

REGISTERED COMPANY NUMBER: 01327289 (England and Wales)
REGISTERED CHARITY NUMBER: 508985

**Report of the Trustees and
Financial Statements
for the Year Ended 31 March 2024
for
Torch Theatre Company Limited(The)**

Ashmole and Co.
Chartered Certified Accountants and Statutory
Auditors
Williamston House
7 Goat Street
Haverfordwest
Pembrokeshire
SA61 1PX



Torch Theatre Company Limited(The)

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for the Year Ended 31 March 2024**

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Torch Theatre Company Limited(The)

**Report of the Trustees
for the Year Ended 31 March 2024**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

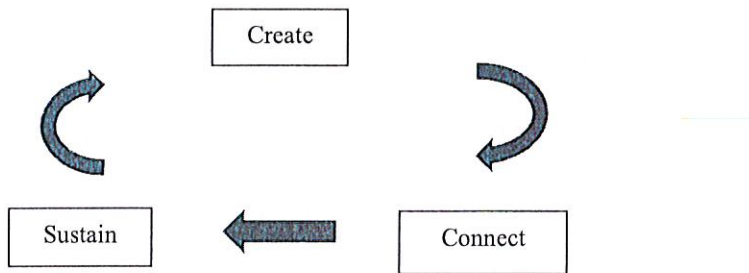
OBJECTIVES AND ACTIVITIES

The vision, mission and values of the Torch Theatre Company Ltd (the Torch) are embedded in and articulated through our programme and engagement with our communities. This has led to a re-evaluated and refocused vision and mission for the Torch, to better represent our position in the current artistic, political and social landscape. Alongside this we have investigated, established and articulated the values that underpin everything we do.

Vision

To be the centre for the arts in Pembrokeshire - connecting artists, audiences and communities in our county of creativity and beyond.

Mission



Create - We create and curate high quality productions, participation experiences and events to inspire, entertain, delight and challenge our audiences and participants in Pembrokeshire and beyond.

Connect - We are a creative centre for Pembrokeshire connecting arts organisations, communities, educational establishments and businesses for the benefit of all in the county and act as a bridge to the wider arts ecology.

Sustain - Everything we do will be underpinned by our pursuit of financial and environmental sustainability, safeguarding the future for Pembrokeshire, Wales and the wider world.

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Report of the Trustees for the Year Ended 31 March 2024

Values

Artistic Excellence - creating work by, with and for our communities to the highest standard.

Fair, Ethical and Accessible practices - including anti-racist, anti-ableist and inclusive practices across the organisation.

Diversity as a strength - we recognise the unique perspectives and skills each staff member, volunteer, artist, organisation, audience member and participant brings with them and celebrate their contributions towards creating a vibrant and connected Pembrokeshire.

Collaboration and partnership working - working with a range of organisations across the arts and business to develop best practice, share resources and reach further.

Celebration of our Welsh language and heritage - across our produced work and organisational ethos we honour our language and culture weaving it into the fabric of the Torch.

Transparency - our decision making will be as transparent as possible, including publishing our Business Plan and Policies online.

Stewardship - Ensuring the future of the Torch for the benefit of future generations in Pembrokeshire and across Wales.

Social responsibility and civic duty - as a publicly funded organisation we strive to make our activities and building accessible to all who wish to participate and working to the benefit of our community.

Innovation - we will constantly reflect on and improve our work, our practices and our policies to ensure we deliver against our vision and mission.

The charity embraces the general aim of contributing to the quality of life for people living in the county of Pembrokeshire and for visitors to the county. It aims to present a diverse artistic programme which is challenging, entertaining, and accessible. The charity maintains a popular programme which is designed to underpin its financial objectives.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set. Our pricing policy reflects our aim of enabling all within our community to attend live performances and films at the Torch, and a wide range of concessionary prices are offered.

To achieve the charity's objectives the following strategies are employed:

- creating opportunities for local residents, particularly young people, to engage in arts activity organised by the charity including youth theatre, summer school, work experience placements, education projects;
- provision of facilities and professional support for amateur and professional artists to develop. Amateur groups are given professional advice on producing stage productions;
- programming performances and films which appeal to specific market segments, for example young people, families and older people;
- offering a range of ticket price discounts to provide access to organised groups, young people, disabled people, families, unemployed and older people;

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Report of the Trustees for the Year Ended 31 March 2024

- provision of attractive, accessible and informative promotional material by way of leaflets, brochures, e-flyers and a bilingual website;
- providing facilities to improve access for disabled customers, including induction loop and infra-red hearing systems, subtitled screenings for films and BSL performances; and
- the use of e-marketing for a range of services through the theatre website

Activities

The major areas of activity managed by the charity are the production of plays and musical theatre, touring of theatre productions to venues in Wales and beyond, screening mainstream and independent films, display of artworks in the gallery, bar and catering services, education projects, and buying in a range of professional performances to provide a wide-ranging programme.

Key components of the charity's programme and as a platform for community activity are as follows:

- production of professional plays, musical theatre and a Christmas production by the Torch Theatre Production Company to play at the Torch Theatre, and tour to venues in Wales as appropriate and financially viable;
- a bought-in programme of events including popular music, music, light entertainment, opera, contemporary dance, ballet, plays, musical theatre, non-Western art forms, and comedy;
- presentation of films throughout the year;
- amateur productions by groups including Milford Haven Amateur Operatic Society and Artistic Licence;
- hire of the theatre for events, dance classes, concerts and conferences;
- educational projects involving local primary and secondary schools, colleges and universities in Pembrokeshire, Carmarthenshire and Cardiff. Projects are devised in conjunction with education professionals and designed to support curriculum activities, as well as developing careers awareness and the life skills of individual participants;
- participatory arts activity for young people including one-off drama workshops, weekly youth theatre and junior youth sessions and an annual Summer Schools;
- provision of a gallery to display professional work by visual arts practitioners;
- provision of a community choir (Torch Voices); and
- providing volunteer opportunities for more than 40 local people who welcome visitors to the theatre, provide information, sell programmes and support the marketing team's activity. This saves the theatre a considerable amount of money each year estimated in 2023/24 at £40,000pa (2022/23 80 volunteers at £70,000pa). Just as importantly it allows volunteers to engage in the life of the theatre and to gain a better understanding of its activities. Due to the inherent uncertainty of estimates, these figures have not been incorporated into the Financial Statements.

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Report of the Trustees for the Year Ended 31 March 2024

ACHIEVEMENT AND PERFORMANCE

The year ending March 2024 was only the second full year of operating post COVID-19 pandemic.

A full programme of shows (films, bought in productions and Torch Theatre own productions) took place throughout the year, with the café, bar and kiosk fully re-opening and aligned to attendance levels, with pre-supper meal offerings being re-introduced prior to all live shows and broadcasts.

Whilst attendance levels for live programming was generally good, attendances for other areas of programming continued to be relatively low, in particular films and live broadcasts, with a noticeable change of reducing attendances taking place at the Torch and across the cinema industry as a whole, making it a struggle to return to pre-pandemic attendance levels.

During the year, the Torch Theatre performed three in house productions, an Autumn production, Private Lives, Beauty and the Beast as the Christmas pantomime and REPLICIA, as our first Youth Theatre show in the Studio.

The period was dominated with concern over budgetary and cashflow pressures with the Board, for the second time, having to approve a deficit Budget (2023/24 forecasted year-end deficit, including depreciation of £115,270). At the end of the period, despite a meaningful increase in income from donations, trading and charitable activities, with the exception of earned ticket income from Cinema (down circa £35k), expenditure exceeded income by £327,655 meaning, that unrestricted free reserves not committed to fixed assets were depleted.

Further information on the 2023/24 financials is contained in the Report of the Trustees and Financial Statements for the Year Ended 31 March 2024. However, it should be noted that these continue to be extremely challenging financial times and that the Board will throughout 2024/25 take a very proactive approach to working with the Senior Management Team (SMT) to find a way to address these challenges and secure a more sustainable future financial footing.

As negative trends in cinema attendance continued at the end of 2023/24 and into 2024/25, urgent review of budget and cashflow has taken place with a cost reduction plan actioned by SMT in August 2024, aimed at securing the Torch's cash position, achieving a modest year end surplus in 2024/25, and beginning the process of rebuilding reserves as a priority. Coming out of this process a revised budget has been developed in consultation with the Board and will be monitored monthly to identify and address any slippage. The Torch SMT has been in regular contact with our principal funders, Arts Council Wales (ACW), who have been actively engaged in review of and remedial action to address the challenging cash position, and in support of the development of a long-term strategic plan to address the sustained increases to expenditure and the challenging funding outlook.

To improve the effectiveness of the Board, consideration is being given to moving from quarterly to monthly Board meetings from September 2024 and a Strategic Planning Day has been agreed to allow the Board and SMT to develop a strategic plan to address these on-going financial challenges - while retaining its core purpose of being a theatre based producing company at the heart of its community and able to efficiently and effectively deliver ACW targets and aspirations. Potential significant strategic changes may need to be made to the structure of the organisation to deliver sustainable improvements to achieve delivery of the confirmed strategic aims and in turn appropriately address the current financial challenges.

2023/24 saw the first full year in post of Chelsey Gillard, Artistic Director, the first Welsh woman to take the reins at a major Welsh producing house. Chelsey brought fresh impetus and a clarity of vision to the role and has been instrumental in the articulation of our renewed Vision, Mission and Values that we established in March 2023.

In October 2023, Chelsey produced her first Torch Theatre Production, Private Lives which was very well received by audiences and critics alike. All reviews were incredibly positive. While audience numbers were not as high as we would have liked at 35%, it was recognised as an ambitious production. A holistic wrap-around was achieved, with visits from local colleges combining watching the show with workshops and talks. The new model introduced by Chelsey for the post-show talk was also very well received.

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Report of the Trustees for the Year Ended 31 March 2024

Beauty and the Beast was Chelsey's first pantomime and reached 95% attendance for public shows (against a target of 96%) and 60% for schools shows. The use of the Gallery for the 'Design a Dress' competition was very well received. It was pleasing to see that four local schools utilised the ACW Go and See fund to attend the show and also an Assistant Director, David McSparron, working on this show thanks to funding from the Garrick Trust. This placement was very successful with David being an invaluable member of the team.

Learning from both shows was captured covering what went well and areas for improvement across producing, production, marketing and budgeting. This learning is being taken forward in the planning for the upcoming year. One major change is to employ a freelance Production Manager to work on shows in the future as this was a major area of concern across both shows, given the already stretched in-house staffing resource.

In the Spring of 2024, the Torch will be co-producing a piece of new writing by a Welsh female writer with Theatr Clwyd (with Chelsey to direct). The play is a dark comedy/thriller set in a Pembrokeshire town that only has two permanent residents left - as all the other houses have become holiday homes. It explores what it means to be Welsh and includes the use of Welsh language.

The appointment of Tim Howe to the role of Senior Manager - Youth & Community led to the growth of our Youth Theatre provisions during the period, alongside an increased engagement from families.

The Youth offer continues to develop and works flexibly with the young people ensuring that they get the best from their experience. The July 2023 term finished with a whole youth theatre sharing in our main house space - beginning to ensure that the youth theatre's work is present within our programme.

The Youth Theatre was accepted into the National Theatre Connections programme and partnered with Aberystwyth Arts Centre for a festival event. REPLICA was seen by almost 200 people and beat the 50% capacity Box Office target. This was an excellent start on the journey of full Youth Theatre productions with the young people involved in this project choosing the poster image and making other production-based decisions.

In addition to the establishment of regular end of term sharing within the youth theatre structure, planning is in place for a larger production, Wind In The Willows, as the culmination of the Summer term of 2024.

Our enhanced Youth Theatre and education work led to the Safeguarding Policy being successfully rewritten. A checklist is now provided for incoming companies and policies are proactively enforced. Staff and volunteer training was delivered in late July and August 2023 respectively, with a 'Quick Sheet' being made available to everyone. The team have continued to see development in this area and are offering support to several local non-professional groups in updating their policies - some of whom hire the Torch and some of whom are aware of our institutional knowledge and wish to adopt better practices. An annual safeguarding review will now take place each September.

As a Board, we continued to hold all Board and sub-committee meetings as hybrid meetings. Two Board Members stood down just before the period and two just after, therefore there are currently up to four Board Member vacancies. The Torch expresses thanks to Cllr Dr Simon Hancock, Sarah McKay, Jo Hendy and Nigel Sinnett for their years of service and dedicated support of the Torch. During 2024/25 we will review the skill sets needed by the Board and currently plan to run a Board Member open recruitment exercise in early 2025.

The Board thanks all staff, volunteers, patrons, Board Members and our key funders for all their support and understanding during these continuing times of challenge. In particular, thanks to the SMT who work so tirelessly with their teams to ensure the Torch delivers the best possible experience for our valued patrons.

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Report of the Trustees for the Year Ended 31 March 2024

FINANCIAL REVIEW

Total income for the year at £1,651,087 which was 12.7% up on 2022/23. This increase is due to the increase of trading activities from £191,801 to £241,965 and charitable activities increase of £696,232 to £753,349.

Total income from grants and donations was £585,940, 9.4% up on 2022/23 due primarily to the increase of the Arts Council of Wales Total Grants (2023/24 - £512,410, 2022/23 - £473,549), comprising the decrease in the Main Grant of £5,052, an additional Explore Grant of £1,200 and Create Grant of £45,000 (which exceeds the reduction in the Cost of Living award which was reduced by £2,287). Plus there is the additional grant income including Warm Spaces Grant of £10,000 from the National Lottery.

Expenditure overall for the period increased by 8.5% to £1,978,742, with increases in Other Trading Activities up by 33.3%, predominately driven by Stock & Purchases up £20,901 and Staff Costs up £17,592, Charitable Activities increased by 3.6% to £1,471,663 (2022/23 - £1,420,903).

During the period, the Torch continued a successful relationship with ACW meeting, where possible, agreed targets and committing to the Cultural Contract for the funded Arts which builds on the Welsh Government's existing economic contract of fair work and pay and sustainability and addresses areas such as:

- Increased diversity and representation (including diversity of the SMT)
- Greater involvement in and support for wider community initiatives (including social prescribing)
- Prioritising health and wellbeing in arts initiatives
- Environmental, cultural and economic sustainability

ACW remains the charity's principal funding partner with an annual revenue grant of £454,258 a 1.1% decrease on the 2022/23 grant.

A positive relationship also continued with Pembrokeshire County Council although as part of the 2023/24 Service Level Agreement the annual grant remained reduced as in 2022/23 to £10,000 a reduction of 50% on 2021/22.

Milford Haven Town Council also provided a grant of £7,500 in 2023/24.

The organisation has, since October 2014, taken advantage of the opportunity provided by the Theatre Tax Relief Scheme. As a result of three Torch Theatre Productions taking place during the period, Private Lives, Beauty & the Beast and REPLICIA there will be a claim made this year of £68,382.

The Trustees aim to keep general reserves at a level that meets the operational needs of the organisation. The consequences of the pandemic, coupled with an unpredictable economic climate, have posed significant financial difficulties, leading to a reduction in general reserves to £98,525 as at 31 March 2024. The Trustees are dedicated to a recovery strategy to rebuild an adequate level of general reserves, providing the Torch with sufficient safeguarding against potential adverse occurrences in the future.

We remain committed to our relationship with both Arts Council Wales and Pembrokeshire County Council and the partnership approach we take in ensuring their continued support.

In September 2023, the outcome of the ACW Investment Review was announced with a conditional offer to the Torch of a £650,000 per annum grant applicable from April 2024 and for the following three years - a 43% annual increase (with a further three years of grant support conditional on review). Unfortunately, Welsh Government imposed funding cuts, as part of their final settlement to ACW, meaning that the final grant award to the Torch was £633,750 per annum. Despite this disappointing reduction, it should be recognised that the Torch had done exceptionally well (with cuts across the other regularly supported theatres in Wales) with a significant uplift from the current annual grant of £454,258 to £633,750 (an increase of £179,492 per annum) although less than the requested £945,564 contained in the Torch's Investment Review application and unfortunately not sufficient to avoid the current funding pressures that the organisation is experiencing.

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**Report of the Trustees
for the Year Ended 31 March 2024**

Despite the very positive news of the Investment Review outcome, as the award was less than the grant amount requested it did mean that work has had to be undertaken to revise our aspirations and re-evaluate the 2023/27 Business Plan and associated budgets. This work has been shaped by conversations with ACW and has continued into 2024/25 as we review all aspects of the business and work towards the revised strategic plan referenced above.

Safeguarding our artistic production resources and capacity is vital - we remain one of only three venue-based producing theatres in Wales and this can only be achieved if we continue to receive significant grant funding support.

The Torch's reserves policy acknowledges the guidance issued by the Charity Commission, and the policy will be reviewed on an annual basis following publication of the audited annual accounts. The policy is founded on the following general principles:

- as a precaution against adverse economic conditions and any subsequent decline in earned income
- to provide assurance to funding partners and creditors regarding the economic viability and the stability of the company
- to provide assurance for members of the Board who make decisions on the operation of the theatre
- to provide assurance for members of staff and to those individuals and companies with whom we make commitments for artistic projects, demonstrating the Torch Theatre Company's reliability as an employer

At the year-end there was an excess of expenditure over income of £224,020 charged to general reserve (2023: excess of expenditure over income of £254,150).

Grants received for capital purposes are included as incoming resources of restricted funds when received. The balance of the restricted fund carried forward each year is reduced by the depreciation on the grant-funded element of the assets concerned. This depreciation charge was £103,634 in 2023/24 and £103,634 in 2022/23.

Going forward our focus remains on The Torch's recovery and re-building of attendance levels post pandemic, through enhanced marketing and funding initiatives. It is hoped the situation at the Torch and across the broader industry will greatly improve, as we are once again able to offer our audiences an accessible, in person, artistic experience and meet our obligations as an organisation in receipt of regular funding from ACW, though myriad challenges remain in the industry.

The Board, in collaboration with the Senior Management Team, will address the ongoing financial challenges in the coming months with the aim of securing financial stability for the Torch. The focus will remain on managing cash flow and improving budgetary control to restore the general reserve and maintain business solvency. A comprehensive long-term strategic plan is to be developed, alongside a revised method for Board oversight. The Board is dedicated to maintaining the trust and backing of the Torch's main funder, Arts Council Wales, who are constantly updated on the financial challenges facing the Torch.

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Report of the Trustees for the Year Ended 31 March 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Torch Theatre Company Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 26 August 1977 and amended to allow for current governance arrangements by a special resolution passed on 18 August 2011. It is registered as a charity with the Charity Commission. Anyone over the age of 16 may become a member of the trust and there are currently 12 members, each of whom agrees to contribute up to £10.00 in the event of the charity winding up.

Appointment of Trustees

As set out in the Articles of Association, the Chair of the trustees is nominated by the Torch Theatre Company trustees for a period of three years. Pembrokeshire County Council nominates up to 3 trustees, Milford Haven Town Council nominates 1 trustee and the charity known as Milford Youth Matters (formerly known as Milford Haven Social Service Centre) nominates 1 trustee.

Nominees appointed by Pembrokeshire County Council and Milford Haven Town Council are subject to the appointment processes of those bodies and the guidelines laid down for appointment to public office as they apply to local government nominees.

Trustee Induction and Training

New trustees undertake an orientation day to brief them on their legal obligations under charity law, the content of the Memorandum and Articles of Association, the committee and decision making processes, business plans, development plans and details of financial performance of the charity. Trustees are encouraged to attend appropriate external training events as well as in-house training events organised by the charity.

Organisational Structure

The board of trustees administers the charity. Following a review of governance in 2006, this has been reduced from the original maximum of 24 members to a target of around 15 members, with 12 currently in place. The board meets regularly, approximately every quarter. The Executive Director is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Executive Director has delegated authority within terms approved by the trustees for day-to-day operational matters including finance, employment and artistic matters.

Related Parties

The Arts Council of Wales (ACW), Pembrokeshire County Council and Milford Haven Town Council provide core funding for the charity, in support of its artistic programme, as an amenity for local residents and as a visitor attraction to Wales

Risk Management

The trustees have identified the need for a refreshed risk management strategy which covers operational and financial risks. Training for the SMT has already taken place, with Board training to follow. The trustees and SMT and have committed to the following for the 2024/25 period and beyond:

- an annual review of the risks the charity may face;
- establishment of systems and procedures to mitigate those risks identified in the plan; and
- implementation of procedures designed to minimise any potential impact on the charity should those risks materialise, including establishing a reserves policy

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**Report of the Trustees
for the Year Ended 31 March 2024**

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Number: 508985

Company
Number: 1327289

Principal Office: St Peter's Road, Milford Haven, Pembrokeshire SA73 2BU

Auditors: Ashmole & Co, Chartered Certified Accountants and Registered Auditors, Williamston House,
7 Goat Street, Haverfordwest SA61 1PX

Bankers: National Westminster Bank Plc, Pembrokeshire Business Centre, 18 High Street, Haverfordwest
SA61 2DA

Solicitors: Price & Kelway, 17 Hamilton Terrace, Milford Haven SA73 2JA

Directors & Trustees

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

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

Chair: Katrina Marsh

Vice-Chair: Nigel Sinnett (to 24th April 2024)
Carol Mackintosh (from 24th April 2024)

Pembrokeshire County Council
nominees: Councillor Rhys Sinnett
Councillor David Bryan
Councillor Alan Dennison

Milford Haven Town Council
nominee: Councillor Yvonne Southwell

Milford Haven Youth Matters
(formerly known as Milford
Haven Social Service Centre)
nominee: Vacant

Elected trustees: Carol Mackintosh
Phillipa Davies
Katrina Marsh
Nigel Sinnett (resigned 24th April 2024)
Ann Owston
Joanne Hendy (resigned 24th April 2024)
Sara McKay (resigned 25th May 2023)
Adrian Williams
Max Mackintosh
Gemma Hicks

Other officials:

Company Secretary Mr Guy Woodham

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**Report of the Trustees
for the Year Ended 31 March 2024**

Executive Director: Mr Benjamin Lloyd (until September 2024)
Artistic Director: Ms Chelsey Gillard
Senior Manager - Business: Mr Guy Woodham
Senior Manager - Finance: Miss Rhian Hayes (until July 2023)
Mr Gary Wilson (from July 2023 to April 2024)
Mr Gareth Williams (from March 2024 to July 2024)
Ms Maureen Rapley (from July 2024)
Arts Council of Wales Observer: Mr Henry Rees

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Torch Theatre Company Limited(The) for the purposes of company law) are responsible for preparing the Report of the Trustees 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 that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

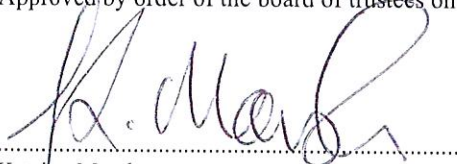
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

A resolution will be proposed at the Annual General Meeting to propose that auditors, Ashmole and Co., be re-appointed as auditors to the charity for the ensuing year.

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

Approved by order of the board of trustees on 17th October 2024 and signed on its behalf by:



.....
Katrina Marsh
Chair – Torch Theatre Company Board of Management

Report of the Independent Auditors to the Trustees of Torch Theatre Company Limited(The)

Opinion

We have audited the financial statements of Torch Theatre Company Limited(The) (the 'parent charitable company') for the year ended 31 March 2024 which comprise the consolidated Statement of Financial Activities, the consolidated Balance Sheet, the consolidated 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the parent charitable company's affairs as at 31 March 2024 and of the group's 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 Auditors' 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 the provisions available for small entities, in the circumstances set out in note 24 to the financial statements, 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of Torch Theatre Company Limited(The)

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- nature of the charity and the sector in which it operates.
- the legal and regulatory framework in which the charity operates, and in particular those laws and regulations.
- that directly affect the financial statements or have a fundamental effect on operations eg Charities Act 2011, health and safety legislation.
- results of enquiries of management and those charged with governance.
- any matters identified relating to:
 - the charity's policies and procedures for identifying, evaluating and complying with laws and regulations, and whether there were any known instances of non compliance.
 - detecting and responding to the risks of fraud and whether there is any knowledge of actual, suspected or alleged fraud.
 - the internal controls established to mitigate risks of fraud or non compliance with laws and regulations.

As a result of performing the above, we did not identify any key audit matters related to potential risk of fraud or non compliance with laws and regulations.

In addition to the above, our procedures included:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations.
- enquires of management and those charged with governance concerning actual and potential litigation and claims.
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- review of minutes of committee meetings.
- written representations.

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 Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of
Torch Theatre Company Limited(The)**

Use of our report

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

Ashmole and Co.
Chartered Certified Accountants and Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Williamston House
7 Goat Street
Haverfordwest
Pembrokeshire
SA61 1PX

Date:

Torch Theatre Company Limited(The)

**Statement of Financial Activities Consolidated
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2024**

	Notes	Unrestricted fund £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	585,940	-	585,940	535,409
Charitable activities	5				
Theatre		753,349	-	753,349	696,232
Other trading activities	3	241,965	-	241,965	191,801
Investment income	4	1,451	-	1,451	775
Other income	6	<u>68,382</u>	-	<u>68,382</u>	<u>41,000</u>
Total		<u>1,651,087</u>	-	<u>1,651,087</u>	<u>1,465,217</u>
EXPENDITURE ON					
Raising funds					
Raising donations and legacies	7	1,500	-	1,500	1,500
Other trading activities	8	<u>158,169</u>	-	<u>158,169</u>	<u>118,632</u>
		159,669	-	159,669	120,132
Charitable activities	9				
Theatre		<u>1,715,438</u>	<u>103,635</u>	<u>1,819,073</u>	<u>1,702,869</u>
Total		<u>1,875,107</u>	<u>103,635</u>	<u>1,978,742</u>	<u>1,823,001</u>
NET INCOME/(EXPENDITURE)		(224,020)	(103,635)	(327,655)	(357,784)
RECONCILIATION OF FUNDS					
Total funds brought forward		322,545	3,376,874	3,699,419	4,057,203
TOTAL FUNDS CARRIED FORWARD		<u>98,525</u>	<u>3,273,239</u>	<u>3,371,764</u>	<u>3,699,419</u>

The notes form part of these financial statements

Torch Theatre Company Limited(The)

**Balance Sheet - Consolidated
31 March 2024**

	Notes	Unrestricted fund £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total funds £
FIXED ASSETS					
Tangible assets	16	259,873	3,273,239	3,533,112	3,638,550
CURRENT ASSETS					
Stocks	17	7,472	-	7,472	7,351
Debtors	18	104,526	-	104,526	112,853
Cash at bank and in hand		<u>47,568</u>	<u>4,988</u>	<u>52,556</u>	<u>237,898</u>
		159,566	4,988	164,554	358,102
CREDITORS					
Amounts falling due within one year	19	(308,959)	(4,988)	(313,947)	(297,233)
NET CURRENT ASSETS					
		<u>(149,393)</u>	<u>-</u>	<u>(149,393)</u>	<u>60,869</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		110,480	3,273,239	3,383,719	3,699,419
CREDITORS					
Amounts falling due after more than one year	20	(11,955)	-	(11,955)	-
NET ASSETS					
		<u>98,525</u>	<u>3,273,239</u>	<u>3,371,764</u>	<u>3,699,419</u>
FUNDS					
Unrestricted funds	22			98,525	322,545
Restricted funds				<u>3,273,239</u>	<u>3,376,874</u>
TOTAL FUNDS					
				<u>3,371,764</u>	<u>3,699,419</u>

The notes form part of these financial statements

Torch Theatre Company Limited(The)

**Balance Sheet - Consolidated
31 March 2024**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2024.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime. The financial statements were approved by the Board of Trustees and authorised for issue on 17/10/2024 and were signed on its behalf by:



..... Katrina Marsh, Chair – Torch Theatre Company Board of Management

The notes form part of these financial statements

Torch Theatre Company Limited(The)

**Balance Sheet – Parent Company
31 March 2024**

	Notes	Unrestricted fund £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total funds £
FIXED ASSETS					
Tangible assets	16	259,873	3,273,239	3,533,112	3,638,550
Investments	26	<u>10</u>	<u>-</u>	<u>10</u>	<u>10</u>
		259,883	3,273,239	3,533,122	3,638,560
CURRENT ASSETS					
Stocks	17	7,472	-	7,472	7,351
Debtors	18	291,678	-	291,678	292,395
Cash at bank and in hand		<u>47,568</u>	<u>4,988</u>	<u>52,556</u>	<u>237,898</u>
		346,718	4,988	351,706	537,644
CREDITORS					
Amounts falling due within one year	19	(496,124)	(4,988)	(501,109)	(476,785)
		<u>(496,124)</u>	<u>(4,988)</u>	<u>(501,109)</u>	<u>(476,785)</u>
NET CURRENT ASSETS		<u>(149,403)</u>	<u>-</u>	<u>(149,403)</u>	<u>60,859</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		110,480	3,273,239	3,383,719	3,699,419
CREDITORS					
Amounts falling due after more than one year		(11,955)	-	(11,955)	-
		<u>(11,955)</u>	<u>-</u>	<u>(11,955)</u>	<u>-</u>
NET ASSETS		<u>98,525</u>	<u>3,273,239</u>	<u>3,371,764</u>	<u>3,699,419</u>
FUNDS					
Unrestricted funds	22			98,525	322,545
Restricted funds				<u>3,273,239</u>	<u>3,376,874</u>
TOTAL FUNDS				<u>3,371,764</u>	<u>3,699,419</u>

The notes form part of these financial statements

Torch Theatre Company Limited(The)

**Cash Flow Statement - Consolidated
for the Year Ended 31 March 2024**

	Notes	31.3.24 £	31.3.23 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(175,895)</u>	<u>(186,214)</u>
Net cash used in operating activities		<u>(175,895)</u>	<u>(186,214)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(27,977)	(28,923)
Interest received		<u>1,451</u>	<u>775</u>
Net cash used in investing activities		<u>(26,526)</u>	<u>(28,148)</u>
Cash flows from financing activities			
Amount due under hire purchase agreement		<u>17,079</u>	<u>-</u>
Net cash provided by financing activities		<u>17,079</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		(185,342)	(214,362)
Cash and cash equivalents at the beginning of the reporting period		<u>237,898</u>	<u>452,260</u>
Cash and cash equivalents at the end of the reporting period		<u>52,556</u>	<u>237,898</u>

The notes form part of these financial statements



Torch Theatre Company Limited(The)

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2024**

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES		
	31.3.24	31.3.23
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(327,655)	(357,784)
Adjustments for:		
Depreciation charges	133,418	127,822
Interest received	(1,451)	(775)
Increase in stocks	(121)	(4,669)
Decrease/(increase) in debtors	8,327	(6,479)
Increase in creditors	<u>11,587</u>	<u>55,671</u>
Net cash used in operations	<u>(175,895)</u>	<u>(186,214)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23	Cash flow		At 31.3.24
	£	£		£
Net cash				
Cash at bank and in hand	<u>237,898</u>	<u>(185,342)</u>		<u>52,556</u>
	<u>237,898</u>	<u>(185,342)</u>		<u>52,556</u>
Debt				
Amount due under hire purchase agreement	<u>-</u>	<u>(17,079)</u>		<u>(17,079)</u>
	<u>-</u>	<u>(17,079)</u>		<u>(17,079)</u>
Total	<u>237,898</u>	<u>(202,421)</u>		<u>35,477</u>

The notes form part of these financial statements



Torch Theatre Company Limited(The)

Notes to the Financial Statements for the Year Ended 31 March 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income:

Voluntary income received by way of grants, donations and gifts is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant. Grants for capital purposes are included as incoming resources of restricted funds when received. The balance of the restricted fund carried forward each year is reduced by the depreciation on the grant-funded element of the the assets concerned.

Income from charitable activities is deferred when admission fees are received in advance of the performances or event to which they relate.

Income is shown net of VAT where relevant.

Donated services, facilities and assets are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts. Tax credits attributable to the subsidiary company under the Theatre Tax Credit are recorded as Other Incoming Resources in the Consolidated Statement of Financial Activities.

Investment income is included when receivable.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Costs have been allocated as far as possible between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others have been apportioned based on the estimated usage of the resource. Costs allocated to generating voluntary income, being an element of administration salaries, postage and stationery, and theatre renewals have been estimated using best judgement.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Theatre refurbishment (1996 - 2000)	- 10% on cost
Theatre redevelopment	- 2% on cost
Fixtures and fittings	- 25% on cost and 10% on cost

Torch Theatre Company Limited(The)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

1. ACCOUNTING POLICIES - continued

Stocks

Stocks consist of cafe, bar and shop stocks and are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Reserves

The financial statements distinguish between restricted and unrestricted funds. The former are received from donors and are subject to restrictions on the purpose for which they may be used. Unrestricted funds are those where there are no externally imposed restrictions. These include those freely available to the charity for expenditure or appropriation to reserves for internally designated purposes.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Hire purchase and leasing commitments

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

2. DONATIONS AND LEGACIES

	31.3.24	31.3.23
	£	£
Arts Council of Wales	454,258	459,310
Pembrokeshire County Council	10,000	10,000
Milford Haven Town Council	7,500	7,000
Gifts and donations	21,530	16,577
Sponsorship	20,000	21,483
Chapter Cardiff	2,000	6,800
ACW - Cost of Living Award	11,952	14,239
TNL Warm Spaces	10,000	-
Garrick Charitable Grant	2,500	-
ACW Explore Grant	1,200	-
ACW Create Grant	45,000	-
	<u>585,940</u>	<u>535,409</u>

Torch Theatre Company Limited(The)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

3. OTHER TRADING ACTIVITIES

	31.3.24	31.3.23
	£	£
Cafe sales	56,664	31,474
Bar sales	68,108	47,282
Kiosk sales	103,850	91,439
Merchandise sales	1,865	3,399
Telephone mast rental	11,478	18,207
	<u>241,965</u>	<u>191,801</u>

4. INVESTMENT INCOME

	31.3.24	31.3.23
	£	£
Deposit account interest	1,451	775

The charity's investment income arises wholly from interest bearing cash deposits.

5. INCOME FROM CHARITABLE ACTIVITIES

		31.3.24	31.3.23
	Activity	£	£
Theatre	Theatre	462,793	412,030
Films	Theatre	185,674	220,470
Youth theatre and education	Theatre	11,182	12,571
Hire of theatre	Theatre	39,059	15,790
Sales of programmes etc.	Theatre	7,967	2,400
Technical hire	Theatre	10,468	7,445
Set construction	Theatre	22,790	13,273
Sundry theatre income	Theatre	13,416	12,253
		<u>753,349</u>	<u>696,232</u>

6. OTHER INCOME

Entitlement to Theatre Tax Credits £68,382 (2023 - £40,997).

7. RAISING DONATIONS AND LEGACIES

	31.3.24	31.3.23
	£	£
Administration expenses	1,500	1,500

Torch Theatre Company Limited(The)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

8. OTHER TRADING ACTIVITIES

	31.3.24	31.3.23
	£	£
Purchases	99,101	78,200
Staff costs	50,080	32,488
Equipment repairs and renewals	1,955	1,606
Other direct costs	5,266	4,807
Depreciation	<u>1,767</u>	<u>1,531</u>
	<u>158,169</u>	<u>118,632</u>

9. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 10) £	Totals £
Theatre	<u>1,471,663</u>	<u>347,410</u>	<u>1,819,073</u>

10. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Theatre	<u>336,968</u>	<u>10,442</u>	<u>347,410</u>

11. NET INCOME/(EXPENDITURE)

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

	31.3.24	31.3.23
	£	£
Auditors' remuneration	2,900	2,700
Auditors' remuneration for non audit work	3,969	3,123
Depreciation - owned assets	128,166	127,821
Depreciation - assets on hire purchase contracts and finance leases	<u>5,249</u>	<u>-</u>

Torch Theatre Company Limited(The)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

12. TRUSTEES' REMUNERATION AND BENEFITS

Trustees are not remunerated. No trustees received any remuneration during the year (2023 - nil).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

13. STAFF COSTS

	31.3.24	31.3.23
	£	£
Wages and salaries	864,520	819,866
Social security costs	53,392	49,090
Other pension costs	<u>11,549</u>	<u>10,447</u>
	<u>929,461</u>	<u>879,403</u>

The average monthly number of employees during the year was as follows:

	31.3.24	31.3.23
Theatre and facilities	29	26
Publicity	3	2
Administration	<u>5</u>	<u>5</u>
	<u>37</u>	<u>33</u>

No employees received emoluments in excess of £60,000.

Staff costs above include performers and theatre personnel engaged on a contract basis as well as permanent staff. Employee numbers reflect the average monthly head count of casual and permanent staff which equates to an estimated 25 full-time equivalent staff.

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	535,409	-	535,409
Charitable activities			
Theatre	696,232	-	696,232
Other trading activities	191,801	-	191,801
Investment income	775	-	775
Other income	<u>41,000</u>	-	<u>41,000</u>
Total	<u>1,465,217</u>	-	<u>1,465,217</u>
EXPENDITURE ON			
Raising funds			
Raising donations and legacies	1,500	-	1,500

Torch Theatre Company Limited(The)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
Other trading activities	<u>118,632</u>	<u>-</u>	<u>118,632</u>
	120,132	-	120,132
Charitable activities			
Theatre	<u>1,599,234</u>	<u>103,634</u>	<u>1,702,869</u>
Total	<u>1,719,366</u>	<u>103,634</u>	<u>1,823,001</u>
NET INCOME/(EXPENDITURE)	(254,150)	(103,634)	(357,784)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>576,695</u>	<u>3,480,508</u>	<u>4,057,203</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>322,545</u></u>	<u><u>3,376,874</u></u>	<u><u>3,699,419</u></u>

15. TAXATION

As a registered charity, Torch Theatre Company Ltd is exempt from tax on income and gains. No tax charges have arisen on the charity. The Trading Subsidiary is entitled to Theatre Tax Credits which is reflected as Other Incoming Resources in the Consolidated Statement of financial activities in the sum of £68,382 (2023 - £40,977).

16. TANGIBLE FIXED ASSETS

	Freehold property £	Theatre refurbishment (1996 - 2000) £	Theatre redevelopment £
COST			
At 1 April 2023	407,808	28,270	4,638,069
Additions	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2024	<u>407,808</u>	<u>28,270</u>	<u>4,638,069</u>
DEPRECIATION			
At 1 April 2023	164,207	28,270	1,366,736
Charge for year	<u>8,156</u>	<u>-</u>	<u>92,762</u>
At 31 March 2024	<u>172,363</u>	<u>28,270</u>	<u>1,459,498</u>
NET BOOK VALUE			
At 31 March 2024	<u><u>235,445</u></u>	<u><u>-</u></u>	<u><u>3,178,571</u></u>
At 31 March 2023	<u><u>243,601</u></u>	<u><u>-</u></u>	<u><u>3,271,333</u></u>

Torch Theatre Company Limited(The)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

16. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 April 2023	1,460,049	-	6,534,196
Additions	<u>6,982</u>	<u>20,995</u>	<u>27,977</u>
At 31 March 2024	<u>1,467,031</u>	<u>20,995</u>	<u>6,562,173</u>
DEPRECIATION			
At 1 April 2023	1,336,433	-	2,895,646
Charge for year	<u>27,248</u>	<u>5,249</u>	<u>133,415</u>
At 31 March 2024	<u>1,363,681</u>	<u>5,249</u>	<u>3,029,061</u>
NET BOOK VALUE			
At 31 March 2024	<u>103,350</u>	<u>15,746</u>	<u>3,533,112</u>
At 31 March 2023	<u>123,616</u>	<u>-</u>	<u>3,638,550</u>

All fixed assets are used in direct furtherance of the charities objects.

Details of the restricted fund relating to the theatre building and re-development are given in note 20.

Legal charges have been registered over the theatre building by the Arts Council of Wales.

All Group Fixed Assets belong to the parent company. The subsidiary company has no Fixed Assets.

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
Additions	<u>20,995</u>
DEPRECIATION	
Charge for year	<u>5,249</u>
NET BOOK VALUE	
At 31 March 2024	<u>15,746</u>
At 31 March 2023	<u>-</u>

Torch Theatre Company Limited(The)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

17. STOCKS

	31.3.24	31.3.23
	£	£
Stocks	<u>7,472</u>	<u>7,351</u>

All stocks belong to the parent company.

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23	31.3.24	31.3.23
	£	£	£	£
	Group	Group	Charity	Charity
Other debtors	76,305	81,999	263,457	261,541
Prepayments and accrued incomeVAT	<u>28,221</u>	<u>30,854</u>	<u>28,221</u>	<u>30,854</u>
	<u>104,526</u>	<u>112,853</u>	<u>291,678</u>	<u>292,395</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23	31.3.24	31.3.23
	£	£	£	£
	Group	Group	Charity	Charity
VAT	20,911	17,725	20,911	17,725
Advance receipts	95,659	116,678	95,659	116,678
Deferred income	10,861	3,377	10,861	3,377
Hire Purchase	5,124	-	5,124	-
Sundry creditors and accruals	<u>181,392</u>	<u>159,453</u>	<u>368,554</u>	<u>339,005</u>
	<u>313,947</u>	<u>297,233</u>	<u>501,109</u>	<u>476,785</u>

Included in sundry creditors and accruals are amounts owing for social security and other taxes of £15,779 (2023 - £15,222).

Torch Theatre Company Limited(The)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

20.	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	31.3.24	31.3.23
		£	£
	Hire purchase (see note 21)	<u>11,955</u>	<u>-</u>
21.	LEASING AGREEMENTS		
	Minimum lease payments under hire purchase fall due as follows:		
		31.3.24	31.3.23
		£	£
	Gross obligations repayable:		
	Within one year	<u>5,124</u>	<u>-</u>
	Finance charges repayable:		
	Between one and five years	<u>(11,955)</u>	<u>-</u>
	Net obligations repayable:		
	Within one year	5,124	-
	Between one and five years	<u>11,955</u>	<u>-</u>
		<u>17,079</u>	<u>-</u>
22.	MOVEMENT IN FUNDS		
		Net	
		movement	At
	At 1.4.23	in funds	31.3.24
	£	£	£
	Unrestricted funds		
	General fund	322,545	(224,020)
			98,525
	Restricted funds		
	Restricted funds	3,376,874	(103,635)
			3,273,239
	TOTAL FUNDS	<u>3,699,419</u>	<u>(327,655)</u>
			<u>3,371,764</u>

Torch Theatre Company Limited(The)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

22. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,651,087	(1,875,107)	(224,020)
Restricted funds			
Restricted funds	-	(103,635)	(103,635)
TOTAL FUNDS	<u>1,651,087</u>	<u>(1,978,742)</u>	<u>(327,655)</u>

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	576,695	(254,150)	322,545
Restricted funds			
Restricted funds	3,480,508	(103,634)	3,376,874
TOTAL FUNDS	<u>4,057,203</u>	<u>(357,784)</u>	<u>3,699,419</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,465,217	(1,719,367)	(254,150)
Restricted funds			
Restricted funds	-	(103,634)	(103,634)
TOTAL FUNDS	<u>1,465,217</u>	<u>(1,823,001)</u>	<u>(357,784)</u>

Torch Theatre Company Limited(The)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

22. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.22 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	576,695	(478,170)	98,525
Restricted funds			
Restricted funds	3,480,508	(207,269)	3,273,239
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>4,057,203</u>	<u>(685,439)</u>	<u>3,371,764</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,116,304	(3,594,474)	(478,170)
Restricted funds			
Restricted funds		(207,269)	(207,269)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>3,116,304</u>	<u>(3,801,743)</u>	<u>(685,439)</u>

Full details of restricted funds are provided at note 25.

23. RELATED PARTY DISCLOSURES

Torch Theatre Production Company Limited

During the year, the Charity made sales of £187,156 (2023 - £179,545) and purchases of £255,538 (2023 - £220,542) to/from its 100% wholly owned subsidiary. At the year-end date, the trading subsidiary owed the Charity the sum of £68,382 (2023 - £40,997).

Torch Theatre Company Limited(The)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

24. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

25. RESTRICTED FUNDS

	Balance as at 01.04.23	Movement in Year	Balance as at 31.03.24
	£	£	£
Capital Reserve (Main Theatre)	89,832	(3,757)	86,075
Capital Re-development Fund	3,234,667	(98,378)	3,136,289
Capital Reserve (Studio Theatre)	52,375	(1,500)	50,875
	3,376,874	(103,635)	3,273,239

Capital Reserve (Main Theatre)

The freehold of the Torch Theatre was conveyed to the company by Preseli Pembrokeshire District Council on 23rd January 1991 for the consideration of £1. The property was valued by Messrs Glyn Davies & Co. at £180,000 in January 1991 and has been incorporated into the financial statements at that figure, the surplus being credited to a capital reserve.

Following the introduction of FRS15 the trustees decided to depreciate the freehold over a period of 50 years on a straight line basis. This results in a depreciation charge of £3,757 per annum. The balance remaining on this fund is £86,075 (2023 - £89,832).

Capital Re-development Fund

During the three years to March 2009, the theatre was completely re-developed. Further capital improvements have been made in subsequent years. This capital expenditure is being depreciated over a period of 10 years (fixtures and equipment) or 50 years (buildings). The grants and donations received for the restricted purpose of the theatre's re-development have been treated as a restricted fund in accordance with the Statement of Recommended Practice and are reduced by the depreciation charge in respect of the re-development costs. The balance remaining on this fund is £3,136,289 (2023 - £3,234,667).

Capital Reserve (Studio Theatre)

As part of the re-development, the charity acquired the freehold of an adjoining property which houses the new studio theatre. Part of the value of the property (valued at £75,000) was donated by Pembrokeshire County council creating a further capital reserve. The property is being depreciated over 50 years on a straight line basis resulting in a depreciation charge relating to the gift of £1,500 per annum. The balance remaining on this fund is £50,875 (2023 - £52,375).

Torch Theatre Company Limited(The)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

26. SUBSIDIARY UNDERTAKINGS

The Charity holds the entire issued share capital of 10 Ordinary shares of £1 each in Torch Theatre Production Company Limited, a company incorporated in England and Wales, company number 09287683. The Charity acquired the Trading subsidiary on 30th October 2014. The Torch Theatre Production Company undertakes the commercial production of theatrical performances. A summary of the trading results are shown below.

Summary profit and loss account:	Year Ended 31.3.24	Year Ended 31.3.23
	£	£
Income	187,156	179,545
Cost of sales	<u>(255,538)</u>	<u>(220,542)</u>
Profit or (Loss) on ordinary activities before taxation	(68,382)	(40,997)
Tax credit	<u>68,382</u>	<u>40,997</u>
Profit for the financial period	<u><u>-</u></u>	<u><u>-</u></u>
 The assets and liabilities of the subsidiary were:		
Current assets	255,548	220,552
Creditors	<u>(255,538)</u>	<u>(220,542)</u>
Aggregate share capital and reserves	<u><u>10</u></u>	<u><u>10</u></u>

Torch Theatre Company Limited(The)

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2024**

	31.3.24 £	31.3.23 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Arts Council of Wales	454,258	459,310
Pembrokeshire County Council	10,000	10,000
Milford Haven Town Council	7,500	7,000
Gifts and donations	21,530	16,577
Sponsorship	20,000	21,483
Chapter Cardiff	2,000	6,800
ACW - Cost of Living Award	11,952	14,239
TNL Warm Spaces	10,000	-
Garrick Charitable Grant	2,500	-
ACW Explore Grant	1,200	-
ACW Create Grant	<u>45,000</u>	<u>-</u>
	585,940	535,409
Other trading activities		
Cafe sales	56,664	31,474
Bar sales	68,108	47,282
Kiosk sales	103,850	91,439
Merchandise sales	1,865	3,399
Telephone mast rental	<u>11,478</u>	<u>18,207</u>
	241,965	191,801
Investment income		
Deposit account interest	1,451	775
Charitable activities		
Theatre	462,793	412,030
Films	185,674	220,470
Youth theatre and education	11,182	12,571
Hire of theatre	39,059	15,790
Sales of programmes etc.	7,967	2,400
Technical hire	10,468	7,445
Set construction	22,790	13,273
Sundry theatre income	<u>13,416</u>	<u>12,253</u>
	753,349	696,232
Other income		
Theatre Tax Credit	<u>68,382</u>	<u>41,000</u>
Total incoming resources	1,651,087	1,465,217

This page does not form part of the statutory financial statements

Torch Theatre Company Limited(The)

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2024**

	31.3.24 £	31.3.23 £
EXPENDITURE		
Raising donations and legacies		
Administration expenses	1,500	1,500
Other trading activities		
Cafe purchases	18,816	12,010
Bar purchases	28,991	25,755
Shop purchases	51,294	40,435
Wages	45,594	29,363
Social security	4,486	3,125
Equipment repairs and renewals	1,955	1,606
Other direct costs	5,266	4,807
Depreciation - fixtures and fittings	<u>1,767</u>	<u>1,531</u>
	158,169	118,632
Charitable activities		
Theatre salaries and fees	548,688	574,742
Employers national insurance	31,415	28,435
Employer pension contributions	11,549	10,447
Rates and water	9,383	5,602
Insurance	62,632	47,688
Light and heat	52,083	45,630
Theatre renewals	25,439	22,947
Youth theatre and education	8,331	8,963
Bought in productions and artists fees	207,990	160,591
Printing and promotion of programmes and publicity	76,459	106,790
Direct production costs	72,383	12,227
Royalties and commissions	12,185	23,944
Travelling	20,912	33,781
Sundry expenses	4,838	3,564
Film hire and carriage	100,087	104,984
Laundry and cleaning	14,678	15,415
Memberships and licences	23,082	26,640
Workshop expenses	11,700	12,425
Motor expenses	7,546	12,740
Box office tickets and charts	28,609	26,212
Credit card charges	10,026	10,848
Depreciation - freehold property	8,156	8,157
Depreciation - redevelopment	92,762	92,762
Depreciation - fixtures and fittings	25,481	25,372
Depreciation - motor vehicles	<u>5,249</u>	<u>-</u>
	1,471,663	1,420,906

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Torch Theatre Company Limited(The)

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2024**

	31.3.24	31.3.23
	£	£
Support costs		
Management		
Administration and publicity salaries	266,665	212,281
Social security	17,491	17,530
Telephone	9,687	9,217
Postage	372	467
Office stationery and IT costs	8,546	6,824
Recruitment and training	15,251	8,166
Professional fees	14,054	13,322
Entertainment	819	2,490
Bank charges	3,174	2,363
Hire purchase interest	909	-
	336,968	272,660
Governance costs		
Admin salaries	3,573	3,480
Auditors' remuneration	2,900	2,700
Auditors' remuneration for non audit work	3,969	3,123
	10,442	9,303
Total resources expended	1,978,742	1,823,001
Net expenditure	(327,655)	(357,784)

This page does not form part of the statutory financial statements



Torch Theatre Company Limited
Detailed Statement of Financial Activities
for the Year Ended 31st March 2024

	31.03.2024				31.03.2023			
	Unrestricted Revenue £	Unrestricted Capital £	Total	Restricted Capital £	Total	Revenue £	Restricted Capital £	Total
Support costs Theatre								
Administration and publicity salaries	266,665	-	266,665	-	-	212,281	-	212,281
Social security	17,491	-	17,491	-	-	17,530	-	17,530
Telephone	9,687	-	9,687	-	-	9,217	-	9,217
Postage	372	-	372	-	-	467	-	467
Office stationery and IT costs	8,546	-	8,546	-	-	6,824	-	6,824
Recruitment and training	15,251	-	15,251	-	-	8,166	-	8,166
Professional fees	14,054	-	14,054	-	-	13,322	-	13,322
Bank charges	3,174	-	3,174	-	-	2,363	-	2,363
Entertainment	819	-	819	-	-	2,490	-	2,490
HP interest	909	-	909	-	-	-	-	-
	336,968	-	336,968	-	-	272,660	-	272,660
Governance costs								
Auditors' remuneration	2,900	-	2,900	-	-	2,700	-	2,700
Auditors' remuneration for non-audit work	3,969	-	3,969	-	-	3,123	-	3,123
Administration and publicity salaries	3,573	-	3,573	-	-	3,480	-	3,480
	10,442	-	10,442	-	-	9,303	-	9,303
Total resources expended	1,875,107	-	1,875,107	-	103,635	1,719,364	103,634	1,822,998
Net income/(expenditure)	(224,020)	-	(224,020)	-	(103,635)	(254,150)	(103,634)	(357,784)

Support costs Theatre
Administration and publicity salaries
Social security
Telephone
Postage
Office stationery and IT costs
Recruitment and training
Professional fees
Bank charges
Entertainment
HP interest

Governance costs
Auditors' remuneration
Auditors' remuneration for non-audit work
Administration and publicity salaries

Total resources expended
Net income/(expenditure)