

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

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
THEATR BRYCHEINIOG CYF**

THEATR BRYCHEINIOG CYF

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for the year ended 31 March 2022**

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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:

| | |
|--|---|
| G S Blackledge | |
| A K L Collinson (appointed 14 February 2022) | Vice Chair |
| H F Davis | |
| J Gold (appointed 15 February 2022) | |
| K C Griffiths (resigned 4 October 2021) | |
| N B A Groombridge | |
| E L Jeffreys | |
| E J Jenkins | |
| S J Jones | Chair |
| T D Mellerick-Wheeler (appointed 14 February 2022) | |
| E A Owen | |
| R A E Paton (appointed 14 February 2022) | |
| 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 2022

The trustees present their report with the financial statements of the charity for the year ended 31 March 2022 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 2019).

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 and inclusive environment.

ORGANISATIONAL REVIEW

The Theatr was finally able to resume programming performances and events in February 2022, with all restrictions on venues being lifted by May.

We had been able to put on some small-scale events during the summer and early autumn of 2021 with a range of Covid restrictions in place. This careful progress was stalled by the Omicron wave and subsequent winter closure which meant that audiences for Brecon Festival Ballet's "Nutcracker" were affected, and then caused the cancellation of the Westenders pantomime and the Young Farmers' drama festival at the turn of 2021/22, with consequent loss of revenue.

We were encouraged that the response from local community and visitors to our limited activities during this time was so positive. However, the effects of the pandemic on the arts sector in Wales and on performance venues throughout the UK have been damaging, and we cannot yet tell when and how audiences will fully return to the performing arts.

Arts Council of Wales (ACW), Powys County Council (PCC), the Welsh Government (WG) and Brecon Town Council (BTC) have all continued to provide invaluable financial support to Theatr Brycheiniog to cushion the shock of closure and to ensure its continuing financial viability. The Theatr was able to start the internal refurbishment project funded by European Social Funds through Wales Council for Voluntary Action (WCVA) and a capital grant from ACW. At time of writing the bar area has been completely renewed and the café and foyer/box office will be complete by the end of July 2022. Design agency Creo, commissioned by the Theatr to deliver the refurbishment, also carried out a rebranding to update the Theatr's look, feel and communications.

This work will be further enhanced following the excellent news in November 2021 that Powys County Council (PCC) had been awarded a significant tranche of funding through the UK Government's Levelling Up Fund. Up to £2.4 million of this will be spent by PCC on upgrading the physical infrastructure of the Theatr building and this work is likely to commence in 2023.

The Trustees and staff have worked hard to ensure that the emergence of the Theatr from the pandemic and earlier financial problems will present a renewed and revitalised venue to all our supporters, financial stakeholders and visitors.

THEATR BRYCHEINIOG CYF

REPORT OF THE DIRECTORS/TRUSTEES (Continued) for the year ended 31 March 2022

ORGANISATIONAL REVIEW (Continued)

The Board of TB Cyf continued to meet by electronic means throughout the pandemic and Arts Council of Wales (ACW), Powys County Council (PCC) and Brecon Town Council (BTC) continued to provide invaluable observers to the Board. Normal “in person” meetings of our Board and sub-committees have now resumed. Our partnership with both ACW and PCC colleagues continues to grow.

In February, the Trustees were very sad to hear of the death, after a long illness, of former Trustee and Chair Mary Phillips. Trustees and staff members attended her funeral in Brecon Cathedral.

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.

It strives, 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 years 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, visitor and user safety 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.

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.

These organisations are now able to return to their activities at Theatr Brycheiniog and they are doing so enthusiastically.

ACHIEVEMENTS AND PERFORMANCE

The survival of the Theatr during complete closure was the overriding achievement of 20/21. That of 21/22 has been the steady climb towards re-opening, which finally took place in February 2022, together with the internal refurbishment and rebranding which will give the Theatr a new look for an emerging future. Solid financial results for the year are a result of careful planning and management of resources by Director and staff, and the Trustees acknowledge and applaud their hard work.

During the summer of 2021 the Cultural Café, which created a specially designed and socially distanced environment in our flat floored auditorium where café service could continue and small-scale performances could take place, was a great success. Here we enjoyed a Jazz Night for Brecon Jazz Festival, Comedy Club and Behind the Scenes with Brecon Festival Ballet, talks and poetry.

The Theatr also hosted, during the summer, an outside test event for the Welsh Government aimed at families – “We Need Bees” – which was well received despite a short time frame to get it organised.

THEATR BRYCHEINIOG CYF

REPORT OF THE DIRECTORS/TRUSTEES (Continued) for the year ended 31 March 2022

ACHIEVEMENTS AND PERFORMANCE (Continued)

In the autumn audience restrictions were in place for Mid Wales Opera's "Small Stages Tour" presenting Puccini's "Il Tabarro". Other music events included a fantastic return to Brecon for Calan, the Adelina Patti Prize concert and a performance by the Welsh Chamber Orchestra. Talk events, films (La Cha Cha) and small cast performances were also permitted. Phil Clark's winter exhibition in our upstairs gallery, "At the Water's Edge", was very enthusiastically received.

The relaunched spring 2022 season saw both the re-programming of shows that had been due to take place pre-pandemic, and the welcome arrival of some new productions. There were sell out shows for Max Boyce (is back!), Nish Kumar, An Evening with Shane Williams and The Simon & Garfunkel Story. Children's show Flossy & Boo was also a sell out and the Theatre's new BabyB! sessions are heavily oversubscribed showing the demand for pre-school activities in the local area.

We saw Shirley Valentine in Welsh, and An Evening Without Kate Bush. Mid Wales Opera returned with a full scale production of La Boheme and we welcomed back the Sir John Lloyd Lecture with "Tretower: A Pretty Castle and a Fair Place" Live screenings returned with RoH's Rigoletto and La Traviata, while NT Live brought us Tom Stoppard's Leopoldstadt.

In March a benefit showing of the feature film "Mr Jones", about the publicising by a Welsh journalist Gareth Jones of the Ukraine famine in the 1930s, was held to raise funds for the Disasters Emergency Committee Ukraine Humanitarian Appeal.

We are pleased that audiences are beginning to return for live performance but it is a slowly building process as confidence is taking time to re-establish after the pandemic.

FUNDRAISING

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 Cultural Recovery Funding through ACW, PCC and directly from the Welsh Government. Brecon Town Council has also maintained its support in this most difficult of times. Details of this funding, and that of WCVA, The Theatre's Trust and others are shown in the financial statements later in this report.

Friends and Patrons continued their generous support throughout the year and our corps of stewards returned to welcome audiences on show nights.

BUILDING

The Buildings & Health and Safety sub-committee ensures that a regular programme of maintenance and safety checks is carried out and the building is fully insured for all risks.

During the period work commenced on the long anticipated front of house refurbishment, starting with the first floor and bar and moving on to the foyer, box office and café with the gallery floor to follow. New seats were installed in the auditorium. Plans began, with PCC, to use LUF funding for much needed structural renovations and mechanical and electrical enhancements.

FINANCIAL REVIEW

As can be seen in the Statement of Financial Activities for year ending 31 March 2022 and the Balance Sheet as at 31 March 2022 (pages 11 -12 and related notes) there has been some notable progress in the period, despite the continuance of volatile, pandemic-related, operating conditions. Director and staff are to be congratulated for careful management of funds and economy of expenditure during the period. Particular points to note are:

- **The overall surplus of income over expenditure during the period was £53,766.**

THEATR BRYCHEINIOG CYF

REPORT OF THE DIRECTORS/TRUSTEES (Continued) for the year ended 31 March 2022

FINANCIAL REVIEW (Continued)

- **Income is slightly up over 20/21, at £853,709.** Donations and grants, and income from charitable activities has reduced somewhat according to changes during the year – for example the cessation of the CJRS scheme - but our core funders have remained generous in their cultural recovery and other grant making to ensure the financial stability of the Theatr, for which we are extremely grateful. Some ticketing and merchandising income was received from the events that could take place before full re-opening in May 2022. Income from trading activities saw a significant improvement thanks, in large part, to the success of the Cultural Café and use of the car park as people became more generally active.
- **Expenditure increased to £799,943** as staff returned to work and general business activity began to increase.
- **Fund balances to carry forward increased to £218,247**, a reflection of the increased activity during the period and sums the Theatr holds for capital works which continue to be scheduled into 2022/23.

Reserves policy

The Trustees have designated reserves from the general fund to address the needs and risk profile of the organisation going forward. Details can be found on page 20 under note 16.

PLANS FOR FUTURE PERIODS

As we move further into 2022 our programme of events will expand and we hope that no restrictions will be re-imposed and that the confidence of audiences will continue to grow.

We will press on with our refurbishment and plans with PCC to renovate the building and look ahead to the (delayed) 25th Anniversary of the Theatr and the renewal of TB Cyf's lease as the theatre operator.

By the end of financial year 22/23 we will have a new 6 year business plan in place in anticipation of ACW's review of its portfolio organisations and our participation in that process.

We will continue to implement policy, governance and operational changes to strengthen the organisation for the future.

We will continue to work with local community groups and the wider cultural community to keep the performing arts alive for all who seek to experience them.

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.

Theatr Brycheiniog Cyf took on the management of Theatr Brycheiniog when it opened in April 1997. The building is owned by Powys County Council and it is leased on a 28 year term to TBC.

THEATR BRYCHEINIOG CYF
REPORT OF THE DIRECTORS/TRUSTEES (Continued)
for the year ended 31 March 2022

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.

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 was brought into use during the period.

During the period, Karen Griffiths resigned from the Board after a considerable period of valued contribution. Gary Blackledge, Elizabeth Jeffreys and Sally Jones were re-elected for second terms at AGM 2021 and Ann Owen and Rod Paton were elected for first terms. Andy Collinson, Jayne Gold and Tin Mellerick -Wheeler joined the Board in anticipation of election at AGM 2022. The Board agreed in February to co-opt Jodie Bond to the Board to fill a specific vacancy for a fluent Welsh speaker.

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 & Strategy Sub-committee, the Buildings and Health & Safety Sub-committee and the Policies & Procedures Sub-committee. 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, a trustee leads the group which deals with recruitment of new trustees as described above, other trustees have begun reviews of Youth Engagement policy and company membership.

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), Wales Council for Voluntary Action (WCVA) 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.

Risk management

The board scrutinises the financial performance of TB 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.

THEATR BRYCHEINIOG CYF

REPORT OF THE DIRECTORS/TRUSTEES (Continued) for the year ended 31 March 2022

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.

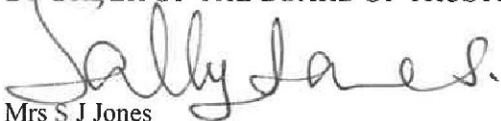
STATEMENT AS TO DISCLOSURE TO OUR AUDITORS

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: 30 August 2022

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 2022 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 2022, 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: 30 August 2022

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

THEATR BRYCHEINIOG CYF

STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)
for the year ended 31 March 2022

| | Notes | Unrestricted funds £ | Restricted funds £ | Total 2022 £ | Total 2021 £ |
|---|-------|----------------------------|--------------------------|--------------------|--------------------|
| INCOME | | | | | |
| Donations and grants | 3 | 497,886 | - | 497,886 | 546,618 |
| <i>Income from charitable activities:</i> | | | | | |
| Operation of theatre and arts centre | 4 | 90,816 | 36,772 | 127,588 | 253,109 |
| <i>Income from other trading activities</i> | | | | | |
| | 5 | 228,235 | - | 228,235 | 40,395 |
| TOTAL INCOME | 16 | <u>816,937</u> | <u>36,772</u> | <u>853,709</u> | <u>840,122</u> |
| EXPENDITURE | | | | | |
| <i>Costs of raising funds:</i> | | | | | |
| Trading operations | 7 | 40,431 | - | 40,431 | 10,953 |
| <i>Expenditure on charitable activities:</i> | | | | | |
| Operation of theatre and arts centre | 8 | 725,734 | 33,778 | 759,512 | 502,717 |
| TOTAL EXPENDITURE | 16 | <u>766,165</u> | <u>33,778</u> | <u>799,943</u> | <u>513,670</u> |
| NET INCOME | | 50,772 | 2,994 | 53,766 | 326,452 |
| Transfers between funds | 11 | - | - | - | - |
| NET MOVEMENT IN FUNDS | | <u>50,772</u> | <u>2,994</u> | <u>53,766</u> | <u>326,452</u> |
| <i>Reconciliation of funds</i> | | | | | |
| Fund balances brought forward at 1 April 2021 | | <u>116,383</u> | <u>48,098</u> | <u>164,481</u> | <u>(161,971)</u> |
| Fund balances carried forward at 31 March 2022 | 17 | <u>167,155</u> | <u>51,092</u> | <u>218,247</u> | <u>164,481</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 2022

| | Notes | 2022 | | 2021 | |
|---|-------|---------|---------|---------|---------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible assets | 13 | | 114,368 | | 42,274 |
| CURRENT ASSETS | | | | | |
| Stock | | 8,227 | | 5,424 | |
| Debtors | 14 | 44,050 | | 64,357 | |
| Cash at bank and in hand | | 215,888 | | 128,148 | |
| | | | 268,165 | | 197,929 |
| CREDITORS: Amounts falling due within one year | 15 | 164,286 | | 75,722 | |
| NET CURRENT ASSETS | | | 103,879 | | 122,207 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 218,247 | | 164,481 |
| | | | 218,247 | | 164,481 |
| RESERVES | | | | | |
| Unrestricted income funds: | | | | | |
| General fund | 16 | | 49,155 | | 116,383 |
| Designated fund | 16 | | 118,000 | | - |
| | | | 167,155 | | 116,383 |
| Restricted funds | 16 | | 51,092 | | 48,098 |
| | | | 218,247 | | 164,481 |

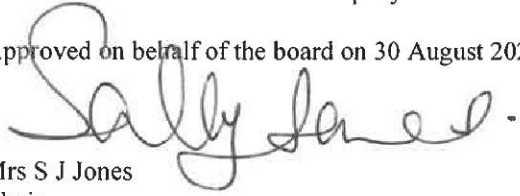
For the year ending 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act relating to small companies but as the company is a charity, it is subject to audit under the Charities Act 2011.

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 30 August 2022


Mrs S J Jones
Chair

THEATR BRYCHEINIOW CYF

STATEMENT OF CASH FLOWS
for the year ended 31 March 2022

| | Note | 2022 £ | 2021 £ |
|---|-----------|----------------|----------------|
| Cash used in operating activities | 25 | 208,987 | 142,048 |
| <i>Cash flows from investing activities</i> | | | |
| Interest income | | - | - |
| Purchase of tangible fixed assets | | (121,247) | (32,216) |
| Proceeds from disposal of fixed assets | | - | 400 |
| Cash provided by (used in) investing activities | | (121,247) | (31,816) |
| Increase in cash and cash equivalents in the year | | 87,740 | 110,232 |
| Cash and cash equivalents at the beginning of the year | | 128,148 | 17,916 |
| Cash and cash equivalents at the end of the year | | 215,888 | 128,148 |

THEATR BRYCHEINIOG CYF

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2022

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) (effective 1 January 2019), 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.

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.

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.

THEATR BRYCHEINIOW CYF

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2022

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 specific future purposes or projects.

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.

THEATR BRYCHEINIOG CYF

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2022

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 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. Most continuing costs were covered by grant income or job support schemes and the theatre has now re-opened. 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 2022

| 3. INCOME FROM DONATIONS AND GRANTS | 2022 | 2021 |
|---|----------------|----------------|
| | £ | £ |
| Brecon Town Council – core funding | 7,500 | 7,500 |
| Brecon Town Council – Covid-19 re-opening grant | - | 2,500 |
| Powys County Council – core funding | 21,719 | 34,467 |
| Powys County Council – Covid-19 additional funding | 4,000 | 45,000 |
| Arts Council of Wales – core funding | 196,749 | 196,749 |
| Arts Council of Wales – Covid-19 stabilisation grant | - | 60,000 |
| Arts Council of Wales – Cultural Recovery Fund 1 grant | 16,831 | 151,481 |
| Arts Council of Wales – Cultural Recovery Fund 2 grant | 113,747 | - |
| Arts Council of Wales – Cultural Recovery Fund 3 grant | 121,500 | - |
| Welsh Government – Economic Resilience Fund Covid-19 grant | - | 30,000 |
| | <hr/> | <hr/> |
| | 482,046 | 527,697 |
| Donations and sponsorship | 15,840 | 18,921 |
| | <hr/> | <hr/> |
| | 497,886 | 546,618 |
| | <hr/> | <hr/> |
| 4. INCOME FROM CHARITABLE ACTIVITIES | 2022 | 2021 |
| | £ | £ |
| Income from admission charges | 58,127 | - |
| Merchandising and programmes | 836 | - |
| | <hr/> | <hr/> |
| Income from performances | 58,963 | - |
| Other grant income (unrestricted):- | | |
| HM Revenue & Customs – Coronavirus Job Retention Scheme grant | 31,853 | 213,109 |
| Support from grant income (restricted):- | | |
| Welsh Government – We Need Bees performance | 15,000 | - |
| Other grant income (restricted):- | | |
| Theatres Trust – camera equipment | 5,000 | - |
| Brecon Town Council – camera equipment | 2,000 | - |
| Arts Council of Wales – capital | 14,772 | 40,000 |
| | <hr/> | <hr/> |
| | 36,772 | 40,000 |
| | <hr/> | <hr/> |
| Total income from charitable activities | 127,588 | 253,109 |
| | <hr/> | <hr/> |
| 5. INCOME FROM OTHER TRADING ACTIVITIES | 2022 | 2021 |
| | £ | £ |
| Hire of facilities | 42,015 | 6,627 |
| Bar sales, bistro and event catering | 94,287 | 10,994 |
| Other catering income | 10,994 | - |
| Other income | 80,939 | 22,774 |
| | <hr/> | <hr/> |
| | 228,235 | 40,395 |
| | <hr/> | <hr/> |
| 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 2022

| | | | | |
|---|-------------|--|--------------------|---------------------|
| 7. COSTS OF RAISING FUNDS | | | 2022 | 2021 |
| | | | £ | £ |
| Bar and bistro purchases, event catering and vending supplies | | | 40,431 | 10,953 |
| | | | <u>40,431</u> | <u>10,953</u> |
| 8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES | | | | |
| | | Concerts and stage performances | | |
| | Note | £ | Education £ | 2022 Total £ |
| | | | | 2021 Total £ |
| <i>Direct Charitable Expenditure</i> | | | | |
| Touring company performance fees, workshops and classes | | 72,077 | - | 72,077 |
| Backstage and other production costs | | 19,312 | - | 19,312 |
| Programme research | | - | - | - |
| Advertising, marketing and box office | | 57,250 | - | 57,250 |
| Central premises costs | | 140,751 | - | 140,751 |
| Staff costs | 10 | 411,468 | - | 411,468 |
| Depreciation | | 49,154 | - | 49,154 |
| Governance costs | 9 | 9,500 | - | 9,500 |
| | | <u>759,512</u> | <u>-</u> | <u>759,512</u> |
| | | | | <u>502,717</u> |
| 9. GOVERNANCE COSTS | | | 2022 | 2021 |
| | | | £ | £ |
| Auditor's remuneration | | | 9,500 | 8,300 |
| | | | <u>9,500</u> | <u>8,300</u> |
| 10. STAFF COSTS | | | 2022 | 2021 |
| | | | £ | £ |
| Salaries and wages | | | 378,372 | 318,797 |
| Social security costs | | | 22,482 | 16,240 |
| Compensation for loss of office | | | 1,340 | - |
| Employer pension contributions | | | 9,274 | 7,141 |
| Recruitment costs | | | - | 10 |
| | | | <u>411,468</u> | <u>342,188</u> |

No employee earned more than £60,000 per annum (2021: 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 £48,736 (2021: £40,870).

The average monthly head count was 33 staff (2021: 30) and the average number of full-time equivalent staff (including casual and part time staff) employed during the year was:

| | | |
|---------------------------------|-------------|-------------|
| | 2022 | 2021 |
| Trading | 10 | 10 |
| Box office, sales and marketing | 4 | 4 |
| Concerts and stage performances | 4 | 4 |
| | <u>18</u> | <u>18</u> |

THEATR BRYCHEINIOG CYF

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2022

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, and between the general fund and designated funds in accordance with decisions by the Trustees to designate funds for specific purposes or projects.

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 £ |
|-------------------------|-------------------------------|-----------------------------|---------------------------|----------------|
| COST: | | | | |
| At 1 April 2021 | 171,701 | 150,409 | 93,896 | 416,006 |
| Additions | 85,292 | 12,063 | 23,892 | 121,247 |
| Disposals | (3,319) | (1,566) | (8,624) | (13,509) |
| At 31 March 2022 | <u>253,674</u> | <u>160,906</u> | <u>109,164</u> | <u>523,744</u> |
| DEPRECIATION: | | | | |
| At 1 April 2021 | 147,591 | 146,793 | 79,348 | 373,732 |
| Charge for year | 31,827 | 5,072 | 12,254 | 49,153 |
| Eliminated on disposals | (3,319) | (1,566) | (8,624) | (13,509) |
| At 31 March 2022 | <u>176,099</u> | <u>150,299</u> | <u>82,978</u> | <u>409,376</u> |
| NET BOOK VALUE: | | | | |
| At 31 March 2022 | <u>77,575</u> | <u>10,607</u> | <u>26,186</u> | <u>114,368</u> |
| At 31 March 2021 | <u>24,110</u> | <u>3,616</u> | <u>14,548</u> | <u>42,274</u> |

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

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2022 £ | 2021 £ |
|--------------------------------|---------------|---------------|
| Trade debtors | 6,586 | 4,981 |
| Other debtors | 15,564 | 46,104 |
| Prepayments and accrued income | 10,852 | 3,043 |
| Value Added Tax | 11,048 | 10,229 |
| | <u>44,050</u> | <u>64,357</u> |

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2022 £ | 2021 £ |
|------------------------------|----------------|---------------|
| Trade creditors | 44,866 | 3,591 |
| Other creditors | 19,505 | 14,104 |
| Accruals and deferred income | 78,153 | 40,479 |
| Advance ticket sales | 21,762 | 17,548 |
| | <u>164,286</u> | <u>75,722</u> |

THEATR BRYCHEINIOG CYF

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

16. ANALYSIS OF CHARITABLE FUNDS

| | Balance at 1 April 2021 £ | Movements in Reserves (including transfers) | | | Balance at 31 March 2022 £ |
|--|------------------------------------|--|----------------|----------------|-------------------------------------|
| | | Incoming £ | Outgoing £ | Transfers £ | |
| <i>Unrestricted funds</i> | | | | | |
| General fund | 116,383 | 816,937 | 766,165 | (118,000) | 49,155 |
| <i>Designated funds</i> | | | | | |
| Contingency Reserve | - | - | - | 48,000 | 48,000 |
| Staffing Resource Emergency fund | - | - | - | 40,000 | 40,000 |
| Utilities, Energy and Buildings Emergency Reserve | - | - | - | 30,000 | 30,000 |
| | <u>116,383</u> | <u>816,937</u> | <u>766,165</u> | <u>-</u> | <u>167,155</u> |
| <i>Restricted funds:</i> | | | | | |
| Capital grants | 48,098 | 21,772 | 18,778 | - | 51,092 |
| Performance of "We Need Bees" | - | 15,000 | 15,000 | - | - |
| | <u>48,098</u> | <u>36,772</u> | <u>33,778</u> | <u>-</u> | <u>51,092</u> |
| Total | <u>164,481</u> | <u>853,709</u> | <u>799,943</u> | <u>-</u> | <u>218,247</u> |

Three designated funds have been established by the Board during the year for the following purposes:-

- (i) A contingency fund in line with the Board's intended policy to set aside a sum of money, when funds allow, to provide stability in the charity's finances.
- (ii) The Staffing Resource Emergency fund to set aside sufficient money to cover the costs of the charity's obligations to staff in the unlikely event that it is forced cease operations.
- (iii) The Utilities, Energy and Buildings Emergency Reserve is money set aside to assist the charity in dealing with increases in costs and any critical emerging needs.

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 fund in respect of the performance of "We Need Bees" represents money received towards the cost of holding a test event to establish working practices following the relaxation of Covid-19 restrictions.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted funds £ | Restricted fund £ | Total fund £ |
|-----------------------|----------------------------|-------------------------|--------------------|
| Tangible fixed assets | 65,276 | 49,092 | 114,368 |
| Net current assets | 101,879 | 2,000 | 103,879 |
| | <u>167,155</u> | <u>51,092</u> | <u>218,247</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 2022

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 (2021: Nil). There were no related party transactions requiring disclosure in these financial statements.

21. OTHER FINANCIAL COMMITMENTS

At 31 March 2022 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:-

| | 2022 £ | 2021 £ |
|-------------------------------------|--------------|--------------|
| Expiring in less than one year | - | - |
| Expiring between one and five years | 5,532 | 9,120 |
| Expiring in more than five years | - | - |
| | <u>5,532</u> | <u>9,120</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.

Some of the urgent issues identified in that report have been dealt with, and since then Powys County Council included Theatr Brycheiniog in a successful bid for levelling up funding from UK Government. Their bid proposed that the levelling up project redevelop and maintain Theatr Brycheiniog to ensure the theatre is viable and can enhance and sustain its delivery of arts, cultural and wellbeing projects to the local community and visitors. The project is now at feasibility stage, where a programme of works will be confirmed for this redevelopment, totalling approximately £2.4m.

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 £5,087 (2021 - £3,793).

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 2022

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

| | 2022 | 2021 |
|---|-------------|-------------|
| | £ | £ |
| Net movement in funds | 53,766 | 326,452 |
| Add back depreciation charge | 49,153 | 23,395 |
| Deduct profit on disposal of fixed assets | - | (200) |
| Decrease (increase) in stock | (2,803) | 3,358 |
| Decrease (increase) in debtors | 20,307 | (34,662) |
| Increase (decrease) in creditors | 88,564 | (176,295) |
| | <hr/> | <hr/> |
| Net cash used in operating activities | 208,987 | 142,048 |
| | <hr/> <hr/> | <hr/> <hr/> |

THEATR BRYCHEINIOG CYF

DETAILED INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 March 2022

| | 2022 | | 2021 | |
|--|---------|-----------|---------|-----------|
| | £ | £ | £ | £ |
| INCOME: | | | | |
| Box office | | 58,127 | | - |
| Merchandising and programmes | | 836 | | - |
| Hire of facilities | | 42,015 | | 6,627 |
| Revenue grants | | 528,899 | | 740,806 |
| Bar sales, bistro and event catering | | 94,287 | | 10,994 |
| | | <hr/> | | <hr/> |
| | | 724,164 | | 758,427 |
| OTHER INCOME: | | | | |
| Donations and sponsorship | | 15,840 | | 18,921 |
| Release of capital grants | | 18,778 | | 12,503 |
| Other catering income | | 10,994 | | - |
| Other income | | 76,939 | | 18,774 |
| Employment Allowance | | 4,000 | | 4,000 |
| | | <hr/> | | <hr/> |
| | | 850,715 | | 812,625 |
| EXPENDITURE: | | | | |
| Event and project costs | 72,077 | | 1,100 | |
| Programme research | - | | - | |
| Bar and bistro purchases, event catering and vending supplies | 40,431 | | 10,953 | |
| Salaries and wages | 402,194 | | 335,037 | |
| Pension contributions | 9,274 | | 7,141 | |
| Recruitment costs | - | | 10 | |
| Telephone | 3,976 | | 4,181 | |
| Postage and stationery | 9,859 | | 2,126 | |
| Sales commission | 3,580 | | 182 | |
| Advertising and printing | 40,385 | | 9,471 | |
| General marketing costs | 3,427 | | - | |
| Travelling | 1,267 | | 1,270 | |
| Rent | 100 | | 100 | |
| Heat and light | 32,200 | | 26,050 | |
| Insurance | 6,031 | | 5,939 | |
| Water rates | 3,771 | | 2,240 | |
| Hire of equipment | 15,057 | | 3,542 | |
| Equipment maintenance and consumables | 4,265 | | 1,274 | |
| Repairs to property | 19,326 | | 29,831 | |
| Subscriptions, affiliations, PRS and licences | 7,273 | | 3,024 | |
| Refuse collection, computer and sundry expenses | 18,914 | | 13,501 | |
| Auditor's remuneration | 9,500 | | 8,300 | |
| Legal and professional fees | 33,423 | | 17,541 | |
| Training | 4,019 | | 30 | |
| Cleaning | 5,350 | | 2,606 | |
| Bad debt expense | 60 | | - | |
| Irrecoverable VAT | - | | 2,872 | |
| Depreciation | 49,153 | | 23,395 | |
| (Profit) on disposal of fixed assets | - | | (200) | |
| | | <hr/> | | <hr/> |
| | | (794,912) | | (511,516) |
| Carried forward | | 55,803 | | 301,109 |

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 2022

| | 2022 | | 2021 | |
|-----------------------------|-------------|----------------|-------------|----------------|
| | £ | £ | £ | £ |
| Brought forward | | 55,803 | | 301,109 |
| FINANCE COSTS: | | | | |
| Bank charges | 723 | | 358 | |
| Credit card charges | 4,308 | | 1,797 | |
| | | <u>(5,031)</u> | | <u>(2,155)</u> |
| SURPLUS FOR THE YEAR | | <u>50,772</u> | | <u>298,954</u> |

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