/ (Increase) in inventories		(168)	21
(Decrease)/Increase in trade and other receivables		850	(187)
(Decrease)/Increase in trade and other payables		2,423	(1,658)
Increase in provisions		-	(378)
Net cash generated from operating activities		17,886	11,797
Cash flows from investing activities			
Proceeds from sale of assets	18	6,490	-
Business combinations	17	(1,250)	-
Acquisition of property, plant and equipment		(18,586)	(18,884)
Acquisition of intangible assets	19	(829)	(1,058)
Net cash used in investing activities		(14,175)	(19,942)
Cash flows from financing activities			
Proceeds from the issuance of shares	30	-	16
Repayment of existing loan facility		(24,000)	-
Drawdown of bank borrowings	25	28,000	9,500
Lease payments – interest	17	(3,410)	(2,851)
Lease payments – capital	17	(3,103)	(3,210)
Landlord capital contributions received	18	4,054	5,005
Loan arrangement fees paid		(263)	-
Interest paid		(2,045)	(854)
Net cash generated (used in)/from financing activities		(767)	7,606
Net increase /(decrease) in cash and cash equivalents		2,944	(539)
Cash and cash equivalents at the beginning of the year		3,701	4,240
Cash and cash equivalents at the end of the year		6,645	3,701

The Group had £9,000,000 of undrawn funds available of a £35,000,000 facility (2022: £18,000,000 of a £40,000,000 facility) at the year end

EVERYMAN

Notes to the financial statements

1 General information

Everyman Media Group PLC and its subsidiaries (together, the Group) are engaged in the ownership and management of cinemas in the United Kingdom. Everyman Media Group PLC (the Company) is a public company limited by shares registered, domiciled and incorporated in England and Wales, in the United Kingdom (registered number 08684079). The address of its registered office is Studio 4, 2 Downshire Hill, London NW3 1NR. All trade takes place in the United Kingdom.

2 Basis of preparation and accounting policies

The consolidated financial statements of the Group have been prepared in accordance with UK adopted International Accounting Standards.

The financial statements are prepared on the historical cost basis.

The preparation of financial statements in compliance with UK adopted International Accounting Standards requires the use of certain critical accounting estimates, it also requires Group management to exercise judgements and estimates in preparing the financial statements. Their effects are disclosed in the notes below.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Group financial statements. The Group prepares its financial statements on a 52/53 week basis. The year end date is determined by the 52nd Thursday in the year. A 53rd week is reported where the year end date is no longer aligned with 7 days either side of 31st December. The year ended 28 December 2023 is a 52-week period as is the comparative year.

Amounts are rounded to the nearest thousand, unless otherwise stated.

Business combinations

On 14 December 2023 the Group acquired the trade and assets of T4051 Limited, being the Tivoli cinemas in Bath and Cheltenham, from the Empire Cinemas administration process. As the Group obtained control through payment of cash consideration, the transaction has been presented under the scope of IFRS 3 (Business Combinations).

The application of IFRS 3 has resulted in the acquisition of property, plant and equipment, lease liabilities and corresponding right of use assets. Further details are outlined in Note 17.

At the acquisition date, the Group classified the identifiable assets acquired and liabilities assumed by applying appropriate IFRSs. The Group made those classifications on the basis of the contractual terms, economic conditions and accounting policies as they existed at the acquisition date.

Going concern

Current trading is in line with management expectations. Given the increased number of wide releases year-on-year, commitment to the theatrical window from distributors and new investment from streamers in content for cinema, management expect admissions to continue to recover towards pre-pandemic levels. Paid for Average Ticket Price and Spend per Head have continued to grow steadily despite well-publicised concerns over consumer spends.

Banking

On 17 August 2023, the Group signed a new three-year loan facility of £35m with Barclays Bank Plc and National Westminster Bank Plc, repayable on 16 August 2026. The facility is extendable by up to a further two years, subject to lender consent. This Group facility agreement is available to the Company.

At the end of the year, the Company had drawn down £26.0m on its facilities and held £6.6m in cash; the undrawn facility was therefore £9m and net banking debt £19.4m.

The new RCF has leverage and fixed charge cover covenants. The Board has reviewed forecast scenarios and is confident that the business can continue to operate with sufficient headroom. These forecasts consider scenarios in which there is no further growth in admissions beyond 2023 levels and include realistic assumptions around wage increases and inflation. Utilities contracts have been fixed for a year from 1st November 2023 and rates achieved on both gas and electricity are in line with management expectations and forecasts.

In light of this, the Board consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

2 Basis of preparation and accounting policies (continued)

Going Concern (continued)
Base case Scenario

The period forecast is up to 30 April 2025.

The forecast assumes that admissions grow in line with the new venue pipeline. 3 new venues are assumed to open in 2024, in Bury St Edmunds, Stratford (London) and Cambridge. The forecast also assumes the opening of new venues in Durham and Brentford Lock in the first quarter of 2025, and includes corresponding capital investment for all aforementioned venues aside from Durham, which is fully built.

Increases in forecasts costs reflect the current inflationary environment.

In this scenario the Group maintains significant headroom in its banking facilities.

Stress testing

The Board considers budget assumptions on admissions to be very conservative, particularly in light of current trading, the improving consumer environment and additional investment in customer acquisition. A reduction in admissions of 6% during 2024 and 2025 has been modelled. This scenario would cause a breach in the Adjusted Leverage covenant in August and September 2024.

If such a scenario were to occur, Management would be able to temporarily reduce administrative expenditure to increase EBITDA and avoid a breach, without material impact to the Group's operations and the quality of customer experience. The Group also has the ability to delay the deployment of capital expenditure. In this scenario, the Group would remain compliant with the Fixed Charge Cover covenant.

The Directors believe that the Group is well-placed to manage its financing and other business risks satisfactorily and have a reasonable expectation that the Group will have adequate resources to continue in operation for at least 12 months from the signing date of these consolidated financial statements.

The Board considers that a 6% reduction in budgeted admissions is very unlikely, particularly in light of business performance in the first quarter of 2024. As a result, the Board does not believe this to represent a material uncertainty, and therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Use of non-GAAP profit and loss measures
The Group believes that along with operating profit, adjusted EBITDA provides additional guidance to the statutory measures of the performance of the business during the financial year. The reconciliation between operating loss and adjusted EBITDA is shown on page 44.

Adjusted EBITDA is calculated by adding back depreciation, amortisation, profit or loss on disposal of Property, Plant & Equipment, pre-opening expenses and certain non-recurring or non-cash items. Adjusted EBITDA is an internal measure used by management as they believe it better reflects the underlying performance of the Group beyond generally accepted accounting principles.

Exceptional items that have been added back when calculating adjusted EBITDA relate to restructuring costs within the Head Office team and acquisition costs.

Basis of consolidation
Where the Group has power, either directly or indirectly so as to have the ability to affect the amount of the investor returns and has exposure or rights to variable returns from its involvement with the investee, it is classified as a subsidiary. The balance sheet at 28 December 2023 incorporates the results of all subsidiaries of the Group for all years and periods, as set out in the basis of preparation.

Intra-Group balances and transactions, and any unrealised income and expenses arising from intra-Group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

The consolidated financial statements include the results of the Company and all its subsidiary undertakings made up to the same accounting date.

2 Basis of preparation and accounting policies (continued)

Merger reserve

On 29 October 2013 the Company became the new holding company for the Group. This was put into effect through a share-for-share exchange of 1 Ordinary share of 10 pence in Everyman Media Group PLC for 1 Ordinary share of 10 pence in Everyman Media Holdings Limited (previously, Everyman Media Group Limited), the previous holding company for the Group. The value of 1 share in the Company was equivalent to the value of 1 share in Everyman Media Holdings Limited.

The accounting treatment for group reorganisations is presented under the scope of IFRS 3. The introduction of the new holding company was accounted for as a capital reorganisation using the principles of reverse acquisition accounting under IFRS 3. Therefore, the consolidated financial statements are presented as if Everyman Media Group PLC has always been the holding company for the Group. The Company was incorporated on 10 September 2013.

The use of merger accounting principles has resulted in a balance in Group capital and reserves which has been classified as a merger reserve and included in the Group's shareholders' funds.

The Company recognised the value of its investment in Everyman Media Holdings Limited at fair value based on the initial share placing price on admission to AIM. As permitted by s612 of the Companies Act 2006, the amount attributable to share premium was transferred to the merger reserve.

Revenue recognition

Revenue for the Group is measured at the fair value of the consideration received or receivable. The Group recognises revenue for services provided when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

Most of the Group's revenue is derived from the sale of tickets for film admissions and the sale of food and beverage, and therefore the amount of revenue earned is determined by reference to the prices of those items. The Group's revenues from film and entertainment activities are recognised on completion of the showing of the relevant film. The Group's revenues for food and beverages are recognised at the point of sale as this is the time the performance obligations have been met.

Bookings, gift cards and similar income which are received in advance of the related performance are classified as deferred revenue and shown as a liability until completion of the performance obligation.

Contractual-based revenue from Everywhere (unlimited tickets) memberships is initially classified as deferred revenue and subsequently recognised on a straight-line basis over the year. Revenue from Everyman and Everyicon is classified as deferred revenue and subsequently recognised in line with ticket usage. Advertising revenue is recognised at the point the advertisement is shown in the cinemas.

Fees charged for advanced bookings of tickets is recognised at the point when the tickets are purchased.

Goodwill

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually for impairment. Goodwill represents the excess of the costs of a business combination over the acquisition date fair values of the identifiable assets, liabilities and contingent liabilities acquired. Goodwill is capitalised as an intangible asset.

The recoverable amount of an asset or cash-generating unit (CGU) is the greater of its value-in-use and its fair value less costs to sell. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the CGU), this is usually an individual cinema venue. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to CGUs. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the profit and loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit/group of units on a pro-rata basis. Once goodwill has been impaired, the impairment cannot be reversed in future periods.

2 Basis of preparation and accounting policies (continued)

Property, plant and equipment
Items of property, plant and equipment are recognised at cost less accumulated depreciation and accumulated impairment losses. As well as the purchase price, cost includes directly attributable costs.

Depreciation on assets under construction does not commence until they are complete and available for use. These assets represent fit-outs. Depreciation is provided on all other leasehold improvements and all other items of property, plant and equipment so as to write off their carrying value over the expected useful economic lives. The estimated useful lives are as follows:

Freehold properties	- 50 years
Leasehold improvements	- straight line on cost over the remaining life of the lease
Plant and machinery	- 5 years
Fixtures and fittings	- 8 years

Impairment
The carrying amounts of the Group's assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill assets that have an indefinite useful economic life, the recoverable amount is estimated at each Balance Sheet date.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit ('CGU') exceeds its recoverable amount. Impairment losses are recognised in the Consolidated Statement of Profit or Loss.

Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to CGUs and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets and relates to an individual cinema venue.

Non-current assets held for sale
During the year ended 29 December 2022 the policy applied was that non-current assets are classified as held for sale when:

- They are available for immediate sale
- Management is committed to a plan to sell
- It is unlikely that significant changes to the plan will be made or that the plan will be withdrawn
- An active programme to locate a buyer has been initiated
- The asset or disposal group is being marketed at a reasonable price in relation to its fair value, and
- A sale is expected to complete within 12 months from the date of classification.

Non-current assets classified as held for sale are measured at the lower of:

- Their carrying amount immediately prior to being classified as held for sale; and
- Fair value less costs of disposal.

Following their classification as held for sale, non-current assets are not depreciated.

2 Basis of preparation and accounting policies (continued)

Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Lease dilapidation provisions are recognised when entering into a lease where an obligation is created. This obligation may be to return the leasehold property to its original state at the end of the lease in accordance with the lease terms. Leasehold dilapidations are recognised at the net present value and discounted over the remaining lease period.

Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The majority of leases entered into determine the lease commencement to be dependent on the date in which access to the property is provided by the landlord, at this point we assess the Group gains control.

To assess whether a contract conveys the right to control the use an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset (this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset). If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used, the incremental borrowing rate is most commonly used in the Groups recognition of leases.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations – see note 28).

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease.

If the Group revises its estimate of the term of any lease it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. An equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

2 Basis of preparation and accounting policies (continued)

Leases (continued)

Sale and Leaseback transactions

The Group has entered into two sale and leaseback transactions during the year where the Group transferred an property to another entity and leased the property back from the buyer-lessor. In both cases a sale was deemed to have taken place and the Group de-recognised the underlying asset and applied the lessee accounting model to the leaseback arrangement. A right-of-use asset is recognised based on the retained portion of the previous carrying amount of the asset and only the gain or loss is recognised related to the rights which are transferred to the lessor.

Immediately before the initial classification of the asset as held for sale, the carrying amount of the asset will be measured in accordance with applicable IFRSs. The Group has previously held freehold assets which were later classified as assets held for sale.

Assets that are classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell (fair value less costs to distribute in the case of assets classified as held for distribution to owners).

Impairment must be considered both at the time of classification as held for sale and subsequently:

- At the time of classification as held for sale. Immediately prior to classifying an asset or disposal group as held for sale, impairment is measured and recognised in accordance with the applicable IFRSs. Any impairment loss is recognised in profit or loss unless the asset had been measured at revalued amount under IAS 16 or IAS 38, in which case the impairment is treated as a revaluation decrease.
- After classification as held for sale. Calculate any impairment loss based on the difference between the adjusted carrying amounts of the asset/disposal group and fair value less costs to sell. Any impairment loss that arises by using the measurement principles in IFRS 5 would be recognised in profit or loss.

No impairment indicators were present at the time of the asset being held for sale, or subsequently after the asset was held for sale. Therefore, the Group have no impairment losses recognised against the carrying amount of the Freehold property. Non-current assets or disposal groups that are classified as held for sale are not depreciated.

Leaseback

On initial recognition, the Group measures the right of use assets as a proportion of the carrying amount of the underlying asset. The lease liabilities are recorded in adherence to the above principles on lease recognition. The Group considers that the cash received for sale and leaseback, up to the fair value of the underlying asset, relates to the disposal of the asset and is presented in the statement of cash flows as an investing cash flow.

2 Basis of preparation and accounting policies (continued)

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Taxation
Tax on the profit and loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated balance sheet differs from its tax base, except for differences arising on:

- The initial recognition of goodwill.
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit.
- Investments in subsidiaries and jointly controlled entities where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities or assets are settled or recovered. Deferred tax balances are not discounted.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:
- The same taxable Group company; or
- Different company entities which intend either to settle current tax assets and liabilities on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets and liabilities are expected to be settled or recovered.

Operating segments
The Board, the chief operating decision maker, considers that the Group's primary activity constitutes one reporting segment, as defined under IFRS8.

The total profit measures are operating profit and profit for the year, both disclosed on the face of the consolidated profit and loss. No differences exist between the basis of preparation of the performance measures used by management and the figures used in the Group financial information.

All of the revenues generated relate to cinema tickets, sale of food and beverages and ancillary income, an analysis of which appears in the notes below. All revenues are wholly generated within the UK. Accordingly, there are no additional disclosures provided to the financial information.

Pre-opening expenses
Overhead expenses incurred prior to a new site opening are expensed to the profit and loss in the year that they are incurred. Similarly, the costs of training new staff during the pre-opening phase are expensed as incurred. These expenses are included within administrative expenses, right-of-use depreciation and financing expenses.

2 Basis of preparation and accounting policies (continued)

Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss in the periods during which services are rendered by employees.

Share-based payments

Certain employees (including Directors and senior executives) of the Group receive remuneration in the form of equity-settled share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions, through the Growth Share Scheme, Approved and Unapproved Options Schemes). The cost of share-based payments is recharged by the Company to subsidiary undertakings in proportion to the services recognised.

Equity-settled share based schemes are measured at fair value, excluding the effect of non-market based vesting conditions, at the date on which they are granted. The fair value is determined by using an appropriate pricing model.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting date). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition has been satisfied, provided that all other performance and/or service conditions are satisfied. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

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3 Financial Instruments

The Group is exposed through its operations to the following financial risks:

- Credit risk
- Interest rate risk
- Liquidity Risk

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, it's objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The principal financial instruments used by the Group, from which financial instrument risk arises are as follows:

- Trade receivables
- Cash and cash equivalents
- Trade and other payables
- Floating rate bank revolving credit facilities and lease liabilities

Financial assets

All the Group's financial assets are subsequently accounted for at amortised cost. These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in profit or loss. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated balance sheet.

Cash and cash equivalents comprise cash balances, call deposits and cash amounts in transit due from credit cards which are settled within seven days from the date of the reporting period. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose only of the Statement of Cash Flows.

Financial liabilities and equity

Financial instruments issued by the Group are treated as equity only to the extent that they meet the following conditions:

- They include no contractual obligations upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group

- Where the instruments may be settled in the Group's own equity instruments, they are either a non-derivative that include no obligation to deliver a variable number of the Group's own equity instruments or they are a derivative that will be settled by the Group exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

3 Financial Instruments – Risk Management (continued)

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability and initially recognised at fair value net of any transaction costs directly attributable. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the consolidated statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from credit sales. It is Group policy, to assess the credit risk of new customers before entering material contracts.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with minimum rating "A" are accepted.

Further disclosures regarding trade and other receivables, which are neither past due nor impaired, are provided in note 27.

Interest rate risk

The Group is exposed to cash flow interest rate risk from its revolving credit facility at variable rates. During 2023 and 2022, the Group's borrowings at variable rate were denominated in GBP.

The Group analyses the interest rate exposure on a monthly basis. A sensitivity analysis is performed by applying various reasonable expectations on rate changes to the expected facility drawdown.

Liquidity Risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due.

The Board receives rolling 12-month cash flow projections on a monthly basis as well as information regarding cash balances. At the end of the financial year, these projections indicated that the Group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances, through utilisation of its revolving credit facility.

4 Changes in accounting policies

New standards, interpretations and amendments adopted from 1 January 2023

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2023:

- IFRS 17 Insurance Contracts;
- Disclosure of Accounting Policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements);
- Definition of Accounting Estimates (Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors); and
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 Income Taxes).

The following amendments are effective for the period beginning 1 January 2024:

- IFRS 16 Leases (Amendment – Liability in a Sale and Leaseback);
- IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-Current)
- IAS 1 Presentation of Financial Statements (Amendment – Non-Current Liabilities with Covenants)

The following amendments are effective for the period beginning 1 January 2025:

- Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates)

The Group does not expect any other standards issued, but not yet effective, to have a material impact on the Group.

5 Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of cinemas

The Group determines whether the above are impaired when impairment indicators exist or based on the annual impairment assessment. The annual assessment requires an estimate of the value in use of the CGUs to which the intangible and tangible fixed assets are allocated, which is predominantly at the individual cinema site level.

Estimating the value in use requires the Group to make an estimate of the expected future cash flows from each cinema and discount these to their net present value at an appropriate discount rate. All venues are located in the UK and therefore a single discount rate has been used for all CGUs. The resulting calculation is sensitive to the assumptions in respect of future cash flows and the discount rate applied. The Directors consider that the assumptions made represent their best estimate of the future cash flows generated by the CGUs and that the discount rates used are appropriate given the risks associated with the specific cash flows. A sensitivity analysis has been performed over the estimates (see Note 19).

Lease dilapidations

Future costs of repair and reinstatement obligations have been estimated by management using quotes or historical costs incurred for similar work and judgement based on experience and technical knowledge of employees with detailed knowledge of the premises and experience managing the estate. The costs are reviewed at least annually and updated based on physical inspections performed periodically.

Deferred Tax Assets

The Group recognizes deferred tax assets to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. The recognition of deferred tax assets based on future taxable profits requires significant management judgment and estimation.

In assessing the probability of future taxable profits, management considers historical profitability, forecasts, and business plans. These assessments are based on various factors including, but not limited to, expected future market conditions, industry trends, regulatory environment, and specific operational strategies.

The Company regularly reviews its forecasts and projections to assess the likelihood of future taxable profits and adjusts the recognition of Deferred Tax assets accordingly. However, actual results may differ from these forecasts due to changes in economic conditions, market dynamics, or other unforeseen events.

Incremental borrowing rate

The Group determines the incremental borrowing rates used to discount lease payments for the purpose of measuring the lease liability and right-of-use asset under IFRS 16, Leases. The determination of incremental borrowing rates involves significant judgment and estimation by management. Key factors considered are the nature and term of lease, market conditions and availability of comparable financing.

6 Revenue

	Year ended 28 December 2023 £000	Year ended 29 December 2022 £000
Film and entertainment	44,718	39,764
Food and beverages	38,563	32,250
Venue Hire, Advertising and Membership Income	7,578	6,803
	90,859	78,817

All trade takes place in the United Kingdom.
The following provides information about opening and closing receivables, contract assets and liabilities from contracts with customers.

Contract balances	28 December 2023 £000	29 December 2022 £000
Trade receivables	1,565	3,308
Deferred income	4,330	4,143

Deferred income relates to advanced consideration received from customers in respect of memberships, gift cards and advanced screenings.

7 Loss before taxation

Loss before taxation is stated after charging:

	Year ended 28 December 2023 £000	Year ended 29 December 2022 £000
Depreciation of tangible assets	8,808	7,721
Amortisation of right-of-use assets	3,591	3,342
Amortisation of intangible assets	753	662
Loss on disposal of property, plant and equipment	121	434
Operating lease income	-	(57)
Share-based payment expense	820	1,537
Impairment	724	-

8 Staff numbers and employment costs

The average number of employees (including Directors) during the year, analysed by category, was as follows:

	28 December 2023 Number	29 December 2022 Number
Management	**252**	222
Operations	**1,180**	1,032
	1,432	1,254

At the year end the number of employees (including Directors) was 1,689 (2022: 1,380). Management staff represent all full-time employees in the Group.

	Year ended 28 December 2023 £000	Year ended 29 December 2022 £000
Wages and salaries	**22,800**	20,374
Social security costs	**1,809**	1,718
Pension costs	**356**	306
Share-based payment expense	**820**	1,537
	25,785	23,935

There were pension liabilities outstanding as at 28 December 2023 of £81,000 (29 December 2022: £62,000).

9 Directors' remuneration

The remuneration of the Directors, who are the key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS24 Related Party Disclosures:

	Year ended 28 December 2023 £000	Year ended 29 December 2022 £000
Salaries/fees	**815**	807
Bonuses	**-**	88
Other benefits	**7**	22
Pension contributions	**17**	14
	839	931
Share-based payment expense	**662**	869
	1,501	1,800

9 Directors' remuneration (continued)

Information regarding the highest paid Director is as follows:

	Year ended 28 December 2023 £000	Year ended 29 December 2022 £000
Salaries/fees	312	294
Bonuses	-	44
Other benefits	6	21
Pension contributions	10	10
	328	369
Share-based payment expense	368	598
	696	967

Directors remuneration for each Director is disclosed in the Remuneration Committee report. The costs relating to the Directors remuneration are incurred by Everyman Media Limited for the wider Group. No Directors exercised options over shares in the Company during the year (2022: None).

10 Auditor's remuneration

	Year ended 28 December 2023	Year ended 29 December 2022
Fees payable to the Group's auditor for:	£000	£000
Audit of the Company's financial statements	36	24
Audit of the subsidiary undertakings of the Company	161	159
	197	183

11 Other Operating Income

	Year ended 28 December 2023 £'000	Year ended 29 December 2022 £'000
Business Grants	-	155
Landlord compensation	647	467
	647	622

12 Financial expenses

	Year ended 28 December 2023 £000	Year ended 29 December 2022 £000
Interest on bank loans	1,934	983
Bank loan arrangement fees	148	60
Interest on lease liabilities	3,409	2,851
Revaluation of dilapidations	(50)	-
Interest on dilapidations provision	8	12
	5,449	3,906

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13 Taxation

	Year ended 28 December 2023 £000	Year ended 29 December 2022 £000
Deferred tax credit		
Origination and reversal of temporary differences	(2,805)	-
Total tax credit	(2,805)	-

The reasons for the difference between the actual tax credit for the period and the standard rate of corporation tax in the United Kingdom applied to the loss for the year are as follows:

Reconciliation of effective tax rate	Year ended 28 December 2023 £000	Year ended 29 December 2022 £000
Loss before tax	(5,501)	(3,504)
Tax at the UK corporation tax rate of 23.5% (2022:19.00%)	(1,293)	(666)
Permanent differences (expenses not deductible for tax purposes)	1,313	840
Impact of difference in overseas tax rates	3	-
De-recognition of losses	-	32
Effect of change in expected future statutory rates on deferred tax	(196)	(206)
Tax losses/temp. differences of deferred tax previously unrecognised	(2,632)	-
Total tax credit	(2,805)	-

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This change is reflected in the charge for the period.

14 Earnings per share

	Year ended 28 December 2023	Year ended 29 December 2022
Loss used in calculating basic and diluted earnings per share (£000)	(2,696)	(3,504)
Number of shares (000's)		
Weighted average number of shares for the purpose of basic earnings per share	91,178	91,178
Number of shares (000's)		
Weighted average number of shares for the purpose of diluted earnings per share	91,178	91,178
Basic loss per share (pence)	(2.96)	(3.84)
Diluted loss per share (pence)	(2.96)	(3.84)

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14 Earnings per share (continued)

	28 December 2023 Weighted average no. 000's	29 December 2022 Weighted average no. 000's
Issued at beginning of the year	91,178	91,163
Share options exercised	-	15
Weighted average number of shares at end of the year	91,178	91,178
Weighted average number of shares for the purpose of diluted earnings per share		
Basic weighted average number of shares	91,178	91,178
Effect of share options in issue	-	-
Weighted average number of shares at end of the year	91,178	91,178

Basic earnings per share values are calculated by dividing net loss for the year attributable to Ordinary equity holders of the parent by the weighted average number of Ordinary shares outstanding during the year. The shares issued in the year in the above table reflect the weighted number of shares rather than the actual number of shares issued.

The Company has 7.2m potentially issuable Ordinary shares (2022: 7.0m) all of which relate to the potential dilution from share options issued to the Directors and certain employees and contractors, under the Group's incentive arrangements. In the current year these options are anti-dilutive as they would reduce the loss per share and so haven't been included in the diluted earnings per share.

The Company made a post-tax profit for the year of £1,365,000 (2022: £2,029,000).

15 Property, plant and equipment

	Land & Buildings £000	Leasehold improvements £000	Plant & machinery £000	Fixtures & Fittings £000	Assets under construction £000	Total £000
Cost						
At 30 December 2021	6,529	76,178	12,570	9,179	5,863	110,319
Acquired in the year	1,278	977	830	406	16,102	19,593
Disposals	-	(648)	(284)	(425)	-	(1,357)
Transfer on completion	-	7,950	3,060	4,433	(15,443)	-
Re-classified to non-current assets held for sale	(3,398)	-	-	-	-	(3,398)
At 29 December 2022	4,409	84,457	16,176	13,593	6,522	125,157
Acquired in the year	-	613	1,065	786	17,617	20,081
Acquired in business combination	-	1,232	389	326	-	1,947
Disposals	(1,223)	(210)	-	(15)	-	(1,448)
Transfer on completion	-	8,372	1,600	5,977	(15,949)	-
Transfer on sale of freehold*	(3,186)	3,023	38	125	-	-
At 28 December 2023	-	97,487	19,268	20,792	8,190	145,737
Depreciation						
At 30 December 2021	207	16,470	7,360	4,434	-	28,471
Charge for the year	42	3,850	2,536	1,293	-	7,721
Re-classified to non-current assets held for sale	(179)	-	-	-	-	(179)
On Disposals	-	(523)	(129)	(271)	-	(923)
At 29 December 2022	70	19,797	9,767	5,456	-	35,090
Charge for the year	8	4,197	2,743	1,860	-	8,808
Impairment	-	390	13	13	-	416
On Disposals	(13)	(95)	-	(13)	-	(121)
Transfer on sale of freehold	(65)	65	-	-	-	-
At 28 December 2023	-	24,354	12,523	7,316	-	44,193
Net book value						
At 28 December 2023	-	73,133	6,745	13,476	8,190	101,544
At 29 December 2022	4,339	64,660	6,409	8,137	6,522	90,067
At 30 December 2021	6,322	59,708	5,210	4,745	5,863	81,848

*Transfer on sale of freehold relates to a reclassification of assets retained after the sale and leaseback of Crystal palace freehold. Refer to note 18 for further details.

For impairment considerations of tangible fixed assets this was considered using the value in use basis disclosed in Note 19.

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16 Non-current assets held for sale

General description:

In September 2022, the board announced its intention to sell the Freehold Investment property, 25 Church Road, London SE19 2TE to a suitable buyer. Therefore, as at 1 October 2022, the property was no longer depreciated and was re-classified as held for sale.
The property is owned by ECPEE Limited, a subsidiary of the Group.

The sale and leaseback of 25 Church Road, London SE19 2TE was concluded through exchange of contracts on 16 January 2023 with a suitable buyer. The sale was concluded with a sale price of £3,900,000.

Assets and liabilities held for sale:

	28 December 2023 £'000	29 December 2022 £'000
Freehold property	-	3,219
Assets held for sale	-	3,219

The freehold property transferred from Property, plant and equipment to assets held for sale was valued immediately before the transfer, using a fair market value carried out by external qualified valuers. Fair value less cost to sell was higher than net book value and consequently no impairment charge is required.

17 Business combinations

On 14 December 2023, the Group acquired the trade and assets of the Tivoli cinemas in Bath and Cheltenham from the Empire Cinemas administration process through the transfer of £1.25m cash on the completion date. The principal reason for the acquisition was to secure two additional cinemas in desirable locations.

Details of the fair value of identifiable assets and liabilities acquired are as follows (note that fair value was not used as the measurement basis for assets and liabilities that require a different basis, which includes leases):

	Book Value £'000	Adjustment £'000	Fair value £'000
Leases	(7,369)	-	(7,369)
Right of use	6,672	-	6,672
Property, plant and equipment	6,168	(4,221)	1,947
Net assets	**5,471**	**(4,221)**	**1,250**

Acquisition costs of £277,000 arose as a result of the transaction. These have been recognised as part of administrative expenses in the statement of comprehensive income.

18 Leases

Nature of leasing activities

The Group leases all properties in the towns and cities from which it operates. In some locations, depending on the lease contract signed, the lease payments may increase each year by inflation or and in others they are reset periodically to market rental rates. For some property leases the periodic rent is fixed over the lease term. The Group also leases certain vehicles. Leases of vehicles comprise only fixed payments over the lease terms.

The percentages in the table below reflect the current proportions of lease payments that are either fixed or variable. The sensitivity reflects the impact on the carrying amount of lease liabilities and right-of-use assets if there was an uplift of 5% on the balance sheet date to lease payments that are variable.

28 December 2023	Lease contract No.	Fixed payments %	Variable payments %	Sensitivity (+/-) £'000
Property leases with payments linked to inflation	22	-	61%	2,854
Property leases with periodic uplifts to market rentals	23	-	28%	1,745
Property leases with fixed payments	5	10%	-	-
Vehicle leases	4	1%	-	-
	54	11%	89%	4,599

During 2023 the Group entered into four property leases for new venues for a period of 25 years each. The leases had not commenced by the year end and as a result, a lease liability and right-of-use asset have not been recognised at 28 December 2023. The aggregate future cash outflows to which the Group is exposed in respect of these contracts is fixed payments of £778,000 per year for the next 5 years, with upward only rent reviews every 5 years.

29 December 2022	Lease contract No.	Fixed payments %	Variable payments %	Sensitivity (+/-) £'000
Property leases with payments linked to inflation	21	-	50%	2,799
Property leases with periodic uplifts to market rentals	17	-	43%	1,316
Property leases with fixed payments	2	6%	-	-
Vehicle leases	3	1%	-	-
	43	7%	93%	4,115

Right-of-Use Assets

	Land & Buildings £'000	Motor Vehicles £'000	Total £'000
As at 30 December 2021	58,564	29	58,593
Additions	2,540	43	2,583
Amortisation	(3,325)	(17)	(3,342)
Effect of modification to lease terms	1,086	-	1,086
At 29 December 2022	58,865	55	58,920
Additions	6,759	22	6,781
Business combinations	6,672	-	6,672
Negative addition*	(1,361)	-	(1,361)
Amortisation	(3,563)	(28)	(3,591)
Impairment	(308)	-	(308)
Effect of modification to lease terms	975	-	975
At 28 December 2023	68,039	49	68,088

Lease incentives received prior to lease commencement during the year are deducted directly from the right of use, these amounted to £Nil (2022: £371k).

*Negative right-of-use asset addition relates to a lease in which lease incentives exceed present value of fixed rent payments resulting in a negative right-of-use asset. This materialised due to the nature of the lease agreement in which rent payments are made up of turnover based rent and quarterly rent. Turnover rent is excluded from the present value of lease liabilities on recognition of the lease.

18 Leases (continued)

Lease liabilities

	Land & Buildings £'000	Motor Vehicles £'000	Total £'000
At 30 December 2021	81,756	24	81,780
Additions	2,465	43	2,508
Interest expense	2,850	1	2,851
Effect of modification to lease terms	845	-	845
Lease payments	(6,045)	(16)	(6,061)
Landlord contributions	4,550	-	4,550
At 29 December 2022	**86,421**	**52**	**86,473**
Additions	**7,349**	**22**	**7,371**
Acquired through business combination	**7,369**	**-**	**-**
Interest expense	**3,407**	**2**	**3,409**
Effect of modification to lease terms	**1,075**	**-**	**1,075**
Lease payments	**(6,449)**	**(64)**	**(6,513)**
Landlord contributions	**4,054**	**-**	**4,054**
At 28 December 2023	**103,226**	**12**	**103,238**

Landlord contributions received after lease commencement date are shown in the table above. In 2023 further contribution of Nil (2022: £455,000) was received prior to lease commencement. Therefore total cash received from landlords during the year, as presented in the cash flow statement, was £4,054,000 (2022: £5,005,000).

	28 December 2023 £'000	29 December 2022 £'000
Lease liabilities		
Current	**2,824**	3,014
Non-current	**100,414**	83,459
	103,238	86,473

Maturity analysis of lease payments

	28 December 2023 £'000	29 December 2022 £'000
Contractual future cash outflows		
Land and buildings		
Less than one year	**7,056**	5,998
Between one and five years	**31,774**	24,916
Over five years	**119,354**	90,989
	158,184	121,903
Motor Vehicles		
Less than one year	**24**	24
Between one and five years	**22**	29
	46	53

Other lease disclosures

	28 December 2023 £'000	29 December 2022 £'000
Expenses relating to variable lease payments not included in the measurement of lease liabilities	-	113

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18 Leases (continued)

Sale and Leaseback

During the reporting period, the Group entered into two sale and leaseback transactions for certain assets. Under these arrangements, the Group sold the assets to respective third parties and simultaneously entered into a lease agreement to lease back the same assets from the buyers. The group received £6.49m in cashflow for both transactions detailed below:

Crystal Palace
The freehold for Cystal Palace was held as an asset held for sale at 29 December 2022. At this point the Group were intending to enter into a sale and leaseback with an appropriate buyer. On 16 January 2023 the sale and leaseback was completed for £3.9m. The leaseback agreement stipulates a term of 25 years with annual rent of £240,000 per year.

Salisbury
On 2 August 2022 the Group acquired the freehold for the cinema, the cinema was refitted as an Everyman cinema. The cinema was transferred to a asset held for sale in July 2023 with the intention to enter into a sale and leaseback with suitable potential buyers.
On 1 December 2023 the Cinema was sold to a buyer for £2.6m. The leaseback agreement stipulates a term of 30 years with annual rent of £200,000 per year.

19 Goodwill and intangible assets

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows. The Group has determined there is now impairment on goodwill for the period ending 28 December 2023.

	Goodwill £'000	Software £'000	Total £'000
Cost			
At 30 December 2021	8,951	2,868	11,819
Acquired in the year	-	1,068	1,068
At 29 December 2022	8,951	3,936	12,887
Acquired in the year	-	829	829
At 28 December 2023	8,951	4,765	13,716
Amortisation and impairment	-		
At 30 December 2021	1,599	1,314	2,913
Charge for the year	-	662	662
At 29 December 2022	1,599	1,976	3,575
Charge for the year	-	753	753
At 28 December 2023	1,599	2,729	4,328
Net book value			
At 28 December 2023	7,352	2,036	9,388
At 29 December 2022	7,352	1,960	9,312
At 30 December 2021	7,352	1,554	8,906

19 Goodwill and intangible assets (continued)

Goodwill is allocated to the following CGUs:

	28 December 2023 £000	29 December 2022 £000
Baker Street	103	103
Barnet	1,309	1,309
Esher	2,804	2,804
Gerrards Cross	1,309	1,309
Islington	86	86
Muswell Hill	1,215	1,215
Oxted	102	102
Reigate	113	113
Walton-On-Thames	94	94
Winchester	217	217
	7,352	7,352

20 Impairment

The Group evaluates assets for impairment annually or when indicators of impairment exist.

The impairment assessment requires an estimate of the value in use of each cash-generating unit (CGU) to which goodwill, property, plant and equipment and right-of-use assets are allocated, which is the individual cinema level. The recoverable amount of a CGU is the higher of value in use and fair value less cost of disposal. The Group determines the recoverable amount with reference to its value in use.

Estimating the value in use requires estimates of the expected future cash flows from each CGU and discount these to their net present value at a post-tax discount rate. Forecast cash flows are derived from adjusted EBITDA generated by each CGU which is based on management's forecast performance. Cash flow forecasts have been prepared for each CGU by applying growth assumptions to key drivers of cash flows, including admissions, average ticket price, spend per head, direct and overhead costs.

As required by IAS 36, the Group assessed whether there was an indication that a previously recognised impairment no longer exists or may have decreased. A reversal of an impairment is only recognised if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

The key assumptions of this calculation are shown below:

	28 December 2023	29 December 2022
Discount rate (post-tax)	11%	13%
Long term growth rate	2%	2%
Number of years projected	5 years	5 years

20 Impairment (continued)

A post-tax WACC was used in the impairment calculation. The equivalent pre-tax WACC was 14.7% (2022: 17.3%).

Adjusted EBITDA used for 2024 is based on the Board approved budget and represents managements best estimate of future cashflows, it has been used as the base assumption within the forecast after applying probability weighting for positive and negative case scenarios. In the remaining five-year forecast the following assumptions have been applied:

- Admissions: 5% like-for-like increase in FY25, followed by a 3% like-for-like increases year-on-year thereon. A full film slate is expected in FY25.
- Average Ticket Price: 5% increase in FY25, followed by 3% increases year-on-year thereon, as inflation falls towards Government target levels (i.e. 2%).
- Spend Per Head: 5% increase in FY25, followed by 3% increases year-on-year thereon, as inflation falls towards Government target levels (i.e. 2%).

In the above scenarios, FY 24 assumes no growth in admissions in response to risk to film content caused by actor strikes.

An impairment charge of £724,000 has been recognised in the period (2022: £Nil) relating to one venue, at which the value in use was deemed to be lower than carrying value.

The cumulative impairment charges that have been recognised in previous periods have not been reversed and are summarised in the below table.

	29 December 2022 £000	Impairment Charge 2023 £000	28 December 2023 £000
Goodwill	1,599	-	**1,599**
Right-of-use assets	724	308	**1,032**
Property, plant & equipment	808	416	**1,224**
Total	3,131	724	**3,855**

Sensitivity analysis

Impairment reviews are sensitive to changes in key assumptions. Sensitivity analysis has been performed by considering incremental changes in assumptions of admission levels and discount rates.

Goodwill cannot be written back once impaired. As a result, impairment of goodwill brought forward of £1,599,000 was excluded from the calculations.

The following sensitivity scenarios have been applied to the cash flow forecasts for stress testing purposes:

- Admissions levels were increased by 3% versus the base case in each year in the upside case, and decreased by 3% versus the base case in each year in the downside case; and
- WACC was decreased by 1% versus the base case in the upside case, and increased by 1% versus the base case in the downside case.

The results of this were as follows:

	Upside £,000	Additional number of venues Impaired	Downside £,000	Additional number of venues Impaired
Admissions sensitivity	(777)	1	2,536	2
WACC sensitivity	289	1	1,114	2
Combined sensitivity	(1,153)	1	3,585	4

Positive figures relate to additional impairment; negative figures relate to reversal of brought forward impairment.

21 Inventories

	28 December 2023 £000	29 December 2022 £000
Food and beverages	858	656
Projection	-	34
	858	690

Finished goods recognised as cost of sales in the year amounted to £9,393,000 (2022: £7,848,000). The write-down of inventories to net realisable value amounted to £nil (2022: £nil).

22 Trade and other receivables

	28 December 2023 £000	29 December 2022 £000
Included in current assets	5,216	5,840
Included in non-current assets	173	173
	5,389	6,013
Trade receivables	1,565	3,308
Other receivables	291	241
Prepayments and accrued income	3,533	2,464
	5,389	6,013

There were no receivables that were considered to be impaired. There is no significant difference between the fair value of the other receivables and the values stated above. Other debtors include deposits paid in respect of long-term leases and have been recognised as non-current assets.

23 Trade and other payables

	28 December 2023 £000	29 December 2022 £000
Trade creditors	3,385	2,305
Social security and other taxation	3,100	1,819
Other creditors	523	589
Accrued expenses	8,117	6,591
Deferred income	4,330	4,514
	19,455	15,818

24 Loans and borrowings

	28 December 2023 £000	29 December 2022 £000
Total Bank Debt	**26,000**	22,000
Cash	**(6,645)**	(3,701)
Net Bank Debt	**19,355**	18,299

On 17 August 2023, Everyman Media Group Plc, the company's ultimate parent undertaking, replaced its existing £25m Revolving Credit Facility ("RCF") and £15m Coronavirus Large Business Interruption Loan Scheme ("CLBILS") with a new three-year £35m RCF held with Barclays Bank Plc and National Westminster Bank Plc. Interest is charged at SONIA plus margin on the drawn-down balance on a 365/ACT D-basis. The margin ranges between 2.30% and 3.05%. This facility is available to the Company.

Commitment fees are charged quarterly on any balances not drawn at 40% of the applicable rate of drawn funds. The face value is deemed to be the carrying value. The Group had drawn down £26 million of the £35 million debt facility as at 28 December 2023 (2022: £22 million of the £40 million debt facility).

25 Changes in liabilities from financing activities

	Non- current loans and borrowings £000	Lease liabilities £000	Total £000
At 29 December 2022	**22,000**	**86,473**	**108,473**
Cash flows	**4,000**	**(2,459)**	**1,541**
Non- cash flows:			
Interest accruing in period	**-**	**3,409**	**3,409**
Lease additions	**-**	**14,740**	**14,740**
Effect of modifications to lease terms	**-**	**1,075**	**1,075**
At 28 December 2023	**26,000**	**103,238**	**129,238**
At 30 December 2021	12,500	81,780	94,280
Cash flows	9,500	(1,056)	8,444
Non- cash flows:			
Interest accruing in period	-	2,851	2,851
Lease additions	-	3,680	3,680
Effect of modifications to lease terms	-	(782)	(782)
At 29 December 2022	22,000	86,473	108,473

26 Financial instruments

Investments, financial assets and financial liabilities, cash and cash equivalents and other interest-bearing loans and borrowings are measured at amortised cost and the Directors believe their present value is a reasonable approximation to their fair value.

	28 December 2023 £000	29 December 2022 £000
Financial assets measured at amortised cost		
Cash and cash equivalents	6,645	3,704
Trade and other receivables	1,856	3,549
Accrued income	1,426	692
	9,927	7,945

	28 December 2023 £000	29 December 2022 £000
Financial liabilities measured at amortised cost		
Bank borrowings	26,000	22,000
Trade Creditors	3,385	2,305
Leases	103,238	86,473
Other Creditors	523	589
Accrued expenses	8,117	6,591
	141,263	117,958

27 Financial risks

The Board has overall responsibility for the determination of the Group's risk management objectives and policies. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. The Group has not issued or used any financial instruments of a speculative nature and the Group does not contract derivative financial instruments such as forward currency contracts, interest rate swaps or similar instruments.

The Group is exposed to the following financial risks:
- Credit risk
- Liquidity risk
- Interest rate risk

To the extent financial instruments are not carried at fair value in the consolidated Balance Sheet, net book value approximates to fair value at 28 December 2023 and 29 December 2022.

Trade and other receivables are measured at amortised cost. Book values and expected cash flows are reviewed by the Board and there have been no impairment losses recognised on these assets.

Cash and cash equivalents are held in sterling and placed on deposit in UK banks. Trade and other payables are measured at book value and held at amortised cost.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and investment securities.

The Group is exposed to credit risk in respect of its receivables from its subsidiary companies. The recoverability of these balances is dependent upon the performance of these subsidiaries in future periods. The performance of the Company's subsidiaries is closely monitored by the Company's Board of Directors.

At 28 December 2023 the Group has trade receivables of £1,565,000 (2022: £3,308,000). Trade receivables arise mainly from advertising and sponsorship revenue. The Group is exposed to credit risk in respect of these balances such that, if one or more of the customers encounters financial difficulties, this could materially and adversely affect the Group's financial results. The Group attempts to mitigate credit risk by assessing the credit rating of new customers prior to entering into contracts and by entering into contracts with customers with agreed credit terms. At 28 December 2023 the Directors have recognised expected credit losses of £Nil (2022: £Nil).

27 Financial risks (continued)

The maximum exposure to credit risk at the balance sheet date by class of financial instrument was:

	28 December 2023 £000	29 December 2022 £000
Ageing of receivables		
<30 days	1,005	2,224
31-60 days	322	914
61-120 days	171	63
>120 days	67	107
	1,565	3,308

In determining the recoverability of trade receivables the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. Credit risk is limited due to the customer base being diverse and unrelated. There has not been any impairment other than existing provisions in respect of trade receivables during the year (2022: £nil). There were no material expected credit losses in the year.

Liquidity risk

Liquidity risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances to meet its expected cash requirements as determined by regular cash flow forecasts prepared by management.

The Group's forecasts show sufficient headroom in banking covenants for the next 12 months.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts shown are gross, not discounted and include contractual interest payments and exclude the impact of netting agreements.

		Contractual cash flows				
28 December 2023	Carrying amount	Less than one year	Between one and two years	Between three and five years	Over five years	Total
	£000	£000	£000	£000	£000	£000
Non-derivative financial liabilities						
Secured bank facility	26,000	2,012	2,012	27,341	-	31,365
Trade creditors	3,385	3,385	-	-	-	3,385
Leases	103,238	7,080	8,146	23,604	119,354	158,184
Other creditors	523	523	-	-	-	523
Accrued expenses	8,117	8,117	-	-	-	8,117
	141,263	21,117	10,158	50,945	119,354	201,574

27 Financial risks (continued)

29 December 2022	Carrying amount £000	Contractual cash flows Less than one year £000	Between one and two years £000	Between three and five years £000	Over five years £000	Total £000
Non-derivative financial liabilities						
Secured bank facility	22,000	1,228	22,818	-	-	24,046
Trade creditors	2,305	2,305	-	-	-	2,305
Leases	86,473	5,998	6,230	18,687	90,988	121,903
Other creditors	589	589	-	-	-	589
Accrued expenses	6,591	6,591	-	-	-	6,591
	117,958	16,711	29,048	18,687	90,988	155,434

Interest rate risk

Interest rate risk arose from the Group's holding of interest-bearing loans linked to SONIA. The Group is also exposed to interest rate risk in respect of its cash balances held pending investment in the growth of the Group's operations. The effect of interest rate changes in the Group's interest-bearing assets and liabilities is set out below.

In respect of interest-earning financial assets and interest-bearing financial liabilities, the following indicates their effective interest rates at the end of the year and the periods in which they mature:

	Effective interest rate %	Maturing within 1 year £000	Maturing between 1 to 2 years £000	Maturing between 2 to 5 years £000
At 29 December 2022				
Bank borrowings*	5.58%	247	22,000	-
Bank current and deposit balances	0.01%	3,701	-	-
At 28 December 2023				
Bank borrowings*	7.74%	190	-	26,000
Bank current and deposit balances	0.01%	6,597	-	-

*Bank borrowings comprises SONIA of 5.19% (2022: 3.43%) and margin of 2.55% (2022: 2.15%).

The following table demonstrates the sensitivity to a reasonably plausible change in interest rates, with all other variables held constant, of the Group's profit and loss before tax through the impact on floating rate borrowings and bank deposits and cash flows:

	Change in rate %	28 December 2023 £000	29 December 2022 £000
Bank borrowings	0.5%	130	111
	1.0%	260	222
	1.5%	390	333
Bank current and deposit balances	0.5%	33	18
	1.0%	66	37
	1.5%	99	55

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27 Financial risks (continued)

Capital management

The Group's capital is made up of share capital, share premium, merger reserve and retained earnings totalling £44.5m (2022 £46.3m).

The Group's objectives when maintaining capital are:

- To safeguard the entity's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders.
- To provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The capital structure of the Group consists of shareholders equity as set out in the consolidated statement of changes in equity. All funding required to set-up new cinema sites and for working capital purposes are financed from existing cash resources where possible. Management will also consider future fundraising or bank finance where appropriate.

28 Provisions

	Other provisions £'000	Leasehold Dilapidations £,000	Total
As at 30 December 2021	393	1,118	1,511
Utilised in the year	(393)	-	(393)
Additions	-	97	97
Other increases	-	135	135
Unwinding of discount	-	12	12
As at 29 December 2022	**-**	**1,362**	**1,362**
Additions	-	311	311
Revaluation of net present value	-	(50)	(50)
Unwinding of discount	-	8	8
As at 28 December 2023	-	**1,631**	**1,631**

All provisions for lease dilapidations are due after more than five years.

Leasehold dilapidations relate to the estimated cost of returning leasehold property to its original state at the end of the lease in accordance with lease terms. The cost is recognised as depreciation of leasehold improvements over the remaining term of the lease. The main uncertainty relates to estimating the cost that will be incurred at the end of the lease term, the average remaining lease term for leases held at 28 December 2023 was 18 years (2022:18 years).

29 Deferred tax

	28 December 2023 £000	29 December 2022 £000
Deferred tax gross movements		
Opening balance	-	-
Deferred tax asset recognised in period	2,805	-
Closing balance	2,805	-
Recognised in profit and loss		
Arising on loss carried forward	(4,660)	(1,455)
Net book value in excess of tax written down value	1,805	1,206
Movement on share option intrinsic value	-	245
Amortisation of IFRS accumulated restatement	45	49
Lease acquired	-	(62)
Other temporary differences	5	17
Credit to profit and loss	(2,805)	-
Deferred tax comprises:		
Temporary differences on property, plant and equipment	7,794	5,723
Temporary differences on IFRS 16 accumulated restatement	(552)	(598)
Share-option scheme intrinsic value	-	(28)
Available losses	(10,302)	(5,376)
Other temporary and deductible differences	255	279
	(2,805)	-

Deferred tax is calculated in full on temporary differences under the liability method using the tax rates that have been substantively enacted for future periods, being 25% from 1 April 2023. The deferred tax liability has arisen due to the timing difference on property, plant and equipment, the deferral of capital gains tax arising from the sale of property and other temporary and deductible differences.

Deferred tax assets have been recognised in respect of tax losses and other temporary differences giving rise to deferred tax assets where the Directors believe it is probable that they will be recovered. The Group has consulted the FRC's thematic review of Deferred Tax Assets published in September 2022 and concluded that an asset should be recognised on the basis of a sufficient level of probable future taxable profits. The Group has taken the decision to recognise the Deferred Tax Asset in 2023 due to increased certainty over future trading performance.

30 Share capital and reserves

	Nominal value	28 December 2023 £000	29 December 2022 £000
Authorised, issued and fully paid Ordinary shares	£0.10		
At the start of the year		9,118	9,117
Issued in the year		-	1
At the end of the year		9,118	9,118

Number of shares	28 December 2023 Number	29 December 2022 Number
Authorised, issued and fully paid Ordinary shares		
At the start of the year	91,177,969	91,162,969
Issued in the year	-	15,000
At the end of the year	91,177,969	91,177,969

The holders of Ordinary shares are entitled to one vote per share. During the year the Company did not issue any Ordinary shares (2022: 15,000 Ordinary shares at a price of 109.5p).

Merger reserve
In accordance with s612 of the Companies Act, the premium on Ordinary shares issued in relation to acquisitions is recorded as a merger reserve.

Share premium
Share premium is stated net of share issue costs.

Dividends
No dividends were declared or paid during the period (2022: £nil)

31 Share-based payment arrangements

EMI, Non-Qualifying and LTIP Schemes

The Group operates three equity-settled share-based remuneration schemes for employees. The schemes combine a long term incentive scheme, an EMI scheme and an unapproved scheme for certain senior management, executive Directors, non-executive Directors and certain contractors.

All equity-settled share options are measured at fair value as determined through use of the Binomial technique, at the date of grant, aside from those with market-based performance conditions, which are valued using the Monte Carlo model. During the year, no equity-settled share options were issued with market-based performance conditions.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Groups estimate of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

31 Share-based payment arrangements (continued)

	Weighted average exercise price per share in the year ended			
	28 December 2023 Pence	29 December 2022 Pence	28 December 2023 Number	29 December 2022 Number
Options at the beginning of the year	104.3	142.0	6,973,833	6,925,003
Options issued in the year	28.6	75.4	1,202,808	1,518,543
Options exercised in the year	-	109.0	-	(15,000)
Option forfeited in the year	41.8	69.2	(979,807)	(1,454,713)
Options at the end of the year	**90.4**	**104.3**	**7,196,834**	**6,973,833**

The exercise price of options outstanding at 28 December 2023 ranged between 10.0 pence and 184.0 pence (2022: 10.0 pence and 184.0 pence) and their weighted average contractual life was 10 years (2022: 10 years).

The weighted average share price (at the date of exercise) of options exercised during the year was n/a (2022: 109.0 pence)

The weighted average fair value of each option granted during the year was 63.3p (2022: 84.5p).

No options lapsed beyond their contractual life in the year (2022: nil).

The following information is relevant in the determination of the fair value of options granted during the year and equity-settled share-based remuneration schemes operations by the Group:

Option scheme conditions for options issued in the year:	28 December 2023	28 December 2022
Option pricing model used	Binomial	Binomial
Weighted average share price at grant date (pence)	82.4	94.5
Weighted average option exercise prices (pence)	30.1	10.0
Expected volatility	35%	40%
Expected option life (years)	2.9	4.0
Weighted average contractual life of outstanding share options (years)	10	10
Risk-free interest rate	3.56%	1.57%
Expected dividend yield	0.0%	0.0%
Fair value of options granted in the year (pence)	63.3	84.5

Volatility has been calculated based on historical share price movements of the Company as at each grant date.

The share-based remuneration expense applicable to key management personnel was as follows:

	28 December 2023 £000	28 December 2022 £000
Equity-settled schemes	639	869

31 Share-based payment arrangements (continued)

Changes to Option Terms

During the year, the Remuneration Committee resolved to modify 1,170,000 options over ordinary shares in the company (2022: Nil) pertaining to certain employees, and including key management personnel. This was due to equity market conditions and to ensure that potential incentives relating to options previously granted remained appropriate.

Options modified were all part of the Unapproved Scheme, and were granted between 2013 and 2022. Modifications made related mainly to changes in exercise price and extensions of option lives.

The impact of changes to option terms has been recognised in the share-based payment expense for the year.

Growth Shares

On 8th April 2021, the Group announced that Alex Scrimgeour, Chief Executive Officer of Everyman, had been issued 2,000,000 A ordinary shares ("Growth Shares") in a subsidiary company, Everyman Media Holdings Ltd. The Growth Shares could be exchanged for new Ordinary Shares in the future, subject to meeting certain vesting conditions and share price performance criteria.

Subsequent to this, on 23rd January 2023, the Remuneration Committee resolved that the share price performance condition attached to the Growth Shares was no longer appropriate. The Company announced that, subject to vesting conditions and financial performance targets being met, the Growth Shares would entitle Mr. Scrimgeour to receive an amount equivalent to the market value of an Ordinary Share in the Company less 86.0p, being the closing share price of the Company on 20th January 2023.

On 18th August 2023, the Remuneration Committee has resolved that, due to equity market conditions, the terms of the Growth Shares should be amended so that Mr. Scrimgeour will now receive an amount equivalent to the market value of an Ordinary Share less 60.0p, being the closing share price of the Company on 17 August 2023. All other terms and conditions relation the Growth Shares remain unchanged.

Details of the outstanding shares under the A Growth Share Scheme are as follows:

	28 December 2023	29 December 2022
Outstanding at beginning of year	2,000,000	2,000,000
Lapsed in year	(1,000,000)	-
Outstanding at end of year	1,000,000	2,000,000

Following the amendments to the terms of the A Ordinary Shares noted above, the Binomial model was used for fair valuing the A Growth Share awards at the date of modification. The inputs to the model were as follows:

	A Growth Share Scheme	
	Target 1	Target 2
Number of shares	1,000,000	1,000,000
Adjusted EBITDA Target	£17.2m (2023)	£19.3m (2024)
Expected volatility	30%	30%
Risk free interest rate	4.82%	4.76%
Option life (years)	5	5
Share price at valuation date	£0.60	£0.60

In light of Adjusted EBITDA Target 1 not being met, 1,000,000 A Ordinary Shares lapsed during the year (2022: Nil).

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31 Share-based payment arrangements (continued)

Share-based payments charged to the profit and loss were as follows:

	28 December 2023 £000	29 December 2022 £000
Share options charge	470	939
Growth shares charge	350	598
Administrative costs	820	1,537

The charge for the Company was £nil (2022: £nil) after recharging subsidiary undertakings with a charge of £820,000 (2022: £1,537,000). The relevant charge is included within administrative costs.

There are 5,535,098 options exercisable at 28 December 2023 in respect of the current arrangements (2022: 3,336,124). No options were exercised in the year (2022: 15,000).

32 Commitments

There were capital commitments for tangible assets at 28 December 2023 of £14,521,000 (2022: £15,878,000). This amount is net of landlord contributions of £7,650,000 (2022: £7,055,000).

33 Events after the balance sheet date

No material events after the balance sheet date.

34 Related party transactions

In the year to 28 December 2023 the Group engaged services from entities related to the Directors and key management personnel of £644,000 (2022: £617,000) comprising consultancy services of £Nil (2022: £31,000), office rental of £105,000 (2022: £100,000) and venue rental for Bristol, Harrogate and Maida Vale of £539,000 (2022: £486,000). There were no other related party transactions. There are no key management personnel other than the Directors.

The Group's commitment to leases is set out in the above notes. Within the total of £158,000,000 (2022:£ 122,000,000) is an amount of £499,000 (2022:£ 550,000) relating to office rental, £4,319,000 (2022:£4,523,000) relating to Stratford-Upon-Avon, £3,036,000 (2022: £3,596,000) relating to Bristol and £4,412,000 (2022: £4,670,000) relating to Harrogate. The landlords of the sites are entities related to the Directors of the Company.

35 Ultimate controlling party

The Company has a diverse shareholding and is not under the control of any one person or entity.

Company balance sheet as at 28 December 2023

Registered in England and Wales
Company number: 08684079

	Note	28 December 2023 £000	29 December 2022 £000
Assets			
Non-current assets			
Right-of-use assets	C1	8,452	8,347
Investments	C2	31,994	31,994
Deferred tax assets	C7	167	188
Trade and other receivables	C3	94,859	89,767
		135,472	130,296
Current assets			
Trade and other receivables		398	-
Total assets		135,870	130,296
Liabilities			
Current liabilities			
Trade and other payables	C4	237	771
Lease liabilities	C1	520	352
		757	1,123
Non-current liabilities			
Loans and borrowings	C5	26,000	22,000
Lease liabilities	C1	9,564	9,459
Other provisions	C6	84	84
		35,648	31,543
Total liabilities		36,405	32,666
Net assets		99,465	97,630
Equity			
Equity attributable to owners of the Company			
Ordinary shares		9,118	9,118
Share premium		57,112	57,112
Merger reserve		20,336	20,336
Retained earnings		12,899	11,064
Total equity		99,465	97,630

The Company profit for the year was £1,365,000 (2022: £2,029,000).

These financial statements were approved by the Board of Directors and authorised for issue on 15 April 2024 and signed on its behalf by:

Will Worsdell
Finance Director

Company statement of changes in equity for the year ended 28 December 2023

	Note	Share capital £000	Share premium £000	Merger Reserve £000	Retained earnings £000	Total equity £000
Balance at 30 December 2021		9,117	57,097	20,336	8,096	94,646
Profit for the year		-	-	-	2,029	2,029
Total comprehensive income		-	-	-	2,029	2,029
Shares issued in the period	30	1	15	-	-	16
Share-based payment expense	31	-	-	-	939	939
Total transactions with owners of the parent		1	15	-	939	955
Balance at 29 December 2022		**9,118**	**57,112**	**20,336**	**11,064**	**97,630**
Profit for the year		-	-	-	**1,365**	**1,365**
Total comprehensive income		-	-	-	**1,365**	**1,365**
Share-based payment expense	31	-	-	-	**470**	**470**
Total transactions with owners of the parent		-	-	-	**470**	**470**
Balance at 28 December 2023		**9,118**	**57,112**	**20,336**	**12,899**	**99,465**

Notes to the Parent company financial statements

Company basis of preparation

The Parent Company financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS101).

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS101 disclosure exemptions has been taken.

Under s408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

In these financial statements, the Company has applied the exemptions available under FRS101 in respect of the following disclosures:

- A cash flow statement and related notes.
- Disclosures in respect of transactions with wholly-owned subsidiaries.
- Disclosures in respect of capital management.
- Disclosures in respect of the compensation of key management personnel.
- New but not yet effective IFRS.

As the consolidated financial statements include the equivalent disclosures, the Company has also taken the exemptions under FRS101 available in respect of the following disclosures:

- IFRS2 Share Based Payments in respect of Group-settled share based payments.
- Certain disclosures required by IFRS13 Fair Value Measurement.
- Certain disclosures required by IFRS7 Financial Instruments.

C1 Leases

Right-of-Use Assets

	Land & Buildings £'000
At 30 December 2021	8,867
Amortisation	(520)
At 29 December 2022	8,347
Amortisation	(562)
Effect of modification to lease terms	667
At 28 December 2023	8,452

Lease Liabilities	Land & buildings £'000
At 30 December 2021	10,605
Interest expense	329
Lease payments	(1,123)
At 29 December 2022	9,811
Interest expense	329
Effect of modification to lease terms	667
Lease payments	(723)
At 28 December 2023	10,084

	28 December 2023 £'000	29 December 2022 £'000
Lease liabilities		
Current	520	352
Non-current	9,564	9,459
	10,084	9,811

Maturity analysis of lease payments

	28 December 2023 £'000	29 December 2022 £'000
Contractual future cash outflows		
Land and buildings		
Less than one year	838	780
Between one and five years	3,367	3,120
Over five years	8,955	9,281
	13,160	13,181

Lease payments for land and buildings are a combination of fixed and variable payments (including any scheduled increases). Remaining lease liabilities are reassessed following annual rent reviews based on an external index (such as the RPI). The weighted average lease length of the remaining lease portfolio is 12 years (2022: 13 years).

C2 Investments

	Total £000
At 29 December 2022 and 28 December 2023	31,994

The Company also has intercompany receivable balances of £94.9m (2022: £89.8m). As part of the Group impairment review, the future cash flows from each of the venues were forecast and an NPV of these flows calculated. The total value of these were £195m (2022:£ 265.8m) which would indicate that sufficient profits and cash will be generated to repay the monies owed to the Company if required.

The subsidiaries of the Company are as follows (all of which are included on consolidation and all are registered at 2 Downshire Hill, London, NW3 INR):

Name	Principal Activity	Country of incorporation	Class of share held	Proportion of shares held
Everyman Media Holdings Limited	Cinema management and ownership	UK	Ordinary	100%
			A ordinary shares Series 1, 2, 3, 4 and 5*	94%
Everyman Media Limited**	Cinema management and ownership	UK	Ordinary	100%
CISAC Limited**	Dormant	UK	Ordinary	100%
Foxdon Limited**	Cinema management and ownership	ROI	Ordinary	100%
ECPee Limited***	Property management	UK	Ordinary	100%
Bloom Martin Limited***	Dormant	UK	Ordinary	100%
Bloom Theatres Limited****	Dormant	UK	Ordinary	100%
Mainline Pictures Limited****	Dormant	UK	Ordinary	100%

* 2m A ordinary shares series 4 and 5 are held by Alex Scrimgeour
** Shareholding is held by Everyman Media Holdings Ltd
*** Shareholding is held by Everyman Media Ltd
**** Shareholding is held by Bloom Martin Ltd

The A Ordinary shares have no rights to a dividend. Everyman Media Group PLC directly holds all the Ordinary shares (£27,015) and A Ordinary shares (£6,557) of Everyman Media Holdings Limited.

Everyman Media Limited has 285,000 Ordinary shares of £1.00 each in issue, all of which are held by Everyman Media Holdings Limited and therefore indirectly held by Everyman Media Group PLC. All other subsidiaries are also indirectly held investments. Everyman Media Holdings Limited acquired 100 Ordinary shares, being the entire issued share capital of Foxdon Limited (a limited company established and resident in the Republic of Ireland and dormant at the date of acquisition) for €100 on 24 June 2019. With respect to the class and proportion of shares held in existing subsidiaries, the amounts remain the same for the year ended 28 December 2023 and the year ended 29 December 2022. Bloom Martin Limited, Bloom Theatres Limited, and Mainline Pictures Limited are all dormant companies and exempt from the requirement for an audit for the year.

The class and proportion of shares held in all other subsidiaries remain the same for the year ended 28 December 2023 and the year ended 29 December 2022.

The registered office address of all investments incorporated in the UK is Studio 4, 2 Downshire Hill, London NW3 1NR. Foxdon Limited's registered office is 33 Sir John Rogerson's Quay, Dublin 2, D02 XK09. All companies listed above are included in the consolidated financial statements. All consolidated companies have the same financial year and apply the same accounting policies.

C3 Trade and other receivables

	28 December 2023 £000	29 December 2022 £000
Amounts due from company undertakings	**94,859**	89,767

Interest is charged on inter-company loans at the same rate as that charged to the Group by its lenders, currently 3.3%. The loans are repayable on 15 January 2025.

C4 Trade and other payables

	28 December 2023 £000	29 December 2022 £000
Accrued loan interest and rent accruals	**237**	771

C5 Loans and borrowings

	28 December 2023 £000	29 December 2022 £000
Bank borrowings		
Total Bank Debt	**26,000**	22,000

C6 Provisions

	Leasehold Dilapidations £,000
As at 29 December 2022	84
As at 28 December 2023	84

All provisions for lease dilapidations are due after more than five years.

Leasehold dilapidations relate to the estimated cost of returning leasehold property to its original state at the end of the lease in accordance with lease terms. The cost is recognised as depreciation of leasehold improvements over the remaining term of the lease. The main uncertainty relates to estimating the cost that will be incurred at the end of the lease term, the average remaining lease term for leases held at 28 December 2023 was 12 years (2022:13 years).

C7 Deferred tax

	28 December 2023 £000	29 December 2022 £000
Included in non-current assets	(188)	(188)
Opening balance	(188)	(150)
Recognised in profit and loss		
Net book value in excess of tax written down value	13	16
Leases acquired	-	(62)
Amortisation of IFRS 16 accumulated restatement	8	8
Credit to profit and loss	(167)	(188)

	28 December 2023 £000	29 December 2022 £000
The deferred tax asset comprises:		
Temporary differences on property, plant and equipment	(69)	(82)
Temporary differences on IFRS 16 accumulated restatement	(98)	(106)
	(167)	(188)

The Company has a deferred tax liability due to the timing difference on property, plant and equipment. The Company has recognised unutilised tax allowances of £nil (2022: £nil) at expected tax rates in future periods.