

COMPANY REGISTRATION NUMBER: 3325921

CHARITY REGISTRATION NUMBER: 1000243

Stiwt Arts Trust Limited
Company Limited by Guarantee
Unaudited Financial Statements
31 March 2022

HASWELL BROTHERS LLP

Chartered Accountants
First Floor
Pembroke House
Ellice Way
Wrexham Technology Park
Wrexham
LL13 7YT

Stiwt Arts Trust Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2022

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Stiwt Arts Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2022

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2022.

Reference and Administrative Details

| | |
|---|---|
| Registered charity name | Stiwt Arts Trust Limited |
| Charity registration number | 1000243 |
| Company registration number | 3325921 |
| Principal office and registered office | Stiwt Theatre Broad Street Rhosllanerchrugog Wrexham LL14 1RB |

The Trustees

| | |
|--------------------|-----------------------------|
| Mr G V Thomas | |
| Mr M Davies | |
| Mrs M C Harvey | (Appointed 25 May 2022) |
| Mrs S A Bowen | |
| Mr M A Edwards | (Resigned 23 November 2021) |
| Mr A R Roberts | (Died 13 February 2022) |
| Mr E L Jones | |
| Mr J Hughes Hughes | (Appointed 25 May 2022) |
| Mr B Jones | |
| Mr D J Cupit | (Resigned 25 May 2022) |
| Mrs K M Bartlett | (Resigned 25 April 2021) |
| Mr D T Jones | |
| Ms L A Cleary | |
| Ms S E Jones | |

Company Secretary Mrs M C Harvey

Independent Examiner Mr A H Thomas FCA
First Floor
Pembroke House
Ellice Way
Wrexham Technology Park
Wrexham
LL13 7YT

Stiwt Arts Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Structure, Governance and Management

Stiwt Arts Trust Limited is a company limited by guarantee which is governed by its Memorandum and Articles of Association dated 28 February 1997. The company succeeded to the charitable registration afforded to its predecessor, the Stiwt Arts Community Association which had been registered on 6 September 1990, upon incorporation. A board of trustees of up to twelve members who meet regularly administer the Charity. The day-to-day activities are managed by an operational manager, part time events officer and finance officer, who, in liaison with the board, make key decisions on a day to day basis.

Stiwt Arts Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Objectives and Activities

The Mission

The Stiwt Arts Trust Limited works to encourage, nurture and develop a dynamic programme of creative activities through the provision of a first class venue for the performing arts. This includes education, training and participation for people of all generations in the local and wider community. There is a particular focus on young people, Welsh language and culture.

Aims

1. To be a driving force for positive change in the cultural landscape of Wrexham County Borough by developing a national profile as a 'centre of excellence' for the arts through the development of a trusted brand and expansion of quality arts provision as vital elements of the social, economic and cultural life of the region.
2. To deliver quality participatory art activities for the County Borough through an educational in-house and out-reach programme of work for key target groups, young people, families, those with learning and physical disabilities, and the older generation
3. To ensure that the Welsh language and culture are an integral part of our arts provision
4. To combine with existing and new partners to host work that reflects talent, quality and innovation with the support of our funders, sponsors and stakeholders to enhance and extend the quality and scope of our arts activities
5. To ensure good management, efficient running and financial viability of the organisation through the development of commercial income streams and the strategic re-investment of profit from the arts activity.

Objectives

1. Organisation

- Seek to continue to strengthen the board by attracting persons with the required skills and experience to improve performance and level of operation to serve as trustees.
- Continue to refresh policies and procedures to improve governance.
- Match the jobs needs analysis to skilled staff to fulfill its strategic goals.

2. Community and Partnerships

- Continue to develop relationships with current strategic partnerships and seek to establish new relationships with providers of the arts where possible.
- Implement a community arts policy with particular reference to young people.

Stiwt Arts Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Objectives and Activities *(continued)*

3. Building

- Invest time and resources to secure funding towards capital refurbishment costs for the main auditorium, community rooms and customer service areas.
- Explore innovative ways to offset the running and maintenance costs of the building.

4. Programme

- Continue to develop fully accessible professional programme of events that are of high quality in a wide variety of art forms.
- Develop a community focused programme of events.
- Develop new marketing techniques and procedures to increase audience figures by 25% over three years.

5. Marketing, Promotion and Awareness

- Implement a marketing strategy and brand awareness campaign working within a limited budget.
- Raise the level of marketing investment and improve audience data capture for increased marketing efficiency and effectiveness.

6. Finance

- Operate to strict financial control and guidelines with robust quarterly budget (income and expenditure), cash management and bi-annual capital investment plan.
- Seek to secure sponsorship of events and maintenance tasks from local and regional business through vibrant and innovative partnerships.

Public Benefit Statement

The trustees believe that the services provided by Stiwt Arts Trust Limited are compliant with the Charity Commission guidance on Public Benefit and the public benefit is further exemplified in the following Statement of Achievement and Performance and Plans for the Future.

Risk Management

Periodically, the Trustees, normally through the board, identify and review the major risks which may affect the stability and successful operation of the Trust. Action is then planned and implemented, as far as possible, to minimise or remove the identified risk. Additional consideration needed to be given to this issue during the year in light of the implementation of the Covid-19 restrictions and management of resources due to the closure of the venue since March 2020 and the subsequent impact on on resources.

Stiwt Arts Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Achievements and Performance

The preparation of the Trustees' Report for the previous financial year ending on 31 March 2021 referred to the challenge posed by the Covid-19 public health emergency which had led to the closure of the facility on 17 March 2020. At that time, all but one member of staff had been placed on the UK Government Furlough Scheme but few of the risk management meetings held during the early phase foresaw that this situation would continue for the remainder of the 2021/22 financial year.

A small group made up of the Chair and Vice-Chair, Operational Manager and Finance Officer was formed to ensure regular oversight of the financial situation and identify opportunities to access funding available during the pandemic. Applications were successfully made to Wrexham County Borough Council, the Welsh Government and Arts Council Wales under the Economic Resilience Fund and other sources for support. As a result, all regular outgoings were discharged, planned maintenance was carried out in accordance with schedules and arrangements having been put in place to repay the loans provided by two of the trustees to meet the litigation liability incurred during the previous financial year were deferred due to the continuing uncertainty over Covid restrictions and the fact that the facility was closed some two weeks prior to the start of the financial year. The monies due to discharge the debt have been retained in an identified reserve to enable the debt to be discharged as soon as cashflow concerns due to Covid have abated. Reserves had been earmarked to be used to meet some of the maintenance requirements during the previous financial year and the trustees are conscious that the pandemic has underlined the need to have a sustainable level of reserves going forward. In order to build up reserves, the trustees believe that the charity should have unrestricted funds sufficient for six months expenditure and the estimated costs of the facility which is a target far in excess of the current situation. This will be a focus of our work going forward.

Following the removal of the Covid-19 restrictions, our attention has been focused on ensuring that public confidence in the safe use of the venue enables us to re-build our audiences and community usage. The restoration of income streams together with the maintenance of tight control over expenditure will enable us to restore the previously improving financial position as well as meeting targets on the improvement in the reserves position.

The Trust, with reduced funding from Wrexham County Borough Council (£30k per annum) and no revenue funding as such, continues to receive grant for specific projects from Arts Council Wales, as well as Rhos Community Council as it has since re-opening in 1999. It is also reliant on the support of the Friends of the Stiwt who have also been began to undertake fundraising activities during the current year, post pandemic. Although much maintenance work was undertaken as planned, we are conscious of the work which is still required to decorate the interior of the auditorium and the roof of the main building when funding allows.

Much of our focus following the pandemic will need to centre around attracting people back to the venue and to rely on the new partnerships which have been forged in recent years which will include the commercial partners who stage productions without the need to rely on Arts Council Wales support. We shall also need to re-establish relationships with touring companies and partners such as LHK Productions who will also be able to re-build our schools and outreach programmes.

Stiwt Arts Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Financial Review

Full details of the financial accounts are included in the accounts to follow. Measures will continue to be taken to improve our financial position once the Trust is able to function outside the current Covid restrictions:

- Careful management of the wage bill;
- Increase in number of attendees for events;
- Increase in marketing and PR activity;
- Additional grant funding for capital equipment;
- Scrutiny of all contracts to obtain better returns;
- Continuing pressure on all suppliers to reduce costs;
- Robust management of programme and associated costs.

Staffing

| | |
|-------------------------|---------------------------------|
| Theatre | 1 Full-time Operational Manager |
| Administration | 1 Part-time |
| Management | 1 Part-time |
| Bar and café | 1 Part-time |
| Caretaking and cleaning | 2 Part-time |

Plans for Future Periods

There are a number of key priorities:

Re-engage with partners and ensure both regular hirers and audiences return to the venue following relaxation of Covid regulations.

Due to the long term repercussions of the Covid-19 outbreak, we foresee that stringent financial constraints will be in place for the foreseeable future and we shall need to maintain the higher level monitoring currently in place.

Re-establish programmes which address key educational objectives in conjunction with local schools and colleges.

Re-establish high quality programming including Welsh Language provision, choral concerts which continue to be popular and other professional productions.

Re-secure trust and confidence amongst funding partners following a period of closure of more than eighteen months which enables them to provide financial support to ensure future generations benefit from the work of the Trust.

Actively pursue opportunities to reduce the burden of maintenance costs of the Stiwt building.

Ensure that the commitments to meet the requirements of the Welsh Government Social Contract given as part of the funding applications are actioned during the forthcoming year. This will entail fair remuneration for employees, contractors and freelance workers and fair representation of all groups on the board, amongst the workforce and within our audience and volunteers.

Stiwt Arts Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Plans for Future Periods *(continued)*

Responsibilities of the Trustees

The trustees (who are also the directors of Stiwt Arts Trust Limited for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under the law, trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees 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 charitable company and the income and expenditure of the charitable company for that period.

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

Select suitable accounting policies and then apply them consistently.

Observe the methods and principles in the Charities SORP.

Make judgements and accounting estimates that are reasonable and prudent.

State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

Prepare the financial statements on the going concern basis unless it is appropriate to presume that the charitable company will continue in operation.

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

Reserves Policy

In the Trustees' view, the reserves should provide the charity with adequate financial stability and the means for it to meet its charitable objectives for the foreseeable future.

The Trustees regularly review the amount of reserves that are required to ensure that they are adequate to fulfil the charity's continuing obligations. Normal policies with regard to the operation of reserves had to be re-considered towards the end of the financial year as the impact of the Covid restrictions upon Trust income became clear.

Small Company Provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Stiwt Arts Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

The trustees' annual report was approved on 31 January 2023 and signed on behalf of the board of trustees by:

Mr B Jones
Trustee

Stiwt Arts Trust Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Stiwt Arts Trust Limited

Year ended 31 March 2022

I report to the trustees on my examination of the financial statements of Stiwt Arts Trust Limited ('the charity') for the year ended 31 March 2022.

Responsibilities and Basis of Report

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

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

Independent Examiner's Statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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

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

Mr A H Thomas FCA
Independent Examiner

First Floor
Pembroke House
Ellice Way
Wrexham Technology Park
Wrexham
LL13 7YT

31 January 2023

Stiwt Arts Trust Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2022

| | | 2022 | | | 2021 |
|---|------|-------------------------|-----------------------|------------------|------------------|
| | Note | Unrestricted funds £ | Restricted funds £ | Total funds £ | Total funds £ |
| Income and endowments | | | | | |
| Donations and legacies | 5 | 128,107 | 3,070 | 131,177 | 175,419 |
| Other trading activities | 6 | 44,582 | – | 44,582 | 9,077 |
| Investment income | 7 | 3 | – | 3 | – |
| Total income | | <u>172,692</u> | <u>3,070</u> | <u>175,762</u> | <u>184,496</u> |
| Expenditure | | | | | |
| Expenditure on raising funds: | | | | | |
| Costs of raising donations and legacies | 8 | 8,728 | – | 8,728 | 7,622 |
| Expenditure on charitable activities | 9,10 | (112,704) | (53,543) | (166,247) | (198,241) |
| Total expenditure | | <u>121,432</u> | <u>53,543</u> | <u>174,975</u> | <u>205,863</u> |
| Net income/(expenditure) and net movement in funds | | <u>51,260</u> | <u>(50,473)</u> | <u>787</u> | <u>(21,367)</u> |
| Reconciliation of funds | | | | | |
| Total funds brought forward as previously reported | | 63,097 | 1,403,813 | 1,466,910 | 1,441,638 |
| Prior year adjustment | | – | – | – | 46,639 |
| Total funds brought forward as restated | | <u>63,097</u> | <u>1,403,813</u> | <u>1,466,910</u> | <u>1,488,277</u> |
| Total funds carried forward | | <u>114,357</u> | <u>1,353,340</u> | <u>1,467,697</u> | <u>1,466,910</u> |

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

The notes on pages 13 to 27 form part of these financial statements.

Stiwt Arts Trust Limited
Company Limited by Guarantee
Statement of Financial Position
31 March 2022

| | | 2022 | | 2021 (restated) | |
|--|------|---------------|-------------------------|--------------------|-------------------------|
| | Note | £ | £ | £ | £ |
| Fixed Assets | | | | | |
| Tangible fixed assets | 16 | | 1,445,803 | | 1,502,033 |
| Current Assets | | | | | |
| Stocks | 17 | 200 | | 200 | |
| Debtors | 18 | 3,005 | | 16,866 | |
| Cash at bank and in hand | | 82,990 | | 42,536 | |
| | | <u>86,195</u> | | <u>59,602</u> | |
| Creditors: amounts falling due within one year | 19 | <u>43,808</u> | | <u>67,368</u> | |
| Net Current Assets | | | <u>42,387</u> | | <u>(7,766)</u> |
| Total Assets Less Current Liabilities | | | <u>1,488,190</u> | | <u>1,494,267</u> |
| Creditors: amounts falling due after more than one year | 20 | | <u>20,493</u> | | <u>27,357</u> |
| Net Assets | | | <u><u>1,467,697</u></u> | | <u><u>1,466,910</u></u> |
| Funds of the Charity | | | | | |
| Restricted funds | | | 1,353,340 | | 1,403,813 |
| Unrestricted funds | | | <u>114,357</u> | | <u>63,097</u> |
| Total charity funds | 23 | | <u><u>1,467,697</u></u> | | <u><u>1,466,910</u></u> |

For the year ending 31 March 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

The statement of financial position
continues on the following page.
The notes on pages 13 to 27 form part of these financial statements.

Stiwt Arts Trust Limited

Company Limited by Guarantee

Statement of Financial Position *(continued)*

31 March 2022

These financial statements were approved by the board of trustees and authorised for issue on 31 January 2023, and are signed on behalf of the board by:

Mr B Jones
Trustee

The notes on pages 13 to 27 form part of these financial statements.

Stiwt Arts Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2022

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Stiwt Theatre, Broad Street, Rhosllanerchrugog, Wrexham, LL14 1RB.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of Preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going Concern

The future operational existence of the Charity is dependent on the Charity obtaining further finance in the form of short term loans and/or grants to cover cash flow requirements. As a result of discussions with potential funders, the Trustees are confident of a successful outcome to the negotiations although no firm commitments have been received to date.

Consequently, the financial statements have been prepared on the going concern basis and do not contain any adjustments that would be necessary if the required funding could not be sourced.

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires the Trustees and Management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Support Costs

Many of the support costs incurred by the Charity such as support staff costs, general office costs and finance costs are shared between activities and funds. The Charity's policy is to allocate these costs on the basis of estimated time spent or consumption of resource.

Stiwt Arts Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming Resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Stiwt Arts Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Resources Expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible Assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

| | | |
|---|---|----------------------|
| Fixtures, Fittings & Equipment | - | 15% reducing balance |
| Freehold Building & Development of Leasehold Property | - | 2% straight line |

Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Stiwt Arts Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government Grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial Instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Stiwt Arts Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Financial Instruments *(continued)*

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined Contribution Plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The charity is a company limited by guarantee and carries out its objectives in accordance with the memorandum and articles of association.

5. Donations and legacies

| | Unrestricted Funds | Restricted Funds | Total Funds 2022 |
|-------------------------------------|-----------------------|---------------------|---------------------|
| | £ | £ | £ |
| Donations | | | |
| Donations from Friends of the Stiwt | 183 | – | 183 |
| Other Donations | 9,642 | – | 9,642 |
| Donations - Clock Fund | – | – | – |
| Grants | | | |
| Grants Received | 86,115 | 3,070 | 89,185 |
| Rhos CC - administration grant | 7,000 | – | 7,000 |
| Electricity grant | 843 | – | 843 |
| Covid grants received | 15,700 | – | 15,700 |
| HMRC Job Retention Scheme | 8,624 | – | 8,624 |
| | <u>128,107</u> | <u>3,070</u> | <u>131,177</u> |

Stiwt Arts Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

5. Donations and legacies *(continued)*

| | Unrestricted Funds | Restricted Funds | Total Funds 2021 <i>(restated)</i> |
|-------------------------------------|-----------------------|---------------------|--|
| | £ | £ | £ |
| Donations | | | |
| Donations from Friends of the Stiwt | – | – | – |
| Other Donations | 2,614 | – | 2,614 |
| Donations - Clock Fund | – | 1,250 | 1,250 |
| Grants | | | |
| Grants Received | 91,150 | 27,634 | 118,784 |
| Rhos CC - administration grant | 7,000 | – | 7,000 |
| Electricity grant | – | – | – |
| Covid grants received | 16,000 | – | 16,000 |
| HMRC Job Retention Scheme | 29,771 | – | 29,771 |
| | <u>146,535</u> | <u>28,884</u> | <u>175,419</u> |

6. Other trading activities

| | Unrestricted Funds | Total Funds 2022 | Unrestricted Funds | Total Funds 2021 <i>(restated)</i> |
|------------------------|-----------------------|---------------------|-----------------------|--|
| | £ | £ | £ | £ |
| Theatre Hire | 8,384 | 8,384 | – | – |
| Catering and Bar Sales | 6,585 | 6,585 | – | – |
| Room & Facilities Hire | 29,613 | 29,613 | 9,077 | 9,077 |
| | <u>44,582</u> | <u>44,582</u> | <u>9,077</u> | <u>9,077</u> |

7. Investment income

| | Unrestricted Funds | Total Funds 2022 | Unrestricted Funds | Total Funds 2021 <i>(restated)</i> |
|------------------------|-----------------------|---------------------|-----------------------|--|
| | £ | £ | £ | £ |
| Bank Interest received | <u>3</u> | <u>3</u> | <u>–</u> | <u>–</u> |

8. Costs of raising donations and legacies

| | Unrestricted Funds | Total Funds 2022 | Unrestricted Funds | Total Funds 2021 <i>(restated)</i> |
|---------------------------|-----------------------|---------------------|-----------------------|--|
| | £ | £ | £ | £ |
| Coffee shop and Bar costs | <u>8,728</u> | <u>8,728</u> | <u>7,622</u> | <u>7,622</u> |

Stiwt Arts Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

9. Expenditure on charitable activities by fund type

| | Unrestricted Funds | Restricted Funds | Total Funds 2022 |
|---------------------|-----------------------|---------------------|---------------------|
| | £ | £ | £ |
| Stiwt Running Costs | 46,962 | 53,543 | 100,504 |
| Technical Crew | – | – | – |
| Support costs | 65,742 | – | 65,743 |
| | <u>112,704</u> | <u>53,543</u> | <u>166,247</u> |

| | Unrestricted Funds | Restricted Funds | Total Funds 2021 <i>(restated)</i> |
|---------------------|-----------------------|---------------------|--|
| | £ | £ | £ |
| Stiwt Running Costs | 63,395 | 50,646 | 114,041 |
| Technical Crew | 400 | – | 400 |
| Support costs | 56,166 | 27,634 | 83,800 |
| | <u>119,961</u> | <u>78,280</u> | <u>198,241</u> |

10. Expenditure on charitable activities by activity type

| | Activities undertaken directly | Support costs | Total funds 2022 | Total fund 2021 |
|---------------------|--------------------------------------|---------------|---------------------|--------------------|
| | £ | £ | £ | £ |
| Stiwt Running Costs | 100,504 | 57,942 | 158,446 | 194,790 |
| Technical Crew | – | – | – | 400 |
| Governance costs | – | 7,801 | 7,801 | 3,051 |
| | <u>100,504</u> | <u>65,743</u> | <u>166,247</u> | <u>198,241</u> |

11. Analysis of support costs

| | Stiwt running costs | Total 2022 | Total 2021 |
|-----------------------------------|------------------------|---------------|---------------|
| | £ | £ | £ |
| Staff costs | 51,681 | 51,681 | 56,286 |
| Communications and IT | 2,640 | 2,640 | 2,379 |
| General office | 1,508 | 1,508 | 2,319 |
| Finance costs | 4,856 | 4,856 | 1,350 |
| Support costs - Professional fees | 5,057 | 5,057 | 21,467 |
| | <u>65,742</u> | <u>65,742</u> | <u>83,801</u> |

Stiwt Arts Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

12. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

| | 2022 | 2021 <i>(restated)</i> |
|---------------------------------------|-------------|---------------------------|
| | £ | £ |
| Depreciation of tangible fixed assets | 56,370 | 57,269 |

13. Independent examination fees

| | 2022 | 2021 <i>(restated)</i> |
|--|-------------|---------------------------|
| | £ | £ |
| Fees payable to the independent examiner for: Independent examination of the financial statements | 1,700 | 1,500 |

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

| | 2022 | 2021 <i>(restated)</i> |
|---|---------------|---------------------------|
| | £ | £ |
| Wages and salaries | 55,410 | 62,775 |
| Employer contributions to pension plans | 667 | 727 |
| | <u>56,077</u> | <u>63,502</u> |

The average head count of employees during the year was 6 (2021: 5). The average number of full-time equivalent employees during the year is analysed as follows:

| | 2022 No. | 2021 No. |
|---|--------------------|-------------|
| Number of theatre staff | 1 | 1 |
| Number of bar staff | 1 | 1 |
| Number of administrative staff | 1 | 1 |
| Number of management staff | 1 | 1 |
| Number of caretaking and cleaning staff | 2 | 1 |
| | <u>6</u> | <u>5</u> |

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

Key Management Personnel

The total amount of employee benefits (including pension contributions) received by key management personnel for their services to the charitable company are £36,104 (2021 - £37,225). Key management personnel comprise the General Manager, Finance Officers and the Trustees.

15. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity were received by the trustees.

Stiwt Arts Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

16. Tangible fixed assets

| | Fixtures and fittings £ | Freehold Building & Development of Leasehold Property £ | Total £ |
|-----------------------------|----------------------------|--|------------------|
| Cost | | | |
| At 1 Apr 2021 (as restated) | 348,270 | 2,557,162 | 2,905,432 |
| Additions | 140 | – | 140 |
| At 31 Mar 2022 | <u>348,410</u> | <u>2,557,162</u> | <u>2,905,572</u> |
| Depreciation | | | |
| At 1 Apr 2021 | 313,563 | 1,089,836 | 1,403,399 |
| Charge for the year | 5,227 | 51,143 | 56,370 |
| At 31 Mar 2022 | <u>318,790</u> | <u>1,140,979</u> | <u>1,459,769</u> |
| Carrying amount | | | |
| At 31 Mar 2022 | <u>29,620</u> | <u>1,416,183</u> | <u>1,445,803</u> |
| At 31 Mar 2021 | <u>34,707</u> | <u>1,467,326</u> | <u>1,502,033</u> |

The leasehold development is held under terms of a lease with the Wrexham County Borough Council. The lease expired on 31 January 2011 and confirmation has been received that the authority would renew or continue lease with the company for the next 25 years.

17. Stocks

| | 2022 £ | 2021 <i>(restated)</i> £ |
|-------------------------------|------------|--------------------------------|
| Raw materials and consumables | <u>200</u> | <u>200</u> |

18. Debtors

| | 2022 £ | 2021 <i>(restated)</i> £ |
|--------------------------------|--------------|--------------------------------|
| Trade debtors | 2,220 | 15,385 |
| Prepayments and accrued income | 575 | 1,085 |
| Other debtors | 210 | 396 |
| | <u>3,005</u> | <u>16,866</u> |

Stiwt Arts Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

19. Creditors: amounts falling due within one year

| | 2022 | 2021 <i>(restated)</i> |
|---------------------------------|---------------|---------------------------|
| | £ | £ |
| Bank loans and overdrafts | 6,863 | 6,823 |
| Trade creditors | 26,077 | 23,794 |
| Accruals and deferred income | 7,366 | 6,161 |
| Social security and other taxes | 3,374 | 590 |
| Trustees' loan accounts | – | 30,000 |
| Other creditors | 128 | – |
| | <u>43,808</u> | <u>67,368</u> |

Included above is a loan from Rhos Community Council with a balance due within one year of £4,000 (2021 - £4,000). The loan is secured on a property owned by the company known as Bryn Maelor, Peter Street, Rhosllanerchrugog.

20. Creditors: amounts falling due after more than one year

| | 2022 | 2021 <i>(restated)</i> |
|---------------------------|---------------|---------------------------|
| | £ | £ |
| Bank loans and overdrafts | <u>20,493</u> | <u>27,357</u> |

Included above is a loan from Rhos Community Council with a balance due more than one year of £4,000 (2021 - £15,149). The loan is secured on a property owned by the company known as Bryn Maelor, Peter Street, Rhosllanerchrugog.

21. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £667 (2021: £727).

22. Government grants

The amounts recognised in the financial statements for government grants are as follows:

| | 2022 | 2021 <i>(restated)</i> |
|---|---------------|---------------------------|
| | £ | £ |
| Recognised in income from donations and legacies: | | |
| Government grants income | <u>15,700</u> | <u>16,000</u> |

Stiwt Arts Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

23. Analysis of charitable funds

Unrestricted funds

| | At 1 Apr 2021 | Income | Expenditure | Prior year adjustments | At 31 Mar 2022 |
|---------------|---------------|----------------|------------------|------------------------|----------------|
| | £ | £ | £ | £ | £ |
| General funds | <u>63,097</u> | <u>172,692</u> | <u>(121,432)</u> | <u>—</u> | <u>114,357</u> |

| | At 1 Apr 2020 | Income | Expenditure | Prior year adjustments | At 31 Mar 2021 |
|---------------|-----------------|----------------|------------------|------------------------|----------------|
| | £ | £ | £ | £ | £ |
| General funds | <u>(11,183)</u> | <u>155,612</u> | <u>(127,583)</u> | <u>46,251</u> | <u>63,097</u> |

Prior year adjustment

Noted above is an increase to general unrestricted funds of £46,251.

The £46,251 is made up of an amount of £46,639 which was adjusted in order to include the loans at the start of the financial year at the correct balance.

An amount of £388 was transferred to the AVOW Restricted Fund to ensure the balance of the fund agreed to the depreciated value of the assets held as at the year end.

Stiwt Arts Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

23. Analysis of charitable funds *(continued)*

Restricted funds

| | At 1 Apr 2021 | Income | Expenditure | Prior year adjustments | At 31 Mar 2022 |
|-----------------------|------------------|--------------|-----------------|------------------------|------------------|
| | £ | £ | £ | £ | £ |
| Stiwt Refurbishment | 1,397,125 | – | (49,614) | – | 1,347,511 |
| Arts Council of Wales | – | 3,070 | (3,070) | – | – |
| Friends of Stiwt | 67 | – | (10) | – | 57 |
| AVOW | 1,408 | – | (211) | – | 1,197 |
| Cory Grant | 1,104 | – | (166) | – | 938 |
| Rhos C C | 333 | – | (50) | – | 283 |
| Seren Nadolig | 1,845 | – | (133) | – | 1,712 |
| Groundwork | 1,931 | – | (289) | – | 1,642 |
| | <u>1,403,813</u> | <u>3,070</u> | <u>(53,543)</u> | <u>–</u> | <u>1,353,340</u> |

| | At 1 Apr 2020 | Income | Expenditure | Prior year adjustments | At 31 Mar 2021 |
|-----------------------|------------------|---------------|-----------------|------------------------|------------------|
| | £ | £ | £ | £ | £ |
| Stiwt Refurbishment | 1,445,489 | 1,250 | (49,613) | – | 1,397,126 |
| Arts Council of Wales | – | 27,634 | (27,634) | – | – |
| Friends of Stiwt | 79 | – | (12) | – | 67 |
| AVOW | 1,657 | – | (249) | – | 1,408 |
| Cory Grant | 931 | – | (216) | 388 | 1,103 |
| Rhos C C | 393 | – | (59) | – | 334 |
| Seren Nadolig | 2,001 | – | (156) | – | 1,845 |
| Groundwork | 2,271 | – | (341) | – | 1,930 |
| | <u>1,452,821</u> | <u>28,884</u> | <u>(78,280)</u> | <u>388</u> | <u>1,403,813</u> |

Stiwt Arts Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

23. Analysis of charitable funds *(continued)*

Stiwt refurbishment

The restricted fund represents grants and donations received for the restoration and development of the Stiwt.

Friends of the Stiwt

The grant was initially provided for new curtains for the theatre. These have been capitalised and the balance carried forward is the net book value amount of the asset.

Arts Council of Wales

This grant is provided as financial support for the Stiwt. Expenditure allocated against this grant includes salary costs.

Rhos Community Council - seating contribution

This funding was to fund the balance of the cost of the new seating for the theatre. The cost of the seating has been capitalised and the balance carried forward is the net book value amount of the asset.

Seren Nadolig

This funding was to fund the cost of the new sound system for the theatre. The cost of the sound system has been capitalised and the balance carried forward is the net book value amount of the asset.

AVOW Grant

This funding was to fund the lighting deck for the theatre. The cost of the lighting has been capitalised and the balance carried forward is the net book value amount of the asset.

Cory Grant

This funding was to fund the cost of the new mixing board for the theatre. The cost of the mixing board has been capitalised and the balance carried forward is the net book value of the asset.

Groundwork Grant

This funding was to fund the majority cost of the new seating for the Theatre. The cost of the seating has been capitalised and the balance carried forward is the net book value amount of the asset.

Stiwt Arts Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

24. Analysis of net assets between funds

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ |
|-------------------------------|----------------------------|--------------------------|--------------------------|
| Tangible fixed assets | 93,423 | 1,352,380 | 1,445,803 |
| Current assets | 85,237 | 958 | 86,195 |
| Creditors less than 1 year | (43,808) | – | (43,808) |
| Creditors greater than 1 year | (20,493) | – | (20,493) |
| Net assets | <u>114,359</u> | <u>1,353,338</u> | <u>1,467,697</u> |

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2021 £ |
|-------------------------------|----------------------------|--------------------------|--------------------------|
| Tangible fixed assets | 99,178 | 1,402,855 | 1,502,033 |
| Current assets | 58,644 | 958 | 59,602 |
| Creditors less than 1 year | (67,368) | – | (67,368) |
| Creditors greater than 1 year | (27,357) | – | (27,357) |
| Net assets | <u>63,097</u> | <u>1,403,813</u> | <u>1,466,910</u> |

25. Financial instruments

The carrying amount for each category of financial instrument is as follows:

| | 2022 £ | 2021 <i>(restated)</i> £ |
|--|---------------|--------------------------------|
| Financial assets that are debt instruments measured at amortised cost | | |
| Financial assets that are debt instruments measured at amortised cost | <u>85,419</u> | <u>58,316</u> |
| Financial liabilities measured at amortised cost | | |
| Financial liabilities measured at amortised cost | <u>53,433</u> | <u>57,975</u> |

26. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2022 £ | 2021 <i>(restated)</i> £ |
|--|--------------|--------------------------------|
| Not later than 1 year | 1,028 | 1,028 |
| Later than 1 year and not later than 5 years | 448 | 1,476 |
| | <u>1,476</u> | <u>2,504</u> |

Stiwt Arts Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

27. Related parties

Mr M Davies and Mr G V Thomas (Trustees of the Stiwt Arts Trust Limited) are also members of "Stiwt Friends". Stiwt Friends raised £183 in aid of the Stiwt Arts Trust Limited during the year (2021 - £2Nil).

Mrs S A Bowen and Mr A R Roberts (trustees of Stiwt Arts Trust Limited) both loaned an additional sum of £5,000 each to the charity during the previous year by way of an unsecured interest free loan, repayable on demand, increasing their loans to the charity to £15,000 each. During the current year, both loans were repaid in full. The balance owing to Trustees at the end of the year is £Nil (2021 - £30,000).