

**REGISTERED COMPANY NUMBER: 2446965 (ENGLAND AND WALES)**  
**REGISTERED CHARITY NUMBER: 1005327**

**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021  
FOR  
THEATR BRYCHEINIOG CYF**

**THEATR BRYCHEINIOG CYF**

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for the year ended 31 March 2021**

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## THEATR BRYCHEINIOG CYF

### REFERENCE AND ADMINISTRATIVE INFORMATION

#### Directors and Trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law, and throughout this report are collectively referred to as the trustees.

The trustees serving during the year, and since the year end, were as follows:

S J Jones  
E L Jeffreys  
K C Griffiths  
G S Blackledge  
E M Phillips (resigned 10 December 2020)  
H F Davis  
N B A Groombridge  
E J Jenkins  
E A Owen (appointed 25 January 2021)

Chair  
Vice Chair

**Theatre Director:**

D R Wilson

**Registered office:**

Theatr Brycheiniog  
Canal Wharf  
Brecon  
Powys

**Auditors:**

W J James and Co  
Chartered Accountants and  
Statutory Auditors  
Bishop House  
10 Wheat Street  
Brecon  
Powys

**Bankers:**

The Co-operative Bank  
PO Box 250  
Skelmersdale  
Lancashire

**Registered number:**

2446965

**Registered charity number:**

1005327

**Solicitors:**

King Davies & Partners  
Lloyds Bank Chambers  
18 Talbot Street  
Maesteg

and

Refreshing Law Limited  
Mornington  
Drope Road  
St Georges-Super-Ely  
Cardiff

## THEATR BRYCHEINIOG CYF

### REPORT OF THE DIRECTORS/TRUSTEES for the year ended 31 March 2021

The trustees present their report with the financial statements of the charity for the year ended 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

### OBJECTIVES AND ACTIVITIES

Theatr Brycheiniog (TB) is a community-based presentation and co-producing arts centre situated in the Brecon Beacons and serving South Powys, Mid and South Wales and beyond. **Its charitable objects are “to promote, maintain, improve and advance education, particularly by the presentation and producing of plays and other material, and the encouragement of the arts, including the arts of drama, mime, dance and music”.**

Theatr Brycheiniog works collaboratively with its many partners and stakeholders to provide a warm and welcoming theatre which delivers a professional and high quality programme, across a wide range of artistic genres, to inspire and engage its audiences.

Its core values are

- Delivering excellence
- Inspiring creativity
- Embracing collaboration

And its vision is to bring together artists and audiences from Wales, and all over the world, to experience a diverse cultural programme in a friendly environment.

### ORGANISATIONAL REVIEW

Theatr Brycheiniog closed its doors on 23 March 2020 on government instruction and, despite partial re-opening of some limited areas of activity in the intervals between lockdowns, at the time of writing this report we do not know when public performances may fully resume.

The long-term effects of the pandemic on the arts sector in Wales and throughout the UK are likely to be damaging, and we cannot tell what type of operating environment and consequent business model will ultimately emerge, or when and how audiences will return to the performing arts. We can say that the response from local community and visitors to our limited activities during this time has been positive.

Following closure, and the establishment of the Coronavirus Job Retention Scheme (CJRS) all staff were furloughed. The Director and Accounts Manager managed this flexibly so that they could attend to essential finance and management issues one week per month and during the brief periods between lockdowns the café was able to partially reopen, under strict environmental health restrictions, and we have been able to make the studio available for hire for certain activities.

Some staff returned from furlough to support these activities and to carry out essential building maintenance work, and from January 2021 more administrative staff have returned to work to deal with planning for re-opening in due course, including the rescheduling of the performance programme and processing of ticket refunds. While we have not been able to schedule much work for casual staff there have been no redundancies among the permanent staff.

Although we have not been able to use the auditorium for its performance function, plans were laid to redesign it in flat floor mode to open a socially distanced “Cultural Café” which would allow limited events in a cabaret style. The pre-Christmas lockdown forced a delay in opening the Cultural Café from the planned January 2021 to May 2021 but, once open, it has been very well received and has brought some much needed life back to the theatre.

As can be seen in the Finance section of this report, Arts Council of Wales (ACW), Powys County Council (PCC), the Welsh Government (WG) and Brecon Town Council (BTC) have all provided invaluable financial support to Theatr Brycheiniog to cushion the shock of closure and to ensure its continuing financial viability. It is now in a strong position to rebound once able to fully function and get back to business. The Trustees are extremely grateful to all financial stakeholders and kind individual donors.

## **THEATR BRYCHEINIOG CYF**

### **REPORT OF THE DIRECTORS/TRUSTEES (Continued) for the year ended 31 March 2021**

#### **ORGANISATIONAL REVIEW (Continued)**

During the period, we were delighted that the European Regional Development Fund via the WCVA Social Business Growth Fund confirmed its funding for our capital project to refurbish the public spaces of the theatre. This work is currently being commissioned and we hope it will take place at the end of 2021 and into early 2022.

The Board of TB Cyf has continued to meet by electronic means throughout the pandemic and Arts Council of Wales (ACW) and Powys County Council (PCC) continued to provide invaluable observers and advisers to the Board. Our partnership with both ACW and PCC colleagues continues to grow.

During the period the Board said goodbye to Mary Phillips who stood down as a Trustee after many years sterling service. Ann Owen, whose financial management expertise as PCC Treasury Manager was of enormous value during her period of support to TBC's finance sub-committee, agreed to be co-opted onto the Board after her retirement from PCC in January 2021. The cycle of recruitment of Trustees to strengthen the skills and diversity of the Board will continue.

#### **PUBLIC BENEFIT**

In preparing this report, the Trustees have had regard to Charity Commission guidance on public benefit.

Theatr Brycheiniog is a major employer in the town and significant contributor to the local economy.

We strive, in both the building and the performing arts programme it presents, to be accessible to all sections of the community, and to encourage diversity of use and of users, and we publicise the Theatr's activities widely. This has been particularly important during the past year of the pandemic, in order to keep our community, users and visitors informed of the frequent changes to opening and closing, the public health requirements we necessarily worked within, and opportunities to support.

We continually update our policies and action plans covering diversity throughout the organisation and diversity of access, and also promotion of the Welsh language. TB is committed to offering bilingual access to audiences and visitors wherever possible and to put in place the practical training and infrastructure to support users with diverse needs.

During the period considerable research into the makeup and preferences of our audiences was undertaken and this is feeding through into action in marketing, future programming and plans for business development and delivery of services and activities.

Theatr Brycheiniog is, normally, home to numerous arts and performance-based community groups including Brecon Festival Ballet, Brecon Baroque Festival, the Westenders, Mid Wales Dance Academy, Brecknock Little Theatre, the Federation of Young Farmers' Clubs, University of the Third Age, The Arts Society: Brecknock, Theatr Wildcats, Drumming for Dementia, Taiko Drumming, Alive and Kicking Community Choir, The Brecknock Society, Brecon Town Concert Band and South Powys Music. We also encourage local schools to use our facilities and attend performances on a regular basis, and we provide an outlet for visual artists by exhibiting their works in the top floor gallery.

Sadly, most of these organisations have been unable, during the pandemic, to meet and have the opportunity to express themselves artistically although the studio has been used for dance classes and rehearsals as environmental health regulations have permitted, and Brecon Town Concert Band has been able to rehearse outside in the theatre car park!

#### **ACHIEVEMENTS AND PERFORMANCE**

With the theatre remaining largely closed during the period, with the exception of limited opening of the café and studio during the summer, there have been no live performances. It has been very sad for all to see the auditorium dark. However, staff and trustees have been buoyed by the hope of future re-opening, and the success of funding applications which have ensured the survival of Theatr Brycheiniog to anticipate, and plan for, re-opening, whenever it may come. This survival is, in itself, the overriding achievement of 2020/21.

## **THEATR BRYCHEINIOG CYF**

### **REPORT OF THE DIRECTORS/TRUSTEES (Continued) for the year ended 31 March 2021**

#### **ACHIEVEMENTS AND PERFORMANCE (Continued)**

With staff furloughed and theatre closed there have been limited opportunities for artistic activity. However, we were able to provide studio facilities for Brecon Festival Ballet to rehearse and they subsequently offered a digital “12 days of Christmas” to supporters. Other digital activities included preparation for a virtual version of Cameron Morgan’s gallery exhibition which had to be cancelled as a physical exhibition in March 2020. At the time of writing this is available in the Cultural Café. We were pleased to work with the Brecknock Society on a recorded Sir John Lloyd lecture for 2021 on “The Monastic Presence in Brecknock” which was finally digitally streamed to participants in April.

The Cultural Café is a re-imagining and re-use of the flat floored auditorium to create a space for café service to combine with design and displays showing the theatre’s work and its community of user groups. The design and preparation work for this aimed for a January 2021 opening but this was eventually delayed until May by the extended winter lockdown. During the period, a special performance by Gareth Bale and Louise Collins of Owen Thomas’ poem “When the Night Fell” was commissioned and produced by Theatr Brycheiniog and Phil Clark for the opening of the cultural café.

#### **FUNDRAISING**

Since the March 2020 closure and its consequential inability to continue any significant income generation through its normal business, Theatr Brycheiniog has been delighted and encouraged that it has continued to receive its core funding from ACW and PCC and that it has received additional Covid Relief funds through ACW, PCC and directly from the Welsh Government. Brecon Town Council has also maintained its support in this most difficult of times. As a result of this funding the Theatr has been able to stay alive, though under wraps, pay its debts and ongoing costs and maintain the condition of the building in preparation for re-opening.

Details of this funding are shown in the financial statements later in this report. The UK Government’s Covid Job Retention Scheme (CJRS) has also been vital in ensuring that all TB’s staff have been financially supported during furlough.

Friends and Patrons continued their generous support throughout the year and many kind individual donations were received. Volunteers continued weeding and planting – in a socially distanced manner - of the Theatr’s canal frontage to enhance the café’s limited re-opening during Summer 2020.

We were particularly pleased that the European Regional Development Fund via the WCVA Social Business Growth Fund confirmed its funding for the capital refurbishment project that had long been proposed, and that ACW has committed additional capital funding to this project. During 2021/22 Theatr Brycheiniog can undertake a much needed refresh and refurbishment of its public spaces. Part of this programme has been the replacement of auditorium seating for when we can again welcome audiences for shows.

#### **BUILDING**

A regular programme of repair and maintenance within the building is undertaken, with oversight from the Buildings and Health & Safety subcommittee, and this was continued outside lockdowns. During the period, planning was started for the front of house refurbishment project and new auditorium seats were sourced for later fitting. Capital funding was secured from ACW for much needed work on the plant room (Financial statements note 4).

When the café was permitted to open during Summer 2020, public health requirements required stringent cleaning regimes in all public areas.

#### **FINANCIAL REVIEW**

Theatr Brycheiniog Cyf’s (TBC) accounts which follow in this document are self-explanatory. The Trustees are pleased that continued funding support during this difficult period from our public sector stakeholders has put the Theatr in a strong position to emerge financially sound from the pandemic and able to implement our refurbishment plans for 2021/22 (Financial statements note 3).

## **THEATR BRYCHEINIOG CYF**

### **REPORT OF THE DIRECTORS/TRUSTEES (Continued) for the year ended 31 March 2021**

#### **FINANCIAL REVIEW (Continued)**

The snapshot of a surplus of funds of £164,481 at the end of 2020/21 does not reflect the fact that these are funds raised for planned activities and continued organisational support until TBC can resume business. We have a lot of work to do with the funds we have in hand.

The small amount of earned income of £40,395 is due to hires that could take place during the summer of 2020, café trading at that time and car parking fees.

What this more positive financial picture does mean, is that our auditors no longer have to issue a disclaimer of opinion in relation to going concern which is a welcome outcome.

#### **Reserves policy**

The Board's policy is to have a reserve of 3 month's expenditure and its intention was to begin to build this from the end of the 2019/20 financial year. During closure this has not been possible but it remains the Board's intention to build reserves when the financial position permits

#### **PLANS FOR FUTURE PERIODS**

During 2020/21 it has been almost impossible for staff and Trustees to make any reliable plans other than those of "Covid Survival". The Director focused on securing as much funding as possible to keep the Theatr going in its reduced state and in this he was conspicuously successful. Planning for re-opening was handicapped by the inability of the Welsh Government to provide any substantive details of the conditions for the re-opening of the cultural sector, the success of which will be fundamentally affected by requirements on social distancing. However, by the time of writing this report the indications were becoming much more positive.

Meanwhile, for 2021/22, the theatre plans increasingly to use the Cultural Café and outside spaces for test events and whatever reduced performances, events, talks and screenings may be permitted, and to continue to work towards planning for re-opening with reorganised performance and cultural programmes. Theatr Brycheiniog has been selected as one of the venues for future Welsh Government test events.

In last year's report the Directors stated that, once we are able to plan for the future we will:

- Revise our business plan in the light of new operating conditions
- Rebuild our performance and cultural programme
- Ensure our building and activities are safe for staff, volunteers, users and audiences
- Innovate to find new ways to deliver our programming to audiences
- Work with local community groups and the wider cultural community to keep the performing arts alive for all who seek to experience them
- Continue to implement policy, governance and operational changes to strengthen the organisation for the future
- Develop a deeper understanding of the diversity of our audiences, staff, volunteers and stakeholders and reflect this understanding in all aspects of our work

We have made progress in a number of these areas despite the pandemic, as can be seen in earlier sections of this report. Immediate plans for 2021/22 include the capital refurbishment project, re-establishment of the performance programme and recruitment of new Trustees to ensure the future good governance of the organisation. New Diversity and Welsh Language policies and action plans will be developed, together with a new staff handbook.

## **THEATR BRYCHEINIOG CYF**

### **REPORT OF THE DIRECTORS/TRUSTEES (Continued) for the year ended 31 March 2021**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing Document**

Theatr Brycheiniog Cyf is a company limited by guarantee governed by its Memorandum and Articles of Association dated 17 December 2019. It was incorporated under the name of Brecon Guildhall Theatre Limited on 27 November 1989, and changed its name to Theatr Brycheiniog Cyf on 26 November 2008. It is registered as a charity with the Charity Commission.

##### **Appointment of trustees**

The Board of Trustees is in place to oversee the artistic and financial management of the company, to ensure legal compliance and to ensure the theatre is used by as many sections of the community and as wide a constituency in Mid Wales as is possible. The Board is seeking to inject greater diversity into its Trustee body and governance as a whole.

Trustees are selected through a process of open recruitment according to skill and experience needs identified through self-audit. New Trustees are appointed for a defined term of three years, may be re-elected for a second term and retire by rotation. Their appointments are confirmed at the AGM following their recruitment.

New Trustees follow a process of induction to equip them for the role and a Board Code of Conduct is being prepared, to be approved and brought into use in the second half of 2021.

##### **Organisation**

The Board meets quarterly to scrutinise management reports and accounts and day to day management is conducted by the Theatre Director and his staff team.

There are three sub-committees of the Board, being the Finance & Trading Sub-committee, the Buildings and Health & Safety Sub-committee and the Policies & Procedures Sub-committee which was established in early 2020. These meet separately from the main Board. Each has defined Terms of Reference and membership which comprises selected Board members and co-opted advisers.

Ad hoc working groups of Board members also occasionally meet to deal with specific issues on a task and finish basis. For example, the Vice Chair leads the group which deals with recruitment of new trustees as described above.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

See page 1 for further information.

##### **Related parties**

Theatr Brycheiniog's relationship with its stakeholders is fundamental to its success and sustainability, and also to its position and perception within the community. Its principal financial stakeholders have been identified elsewhere in this report as Arts Council of Wales (ACW) and Powys County Council (PCC), which is also its landlord. Other organisational stakeholders include Brecon Town Council (BTC), the Brecon Beacons National Park Authority (BBNPA) and many connected community groups and users – see **Public Benefit**. Also vital to the Theatr's operation are our army of local volunteers who steward performances and act as advocates in the wider community, our company members, our Friends and Patrons.

## **THEATR BRYCHEINIOG CYF**

### **REPORT OF THE DIRECTORS/TRUSTEES (Continued) for the year ended 31 March 2021**

#### **Risk management**

The board scrutinises the financial performance of Theatr Brycheiniog Cyf. This is also done through regular dialogue with its key funding partners.

A risk register is in place and key risks are mitigated including insurance cover provision where this is relevant. Health and Safety within the organisation is overseen by the Buildings & Health and Safety sub- committee which also has overall responsibility for risk assessment and management. Full building and fire risk assessments are in place and actions are completed on a priority basis.

#### **TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The charity trustees (who are also the directors of Theatr Brycheiniog Cyf for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that 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.

#### **STATEMENT AS TO DISCLOSURE TO OUR AUDITORS**

In so far as the trustees are aware at the time of approving our annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charitable company's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the charitable company's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

#### **BY ORDER OF THE BOARD OF TRUSTEES:**



Mrs S J Jones  
Chair, Trustees and Board of Directors

Dated: 23 August 2021

## **THEATR BRYCHEINIOG CYF**

### **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THEATR BRYCHEINIOG CYF**

#### **Opinion**

We have audited the financial statements of Theatr Brycheiniog Cyf (the "charitable company") for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Material uncertainty relating to going concern**

We draw your attention to note 2, which indicates that the effects of the COVID-19 pandemic have forced the charitable company to suspend operations and created uncertainties about the level of future revenues. As stated in note 2, these events or conditions, along with other matters explained in note 2, indicate that a material uncertainty exists that may cast significant doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

#### **Other information**

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

#### **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 Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or

## **THEATR BRYCHEINIOG CYF**

### **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THEATR BRYCHEINIOG CYF**

- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 it is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement where it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the reporting framework (United Kingdom Generally Accepted Accounting Practice, United Kingdom Accounting Standards and the Companies Act 2006) and UK charities laws and regulations. In addition, we concluded that there are significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the financial statements such as Health and Safety Regulations, the General Data Protection Regulation and Licensing Regulations.
- We understood how the charitable company is complying with those frameworks by making inquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries by reviewing the minutes of board meetings and other committee minutes to identify any non-compliance with laws and regulations.
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur by discussing with management to understand where it considered there was susceptibility to fraud. We considered the controls that the charitable company has established to address risks identified, or that otherwise prevent, deter and detect fraud, and how management monitors those controls.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations that could materially impact the financial statements. Our procedures involved journal entry testing, with a focus on journals indicating large or unusual transactions, taking into account our understanding of the charitable company; enquiries of management and focussed testing in areas we assessed as being more susceptible to irregularities including fraud.

## THEATR BRYCHEINIOG CYF

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THEATR BRYCHEINIOG CYF

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*W J James & Co*

W J James & Co Limited  
Chartered Accountants and  
Statutory Auditors  
10 Wheat Street  
Brecon  
Powys

Dated: 23 August 2021

W J James & Co Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Company Number: 2446965

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Charity Number: 1005327

**THEATR BRYCHEINIOG CYF**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(including income and expenditure account)**  
**for the year ended 31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
<b>INCOME</b>					
Donations and grants	3	546,618	-	546,618	270,332
<i>Income from charitable activities:</i>					
Operation of theatre and arts centre	4	213,109	40,000	253,109	230,820
<i>Income from other trading activities</i>					
	5	40,395	-	40,395	387,795
<b>TOTAL INCOME</b>	16	<u>800,122</u>	<u>40,000</u>	<u>840,122</u>	<u>888,947</u>
<b>EXPENDITURE</b>					
<i>Costs of raising funds:</i>					
Trading operations	7	10,953	-	10,953	87,648
<i>Expenditure on charitable activities:</i>					
Operation of theatre and arts centre	8	482,284	20,433	502,717	808,432
<b>TOTAL EXPENDITURE</b>	16	<u>493,237</u>	<u>20,433</u>	<u>513,670</u>	<u>896,080</u>
<b>NET INCOME/(EXPENDITURE)</b>		306,885	19,567	326,452	(7,133)
Transfers between funds	11	-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		306,885	19,567	326,452	(7,133)
<i>Reconciliation of funds</i>					
<b>Fund balances brought forward at 1 April 2020</b>		(190,502)	28,531	(161,971)	(154,838)
<b>Fund balances carried forward at 31 March 2021</b>	17	<u>116,383</u>	<u>48,098</u>	<u>164,481</u>	<u>(161,971)</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure is derived from continuing activities.

BALANCE SHEET  
as at 31 March 2021

	Notes	2021		2020	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	13		42,274		33,653
<b>CURRENT ASSETS</b>					
Stock		5,424		8,782	
Debtors	14	64,357		29,695	
Cash at bank and in hand		128,148		17,916	
		<u>197,929</u>		<u>56,393</u>	
<b>CREDITORS: Amounts falling due within one year</b>	15	<u>75,722</u>		<u>252,017</u>	
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			<u>122,207</u>		<u>(195,624)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>164,481</u>		<u>(161,971)</u>
			<u>164,481</u>		<u>(161,971)</u>
<b>RESERVES</b>					
Unrestricted income funds:					
General fund	16		116,383		(190,502)
Restricted funds	16		48,098		28,531
			<u>164,481</u>		<u>(161,971)</u>


For the year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act relating to small companies but as the company is a charity, it is subject to audit under the Charities Act 2011.

## Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts 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 accounts.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

Approved on behalf of the board on 23 August 2021

  
Mrs S J Jones  
Chair

**THEATR BRYCHEINIOG CYF**

**STATEMENT OF CASH FLOWS**  
**for the year ended 31 March 2021**

	Note	2021 £	2020 £
<b>Cash used in operating activities</b>	<b>25</b>	<b>142,048</b>	<b>31,780</b>
<i>Cash flows from investing activities</i>			
Interest income		-	-
Purchase of tangible fixed assets		(32,216)	(28,656)
Proceeds from disposal of fixed assets		400	-
Cash provided by (used in) investing activities		(31,816)	(28,656)
Increase (decrease) in cash and cash equivalents in the year		110,232	3,124
Cash and cash equivalents at the beginning of the year		17,916	14,792
<b>Cash and cash equivalents at the end of the year</b>		<b>128,148</b>	<b>17,916</b>

## THEATR BRYCHEINIOG CYF

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2021

#### 1. ACCOUNTING POLICIES

Theatr Brycheiniog Cyf is a private company limited by guarantee registered in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are given in the Trustees' Report.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

##### **Statement of compliance**

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

##### **Basis of preparation**

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The financial statements are presented in sterling, which is the functional currency of the charity, and rounded to the nearest £1.

##### **Reconciliation with Generally Accepted Accounting Practice**

In preparing the accounts, the trustees have considered whether, applying the accounting policies required by FRS102 and the Charities SORP FRS102, the restatement of comparative items was required. At the date of transition no restatement of comparative items was deemed necessary.

##### **Incoming resources**

Voluntary income including donations, gifts and grants that provide core funding, or are of a general nature, are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from trading activities is recognised as earned (as the related goods and services are provided).

Investment income is recognised on a receivable basis.

Income from charitable activities includes income received under contract or, where entitlement to grant funding is subject to specific performance conditions, is recognised as earned (as the related goods or services are provided). Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income is deferred when:

- Admission fees or performance related grants are received in advance of the performances or events to which they relate.

##### **Volunteers and donated services and facilities**

The value of services provided by volunteers is not incorporated into these financial statements.

##### **Donated goods**

On receipt, donated goods are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain goods of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2021

1. ACCOUNTING POLICIES (Continued)

**Resources expended**

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that results in the payment being unavoidable.

- Costs of raising funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- Charitable activities include expenditure associated with the staging of concerts, stage productions, art exhibitions and educational programmes, and include both the direct costs and support costs relating to these activities.
- Governance costs include those incurred in the governance of the charity and its assets, and are primarily associated with constitutional and statutory requirements, and these are included within charitable activities in the Statement of Financial Activities.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

**Tangible fixed assets**

Depreciation is provided on tangible fixed assets on a straight line basis at rates calculated to write off the cost of assets over their useful lives as follows:

Fixtures and fittings	10% to 25% per annum
Technical equipment	25% per annum
General equipment	25% per annum

**Stock**

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts received.

**Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Fund accounting**

Funds held by the charity are either:

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

*Designated funds* – these are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

*Restricted funds* – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

**Leasing commitments**

Rentals under operating leases are charged to the Statement of Financial Activities as incurred.

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2021**

**1. ACCOUNTING POLICIES (Continued)**

**Pension costs**

Some employees of the company are members of the Powys County Council Pension Fund which is funded by contributions from employees and the company as employer. The assets of the scheme are held separately in a fund administered for the benefit of Local Authority employees and other scheduled bodies. The scheme is a multi-employer defined benefit final salary scheme where the share of the assets and liabilities applicable to each employer can be separately identified. A full actuarial evaluation by a professionally qualified actuary is carried out every 3 years. In previous years the surplus/(deficit) in the scheme was recognised as an asset/(liability) on the balance sheet and changes in the asset/(liability) were accounted for in the Statement of Financial Activities. In the year ended 31 March 2019, Powys County Council agreed that it would take on the responsibility for the deficit on this scheme, and the company is only responsible for paying the regular employer contributions as set by the scheme Trustees on the advice of the actuaries. Consequently, the deficit on this scheme is no longer included on the company's balance sheet. This scheme is now closed to new members.

The charity also operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

**Irrecoverable Value Added Tax**

The company's income consists of some income which is standard rated for VAT purposes and some income which is exempt from VAT. Under current VAT legislation, the mix of standard rated and exempt sources of income means that the charity is unable to recover all of the VAT charged on expenses. Any irrecoverable VAT incurred in the year is included in central premises costs in note 8.

**2. GOING CONCERN**

The significant deficit on the unrestricted fund at the start of the year, which resulted from the deficits incurred in previous years, has now been rectified following the surplus achieved in the current year. However, the charitable company remains heavily reliant on the grant aid provided by its core funders as shown in note 3 to these accounts.

In March 2020 the theatre which the charitable company operates closed due to the COVID-19 pandemic. Whilst most continuing costs are expected to be covered by grant income or job support schemes, in common with much of the Arts sector, the impact of the pandemic on future revenues is impossible to predict at the present time so it is difficult to produce budgets or forecasts with any degree of confidence in their accuracy.

These accounts have been drawn up on the going concern basis on the assumption that the continued support of its core funders, and the necessary changes to the business model after the pandemic, will enable the company to continue as a going concern for the foreseeable future, and they do not include any adjustments that would result if the charitable company was unable to continue as a going concern.

**THEATR BRYCHEINIOG CYF**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 March 2021

<b>3. INCOME FROM DONATIONS AND GRANTS</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Brecon Town Council – core funding	7,500	7,500
Brecon Town Council – Covid-19 re-opening grant	2,500	-
Powys County Council – core funding	34,467	47,215
Powys County Council – Covid-19 additional funding	45,000	-
Arts Council of Wales – core funding	196,749	194,608
Arts Council of Wales – Covid-19 stabilisation grant	60,000	-
Arts Council of Wales – Covid-19 revenue support grant	151,481	-
Welsh Government – Economic Resilience Fund Covid-19 grant	30,000	-
	<u>527,697</u>	<u>249,323</u>
Donations and sponsorship	18,921	21,009
	<u>546,618</u>	<u>270,332</u>
<b>4. INCOME FROM CHARITABLE ACTIVITIES</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Income from admission charges	-	173,800
Merchandising and programmes	-	614
	<u>-</u>	<u>174,414</u>
<b>Income from performances</b>	<b>-</b>	<b>174,414</b>
Other grant income (unrestricted):-		
HM Revenue & Customs – Coronavirus Job Retention Scheme grant	213,109	2,545
Support from grant income (restricted):-		
Arts Administration – Unlimited Conference	-	5,000
Other grant income (restricted):-		
The Gibbs Trust – Screen and curtain	-	5,000
Brecon Beacons National Park – Dressing room refurbishment	-	10,000
Brecon Town Council - Dressing room refurbishment	-	2,000
Arts Council of Wales – various	-	31,861
Arts Council of Wales – capital	40,000	-
	<u>40,000</u>	<u>53,861</u>
<b>Total income from charitable activities</b>	<b>253,109</b>	<b>230,820</b>
<b>5. INCOME FROM OTHER TRADING ACTIVITIES</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Hire of facilities	6,627	111,764
Bar sales, bistro and event catering	10,994	185,062
Other catering income	-	29,958
Other income	22,774	61,011
	<u>40,395</u>	<u>387,795</u>

**6. INVESTMENT INCOME**

This consists entirely of interest received on interest bearing bank accounts.

**THEATR BRYCHEINIOG CYF**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 March 2021

<b>7. COSTS OF RAISING FUNDS</b>		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
Bar and bistro purchases, event catering and vending supplies		10,953	87,648
		<u>          </u>	<u>          </u>
<b>8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES</b>			
	<b>Concerts and stage performances</b>	<b>Education</b>	<b>2021 Total</b>
	<b>Note</b>	<b>Education</b>	<b>2020 Total</b>
		<b>£</b>	<b>£</b>
<i>Direct Charitable Expenditure</i>			
Touring company performance fees, workshops and classes		1,100	146,431
Backstage and other production costs		4,815	11,379
Programme research		-	363
Advertising, marketing and box office		11,780	43,471
Central premises costs		111,339	133,903
Staff costs	10	342,188	445,415
Depreciation		23,195	16,989
Governance costs	9	8,300	10,481
		<u>          </u>	<u>          </u>
		502,717	808,432
		<u>          </u>	<u>          </u>
<b>9. GOVERNANCE COSTS</b>		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
Auditor's remuneration		8,300	10,481
		<u>          </u>	<u>          </u>
<b>10. STAFF COSTS</b>		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
Salaries and wages		318,797	413,630
Social security costs		16,240	22,927
Employer pension contributions		7,141	8,808
Recruitment costs		10	50
		<u>          </u>	<u>          </u>
		342,188	445,415
		<u>          </u>	<u>          </u>

No employee earned more than £60,000 per annum (2020: nil).

The key management personnel of the charity comprise the trustees and the Theatre Director. The total employee benefits of the key management personnel of the Trust were £40,870 (2020: £44,823).

The average monthly head count was 30 staff (2020: 40) and the average number of full-time equivalent staff (including casual and part time staff) employed during the year was:

	<b>2021</b>	<b>2020</b>
Trading	10	12
Box office, sales and marketing	4	4
Concerts and stage performances	4	4
	<u>          </u>	<u>          </u>
	18	20
	<u>          </u>	<u>          </u>

**THEATR BRYCHEINIOG CYF**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 March 2021

**11. TRANSFERS BETWEEN FUNDS**

Transfers are made from restricted funds to the general fund in respect of any expenditure incurred through the general fund that relates to restricted funds.

**12. TAXATION**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 and section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**13. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Technical equipment £	General equipment £	Total £
<b>COST:</b>				
At 1 April 2020	152,885	150,155	81,150	384,190
Additions	19,216	254	12,746	32,216
Disposals	(400)	-	-	(400)
At 31 March 2021	<u>171,701</u>	<u>150,409</u>	<u>93,896</u>	<u>416,006</u>
<b>DEPRECIATION:</b>				
At 1 April 2020	136,652	144,736	69,149	350,537
Charge for year	11,139	2,057	10,199	23,395
Eliminated on disposals	(200)	-	-	(200)
At 31 March 2021	<u>147,591</u>	<u>146,793</u>	<u>79,348</u>	<u>373,732</u>
<b>NET BOOK VALUE:</b>				
At 31 March 2021	<u>24,110</u>	<u>3,616</u>	<u>14,548</u>	<u>42,274</u>
At 31 March 2020	<u>16,233</u>	<u>5,419</u>	<u>12,001</u>	<u>33,653</u>

All fixed assets held are used for the management and administration of the theatre.

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade debtors	4,981	3,440
Other debtors	46,104	14,401
Prepayments and accrued income	3,043	2,124
Value Added Tax	10,229	9,730
	<u>64,357</u>	<u>29,695</u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade creditors	3,591	169,952
Other creditors	14,104	16,766
Accruals and deferred income	40,479	41,047
Advance ticket sales	17,548	19,125
Other taxes and social security	-	5,127
	<u>75,722</u>	<u>252,017</u>

**THEATR BRYCHEINIOG CYF**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 March 2021

**16. ANALYSIS OF CHARITABLE FUNDS**

	Balance at 1 April 2020 £	Movements in Reserves (including transfers)		Balance at 31 March 2021 £
		Incoming £	Outgoing £	
<i>Unrestricted funds</i>				
General fund	(190,502)	800,122	493,237	116,383
<i>Restricted funds:</i>				
Capital grants	20,601	40,000	12,503	48,098
Seat refurbishment fund	7,930	-	7,930	-
	<u>28,531</u>	<u>40,000</u>	<u>20,433</u>	<u>48,098</u>
Total	<u>(161,971)</u>	<u>840,122</u>	<u>513,670</u>	<u>164,481</u>

The capital grants fund represents grants received towards the purchase of specific assets. Grants receivable for these purposes are credited to this fund and then the depreciation of the grant funded assets is charged to this fund.

The seat refurbishment funds represents a fundraising effort to provide funds through grants, donations and sponsorships to refurbish the auditorium seating. A concert was held in the 2015/16 financial year which raised funds for this cause, and further amounts have been received since then.

Other restricted funds represent the income and expenditure in connection with specific projects and performances.

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds £	Restricted fund £	Total fund £
Tangible fixed assets	12,388	29,886	42,274
Net current assets	103,995	18,212	122,207
	<u>116,383</u>	<u>48,098</u>	<u>164,481</u>

**18. USE OF FACILITIES**

Theatr Brycheiniog Cyf operates from Theatr Brycheiniog which is owned by Powys County Council. Rent of £100 per annum is charged for the use of this facility. The true value of the provision of this facility is not reflected in these financial statements, as the amount is not quantifiable.

**19. SHARE CAPITAL**

The company does not have a share capital, being limited by guarantee.

## THEATR BRYCHEINIOG CYF

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2021

#### 20. RELATED PARTY TRANSACTIONS AND REMUNERATION OF TRUSTEES

Neither the Trustees, nor any person connected with them, received any remuneration or other benefits from the Charity (2020: Nil). There were no related party transactions requiring disclosure in these financial statements.

#### 21. OTHER FINANCIAL COMMITMENTS

At 31 March 2021 the company had annual commitments under non-cancellable operating leases of £100 per annum in respect of land and buildings with an expiry date of more than five years, and £3,488 per annum in respect of plant and equipment with an expiry date of between one and five years.

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

	2021 £	2020 £
Expiring in less than one year	-	-
Expiring between one and five years	9,120	12,208
Expiring in more than five years	-	500
	<u>9,120</u>	<u>12,708</u>

#### 22. CONTINGENT LIABILITY

During the year ended 31 March 2015 the company undertook a full building survey of the condition of the premises from which it operates. The survey revealed a number of issues that require remedial work both in the short term and over a longer period. The total cost of the remedial work recommended by the building surveyors was estimated at £1,442,200. Work has already commenced in dealing with urgent issues, and discussions are ongoing with the landlord with regards to the long-term building defects.

#### 23. APB ETHICAL STANDARD – PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditor to assist with the preparation of the financial statements.

#### 24. PENSION COSTS

##### Defined contribution pension plan

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £3,793 (2020 - £5,872).

The defined contribution liability is allocated to unrestricted funds.

##### Defined benefit pension plan

The charity participates in the Powys County Council Pension Fund which is part of the Local Government Pension Scheme. This is a defined benefit pension plan for qualifying employees providing benefits based upon final pensionable pay. The pension plan is funded by the payment of contributions and assets of the plan are held in a separately administered fund.

The deficit on this fund is no longer shown on the balance sheet of the charity as Powys County Council agreed to take on the deficit on this scheme under a risk sharing agreement.

**THEATR BRYCHEINIOG CYF**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

**25. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net movement in funds	326,452	(7,133)
Add back depreciation charge	23,395	16,988
Deduct profit on disposal of fixed assets	(200)	-
Decrease (increase) in stock	3,358	(2,413)
Decrease (increase) in debtors	(34,662)	(4,509)
Increase (decrease) in creditors	(176,295)	28,847
Net cash used in operating activities	<u>142,048</u>	<u>31,780</u>

**THEATR BRYCHEINIOG CYF**

**DETAILED INCOME AND EXPENDITURE ACCOUNT**  
for the year ended 31 March 2021

	2021		2020	
	£	£	£	£
<b>INCOME:</b>				
Box office		-		173,800
Merchandising and programmes		-		614
Hire of facilities		6,627		111,764
Revenue grants		740,806		288,729
Bar sales, bistro and event catering		10,994		185,062
		<u>758,427</u>		<u>759,969</u>
<b>OTHER INCOME:</b>				
Donations		18,921		21,009
Release of capital grants		12,503		8,741
Other catering income		-		29,958
Other income		18,774		58,011
Employment Allowance		4,000		3,000
		<u>812,625</u>		<u>880,688</u>
<b>EXPENDITURE:</b>				
Event and project costs	1,100		146,431	
Programme research	-		363	
Bar and bistro purchases, event catering and vending supplies	10,953		87,648	
Salaries and wages	335,037		436,558	
Pension contributions	7,141		8,808	
Recruitment costs	10		50	
Telephone	4,181		4,298	
Postage and stationery	2,126		7,991	
Sales commission	182		10,345	
Advertising and printing	9,471		24,126	
General marketing costs	-		1,008	
Travelling	1,270		3,105	
Rent	100		100	
Heat and light	26,050		43,258	
Insurance	5,939		5,960	
Water rates	2,240		6,529	
Hire of equipment	3,542		5,248	
Equipment maintenance and consumables	1,274		6,131	
Repairs to property	29,831		26,893	
Subscriptions, affiliations, PRS and licences	3,024		9,235	
Refuse collection, computer and sundry expenses	13,501		12,706	
Auditor's remuneration	8,300		10,481	
Legal and professional fees	17,541		4,736	
Training	30		206	
Cleaning	2,606		6,669	
Bad debt expense	-		(103)	
Irrecoverable VAT	2,872		1,730	
Depreciation	23,395		16,988	
(Profit)/loss on disposal of fixed assets	(200)		-	
		<u>(511,516)</u>		<u>(887,498)</u>
<b>Carried forward</b>		301,109		(6,810)

This page does not form part of the statutory financial statements

**THEATR BRYCHEINIOG CYF**

**DETAILED INCOME AND EXPENDITURE ACCOUNT (Continued)**  
for the year ended 31 March 2021

	2021		2020	
	£	£	£	£
<b>Brought forward</b>		301,109		(6,810)
<b>FINANCE COSTS:</b>				
Bank charges	358		2,097	
Credit card charges	<u>1,797</u>		<u>6,485</u>	
		(2,155)		(8,582)
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<u>298,954</u>		<u>(15,392)</u>

This page does not form part of the statutory financial statements