

Company registration number: 01279900

Charity registration number: 505656

# Wyeside Arts Centre Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

# Wyeside Arts Centre Limited

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# Wyeside Arts Centre Limited

## Reference and Administrative Details

<b>Trustees</b>	M W Evans C J Lancaster D T Lloyd M Mackenzie J R M Walker S J Best D R Price J McCorkindale H A S Chance L G Roberts F R J Banks M S Wooldridge J R Andrews
<b>Secretary</b>	C J Lancaster
<b>Senior Management Team</b>	J Mustafa, General Manager T R Ferrett, Building/Technical Manager R A Warlow, Finance Manager
<b>Registered Office</b>	Castle Street Builth Wells Powys LD2 3BN
<b>Company Registration Number</b>	01279900
<b>Charity Registration Number</b>	505656

## **Wyeside Arts Centre Limited**

### **Reference and Administrative Details**

<b>Solicitors</b>	H Vaughan Vaughan & Co 50 High Street Builth Wells LD2 3AD
<b>Bankers</b>	HSBC Bank Plc Llandrindod Wells Branch Middleton Street Llandrindod Wells Powys LD1 5EU
<b>Independent Examiner</b>	Mitchell Meredith Ltd Chartered Accountants The Exchange Fiveways Temple Street Llandrindod Wells Powys LD1 5HG

# Wyeside Arts Centre Limited

## Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2021.

### Structure, governance and management

The Charity is a company limited by guarantee.

Its organisational structure is that of a corporate entity which is governed by a Board of Management.

The trustees are the members of the Council of Management ("the Council") which is the Board of Directors of the Company. They are elected by the members of the Company at the Annual General Meeting, or co-opted by the existing Council members from time to time, as required, to fill vacancies. Trustees receive training on the job and from time to time courses are offered. The board continues to review its needs and to attempt to strengthen any areas of weakness. An inclusive trustee recruitment programme took place early in 2021 resulting in the successful recruitment of four new trustees including a new Chair, all were warmly welcomed to the board.

The Charity's decision-making process operates through meetings of the Council, which is supplemented in its activity by Sub Committees as required: currently these are the Executive, Finance, Buildings, Future Proofing & Friends, the Jonathan Morgan Memorial Fund and a new Creativity Sub Committee was set up in the year.. These Sub Committees are responsible to the Council, and are authorised to take decisions between meetings of the Council and refer back to it.

In particular:-

The Charity is governed by its Memorandum and Articles of Association.

In addition to elected or co-opted Council members, the Articles of Association provide for two Council members to be appointed by Powys County Council, one by Builth Wells Town Council and one by the Friends of Wyeside.

On induction, new trustees are informed of the Charity's corporate structure, of its governance and procedures, and of the principles of good governance and the responsibilities of trustees. A Trustee induction pack is available for this purpose.

Decisions are made by the Council. Some authority to take decisions is delegated to appropriate Sub Committees or appropriate senior staff members.

The Charity is not part of a wider network. The Charity has continued to participate in a very successful funding and resource arrangement with Theatr Mwldan, an ACW revenue funded arts centre based in Cardigan. This relationship has provided additional support and collaboration in dealing with the complex situation during the year with the Covid-19 closure and related budget discussions

Major risks (which are essentially financial risks) are reviewed regularly by the Council and kept under close review by the Executive and Finance Committees.

### Objectives and activities

The objectives and activities of the Charity are set out in its Memorandum and Articles of Association. The objects may be broadly summarised as the promotion and advancement of education and the Arts. The Charity's activities are the operation of Wyeside Arts Centre to provide and promote a broad spectrum of artistic activity in accordance with its objects.

# Wyeside Arts Centre Limited

## Trustees' Report

The Charity's current Business Plan 2020-23 has the following mission statement:

Wyeside seeks to be an innovative driving force working to develop the cultural health of the people of Mid Wales. Reaching out to all in the community, we seek to create a warm and welcoming environment, with a quality and breadth of creative programming that will entertain, educate and excite. As we do this, we will also strive to generate the financial and environmental sustainability that will ensure the well-being of Wyeside for generations to come.

The core aims of the Charity within this Plan are:

- To provide a wide array of quality programming for our audience.
- To offer a warm welcome to all.
- To contribute to our thriving communities.
- To nurture creativity.
- To secure the future of the organisation.

On 17 March 2020 the arts centre closed to the public due to the Covid-19 virus. The arts centre was closed for nearly 17 months and successfully reopened to a limited socially distanced film audience on 6 August 2021. The Exec trustee team met regularly throughout the closure period and working with the key core staff team the Charity successfully secured emergency funding for the arts centre from the Arts Council of Wales Cultural Recovery Funds 1 & 2 through until 30 September 2021.

The Charity had quickly managed to reopen after suffering a major flooding event in the February 2020 storms just before the Covid-19 crisis began in March 2020. A fundraising initiative following the flood was extremely well supported by the local community and substantial funds were raised to replace some of the damaged equipment. Improvements to the flood defences were carried out during the period when the building was closed to the public due to the virus. In addition, this provided an opportunity for further flood repair work and redecoration of the foyer and main corridors which was carried out by the staff team. Final work on the flood damage is still needed to replace the damaged speakers for live shows, and grant funding is currently being sought for this in September 2021.

The trustees believe that all its activities are of significant public benefit. The Charity's primary objects include the maintenance, improvement and advancement of education by encouragement of the Arts. It aims to achieve this by operating the Wyeside Arts Centre, which includes the provision of an extensive programme of live shows, broadcast screenings, exhibitions, a varied programme of mainstream and specialist film, and specialist workshops for all ages covering diverse topics - details of these activities are set out in other sections of this Report. An important part of Wyeside's activity involves the provision of performance venues for local theatre and other groups, and gallery exhibition opportunities for visual artists.

In exercising their powers and duties, the trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

An online public survey was carried out in March 2021, a year after lockdown to assess the public's feelings about returning to the arts centre. 622 households took the time to complete this survey which exceeded our expectations. This enabled the Charity to get a very accurate and clear view of our customers views and needs which we were very grateful for.

The Charity is not a grant-making organisation.

The Arts Centre has two auditoria (the Market Theatre and the Castle Cinema), an art gallery, the '*Window on the Wye*' artists' working space, and a separate workshop/office unit. The centre is open to the public on six or seven days a week and presents live shows, '*Satellite Live!*' and film screenings, visual arts exhibitions as well as offering community arts activities and workshops.

# Wyeside Arts Centre Limited

## Trustees' Report

The Charity's strategies include providing a welcoming and inspiring focus of artistic activity for performers, creators, local residents of all ages, and visitors to mid Powys; and demonstrating to funding bodies that Wyeside is a strategically valuable regional Arts Centre providing good value for money.

During the 2020/21 year the Charity was unable to open to the public due to Covid-19. By comparison in the previous year the Charity promoted 17 live shows (18 performances), 1019 film screenings, 55 'Satellite Live!' screenings, 105 workshops, 2 exhibitions, 15 new public 'games nights' and 7 conferences or private hires. Of the live shows, 2 were community events (4 performances).

The Charity is based in a Grade 2 listed building which formerly housed the town's Assembly Rooms, a market hall, and one of Wales's earliest cinemas. The building was bequeathed to the Charity for the purpose of founding an Arts Centre, but there was no endowment to maintain the fabric, so the Charity is responsible for raising funds for any necessary conservation and improvements.

Volunteer stewards and bar staff are of significant value to the Charity's operations. The Charity has a team of 36 active volunteers, who are carefully selected, trained and supervised by the Arts Centre's staff, and agree with the Charity their commitment in terms of hours in advance. As the arts centre was closed to the public this team of volunteers were temporarily not engaged (during the previous year these volunteers worked a total of 2,629 hours - an average of 50.6 hours per week). The board are very grateful to these individuals and for their continuing support now that the arts centre is open again. The Exec team 4 board trustees have spent a considerable amount of time during this period to support Wyeside operations, in total approximately 800 hours - an average of 16 hours per week over the year.

Support to the general manager and other key management staff is provided by the Exec team comprising members of the Board. In addition the chief executive of Theatr Mwldan, usually holds quarterly review meetings with the Board and staff teams to review the artistic programme and other related issues and provides invaluable further mentoring support to the general manager. Since closure in March 2020 the Exec team has been active in the future planning of the Charity on behalf of the board, and weekly virtual meetings have been held with key staff when available. Virtual board meetings have been held successfully during the year. The Charity's statement of financial activities is set out in the accounts for the year, which accompany this Report.

### Achievement and Performance

During the year, the Charity was unable to open to the public due to Covid-19 public health restrictions. The staff team wages were funded during a part of the year under the ACW Wales Recovery Fund grant which allowed renovation and repair works to be carried out in the building, including the public foyer and main staircase access areas, artist changing rooms, new flood prevention doors and a new boiler were installed. In addition a new bilingual website project which was funded by ACW was launched. This meant that when the arts centre was able to reopen in August 2021 the premises were in a good state of repair and the operations were quickly up and running.

In usual times a comprehensive range of professional and community live shows and a screened programme comprising both film and Satellite Live would be presented at Wyeside Arts Centre. Wyeside's art gallery would host a series of exhibitions and events.

The Charity's professional live, 'Satellite Live!' and film programmes are booked on its behalf in collaboration with Theatr Mwldan, to offer efficiencies of operation and dual venue opportunities for live artists. The programme is devised in consultation with Wyeside and the events are marketed and run directly by Wyeside. The CEO of Theatr Mwldan and specialist staff there provide advice and support to Wyeside staff and Wyeside's board of trustees. These bookings have commenced again from August 2021 on a currently limited basis while social distancing continues. The trustees wish to express their appreciation to Dilwyn Davies, the CEO of Theatr Mwldan for the expertise and commitment that he brings to his work with Wyeside, in particular in his support throughout this difficult period of closure and planning for the future continuation of the operation of the arts centre.

# Wyeside Arts Centre Limited

## Trustees' Report

A programme of workshops and classes are normally run through the year. Providers have currently moved to online platforms or suspended classes until these can recommence. Similarly the new series of evening board games held in the "Gaming in the Gallery" project which were very well received will recommence as soon as possible.

The Arts Centre offers the following accommodation:

The Castle Cinema is a dedicated Cinema space that is equipped to screen both 2D and 3D films, as well as to receive '*Satellite Live*' relay broadcasts. It offers a mixed programme of popular, family and specialist films.

The Market Theatre (refurbished in early 2012) is a flexible space that offers an ideal setting for Live Shows, Comedy Club and '*Satellite Live!*' screenings, but can also double as a second cinema space, and as a conference/meeting venue. It is equipped with retractable seating, allowing it also to be used for dance and drama classes, an alternative cabaret style seating for live acts with smaller audiences, workshops, etc..

The Gallery at Wyeside (refurbished in 2012) houses visual art displays throughout the year in a versatile space that can also be used as a meeting venue. There is also an artists' working space - '*Window on the Wye*' - that offers views of the River Wye, which is used for visual arts activities by local schools and is promoted to local artists and visitors.

These spaces are housed within the main Arts Centre building, and complemented by a Foyer/Ticket office, bars, toilets, dressing rooms, technical stores, etc. A lift gives disabled access to all parts. The foyer area also includes a newly enhanced Welsh crafts corner to support local artists.

The Workshop/office unit comprises 4 separate units which are suitable for workshops and office purposes. One unit houses an extensive costume store, designed to support local community drama/dance productions. The other main unit is available as rehearsal or meeting space.

The Charity has been adapting to the continuing reduction in revenue funding over many years. The trustees are grateful to the staff team led by the Centre's General Manager - Jill Mustafa - for their continued hard work and dedication. The Charity's ability to raise extra funding both to finance its capital works programme, special project work and its day to day operations has once again depended on significant fund raising by its trustees, and by the Friends of Wyeside. The Chair takes this opportunity to record the Centre's appreciation of these efforts. The trustees also thank the outgoing interim Chair, Maureen Mackenzie for her hard work and contribution to the major achievements for the Charity over the last 4 years, and welcome the new Chair, Frank Banks to the position.

### Financial review

The Charity's largest revenue funding source during the year was from Powys County Council (PCC). The amount of this funding was £25,133, however a significant reduction from the previous year funding of £34,361. This funding has decreased over the last 8 years from £47,000 in 2012/13 due to general reductions in the local council's arts budget.

The Charity is delighted to continue with the collaborative programme agreement with Theatr Mwldan for the booking of Wyeside Arts Centre's programme of professional live shows and '*Satellite Live!*' and film screenings, and to provide mentoring to Wyeside staff. This arrangement is supported by the Arts Council of Wales (ACW). A grant of £19,447 was provided from Theatr Mwldan under this agreement for the year, the same amount as the previous year.

# Wyeside Arts Centre Limited

## Trustees' Report

### Financial review

An amount of £16,661 has been raised from the Friends of Wyeside scheme and other donations including gift aid totalled £7,112 which helps to fund the operations of the arts centre as well as providing match funding for capital projects.

Since the arts centre closed due to Covid-19 on 17 March 2020 most staff were furloughed under the HMRC Coronavirus Job Retention Scheme (CJRS) until funding to the arts centre was provided under the ACW Cultural Recovery Fund (1) from November 2020 until 31 March 2021 totalling £58,500 which allowed most staff to return to work. Income from CJRS towards the wage costs of £46,827 was received in the year. Support was received from PCC Coronavirus Rates Relief grants totalling £45,000. Due to ongoing future uncertainties for the arts centre, the difficult decision was made by the trustees in liaison with the staff team to move all staff onto new zero hour based contracts from May 2021.

An insurance claim for business interruption due to Covid-19 closure was successfully made and this was received in May 2021 for £25,000. An amount of £18,750 relating to closure during this year has been included in income.

A capital grant from PCC Community Development Fund of £8,250 was awarded towards the cost of a new boiler which was urgently required. A grant of £5,445 from the Arts Council of Wales National Lottery "Stabilisation fund for organisations" was awarded to fund the new bilingual website in July 2020.

A grant of £2,000 was received from Builth Wells Town Council and the trustees are very grateful to the council for this.

A fundraising initiative "Sponsor a seat" is available for all kinds of supporters - individuals, families, businesses and organizations, to sponsor a seat in one of our auditoriums.

In total Grants and Donations amounted to £236,875, this was 93% of the Charity's total incoming resources of £255,776 as the arts centre had been closed for the full year.

The Charity's financial results for the year show total net income of £44,373. In the previous year 2019/20 operating budget there was a planned reduction in staff time and opening hours to make savings in anticipation of expected future funding cuts and to build up some reserves, and the Trustees were pleased with the 2019/20 results against this plan as they entered the difficult period from March 2021. On closure in March 2021, all non essential costs were halted and appropriate grant funding was sought to support the staff team and operational costs. Monthly financial results were monitored against the pre Covid-19 balanced budget for 2020/21 that had been set by the board. For 2021/22 a six month emergency budget period basis has been used to monitor costs and limited activities as the arts centre reopens. The trustees recognise it will be some time before activity levels will be back to those pre Covid-19.

Costs are carefully monitored on a monthly basis during the year against the operating and capital project budgets.

The principal financial management policies are:

- To set a balanced budget for each financial year in accordance with the Charity's aims and objectives and the resources expected to be available for the period.
- To ensure via monthly analysis that current activity is operating at budgeted levels (allowing for seasonal and other variations).
- To review any capital project expenditure against budget on a regular basis over the life of such projects.
- To arrange and promote live show, 'Satellite Live!', film and community/workshop bookings so as to meet the budgeted overall position by carefully structuring contractual arrangements with promoters, artists and visiting companies, and to pursue marketing policies designed to increase audience and user numbers attending programme events.

# Wyeside Arts Centre Limited

## Trustees' Report

- To maintain regular contact and consultation with existing and potential funding bodies for the purpose of persuading them to maintain or increase funding, and to provide them with full information about the Centre's policies and ambitions.
- To develop and maximise the opportunities for fundraising within the Charity's capabilities, and for earnings from ancillary activities.

The Charity has a Reserves policy that specifies that if and when circumstances allow, the trustees can pursue a policy of accruing reserves of up to £80,000 to cover unexpected large repair bills, match funding for asset purchases and capital project work and contingency funding of three months' operational costs (including wages). This is desirable in order to alleviate many recurring operational difficulties arising from annual uncertainty concerning funding levels. The Charity has no current policy on investments because it has insufficient reserves to hold investments.

The Charity has no subsidiaries.

### Future developments

The Business Plan set by the Charity in February 2020 has been superseded by the impact of Covid-19. The trustees recognise that the future level of operations in 2021/22 and beyond are now very uncertain in the arts sector. It has been encouraging that the arts centre has successfully reopened in August 2021 albeit on a socially distanced basis and with reduced hours to show a limited film programme, and live events are planned to go ahead in the autumn.

Further grant assistance from the ACW Cultural Recovery Fund (2) of £49,000 was awarded in June 2021 for the period to 30 September 2021 and this has supported the operation through to the reopening period.

The Charity's aims and key objectives for future development are to continue to provide high quality live shows, 'Satellite Live!' and cinema screenings and for a programme of community arts activities and educational workshops, so far as its budget allows, as well as to raise funds sufficient to allow it to develop future activity in accordance with its budget, business plan, programme ambitions and capital project requirements.

Since completion of the Wyeside Works feasibility study project in December 2018, fundraising opportunities are to be identified for the Charity to be able to carry out the RIBA Stage 3 work and subsequent capital developments recommended by this study. The study sets out detailed feasibility plans for the strategic development and sustainability of Wyeside's premises and activities to serve the needs and aspirations of the arts centre and our local communities for the future.

In the current economic climate, the Charity continues to face reductions in the revenue funding available to support its activities, and this is a major concern for the trustees, particularly with the current Covid-19 uncertainties. Wyeside Arts Centre is the main focus for arts and entertainment for mid Powys and is identified in the PCC arts strategy as one of the four main venues that (in combination with some venues in adjacent counties) deliver equitable access to professional arts events across Powys. The trustees are aware of the pressures on public funds, and continue to work hard to reduce the Charity's reliance on them, to grow the income from its activities and to diversify its income streams.

The annual report was approved by the trustees of the charity on 6 October 2021 and signed on its behalf by:

F R J Banks  
Trustee

## **Wyeside Arts Centre Limited**

### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of Wyeside Arts Centre Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

## Wyeside Arts Centre Limited

### Independent Examiner's Report to the trustees of Wyeside Arts Centre Limited

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 11 to 25.

#### Respective responsibilities of trustees and examiner

As the charity's trustees of Wyeside Arts Centre Limited (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

#### Independent examiner's statement

Since Wyeside Arts Centre Limited's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

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

I draw attention to note 2 to the financial statements which describes uncertainties arising as a result of the worldwide pandemic caused by Covid 19 and the Charity's ability to continue as a going concern. I confirm there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

T Richardson  
Mitchell Meredith Limited  
Chartered Accountants  
The Exchange  
Fiveways  
Temple Street  
Llandrindod Wells  
Powys  
LD1 5HG

6 October 2021

## Wyeside Arts Centre Limited

### Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
<b>Income and Endowments from:</b>					
Donations and legacies	3	219,476	17,399	236,875	102,965
Charitable activities	5	18,872	-	18,872	257,396
Investment income		<u>29</u>	<u>-</u>	<u>29</u>	<u>194</u>
Total Income		<u>238,377</u>	<u>17,399</u>	<u>255,776</u>	<u>360,555</u>
<b>Expenditure on:</b>					
Charitable activities	6	<u>(175,250)</u>	<u>(36,153)</u>	<u>(211,403)</u>	<u>(342,045)</u>
Total Expenditure		<u>(175,250)</u>	<u>(36,153)</u>	<u>(211,403)</u>	<u>(342,045)</u>
Net income/(expenditure)		<u>63,127</u>	<u>(18,754)</u>	<u>44,373</u>	<u>18,510</u>
Net movement in funds		63,127	(18,754)	44,373	18,510
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>148,327</u>	<u>131,964</u>	<u>280,291</u>	<u>261,781</u>
Total funds carried forward	16	<u><u>211,454</u></u>	<u><u>113,210</u></u>	<u><u>324,664</u></u>	<u><u>280,291</u></u>

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for 2020 is shown in note 16.

**Wyeside Arts Centre Limited**  
**(Registration number: 01279900)**  
**Balance Sheet as at 31 March 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	12	228,857	241,576
<b>Current assets</b>			
Stocks		1,026	2,400
Debtors	13	33,586	17,766
Cash at bank and in hand		81,397	59,318
		<u>116,009</u>	<u>79,484</u>
<b>Creditors: Amounts falling due within one year</b>	14	<u>(20,202)</u>	<u>(40,769)</u>
<b>Net current assets</b>		<u>95,807</u>	<u>38,715</u>
<b>Net assets</b>		<u>324,664</u>	<u>280,291</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	16	113,210	131,964
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>211,454</u>	<u>148,327</u>
<b>Total funds</b>	16	<u>324,664</u>	<u>280,291</u>

For the financial year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

The financial statements on pages 11 to 25 were approved by the trustees, and authorised for issue on 6 October 2021 and signed on their behalf by:

F R J Banks  
Trustee

# Wyeside Arts Centre Limited

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Castle Street  
Builth Wells  
Powys  
LD2 3BN

These financial statements were authorised for issue by the trustees on 6 October 2021.

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Statement of compliance

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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

#### Basis of preparation

Wyeside Arts Centre Limited 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 notes.

#### Going concern

The financial statements have been prepared on a going concern basis.

The Trustees assess whether the use of going concern is appropriate i.e whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

The worldwide pandemic Covid 19 and the subsequent lockdown and restrictions had serious implications for the charity. Funding from the local authority continued and advantage has been taken of all financial support to which it is eligible. The Arts Centre reopened at the start of August 2021 and the charity received funds from the ACW Cultural Recovery Fund (2) to support costs from April 2021 to September 2021. Forecasts and budgets are regularly prepared and updated.

Taking all these factors into account the Trustees believe it is appropriate to prepare the accounts on a going concern basis.

## Wyeside Arts Centre Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

#### **Income and endowments**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

#### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## Wyeside Arts Centre Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold property	over 50 years
Specialist fixtures etc	between 7 and 12 years
Computers and similar equipment	over 4 years
Furniture	over 7 years

#### Stock

Stock is valued at the lower of cost and net realisable value.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price .

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

## Wyeside Arts Centre Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### Hire purchase and finance leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

#### 3 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Donations and legacies;				
Friends & Supporter Scheme Donations	16,661	-	16,661	15,746
Other Donations, Gift Aid etc	5,908	1,204	7,112	19,661
Donations	22,569	1,204	23,773	35,407
Grants receivable (note 4)	196,907	16,195	213,102	67,558
	<u>219,476</u>	<u>17,399</u>	<u>236,875</u>	<u>102,965</u>

#### 4 Grants

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
PCC Arts Service - Annual grant	25,133	-	25,133	34,361
PCC Community Development grant	-	8,250	8,250	-
ACW - Website grant	-	5,445	5,445	-
ACW - Wales Cultural Recovery Fund (1)	58,500	-	58,500	-
PCC Coronavirus Rates Relief Grants	45,000	-	45,000	-
Builth Wells Town Council	2,000	-	2,000	4,000
Theatr Mwldan/ACW - Programming and support grant	19,447	-	19,447	19,447
Business Wales Flood Relief grant	-	2,500	2,500	-
HMRC Coronavirus Job Retention Scheme	46,827	-	46,827	4,178
National Lottery Awards for All grant	-	-	-	5,572
	<u>196,907</u>	<u>16,195</u>	<u>213,102</u>	<u>67,558</u>

## Wyeside Arts Centre Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 5 Income from charitable activities

	<b>Unrestricted funds</b>		
	<b>General</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
Live show income	-	-	17,890
Film income	-	-	144,063
Exhibition income	-	-	131
Satellite live income	-	-	35,466
Bar and ices sales	-	-	57,843
Rent	-	-	181
Sundry income	18,872	18,872	1,822
	<u>18,872</u>	<u>18,872</u>	<u>257,396</u>

## Wyeside Arts Centre Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 6 Expenditure on charitable activities

	Charitable activities £	Governance £	Total 2021 £	Total 2020 £
Wages	98,452	2,330	100,782	111,298
Employers NIC	-	-	-	717
Employers pension contributions	999	-	999	1,191
Recruitment costs	13	-	13	-
Training costs	260	-	260	-
Rent and rates	504	-	504	1,725
Bar purchases and vending supplies	1,571	-	1,571	26,888
Licences	295	-	295	1,110
Ticket office refunds and write offs	2,332	-	2,332	-
Live show costs	-	-	-	14,163
Film costs	804	-	804	68,385
Satellite live costs	-	-	-	17,589
Insurance	7,779	-	7,779	8,841
Light and heat	9,561	-	9,561	17,666
Cleaning	3,520	-	3,520	2,968
Exhibition costs	20	-	20	67
Equipment and property upkeep	38,896	-	38,896	8,175
Telephone	1,428	-	1,428	3,178
Printing, postage and stationery	475	400	875	806
Gaming in the Gallery costs	1,448	-	1,448	861
Subscriptions	257	-	257	463
Office contracts etc	6,850	-	6,850	10,510
Sundry and petty cash expenses	80	-	80	258
Motor and travelling expenses	-	-	-	3
Marketing	4,647	-	4,647	18,643
Accountancy	-	4,000	4,000	4,000
Website costs	4,560	-	4,560	-
Legal and professional	1,506	-	1,506	1,182
Bank interest and charges	1,453	-	1,453	4,978
Depreciation	16,963	-	16,963	16,380
	<u>204,673</u>	<u>6,730</u>	<u>211,403</u>	<u>342,045</u>

## Wyeside Arts Centre Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

£175,250 (2020 - £322,860) of the above expenditure was attributable to unrestricted funds and £36,153 (2020 - £19,185) to restricted funds.

#### 7 Net incoming/outgoing resources

Net incoming resources for the year include:

	2021 £	2020 £
Depreciation of fixed assets	<u>16,963</u>	<u>16,380</u>

#### 8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 9 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
<b>Staff costs during the year were:</b>		
Wages and salaries	100,782	111,298
Social security costs	<u>-</u>	<u>717</u>
	<u>100,782</u>	<u>112,015</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Charitable activities	<u>13</u>	<u>13</u>

8 (2020 - 8) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £999 (2020 - £1,191).

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £41,614 (2020 - £43,807).

## Wyeside Arts Centre Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 10 Independent examiner's remuneration

	2021 £	2020 £
Examination of the financial statements	<u>4,000</u>	<u>4,000</u>

#### 11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 12 Tangible fixed assets

	Freehold property & specialist fixtures & fittings £	Furniture & office equipment £	Total £
<b>Cost</b>			
At 1 April 2020	529,798	150,728	680,526
Additions	<u>4,244</u>	<u>-</u>	<u>4,244</u>
At 31 March 2021	<u>534,042</u>	<u>150,728</u>	<u>684,770</u>
<b>Depreciation</b>			
At 1 April 2020	291,165	147,785	438,950
Charge for the year	<u>14,259</u>	<u>2,704</u>	<u>16,963</u>
At 31 March 2021	<u>305,424</u>	<u>150,489</u>	<u>455,913</u>
<b>Net book value</b>			
At 31 March 2021	<u>228,618</u>	<u>239</u>	<u>228,857</u>
At 31 March 2020	<u>238,633</u>	<u>2,943</u>	<u>241,576</u>

Included in cost or valuation of Freehold property & specialist fixtures & fittings is freehold land of £72,500 (2020 - £72,500) which is not depreciated.

#### Revaluation of fixed assets

In September 2002 following major refurbishment at the Arts Centre, the Trustees instructed the valuers, Messrs McCartneys, to provide an updated valuation of the buildings, etc. This was undertaken on the basis of open market value for existing use as a fully operational Arts Centre and included specialist fixtures and fittings necessary for the continuation of its existing use. The valuation of the workshops was on the basis of open market value. The valuation of the Arts Centre was £300,000 and the workshops £80,000. As the book value of these assets were considerably in excess of the above valuations, adjustments were made in order to reduce the relevant assets to their current values. Specialist fixtures and equipment purchased since the valuation have been included at cost.

## Wyeside Arts Centre Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 13 Debtors

	2021 £	2020 £
Debtors and prepayments	<u>33,586</u>	<u>17,766</u>

#### 14 Creditors: amounts falling due within one year

	2021 £	2020 £
Creditors & accruals	20,189	39,838
Taxation and social security	<u>13</u>	<u>931</u>
	<u>20,202</u>	<u>40,769</u>

#### 15 Obligations under leases and hire purchase contracts

##### Operating lease commitments

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

	2021 £	2020 £
<b>Other</b>		
Between one and five years	12,719	15,887
After five years	<u>-</u>	<u>661</u>
	<u>12,719</u>	<u>16,548</u>

## Wyeside Arts Centre Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 16 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
<b>Unrestricted income fund</b>	148,327	238,377	(175,250)	211,454
<b>Restricted funds</b>				
Arts Council Wales Transitional Funding	343	-	-	343
Aggregate Levy Funds for Wales Grant	13,026	-	(4,343)	8,683
ERDF Grants	7,244	-	(290)	6,954
Arts Council of Wales Lottery Grants	68,196	-	(2,727)	65,469
PCC Community Enablement Grant	5,619	-	(225)	5,394
Wales Tourist Board Capital Grant	1,083	-	(43)	1,040
Garfield Weston Foundation	960	-	(39)	921
Builth Wells Town Council Cinema Grant	960	-	(39)	921
ACW - Equipping Wyeside for a sustainable future	2,435	-	(1,218)	1,217
PCC Regeneration & Development Capital Grant	1,094	-	(546)	548
Jonathon Morgan Memorial Fund	11,577	-	-	11,577
PCC and CFIW Equipment Project	6,392	-	(3,242)	3,150
National Lottery Awards for All	4,239	-	(2,152)	2,087
Wyeside Flooding Fund	8,796	3,704	(7,594)	4,906
PCC Community Development grant	-	8,250	(8,250)	-
ACW Website grant	-	5,445	(5,445)	-
<b>Total restricted funds</b>	<u>131,964</u>	<u>17,399</u>	<u>(36,153)</u>	<u>113,210</u>
<b>Total funds</b>	<u><u>280,291</u></u>	<u><u>255,776</u></u>	<u><u>(211,403)</u></u>	<u><u>324,664</u></u>

## Wyeside Arts Centre Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 31 March 2020 £
<b>Unrestricted income fund</b>	130,140	341,047	(322,860)	148,327
<b>Restricted funds</b>				
Arts Council Wales Transitional Funding	343	-	-	343
Aggregate Levy Funds for Wales Grant	17,369	-	(4,343)	13,026
ERDF Grants	7,534	-	(290)	7,244
Arts Council of Wales Lottery Grants	70,923	-	(2,727)	68,196
PCC Community Enablement Grant	5,844	-	(225)	5,619
Wales Tourist Board Capital Grant	1,126	-	(43)	1,083
Garfield Weston Foundation	999	-	(39)	960
Builth Wells Town Council Cinema Grant	999	-	(39)	960
ACW - Equipping Wyeside for a sustainable future	3,653	-	(1,218)	2,435
PCC Regeneration & Development Capital Grant	1,640	-	(546)	1,094
Jonathon Morgan Memorial Fund	11,577	-	-	11,577
PCC and CFIW Equipment Project	9,634	-	(3,242)	6,392
National Lottery Awards for All	-	5,572	(1,333)	4,239
HMRC Coronavirus Job Retention Scheme	-	4,178	(4,178)	-
Wyeside Flooding Fund	-	9,758	(962)	8,796
<b>Total restricted funds</b>	<u>131,641</u>	<u>19,508</u>	<u>(19,185)</u>	<u>131,964</u>
<b>Total funds</b>	<u><u>261,781</u></u>	<u><u>360,555</u></u>	<u><u>(342,045)</u></u>	<u><u>280,291</u></u>

## Wyeside Arts Centre Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

The specific purposes for which the funds are to be applied are as follows:

Arts Council of Wales Transitional Funding is towards professional and other costs following loss of ACW revenue funding.

Aggregate Levy Fund for Wales (ALFW) Grant was towards the project to modernise and refurbish the Market Theatre completed in previous years. The balance remaining represents capital expenditure incurred and is being written off at the same rate as the asset is depreciated.

Arts Council Wales grant was part funding towards equipping Wyeside for a sustainable future. The balance remaining represents capital expenditure incurred and is being written off at the same rate as the asset is depreciated.

Powys County Council Community Regeneration & Development Fund Capital Grant was towards capital works. The balance is being written off at the same rate as the asset is depreciated.

The Jonathon Morgan Memorial Fund supports the programme of Wyeside Arts Centre and community based arts activities supported by Wyeside Arts Centre with a focus on promoting all aspects of the work of William Shakespeare.

The Equipment project was for the purchase of a new IT system, sound deck and other technical equipment with funding from Powys County Council via a Community Regeneration & Development Fund Capital Grant for £8,484 and a Community Foundation in Wales Grant for £8,957. The balance is being written off at the same rate as the assets are depreciated.

National Lottery Awards for All grant was funding towards 'Gaming in the Gallery' - to provide a welcoming space for people with a keen interest in board games.

The Wyeside Flooding Fund was a fundraising appeal set up for flood damage repair costs after Storm Dennis in February 2020. This includes a Business Wales flood relief grant received in the current year of £2,500. A balance of this fund - £3,637 is being written off against the depreciation of capital assets purchased with this fund.

All other funds have been towards the general refurbishment and updating of the Arts Centre and to assist with the purchase of equipment and to support running costs.

## Wyeside Arts Centre Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 17 Analysis of net assets between funds

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>General £</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	130,923	97,934	228,857
Current assets	100,733	15,276	116,009
Current liabilities	(20,202)	-	(20,202)
Total net assets	<u>211,454</u>	<u>113,210</u>	<u>324,664</u>

#### 18 Related party transactions

There were no related party transactions in the year.

#### 19 Non-adjusting events after the financial period

The worldwide pandemic Covid 19 and the subsequent lockdown and restrictions had serious implications for the charity. The Arts Centre closed from 17 March 2020 and reopened at the start of August 2021. Further information is included within Note 2 to the financial statements - Going concern.