

Company number 02720007
Charity number 1034961

The Anvil Trust Limited
(Limited by Guarantee)

Report and Financial Statements
for the year ended 31 March 2022

Breckman & Company Ltd
Chartered Certified Accountants
49 South Molton Street
London W1K 5LH

The Anvil Trust Limited
(Limited by Guarantee)

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The Anvil Trust Limited

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Reference and Administrative Details

Constitution

The company is incorporated under the Companies Act, company number 02720007 and its governing document is its Memorandum and Articles of Association. The company is a registered charity, number 1034961.

Directors and trustees

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

Policies and procedures adopted for the induction and training of trustees are ongoing and incorporated indirectly into the regular trustees meetings.

The trustees during the year and since the year end, were :

L B Bell	
A H Bowden	
S M Catley	
D Chatten-Smith	
A J Finney	resigned 12 July 2021
S Hayward	
G Hurry	appointed 12 July 2021
J Izett	appointed 12 July 2021
C Kinnear	resigned 7 May 2021
C Smith (Chair)	appointed 12 July 2021
D W C Whelton	resigned 19 October 2021
J Whitfield	appointed 12 July 2021

Secretary

M Cleaver

Chief executive/day to day management

M Cleaver

Auditors

Breckman & Company Limited, 49 South Molton Street, London W1K 5LH.

Bankers

Barclays Bank plc, Apex Plaza, PO Box 2881, Reading, Berkshire RX3 2BB.

Registered office and operation address

Churchill Way, Basingstoke, Hampshire RG21 7QR.

The Anvil Trust Limited

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Trustees' Report

The trustees present their annual report together 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 reference and administrative details set out on page 1 forms part of this report. The financial statements comply with 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 (FRS 102).

Objectives and activities

Our Vision

- To be a catalyst for Great Performance - Live, and enhance the lives of those living in, working in, or visiting the Borough of Basingstoke and Deane.
- To be a regional and national example of good practice in support for performing and participatory arts.

Our Aims

- To present and support work of the highest quality in a range of genres.
- To create educational and participatory opportunities that include all members of our community.
- To present and create work that celebrates cultural diversity.
- To provide the people of Basingstoke and Deane and beyond with a centre of excellence that enhances the image and reputation of the borough.
- To provide a service that is noted for accessibility, courtesy and efficiency.
- To be an excellent employer.

For the benefit of:

Those who live in, work in or visit the Borough of Basingstoke and Deane, the County of Hampshire and beyond.

Artists and audiences from all sections of society.

Achieved by:

An annual programme of performances, events, and community engagement that is wide ranging on all levels.

Measured by:

Clearly defined performance indicators that include quantitative and qualitative targets. These include the numbers of ticket sales and users, postcode analysis of users and commissioned satisfaction surveys.

Public benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

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Trustees' Report

Achievements and performance

"One of the most vital arts organisations in southern England."

The Times

The Anvil Trust is a registered educational charity limited by guarantee, whose purpose is to provide audiences, artists and communities in Basingstoke and Deane, Hampshire and across the catchment area with positive experiences of a world class arts, entertainment and community engagement programme.

The whole sector has been through unforeseen times of forced closure and substantial public investment reduction since 2020. The Trust is now emerging into a changed world with an enhanced sense of our importance to the local community, to the value of our contribution to discovering a revitalised approach to town centre recovery, where the cultural economy is more important than ever, and a sense of potential for enhanced cultural partnerships locally, regionally and nationally. All these opportunities and challenges will require investment measured in years not months.

The disruption caused by the COVID pandemic continued to have a huge impact on our work, and its longer term effects on the whole arts and entertainment sector are still becoming apparent. There have been significant changes with skilled recruitment and retention, programming content that has a wide appeal remains challenging and unpredictable as different audiences respond to social engagement.

Socially distanced performances began in venues in June and July, and 14 pilot performances took place at The Anvil and The Haymarket across a range of genres. All aspects of the performances were changed, from seating layouts to foyer routes and bar sales, and including social distancing for performers and crew on and backstage, to give a safe and welcoming experience in line with regulations. With the winding down of the furlough scheme, staff were brought back flexibly and as business needs increased.

Performances at full capacity were then permitted from September but restrictions reintroduced in December. Their stop-start nature gave rise to confusion and hesitation among most audiences, and ticket sales were well below normal, although in line with what had been budgetted. The exception was comedy, where audiences were very happy to return and performances sold out without difficulty.

The programme was also affected by tour cancellations and rescheduling, with 26 performances lost across the six months from September to March, more than 10% of the total programme. Touring drama was particularly badly hit. While we did not have to cancel any pantomime performances, like other venues around the country, ticket sales during the run were significantly affected and thousands of tickets booked in advance by schools and community groups had to be cancelled as they could no longer attend. We were nevertheless delighted that the relaxed performance enjoyed its best sales ever and plan to increase capacity for next year.

Notable performances between September 2021 and March 2022 included the spectacular Japanese drummers Kodo, Sophie Ellis-Bextor's Kitchen Disco tour, a live version of her popular lockdown work, the BBC Symphony Orchestra in a concert recorded by BBC Radio 3 for future broadcast, and saxophonist Jess Gillam bringing in a younger audience when performing with the Philharmonia Orchestra. RuPaul's Drag Race UK delighted a sold out crowd on its first visit, and a week later children from the fourteen schools attending Orchestra Unwrapped made just as much noise in their delighted reaction to this concert with the Philharmonia Orchestra.

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Trustees' Report

The community engagement and education programme could not restart until August, when the Musication Station project visited several outdoor festivals and school events. Activity in the spring was almost at normal levels with the exception of the dementia project Finding the Words due to restrictions continuing in care homes. We introduced a new extended work placement scheme for students on the autistic spectrum, tying in with our existing career development and interview skills work with SEN groups from local colleges.

Our artistic partnerships remained a key factor in sustaining an ambitious programme. The Philharmonia Orchestra, Orchestra of the Age of Enlightenment and Bournemouth Symphony Orchestra all brought outstanding concerts. On a local level, we were pleased to work with South Asian dance company Kala the Arts on a successful Diwali event.

Basingstoke and Deane Borough Council confirmed that its investment would be cut by 50% to £395,000, and at standstill for the following year. We were accepted on to ACE NPO extension year and made an application for the next full NPO round which covers 2023-26.

Investment in the arts remains uncertain and the Board supports initiatives by the executive to broaden the income base of the Trust. The Board approves the risk strategy and receives regular updates against the risk register. We demonstrate how the Trust fulfils its purpose through a range of evidence. This includes quantitative indicators, for instance audience and performance figures, and qualitative evidence of customer and artist satisfaction, and professional peer and critical reviews.

Out of adversity and change often comes opportunity. Throughout its 30-year history The Anvil Trust has been managed responsibly and with a clearly defined sense of purpose. Having survived a pandemic, the Trust is well positioned to drive forward, exploring new channels of commercial revenue, and engaging with the wider community to make arts and culture the centrepiece of local recovery and regeneration.

Financial review

The statement of financial activities on page 12 shows another year of stable financial performance with final unrestricted funds of £1,792,747. The balance on the restricted funds stands at £578,628. The composition of the restricted funds is shown in note 19 to the accounts.

The main sources of income are from the public sale of tickets for performances, bar sales, and investment from Basingstoke and Deane Borough Council and Arts Council England. Deane Borough Council provides a revenue grant based on an agreed programme of work to be provided by The Anvil Trust which is defined in its annual Service Level Agreement. Legislation requires that The Anvil Trust be charged a fair market rent of £149,250 for The Anvil and £65,000 for The Haymarket during the year. Basingstoke and Deane Borough Council provided a full rent subsidy to cover the amounts due.

A number of reserves are in place to fulfil the objectives and Business Plan of The Anvil Trust, in particular to provide a vehicle for innovation and to both educate and entertain in the provision of great performance. The Anvil Trust's reserves policy is reviewed annually to confirm appropriateness of approved levels and that the policy is being operated satisfactorily. All reserves have appropriate limits and objectives, and release of reserves is subject to budgeting and prior authorisation.

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Trustees' Report

The following main reserves are in place:

Unrestricted funds

To seek to maintain a minimum fund level to cover contingency operating issues for the operational fabric of the buildings (to a maximum of 6 months).

Restricted funds

Hampshire County Council awarded grants to The Anvil Trust and Turner Sims to deliver the New Dimensions in Music Performance and Participation, these projects are still ongoing. The Musication Station reserve is the result of public donations from audiences to the pantomime. Both grants were restricted funds. In addition, the Great Music of the World Fund was established to fulfil our strategic aims and ensure that programming of international concerts can continue for the foreseeable future. The Great Music of the World fund has an upper limit of £400,000 to ensure that reserves are actively used and a minimum level of £100,000 established to provide sustainable investment.

Designated funds

Designated Funds have been set up to pay for necessary repairs and maintenance; a future replacement of the Steinway piano to meet orchestras' and soloists' expectations; local community programmes across Basingstoke; programme projects; a commissioning fund for new work; environmental sustainability; and consultancy. This year a new designated fund was set up for exceptional utilities costs ahead of significant price rises anticipated in autumn 2022. Transfers are made when we anticipate future requirements. They will be released over the next five years when the expenditure is incurred. The board reviews the requirements annually.

Risk management

The trustees have overall responsibility for the system of risk management and internal control. The Anvil Trust has a risk management framework in place, which includes the following:

- The trustees monitor progress against the objectives set out in the business plan and a comprehensive review of the plan is carried out annually;
- Procedures are in place to identify risks that the charity may face and the key risks are reported and reviewed by the trustees. The full risk assessment register is reviewed by a trustee and CEO every six months; and
- Reporting includes the operation of the controls that mitigate risks, including the systems and procedures in place. Key financial controls include; established authorisation levels for expenditure, cheque signing and investment, monthly reviews of key financial and operational information. Through the procedures and reporting in place, the trustees are able to evaluate the effectiveness of internal controls and confirm that key risk areas are being identified and management controls implemented.

Future plans

There is no doubt that the continuing strategic support of Basingstoke and Deane Borough Council is essential to the future of The Anvil Trust. We will be working closely with the Council to ensure we not only preserve but develop the role that The Anvil Trust plays in making Basingstoke and Deane vibrant, successful and welcoming to those who live in, work in and visit the Borough.

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Investment in the arts remains uncertain and the Board supports initiatives by the executive to broaden the income base of the Trust, with the aim of using increased income to deliver more opportunities for all members of the community to take part in, participate in and create great art and culture.

Structure, governance and management

The charity is a company limited by guarantee, and the guarantee of each member is limited to £25. The governing instrument is the Memorandum and Articles of Association.

The Anvil Trust benefits from a skilled and committed Board of Directors, who are also known as the Trustees throughout these accounts.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mrs L B Bell
Miss A H Bowden
Ms S M Catley
Mr D Chatten-Smith
Mr A J Finney
Mr S Hayward
Cllr C Kinnear
Mr D W C Whelton

All of the above are members of the company and are required to contribute up to £25 to the company in the event of it being wound up.

The Board regularly reviews membership and uses "skills set" analysis as the major criterion for recruitment. There is a recruitment committee of the Board which interviews potential new members. There is a job description for Board members and the Chairman. Induction training for new members includes a briefing and detailed information from the Chief Executive and Chairman about the organisation and the aims of the Trust. Induction on the role and responsibilities of Directors is dependent upon the experience of new members.

Members receive on-going training through away days and professional training on specific issues such as equal opportunities. The company has made qualifying third party indemnity provisions for the benefit of its trustees during the year. These provisions remain in force at the reporting date.

Equality and diversity

Of the 44 people who applied for 5 full time positions, 39 were white British, 1 white Irish, 1 other white, 1 black Caribbean, 1 mixed white/black Caribbean, 1 not disclosed.

Of the 96 people who applied for 32 part-time positions, 81 were white British, 1 white Irish, 1 other white, 13 not disclosed.

Of the 5 permanent full time positions we appointed 5 white British. Of the 32 permanent part-time positions, we appointed 28 white British, 1 other white, 3 not disclosed.

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Trustees' Report

Going concern

The accounts have been drawn up on the basis of the charitable company continuing as a going concern in the foreseeable future. The company has received assurances from Basingstoke and Deane Borough Council that a revenue grant of £395,462 will be made available for the year up to March 2023 and Basingstoke and Deane Borough Council have also indicated their commitment to continue to offer on-going revenue support.

Statement of trustees' responsibilities

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

Company law requires the 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 the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- 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 that the charitable company will continue in operation.

The trustees are responsible for keeping adequate 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the trustees are aware at the time of approving our trustees' 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 to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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Trustees' Report

Small company exemptions

This report is prepared in accordance with the provisions of the Companies Act 2006 relating to small companies.

This report was approved by the Board of Trustees on 18 October 2022 and signed on its behalf by

A handwritten signature in black ink, appearing to be 'C Smith', written over a horizontal line.

C Smith
Trustee

Independent Auditors' Report to the Members of The Anvil Trust Limited

Opinion

We have audited the financial statements of The Anvil Trust Limited (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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.

Conclusions relating to going concern

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.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the 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 thereon. The trustees are responsible for the other information contained within the annual 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditors' Report to the Members of The Anvil Trust Limited

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditors' Report to the Members of The Anvil Trust Limited

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

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

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.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Graham Berry FCCA (Senior Statutory Auditor)
For and on behalf of Breckman & Company Ltd
Statutory Auditors
Chartered Certified Accountants

49 South Molton Street
London W1K 5LH

18 October 2022

The Anvil Trust Limited

(Limited by Guarantee)

Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total £	Unrestricted funds £	Restricted funds £	2021 Total £
Income and endowments from:							
Donations and legacies - page 13	3	690,190	231,235	921,425	976,618	836,406	1,813,024
Charitable activities							
Theatrical production - page 13		3,007,394	-	3,007,394	121,578	-	121,578
Investments	4	11,628	-	11,628	65,470	-	65,470
Total		3,709,212	231,235	3,940,447	1,163,666	836,406	2,000,072
Expenditure on:							
Charitable activities:							
Theatrical production - page 14		3,700,535	186,982	3,887,517	1,099,752	541,382	1,641,134
Total		3,700,535	186,982	3,887,517	1,099,752	541,382	1,641,134
Net income	5	8,677	44,253	52,930	63,914	295,024	358,938
Reconciliation of funds:							
Total funds brought forward		1,784,070	534,375	2,318,445	1,720,156	239,351	1,959,507
Total funds carried forward	18, 19	1,792,747	578,628	2,371,375	1,784,070	534,375	2,318,445

The notes on pages 18 to 30 form an integral part of these financial statements.

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

The Anvil Trust Limited
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Year ended 31 March 2022

	2022		2021	
	£	£	£	£
Income from donations and legacies				
Grants				
Arts Council England - NPO funding	141,506		141,504	
Arts Council England - CR funding	219,600		221,400	
Basingstoke & Deane Borough Council	395,462		790,924	
Central Government Business funding	-		48,173	
Hampshire County Council	-		30,000	
HMRC JRS funding	143,913		541,189	
		900,481		1,773,190
Donations				
Donations	20,944		39,834	
		20,944		39,834
		921,425		1,813,024

Of total income from donations and legacies received in the year, £231,235 (2021 - £836,406) is restricted fund income.

Income from charitable activities

Theatrical production income

Ticket income	2,104,887	31,211
Hire fees	209,318	1,353
Ancillary income	671,915	10,037
Other income	21,274	78,977
	3,007,394	121,578

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	2022	2021
	£	£
Expenditure on charitable activities		
Theatrical production costs		
Staff costs	588,956	419,218
Fees and direct performance costs	1,909,056	5,944
Education and outreach	5,535	1,255
Marketing and box office	56,145	48,962
Premises costs	299,148	244,132
Depreciation costs	24,186	25,960
	2,883,026	745,471
Support costs - page 15	992,491	883,663
Governance costs - page 15	12,000	12,000
	3,887,517	1,641,134

All support and governance costs have been allocated to expenditure on charitable activities.

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Year ended 31 March 2022

	2022		2021	
	£	£	£	£
Support and governance costs				
Support costs				
General costs	414,091		208,083	
Staff costs	573,177		672,755	
Bank charges	5,223		2,825	
	<u> </u>	992,491	<u> </u>	883,663
Governance costs				
Accountancy/other	4,000		4,000	
Audit	8,000		8,000	
	<u> </u>	12,000	<u> </u>	12,000
		<u> </u>		<u> </u>
		<u>1,004,491</u>		<u>895,663</u>

The Anvil Trust Limited

(Limited by Guarantee)

Balance Sheet
31 March 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	10		50,130		56,616
Investments	11		566,821		556,823
			<u>616,951</u>		<u>613,439</u>
Current assets					
Stocks	12	24,389		12,412	
Debtors	13	578,565		142,772	
Investments	14	1,353,559		526,454	
Cash at bank and in hand		2,423,953		2,401,690	
		<u>4,380,466</u>		<u>3,083,328</u>	
Liabilities					
Creditors: amounts falling due within one year	15	(2,445,542)		(1,188,322)	
Net current assets			<u>1,934,924</u>		<u>1,895,006</u>
Total assets less current liabilities			<u>2,551,875</u>		<u>2,508,445</u>
Creditors: amounts falling due after more than one year	16		(180,500)		(190,000)
Net assets			<u>2,371,375</u>		<u>2,318,445</u>
The funds of the charity					
Unrestricted funds	18				
- General fund			843,788		848,703
- Designated funds			948,959		935,367
Total unrestricted funds			<u>1,792,747</u>		<u>1,784,070</u>
Restricted funds	19		578,628		534,375
Total charity funds			<u>2,371,375</u>		<u>2,318,445</u>

The trustees have prepared these accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The accounts were approved by the Board of Trustees on 18 October 2022 and signed on its behalf by

C Smith
Trustee



S Hayward
Trustee



The notes on pages 18 to 30 form an integral part of these financial statements.

The Anvil Trust Limited
(Limited by Guarantee)
Cash Flow Statement
for the year ended 31 March 2022

	Notes	2022 £	2021 £
Cash flows from operating activities	21	865,438	228,610
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,630	3,513
Purchase of tangible fixed assets		(17,700)	(29,175)
Net cash provided by investment activities		<u>(16,070)</u>	<u>(25,662)</u>
Change in cash at bank and in hand in the reporting period		<u>849,368</u>	<u>202,948</u>
Cash at bank and in hand at the beginning of the reporting period		2,928,144	2,725,196
Cash at bank and in hand at the end of the reporting period		<u><u>3,777,512</u></u>	<u><u>2,928,144</u></u>
Represented by:			
Cash deposits and investments		1,353,559	526,454
Cash at bank and in hand		2,423,953	2,401,690
		<u><u>3,777,512</u></u>	<u><u>2,928,144</u></u>

The Anvil Trust Limited

(Limited by Guarantee)

**Notes to the Financial Statements
for the year ended 31 March 2022**

1. Accounting policies

1.1. Basis of preparing the financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (issued October 2019) 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) - (Charities SORP (FRS 102)), and the Companies Act 2006.

The charitable company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

1.2. Group financial statements

The charitable company has taken advantage of the exemption under section 398 of the Companies Act 2006 not to prepare consolidated financial statements. The financial statements present information about the charitable company as an individual entity and not about its group.

1.3. Preparation of the accounts on a going concern basis.

The charitable company is dependent on the continued support of grant aiding bodies. The trustees believe that the company will continue to receive this support and accordingly consider that it is appropriate to prepare the financial statements on the going concern basis.

1.4. 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

The Anvil Trust Limited

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**Notes to the Financial Statements
for the year ended 31 March 2022**

1.5. Incoming resources

All incoming resources are included in the Statement of Financial Activities when:

- the charity is legally entitled to the funds
- any performance conditions attached to the income have been met or are fully within the control of the charity
- there is sufficient certainty that receipt of the income is considered probable
- the amount can be reliably measured

- Donations and legacies

Grants/donations are recognised in incoming resources in the year in which they are receivable, except as follows:

- when donors specify that grants/donations given to the charity must be used in future accounting periods, the income is deferred until those periods
- when donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the preconditions for use are met.

- Charitable activities

Theatrical production income - income from performance admission fees and hire income is included in incoming resources in the period in which the relevant activity takes place.

Project specific funding - when donors specify that donations and grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

- Donated services and facilities

Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities 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 services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

- Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

The Anvil Trust Limited

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**Notes to the Financial Statements
for the year ended 31 March 2022**

1.6. Expenditure

All expenditure is included on an accruals basis inclusive of any VAT which cannot be recovered and is recognised when:

- there is a legal or constructive obligation to make a payment
- it is probable that settlement will be required
- the amount of the obligation can be measured reliably

- Charitable activities

Theatrical production - costs incurred in performances, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs.

- Support costs

The administrative and overhead costs associated with running the office from which the company operates as well as governance costs. Support costs are wholly attributable to theatre production costs. The basis on which support costs have been allocated are set out on page 14.

- Governance costs

Costs associated with the constitutional and statutory requirements of the charity.

1.7. Leasing

Rentals payable under operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

1.8. Pensions

The charitable company operates a defined contribution scheme for the benefit of its employees. contributions payable are recognised as expenditure when due.

1.9. Tangible fixed assets and depreciation

Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation is provided at annual rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant/technical equipment	-	10 - 33% straight line basis
Fixtures/fittings/equipment	-	20 - 33% straight line basis
Motor vehicles	-	33% straight line basis
Bar/catering equipment	-	20 - 33% straight line basis

1.10. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Current asset investments are stated at the lower of cost and net realisable value.

1.11. Stock

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised on receipt at fair value which is the amount the charity would have been willing to pay for the items on the open market

The Anvil Trust Limited

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Notes to the Financial Statements for the year ended 31 March 2022

1.12. Debtors

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

1.13. Cash at bank and in hand

Cash at bank and 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.

1.14. 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.

1.15. Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value, and subsequently measured at their settlement value.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in net income (expenditure), except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

1.16. Significant accounting estimates and judgements

In determining the carrying amounts of certain assets and liabilities, the charity makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The charity's estimates and assumptions are based on historical experience and expectation of future events and are reviewed annually.

2. Limited by guarantee

The private limited company is registered in EW - England & Wales, is limited by guarantee, and does not have a share capital. Each member gives a guarantee to contribute a sum, not exceeding £25, to the company should it be wound up. At 31 March 2022 there were 8 members.

3. Incoming resources

The total incoming resources for the year have been derived from the principal activity undertaken wholly in the UK.

The Anvil Trust Limited

(Limited by Guarantee)

Notes to the Financial Statements
for the year ended 31 March 2022

4. Income from investments	2022	2021
	£	£
Fixed asset investments		
Gains/(losses) on listed investments (note 12)	9,998	61,957
	<u> </u>	<u> </u>
Other investment income		
Bank interest received	1,630	3,513
	<u> </u>	<u> </u>
5. Net income for the year is stated after charging:	2022	2021
	£	£
Depreciation of tangible fixed assets	24,186	25,960
Operating lease rentals	10,104	10,104
Auditors' remuneration:		
- external audit	8,000	8,000
- other services	4,000	4,000
	<u> </u>	<u> </u>

6. Trustees' emoluments and reimbursed expenses

The trustees received no remuneration during the year (2021 - £nil).

The aggregated amount reimbursed to trustees during the year was £nil (2021 - £nil).

The Anvil Trust Limited

(Limited by Guarantee)

Notes to the Financial Statements
for the year ended 31 March 2022

7. Staff costs and numbers	2022	2021
	£	£
Staff costs		
Salaries and wages	1,094,752	999,821
Social security costs	76,738	68,113
Pension costs	28,483	24,039
	<u>1,199,973</u>	<u>1,091,973</u>

Key management personnel

The key management personnel of the charitable company comprises the Trustees and the Senior Management Team. The total employee benefits of the key management personnel of the charity was as follows:

	2022	2021
	£	£
Total remuneration and benefits	<u>70,568</u>	<u>70,568</u>

Staff numbers

The average numbers of employees (including casual and part time staff) during the year was made up as follows:

	2022	2021
	Number	Number
Management	1	1
Administration and sales	24	26
Buildings, production and technical	31	26
Operations and front of house	64	63
	<u>120</u>	<u>116</u>

The number of employees who earned £60,000 or more during the year was as follows:

	2022	2021
	Number	Number
£70,000 - £79,999	1	1
	<u>1</u>	<u>1</u>

The Anvil Trust Limited

(Limited by Guarantee)

Notes to the Financial Statements
for the year ended 31 March 2022

8. Pension costs

The charitable company operates a defined contribution pension scheme in respect of its employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £28,483 (2021 - £24,039).

9. Corporation taxation

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

10. Fixed assets - tangible assets	Plant/ technical equipment £	Fixtures/ fittings/ equipment £	Motor vehicles £	Bar/ catering equipment £	Total £
Cost					
1 April 2021	531,065	170,311	14,700	137,545	853,621
Additions	-	17,700	-	-	17,700
31 March 2022	<u>531,065</u>	<u>188,011</u>	<u>14,700</u>	<u>137,545</u>	<u>871,321</u>
Depreciation					
1 April 2021	523,913	126,994	14,699	131,399	797,005
Charge for year	6,213	15,581	-	2,392	24,186
31 March 2022	<u>530,126</u>	<u>142,575</u>	<u>14,699</u>	<u>133,791</u>	<u>821,191</u>
Net book values					
31 March 2022	<u>939</u>	<u>45,436</u>	<u>1</u>	<u>3,754</u>	<u>50,130</u>
31 March 2021	<u>7,152</u>	<u>43,317</u>	<u>1</u>	<u>6,146</u>	<u>56,616</u>

The Anvil Trust Limited

(Limited by Guarantee)

Notes to the Financial Statements
for the year ended 31 March 2022

11. Fixed Asset Investments

	Subsidiary Undertakings Shares £	Listed Investments £	Total £
Cost			
1st April 2021	2	556,821	556,823
Revaluations	-	9,998	9,998
31st March 2022	2	566,819	566,821
Net book values			
31st March 2022	2	566,819	566,821
31st March 2021	2	556,821	556,823

Subsidiary undertakings

Ordinary shares in group undertaking at cost - £2.

The parent charity owns 100% of the share capital of Forge Enterprises Limited, which is registered in EW - England and Wales, registered number 02876228. The total capital and reserves at the balance sheet date were £2.

Forge Enterprises Limited is currently dormant.

12. Stocks	2022 £	2021 £
Finished goods and goods for resale	24,389	12,412
	24,389	12,412

13. Debtors	2022 £	2021 £
Trade debtors	367,947	27,101
Other debtors	99,712	38,272
Prepayments and accrued income	110,906	77,399
	578,565	142,772

The Anvil Trust Limited

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Notes to the Financial Statements
for the year ended 31 March 2022

14. Current asset investments	2022	2021
	£	£
Cash - deposits and investments	1,353,559	526,454
	<u> </u>	<u> </u>
15. Creditors: amounts falling due within one year	2022	2021
	£	£
Trade creditors	376,747	51,902
Amounts owed to group undertaking	2	2
Other taxation/social security	64,188	18,013
Other creditors	375,714	75,948
Accruals	111,516	122,323
Deferred income (note 17)	1,517,375	920,134
	<u> </u>	<u> </u>
	<u>2,445,542</u>	<u>1,188,322</u>
16. Creditors: amounts falling due after more than one year	2022	2021
	£	£
Other creditors	180,500	190,000
	<u> </u>	<u> </u>
17. Deferred income	2022	2021
	£	£
Balance brought forward	920,134	861,863
Amount deferred in the year	597,241	58,271
	<u> </u>	<u> </u>
Balance carried forward	<u>1,517,375</u>	<u>920,134</u>

Deferred income relates to income received in advance from charitable activities taking place after the year-end. Deferred income value is represented by ticket sales plus any associated costs. The Trust receives a contractually agreed percentage of income from total tickets sold. The years to 31 March 2021 and 2022 include amounts receivable from shows rescheduled as a result of venue closure during the COVID-19 pandemic.

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Notes to the Financial Statements
for the year ended 31 March 2022

18. Unrestricted funds	Brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward £
General funds	848,703	3,709,212	(3,669,127)	(45,000)	843,788
Designated funds:					
Repairs and maintenance	343,195	-	-	-	343,195
Box office	104,104	-	-	-	104,104
Basingstoke partnerships	49,799	-	-	-	49,799
Development fund	12,565	-	-	-	12,565
Steinway Piano fund	70,000	-	-	-	70,000
Programme	120,000	-	-	-	120,000
Sustainable environment	86,624	-	-	-	86,624
Business development	5,000	-	-	-	5,000
Strategic review	4,500	-	(1,625)	-	2,875
Customer experience	33,000	-	-	-	33,000
Closure impact	106,580	-	(29,783)	-	76,797
Exceptional Utilities Cost fund	-	-	-	45,000	45,000
	<u>935,367</u>	<u>-</u>	<u>(31,408)</u>	<u>45,000</u>	<u>948,959</u>
	<u>1,784,070</u>	<u>3,709,212</u>	<u>(3,700,535)</u>	<u>-</u>	<u>1,792,747</u>

General funds

General funds are the free reserves of the charity after allowing for designated funds.

Designated funds

Designated funds represent monies set aside for specific purposes or projects in the short to medium term. The trustees regularly review the required future expenditure relating to premises and service delivery in order to ensure that adequate funds are designated for these purposes from general reserves.

The Anvil Trust Limited

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Notes to the Financial Statements
for the year ended 31 March 2022

19. Restricted funds	Brought forward £	Incoming resources £	Outgoing resources £	Carried forward £
Great Music of the World	256,347	5,993	-	262,340
New Dimensions	640	-	(29)	611
Musication	7,815	5,642	(4,436)	9,021
Emergency and Reopening	269,573	219,600	(182,517)	306,656
	<u>534,375</u>	<u>231,235</u>	<u>(186,982)</u>	<u>578,628</u>

Great Music of the World

Great Music of the World enables The Anvil to bring the best international music to Basingstoke and to increase the number and range of concerts.

New Dimensions

New Dimensions was the grant receivable from Hampshire County Council awarded to Anvil Arts and Turner Simms to deliver the New Dimensions in Music Performance and Participation.

Musication

Musication relates to donations received to purchase musical instruments.

Emergency and Reopening

This relates to Culture Recovery funding and grants received from central government for closure. These amounts are for reopening of venues and associated expenditure due to closure.

20. Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2022 are represented by:				
Tangible fixed assets	50,130	-	-	50,130
Investments	566,821	-	-	566,821
Net current assets	407,337	948,959	578,628	1,934,924
Long term (liabilities)	(180,500)	-	-	(180,500)
	<u>843,788</u>	<u>948,959</u>	<u>578,628</u>	<u>2,371,375</u>

The Anvil Trust Limited

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Notes to the Financial Statements
for the year ended 31 March 2022

21. Reconciliation of net income to net cashflow from operating activities:

	2022 £	2021 £
Net income for the reporting period per the Statement of Financial Activities (page 12)	52,930	358,938
Adjustments for:		
Depreciation and amortisation	19,520	25,960
(Gains)/losses on investments	(9,998)	(61,957)
Dividends, interest and rents from investments	(1,630)	(3,513)
Movement in working capital:		
(Increase)/decrease in stock	(11,977)	9,521
(Increase) in debtors	(435,792)	(14,218)
Increase/(decrease) in creditors	1,252,385	(86,121)
Net cashflow from operating activities	<u>865,438</u>	<u>228,610</u>

22. Financial commitments

At 31 March 2022 the charitable company had total future commitments under non-cancellable operating leases falling due as follows:

	2022 £	2021 £
Due:		
Within one year	5,652	8,640
Between one and five years	-	5,652
	<u>5,652</u>	<u>14,292</u>

The freehold of The Anvil is owned by Basingstoke and Deane Borough Council. Rent is payable at an annual rent of £149,250 in accordance with the lease dated 31 March 2014, the lease term is 20 years from 1 April 2014. The rent is fully subsidised by Basingstoke and Deane Borough Council.

The freehold of The Haymarket is owned by Basingstoke and Deane Borough Council and rent is payable at an annual rent of £65,000, the lease term is 15 years from 25 September 2007. The rent is fully subsidised by Basingstoke and Deane Borough Council.

23. Related party transactions

The charitable company had no related party transactions that require disclosure.

The Anvil Trust Limited

(Limited by Guarantee)

**Notes to the Financial Statements
for the year ended 31 March 2022**

24. Ultimate parent undertaking

The directors of The Anvil Trust Limited (who are also the trustees) are considered to be the ultimate controlling party of the group.