THEATR BRYCHEINIOG CYF

England & Wales · Charity number 1005327

Details

Other names	BRECON GUILDHALL THEATRE LIMITED, THEATR BRYCHEINIOG
Status	Registered
Legal form	Charitable company
Company number	02446965
Registered	1991-10-29
Register	View on the Charity Commission register

Contact

Address	Theatr Brycheiniog Canal Wharf Brecon LD3 7EW
Phone	01874622838
Email	info@brycheiniog.co.uk
Website	www.brycheiniog.co.uk

Activities

Objects: TO PROMOTE MAINTAIN IMPROVE AND ADVANCE EDUCATION PARTICULARLY BY THE PRESENTATION AND PRODUCING OF PLAYS AND OTHER MATERIAL AND THE ENCOURAGEMENT OF THE ARTS INCLUDING THE ART OF DRAMA MIME DANCE AND MUSIC

Activities: Theatre/Arts Venue

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Arts/culture/heritage/science
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

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Geography

- Powys

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,442,176	£1,411,117	£-53,816	44
2024-03-31	£1,317,777	£1,468,076	£-84,875	43
2023-03-31	£991,869	£1,144,692	£65,424	36
2022-03-31	£853,709	£799,943	£218,247	33
2021-03-31	£840,122	£513,670	£164,481	30

Trustees

Name	Role	Appointed
Andrew Kenneth Redvers Collinson	Chair	2022-02-14
Averil Mary Price		2024-10-29
Barbara Megan Davies		2024-10-29
Eilir Owen Griffiths		2025-04-01
Eleanor Ann Owen		2021-01-25
Gemma Bardsley		2025-04-25
Gwyn Emberton		2025-04-01
Helen Wyn East		2024-10-29
Lynley Patricia Gregory		2025-06-24
Richard Christopher Powell		2025-06-24
Ryan Ellis Coleman		2025-04-25
Tab Wheeler		2022-02-14

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THEATR BRYCHEINIOG CYF

England & Wales - Charity number 1005327

Accounts

REGISTERED COMPANY NUMBER: 02446965 (England and Wales)
REGISTERED CHARITY NUMBER: 1005327

Report of the Trustees and

Financial Statements

for the Year Ended 31st March 2025

for

Theatr Brycheiniog Cyf

Ashmole & Co
Chartered Certified Accountants & Registered
Auditors
Castle House
High Street
Ammanford
Carmarthenshire
SA18 2NB

Theatr Brycheiniog Cyf

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Theatr Brycheiniog Cyf

Report of the Trustees
for the Year Ended 31st March 2025

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 31st March 2025. 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

Objectives and aims

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

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

We align our work with the priorities of our main funding partner the Arts Council of Wales. They are to:

1. Deliver creativity
2. Involve everyone
3. Celebrate Wales
4. Lead responsibly
5. Develop people
6. Challenge ourselves

During the financial year we have benefitted from additional funds from the Welsh Government supported Arts Council of Wales Jobs Protection and Resilience Fund. We thank Arts Council of Wales for the ongoing support in the challenging times faced by the whole of the arts sector.

OBJECTIVES AND ACTIVITIES

Organisational review

Theatr Brycheiniog has continued to make headway despite the challenges facing both the charity and the wider arts sector. At the beginning of April 2025, we signed a new 28-year lease with Powys County Council on the completion of the £1.8 million UK Government supported Levelling up Fund refurbishment of the building. This has seen the replacement of external doors and windows, new and more environmentally friendly heating and air conditioning systems, new lifts and other elements of our building's infrastructure - much of it in place since Theatr Brycheiniog was opened in the late 1990s

Work was also completed during the summer of 2024 on a new and more energy efficient auditorium lighting system, complementing the new stage lighting introduced at the start of 2024. This and the improvements listed above have had an important impact on our overall energy costs which had risen from £38,871 to £119,105 an increase of over £80,000 in the previous financial year. This has now reduced to £74,553. We hope for a further reduction once we see the impact of these improvements across a full financial year. Again, we are grateful for the support offered by ACW for this work, which will help us do our part in moving towards carbon neutrality.

Staffing has evolved during the year in review and continues to do so at the time of writing. Director Eleri B Jones left us at the end of 2024 at the conclusion of a year during which she did much to attract the additional ACW support. This has helped us to retain jobs and finance projects which will improve our financial resilience in the longer term. Eleri left with the board's thanks and best wishes for her future career. Our Interim Director Nic Young, a very experienced arts and venues leader took over that work to build a more stable and resilient financial future. He has assisted in fine tuning our approach to programming, staffing, financial management and the full range of core theatre activities. He has also supported the board in stabilising other activities and planning to recruit a permanent leader of the organisation with that process taking place during the summer and autumn of 2025. The title of the role has been changed from Director to Chief Executive to better reflect the requirements and responsibilities of the position.

Work has also been ongoing to reprioritise the activities of the staff team, taking advantage of natural staff turnover as it occurs. This and a review of staffing, launched early in 2025 is helping the organisation to increase financial stability and better focus on opportunities and more financially resilient results. It has also helped us cap payroll costs for 2025/26 to a similar level as 2024/25 despite the rise in the National Minimum Wages and the change in National Insurance thresholds. The board would like to thank Eleri, Nic, the Senior Management Team and all our professional colleagues for maintaining effective operations though such a busy and challenging period.

Arts Council of Wales continue to be our largest financial supporter with additional and very welcome funding also coming from Brecon Town Council. Powys County Council have stopped making ongoing grant payments since the start of the financial year under review. This contrasts with annual grants of up to £130,000 in the past and is in line with a trend seen among many local authorities across the United Kingdom. However, the council and their staff have been invaluable in leading and overseeing the Levelling Up Fund work and they have been immensely helpful in addressing ongoing 'snagging' work since the completion of the main project.

OBJECTIVES AND ACTIVITIES

We are also grateful for our growing team of volunteers who act as stewards - and our many Friends, Patrons and supporters in the wider community who visit the theatre to see shows, enjoy our café and bar, use our car park, help with fundraising and contribute to the ongoing viability of the charity. In fact, it would be impossible to operate without our army of volunteer stewards, gardeners to maintain planting around the Theatr site and trustees. Each of our main auditorium shows use between six and thirteen stewards - typically operating for two to four hours per show. It would be economically unfeasible to state an accurate cash value for that work but even using the National Minimum Wage, a rough guestimate might suggest a figure of 7,000 hours of voluntary work worth £80,000. In addition, senior trustees spend many hours each week supporting the leadership team and also taking on additional administrative responsibilities to release staff resources for more customer focussed activities. Again, it would be economically unfeasible to calculate an accurate figure for the number of hours or the cash value but a guestimate would suggest a total of around 450 hours and a cash value of over £5,000.

OBJECTIVES AND ACTIVITIES

Public benefit

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

Theatr Brycheiniog is a major employer in the town and significant contributor to the local economy.
We strive, in both the building and the performing arts programme we present, to be accessible to all sections of the community, and to encourage diversity of use and of users, and we publicise the Theatr's activities widely.

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

Theatr Brycheiniog offers a home or stage to numerous professional and community-rooted groups including the Brecon Baroque Festival, Brecon Festival Ballet, Brecon Jazz Festival, the Westenders, Mid Wales Dance Academy, Brecon Little Theatre, the Federation of Young Farmers' Clubs and Brecknock YFC, the Urdd, the University of the Third Age [u3a], Seren Stars, Theatr Wildcats, Taiko Drumming, the Uplift Community Choir, The Brecknock Society and Brecon Town Concert Band. We also encourage local schools to use our facilities and attend performances on a regular basis, and we provide an outlet for visual artists by exhibiting their works in our public spaces. We are especially honoured to support the work of the many groups, rooted in our community, who inspire and encourage a love and understanding of the benefits of culture across all ages. We pay tribute to the skill, energy and enthusiasm that they bring to Theatr Brycheiniog on a daily basis. We also thank them for their efforts and look forward to continuing to work together for the future success of all.

We are also proud to offer a stage to numerous professional touring organisations - many of them supported by the Arts Council of Wales and a wide variety of charitable trusts. We are delighted to ensure that audiences in Mid Wales can experience that work. They included the return of Theatr na nÓg with Operation Julie and also their show The Fight, Sherman Theatre's Iphigenia yn Sblot and Little Red Riding Hood. Black Rat Productions brought us The Three Musketeers, and Theatr Iolo, The Welsh Dragon. We enjoyed Taiko drumming from Mugenkyo. We also hosted Rockefeller Productions' A Very Hungry Caterpillar Show, Lighthouse Theatre's O Little Town of Aberystwyth and Boy on the Roof from Vamos Theatre. Other notable nights included the acclaimed Welsh singer Aled Jones, the entertainer John Barrowman, the comedian and broadcaster Miles Jupp, National Dance Company Wales, Ballet Cymru and the Orchestra of Welsh National Opera. We offered a wide range of National Theatre, Royal Ballet and Opera Live and Encore screenings. We also hosted a wide range of musical tribute groups who remain popular as we seek to offer a rich variety of arts to engage and entertain all of our audiences.

The financial year has seen us present a wide range of events across a diverse range of art forms, providing over 29,000 tickets with many other free-to-attend activities.

Report of the Trustees
for the Year Ended 31st March 2025

ACHIEVEMENTS AND PERFORMANCE

Fundraising activities

Theatr Brycheiniog has been delighted and encouraged that it has continued to receive its core funding from the Arts Council of Wales during the year under review. Brecon Town Council has also maintained its support in this most difficult of times. Details of this funding and other activities are shown in the financial statements later in this report.

Friends and Patrons continued their generous support throughout the year and our volunteer army of stewards continue to offer a dedicated service. Our restructured Friends & Patrons packages have been rebranded to celebrate the natural beauty of the Bannau Brycheiniog National Park where we are based. The different levels of giving have been re-named Cribyn, Corn Du and Pen y Fan - the three highest peaks in the park, which sit just to the sound of our canal side home. The top level of Seren (Star) is a reminder that the Bannau Brycheiniog is only the fifth destination in the world to be granted International Dark Sky Reserve status. As well as celebrating our outstanding natural environment, our restructured Friends & Patrons packages allow us to claim Gift Aid on the donations.

FINANCIAL REVIEW

Financial position

The Statement of Financial Activities for the year ending 31 March 2025, the Balance Sheet and related notes illustrate some of the progress made in addressing ongoing financial challenges which have faced the charity in recent years. Total income rose from £1,317,777 to £1,442,176, an improvement of £124,399 while total expenditure fell from £1,468,076 to £1,411,117, a reduction of £56,959. This resulted in a positive net income listed as £31,059 compared to -£150,299 in the previous financial year. Depreciation charges continue to be a significant figure at £151,043 (previously £154,444).

Prudent cost controls have been applied across all of our activities. A reduction of £44,552 in our energy costs has been noted earlier in our report. Events and project costs have been reduced by £10,689 (from £167,871 to £157,182); wage rises have been limited to just £12,461 despite a significant rise in the National Minimum Wage (from £652,378 to £664,839). The increase in bar, bistro and catering costs of £15,827 reflects a substantial increase in trading activity (from £150,741 to £166,568).

Income from the bar, bistro and event catering rose by £71,202 (from £370,049 to £441,251); box office income rose by £57,220 (from £180,439 to £237,659); hire of facilities brought in an additional income of £24,901 (from £128,905 to £153,806)

The Notes to the Financial Statement (Note 4) also record the substantial and very welcome support offered by the Welsh Government and Arts Council of Wales through the Jobs Protection Grant and the Resilience Grant. This allowed us to preserve roles within the year while also developing more resilience fundraising and income streams for the future. This resilience work in particular has already resulted in the offer of a substantial ACW Capital Grant to support the costs of our auditorium sound system, much of which dates to the opening of the venue, nearly thirty years ago. We are currently seeking match funding to allow that work to progress.

FINANCIAL REVIEW

Reserves policy

It remains the long-term policy of the board that we seek to build up a permanent reserve of three months of unrestricted funds. Having secured significant financial support from the Arts Council of Wales we have begun to resolve the historic deficit during the 2024/25 financial year. This has seen us reducing the deficit significantly during the year with those improvements continuing into 2025/26 with us recording an in-year surplus at the time of writing.

Work is underway to identify additional income streams while maintaining strict expenditure control, to allow the reserves policy to be delivered.

FUTURE PLANS

During 2025/26 we will continue to carry out work around staffing, budgets, programming and other activities to return to a resilient financial base and to refresh our creative vision. The significant sums of the ACW Resilience Grant should start adding to that resilience. A new permanent Chief Executive is due to take over the leadership of the organisation from our Interim Director Nic Young with a recruitment exercise across the summer of 2025 attracting a number of skilled and experienced arts and venue leaders.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

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

Theatr Brycheiniog Cyf took on the management of Theatr Brycheiniog on a 28-year lease when it opened in April 1997. The building is owned by Powys County Council who have agreed a new 25-year lease once the current Levelling Up Fund building works are complete.

Recruitment and appointment of new trustees

The Board of Trustees is in place to oversee the artistic and financial management of the charity, to ensure legal compliance and to ensure the theatre is used by as many sections of the community and as wide a constituency in Mid Wales as is possible.

Trustees are selected through a process of open recruitment according to skill and experience needs identified through self-audit and, also, through co-option when a particular gap in skills is identified. New trustees are appointed for a defined term of three years, may be re-elected for a second term and retire by rotation. Their appointments are confirmed at the AGM following their recruitment.
New trustees follow a process of induction to equip them for the role and are required to operate to a Board Code of Conduct.

During 2024/25 the board has continued its process of refreshing its membership and increasing the diversity, experience and skills base of the trustee team. This has led to the co-option of four additional members in April 2025. They are Ryan Coleman, Gemma Bardsley, Eilir Owen Griffiths and Gwyn Emberton. We thank them for the additional expertise and support that they are offering to the board and the wider charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

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

There are three committees of the Board, being the Finance & Strategy, Building, Health & Safety and People & Policies. These meet separately from the main Board. Each has defined Terms of Reference and membership which comprises selected Board members and co-opted advisers.

Ad hoc working groups of Board members also occasionally meet to deal with specific issues on a task and finish basis.

Related parties

Theatr Brycheiniog's relationship with its stakeholders is fundamental to its success and sustainability and also to its position and perception within the community. Its principal financial stakeholder has been identified elsewhere in this report as the Arts Council of Wales (ACW). Powys County Council (PCC) continues to support the organisation as its landlord with an interest in delivering cultural activities across the county. Other organisational stakeholders include Brecon Town Council (BTC) who also offer much appreciated financial support, the Bannau Brycheiniog National Park Authority (BBNPA), Wales Council for Voluntary Action (WCVA) and many connected community groups and users - see **Public Benefit.** Also vital to the Theatr's operation are our army of local volunteers who steward performances and act as advocates in the wider community, our company members, our Friends and Patrons.

Risk management

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

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

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02446965 (England and Wales)

Registered Charity number

1005327

Registered office

Theatr Brycheiniog
Canal Wharf
Brecon
Powys
LD3 7EW

Report of the Trustees
for the Year Ended 31st March 2025

Trustees
Ms G Bardsley (appointed 25.4.25)
Ms J R Bond (resigned 24.6.25)
Mr R E Coleman (appointed 25.4.25)
Mr A K R Collinson Chair of the Board
Ms B M Davies (appointed 29.10.24)
Ms H F Davis Vice Chair
Ms H W East (appointed 29.10.24)
Mr N B A Groombridge
Ms E A Owen Vice Chair
Ms A M Price (appointed 29.10.24)
Mx T Wheeler
Mr G J Emberton (appointed 1.4.25)
Mr E O Griffiths (appointed 1.4.25)
Ms L Gregory (appointed 24.6.25)
Mr R Powell (appointed 24.6.25)

Auditors
Ashmole & Co
Chartered Certified Accountants & Registered
Auditors
Castle House
High Street
Ammanford
Carmarthenshire
SA18 2NB

STATEMENT OF TRUSTEES' RESPONSIBILITIES
The trustees (who are also the directors of Theatr Brycheiniog Cyf 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. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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 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 Charities 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.

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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

The auditors, Ashmole & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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 25th November 2025 and signed on its behalf by:

Mr A K R Collinson - Trustee

Report of the Independent Auditors to the Trustees of Theatr Brycheiniog Cyf

Opinion

We have audited the financial statements of Theatr Brycheiniog Cyf (the 'charitable company') for the year ended 31st March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

We draw your attention to note 20 in the financial statements, which provided additional information regarding the going concern basis.

At the balance sheet date the company's liabilities exceed its asset by £53,816. The charity continues to be heavily reliant on the grant aid provided by its core funders. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

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

Our responsibilities and the responsibilities of the trustees with respect to the going concern basis 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.

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.

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.

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 Theatr Brycheiniog Cyf

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 & Co
Chartered Certified Accountants & Registered
Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Castle House
High Street
Ammanford
Carmarthenshire
SA18 2NB

Date: 3.12.2025

Theatr Brycheiniog Cyf

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31st March 2025

	Notes	Unrestricted fund £	Restricted fund £	31.3.25 Total funds £	31.3.24 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and grants	2	207,895	-	207,895	229,498
Charitable activities	4				
Operation of theatre and arts centre		238,133	302,965	541,098	483,517
Other trading activities	3	693,183	-	693,183	604,762
Total		1,139,211	302,965	1,442,176	1,317,777
EXPENDITURE ON					
Raising funds					
Other trading activities	5	166,568	-	166,568	150,741
		166,568	-	166,568	150,741
Charitable activities	6				
Operation of theatre and arts centre		935,789	308,760	1,244,549	1,317,335
Total		1,102,357	308,760	1,411,117	1,468,076
NET INCOME/(EXPENDITURE)		36,854	(5,795)	31,059	(150,299)
Transfers between funds	17	24,178	(24,178)	-	-
Net movement in funds		61,032	(29,973)	31,059	(150,299)
RECONCILIATION OF FUNDS					
Total funds brought forward		(302,762)	217,887	(84,875)	65,424
TOTAL FUNDS CARRIED FORWARD		(241,730)	187,914	(53,816)	(84,875)

The notes form part of these financial statements

Theatr Brycheiniog Cyf

Balance Sheet
31st March 2025

	Notes	Unrestricted fund £	Restricted fund £	31.3.25 Total funds £	31.3.24 Total funds £
FIXED ASSETS					
Tangible assets	12	21,002	103,889	124,891	257,344
CURRENT ASSETS					
Stocks	13	11,326	-	11,326	12,675
Debtors	14	37,026	7,000	44,026	38,794
Cash at bank and in hand		833	77,025	77,858	69,958
		49,185	84,025	133,210	121,427
CREDITORS					
Amounts falling due within one year	15	(290,466)	-	(290,466)	(431,898)
NET CURRENT ASSETS/(LIABILITIES)		(241,281)	84,025	(157,256)	(310,471)
TOTAL ASSETS LESS CURRENT LIABILITIES		(220,279)	187,914	(32,365)	(53,127)
CREDITORS					
Amounts falling due after more than one year	16	(21,451)	-	(21,451)	(31,748)
NET ASSETS/(LIABILITIES)		(241,730)	187,914	(53,816)	(84,875)
FUNDS	17				
Unrestricted funds				(241,730)	(302,762)
Restricted funds				187,914	217,887
TOTAL FUNDS				(53,816)	(84,875)

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2025.

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

The notes form part of these financial statements

continued...

Balance Sheet - continued
31st March 2025

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 25th November 2025 and were signed on its behalf by:



Mr A K R Collinson - Trustee

The notes form part of these financial statements

Theatr Brycheiniog Cyf

Cash Flow Statement
for the Year Ended 31st March 2025

	Notes	31.3.25 £	31.3.24 £
Cash flows from operating activities			
Cash generated from operations	1	27,113	217,520
Interest paid		(627)	-
Net cash provided by operating activities		26,486	217,520
Cash flows from investing activities			
Purchase of tangible fixed assets		(18,586)	(202,644)
Net cash used in investing activities		(18,586)	(202,644)
Change in cash and cash equivalents in the reporting period		7,900	14,876
Cash and cash equivalents at the beginning of the reporting period		69,958	55,082
Cash and cash equivalents at the end of the reporting period		77,858	69,958

The notes form part of these financial statements

Notes to the Cash Flow Statement for the Year Ended 31st March 2025

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.25 £	31.3.24 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	31,059	(150,299)
Adjustments for:		
Depreciation charges	151,043	154,444
Interest paid	627	-
Decrease in stocks	1,349	216
Increase in debtors	(5,234)	(23,392)
(Decrease)/increase in creditors	(151,731)	236,551
Net cash provided by operations	27,113	217,520

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.24 £	Cash flow £	At 31.3.25 £
Net cash			
Cash at bank and in hand	69,958	(69,958)	77,858
	69,958	(69,958)	77,858
Total	69,958	(69,958)	77,858

The notes form part of these financial statements

Notes to the Financial Statements for the Year Ended 31st March 2025

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.

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.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold improvements	-	Over the period of the lease
General equipment	-	25% on cost
Fixtures and fittings	-	at varying rates on cost
Technical equipment	-	25% on cost

Stocks
Stocks 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.

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

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

continued...

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments
Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

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.

2. DONATIONS AND GRANTS

	31.3.25	31.3.24
	£	£
Donations and sponsorship	15,330	13,454
Powys CC - core funding	-	9,444
ACW - core funding	192,565	206,600
	207,895	229,498

3. OTHER TRADING ACTIVITIES

	31.3.25	31.3.24
	£	£
Hire of facilities	153,806	128,905
Bar, bistro and event catering	441,251	370,049
Other catering income	35,535	36,547
Other income	57,591	64,261
Employment allowance	5,000	5,000
	693,183	604,762

continued...

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.25 £	31.3.24 £
Box office income	Operation of theatre and arts centre	237,659	180,439
Merchandising and programmes	Operation of theatre and arts centre	474	328
Grants	Operation of theatre and arts centre	302,965	302,750
		541,098	483,517

Grants received, included in the above, are as follows:

	31.3.25 £	31.3.24 £
Brecon Town Council	15,000	15,000
Arts Council of Wales	-	278,550
Anthem Music Fund - Atsain	9,000	2,000
Brecon Beacons National Park Sustainable Development fund	(200)	7,200
The National Lottery - Gallery Fund	10,000	-
Arts Council for Wales - Resilience Grant	100,000	-
Arts Council for Wales - Create Grant	(2,835)	-
Arts Council for Wales - Jobs Protection Grant	172,000	-
	302,965	302,750

5. OTHER TRADING ACTIVITIES

	31.3.25 £	31.3.24 £
Purchases	166,568	150,741

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Operation of theatre and arts centre	1,213,523	31,026	1,244,549

continued...

7. SUPPORT COSTS

	Finance	Governance costs	Totals
	£	£	£
Operation of theatre and arts centre	20,456	10,570	31,026

8. NET INCOME/(EXPENDITURE)

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

	31.3.25	31.3.24
	£	£
Auditors' remuneration	10,570	9,000
Depreciation - owned assets	151,039	154,444
Hire of plant and machinery	4,733	12,136

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2025 nor for the year ended 31st March 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2025 nor for the year ended 31st March 2024.

10. STAFF COSTS

The average monthly head count was 44 staff (2024: 43)

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

	31.3.25	31.3.24
Trading	34	34
Box office, sales and marketing	7	6
Concerts and stage performance	3	3
	44	43

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

continued...

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and grants	229,498	-	229,498
Charitable activities			
Operation of theatre and arts centre	180,767	302,750	483,517
Other trading activities	604,762	-	604,762
Total	1,015,027	302,750	1,317,777
EXPENDITURE ON			
Raising funds			
Other trading activities	150,741	-	150,741
	150,741	-	150,741
Charitable activities			
Operation of theatre and arts centre	1,089,463	227,872	1,317,335
Total	1,240,204	227,872	1,468,076
NET INCOME/(EXPENDITURE)	(225,177)	74,878	(150,299)
RECONCILIATION OF FUNDS			
Total funds brought forward	(77,585)	143,009	65,424
TOTAL FUNDS CARRIED FORWARD	(302,762)	217,887	(84,875)

continued...

12. TANGIBLE FIXED ASSETS

	Leasehold improvements £	General equipment £	Fixtures and fittings £	Technical equipment £	Totals £
COST					
At 1st April 2024	181,195	126,711	308,437	306,944	923,287
Additions	-	7,979	9,933	674	18,586
At 31st March 2025	181,195	134,690	318,370	307,618	941,873
DEPRECIATION					
At 1st April 2024	104,116	107,846	259,466	194,515	665,943
Charge for year	60,398	13,424	37,522	39,695	151,039
At 31st March 2025	164,514	121,270	296,988	234,210	816,982
NET BOOK VALUE					
At 31st March 2025	16,681	13,420	21,382	73,408	124,891
At 31st March 2024	77,079	18,865	48,971	112,429	257,344

13. STOCKS

	31.3.25 £	31.3.24 £
Stocks	11,326	12,675

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25 £	31.3.24 £
Trade debtors	25,471	17,150
Other debtors	8,407	14,974
Prepayments and accrued income	10,148	6,670
	44,026	38,794

continued...

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25	31.3.24
	£	£
Trade creditors	140,413	230,408
Social security and other taxes	-	12,538
VAT	17,801	7,950
Other creditors	32,038	44,882
Advanced ticket sales	42,497	59,691
Accruals and deferred income	57,717	76,429
	290,466	431,898

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.25	31.3.24
	£	£
Other creditors	21,451	31,748

17. MOVEMENT IN FUNDS

	At 1.4.24	Net movement in funds	Transfers between funds	At 31.3.25
	£	£	£	£
Unrestricted funds				
General fund	(302,762)	36,854	24,178	(241,730)
Restricted funds				
Restricted	217,887	(5,795)	(24,178)	187,914
TOTAL FUNDS	(84,875)	31,059	-	(53,816)

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	1,139,211	(1,102,357)	36,854
Restricted funds			
Restricted	302,965	(308,760)	(5,795)
TOTAL FUNDS	1,442,176	(1,411,117)	31,059

continued...

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	(77,585)	(225,177)	(302,762)
Restricted funds			
Restricted	143,009	74,878	217,887
TOTAL FUNDS	65,424	(150,299)	(84,875)

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,015,027	(1,240,204)	(225,177)
Restricted funds			
Restricted	302,750	(227,872)	74,878
TOTAL FUNDS	1,317,777	(1,468,076)	(150,299)

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

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.25 £
Unrestricted funds				
General fund	(77,585)	(188,323)	24,178	(241,730)
Restricted funds				
Restricted	143,009	69,083	(24,178)	187,914
TOTAL FUNDS	65,424	(119,240)	-	(53,816)

continued...

17. MOVEMENT IN FUNDS - continued

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	2,154,238	(2,342,561)	(188,323)
Restricted funds			
Restricted	605,715	(536,632)	69,083
TOTAL FUNDS	2,759,953	(2,879,193)	(119,240)

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2025.

19. USE OF FACILITIES

Theatr Brycheiniog Cyf operates from Theatr Brycheiniog which is owned by Powys County Council. Rent of £1 per annum is charged for the use of the facility. The true value of the provision of this facility is not reflected in these financial statements, as the amount is not quantifiable.

20. GOING CONCERN

At the balance sheet date the liabilities of the charity exceeded its assets by £53,816. The organisation continues to be heavily reliant on the grant aid provided by its core funders.

The financial statements have been prepared under the going concern basis which assumes the ongoing support of its core funders to enable it to continue as a going concern for the foreseeable future. The financial statements do not include any adjustments that would be required were the charity not to be considered as a going concern.

Theatr Brycheiniog Cyf

Detailed Statement of Financial Activities for the Year Ended 31st March 2025

	31.3.25 £	31.3.24 £
INCOME AND ENDOWMENTS		
Donations and grants		
Donations and sponsorship	15,330	13,454
Powys CC - core funding	-	9,444
ACW - core funding	192,565	206,600
	207,895	229,498
Other trading activities		
Hire of facilities	153,806	128,905
Bar, bistro and event catering	441,251	370,049
Other catering income	35,535	36,547
Other income	57,591	64,261
Employment allowance	5,000	5,000
	693,183	604,762
Charitable activities		
Box office income	237,659	180,439
Merchandising and programmes	474	328
Grants	302,965	302,750
	541,098	483,517
Total incoming resources	1,442,176	1,317,777
EXPENDITURE		
Other trading activities		
Bar, bistro and catering	166,568	150,741
Charitable activities		
Wages	664,839	652,378
Pensions	14,942	14,616
Equipment hire	4,733	12,136
Water rates	7,694	4,972
Insurance	5,259	5,976
Light and heat	74,553	119,105
Telephone	3,196	2,482
Carried forward	775,216	811,665

Theatr Brycheiniog Cyf

Detailed Statement of Financial Activities for the Year Ended 31st March 2025

	31.3.25 £	31.3.24 £
Charitable activities		
Brought forward	775,216	811,665
Events and project costs	157,182	167,871
Recruitment costs	3,389	10,742
Postage and stationery	6,440	10,525
Sales commission	-	12,505
Advertising and printing	18,247	13,891
General marketing costs	6,453	990
Travelling	1,640	564
Rent	1	100
Equipment maintenance	7,519	3,495
Property repairs	12,883	15,850
Subscriptions and licences	10,554	6,940
Refuse, computer and sundry	37,688	29,813
Legal and professional fees	17,499	32,881
Training	1,115	1,490
Cleaning	6,027	12,326
Irrecoverable vat	-	6,407
Depreciation of tangible fixed assets	151,043	154,444
Interest on late payments	627	-
	1,213,523	1,292,499
Support costs		
Finance		
Bank charges	1,670	1,476
Credit card charges	18,786	14,360
	20,456	15,836
Governance costs		
Auditors' remuneration	10,570	9,000
Total resources expended	1,411,117	1,468,076
Net income/(expenditure)	31,059	(150,299)

This page does not form part of the statutory financial statements

THEATR BRYCHEINIOG CYF

England & Wales - Charity number 1005327

Accounts

REGISTERED COMPANY NUMBER: 2446965 (England and Wales)
REGISTERED CHARITY NUMBER: 1005327

Report of the Trustees and

Financial Statements

for the Year Ended 31 March 2024

for

Theatr Brycheiniog CYF

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

Theatr Brycheiniog CYF

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for the Year Ended 31 March 2024

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Theatr Brycheiniog CYF (Registered number: 2446965)

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

Objectives and aims

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

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

During 2023, Theatr Brycheiniog Cyf developed a new Business Plan including an evolution of our aims, objectives and core values to better align with the priorities of our main funding partner the Arts Council of Wales. The aims and objectives are:

1. Deliver creativity
2. Involve everyone
3. Celebrate Wales
4. Lead responsibly
5. Develop people
6. Challenge ourselves

The Business Plan is headlined: We are for everyone, every day.

In September 2023, Theatr Brycheiniog was notified by the Arts Council of Wales that following its Investment Review we would remain an Arts Portfolio Wales Organisation with an indicative settlement provisionally fixed at the same amount as previous years. In February 2024, we, along with all other such funded organisations, were notified that the core grant would have to be reduced by 2.5% because of a 10.5% reduction in the ACW's Welsh Government funding. During the early months of 2024 we worked with ACW officers to agree the terms of our Funding Agreement. This reflects the reduced core payment, the substantial increase in inflation and other cost pressures and the impact that this has on our business plan aspirations which will be revised during the course of 2024/25 to reflect the changed economic circumstances. We thank Arts Council of Wales for the ongoing support in the challenging times faced by the whole of the arts sector.

OBJECTIVES AND ACTIVITIES

Organisational review

Theatr Brycheiniog has seen progress on a number of fronts despite the strong financial challenges noted above.

In January 2024, our new Director, Eleri B Jones took up the leadership of the charity. She has worked with trustees and her Senior Management Team, staff volunteers and external supporters to review all areas of the charity's operation, increase our financial stability and start planning for a more sustainable long-term future. The board is especially grateful for all the hard work of our Senior Management Team and the entire staff for maintaining operations before Eleri was able to join us.

In February 2024, work began on a major upgrade to the theatre building with completion due before the end of the year. £1.8m of UK Government Levelling Up Funding was granted to Powys County Council, as owners of the building to update the physical infrastructure including doors, windows, toilets, lifts and air handling facilities. The same month also saw the successful conclusion of negotiations between Powys County Council and Theatr Brycheiniog Cyf to grant a new lease of 25 years on the completion of the building work.

The Theatr was also successful in being awarded a major capital grant by Arts Council of Wales to replace its aging and energy-consuming stage and auditorium lighting and ancillary equipment, much of it dating back to the opening of the building a quarter of a century ago. Our in-house technical team delivered the replacement of the fully LED stage lighting, significantly improving energy efficiency, while specialist contractors are due to replace the auditorium lighting systems during 2024.

The financial year has seen the growing success of the Theatr's café operation following the refurbishment of the kitchen and front of house areas during the summer of 2022. A great deal of hard work by the staff team has resulted in a substantial increase in income, as noted in the accounts, but also a big increase in expenditure due to increased consumption, increased staffing and the growing cost of supplies. This has required constant financial monitoring to ensure that the commercial activity continues to contribute to the wider work of the charity.

The difficult economic climate has seen additional challenges for both our finance and our marketing and audience teams. They have sought to constantly adapt and improve operations to ensure the ongoing stability of the charity.

Arts Council of Wales continue to be our largest financial supporter with additional and very welcome funding also coming from Brecon Town Council and Powys County Council during the year in review. We are also grateful for our growing team of volunteers who act as stewards - and our many Friends, Patrons and supporters in the wider community who visit the theatre to see shows, enjoy our café and bar, use our car park, help with fundraising and contribute to the ongoing viability of the charity. In fact, it would be impossible to operate without our army of volunteer stewards, gardeners to maintain planting around the Theatr site and trustees. Each of our main auditorium shows use between six and thirteen stewards - typically operating for two to four hours per show. It would be economically unfeasible to state an accurate cash value for that work but even using the National Minimum Wage, we estimate a figure of 4,300 hours of voluntary work worth £44,806. In addition, senior trustees spent many hours each week supporting the Senior Management Team during the extended gap between directors during the second half of 2023. Again, it would be economically unfeasible to calculate an accurate figure for the number of hours or the cash value but a guesstimate would suggest a total of around 400 hours and a cash value of around £5,000 on top of the regular trustee meetings.

OBJECTIVES AND ACTIVITIES

Public benefit

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

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

We strive, in both the building and the performing arts programme we present, to be accessible to all sections of the community, and to encourage diversity of use and of users, and we publicise the Theatr's activities widely.

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

Theatr Brycheiniog is home to numerous arts and performance-based community groups including Brecon Festival Ballet, Brecon Baroque Festival, Brecon Jazz, the Westenders, Mid Wales Dance Academy, Brecon Little Theatre, the Federation of Young Farmers' Clubs and Brecknock YFC, the Urdd, the University of the Third Age [u3a], Theatr Wildcats, Taiko Drumming, the Uplift and Alive and Kicking Community Choirs, The Brecknock Society and Brecon Town Concert Band. We also encourage local schools to use our facilities and attend performances on a regular basis, and we provide an outlet for visual artists by exhibiting their works in our public spaces.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The financial year has seen us present a wide range of events across a diverse range of art forms, providing over 29,000 tickets to more than 265 events.

We continue to host some of the finest professional performances available to us from across Wales and beyond. Highlights included the critically acclaimed Candide from Welsh National Opera and the stirring Viennese Celebration from the WNO Orchestra; The BBC National Orchestra of Wales, the internationally renowned Rachel Podger with Brecon Baroque Festival, shows from the Brecon Jazz Festival, Opra Cymru's Cozi Fan Tutti and Verdi's Macbeth from Mid Wales Opera. We have hosted many high-profile artists from across the arts including Francis Rossi of Status Quo fame, the legendary Fairport Convention, Lindisfarne, Freedom to Roam featuring Welsh composer, musician and harpist Catrin Finch. Comedy has come from Radio 4 star Alfie Moore plus, across the year, our regular Theatr Brycheiniog Comedy clubs. The Drama offer has included Pentabus shows One of them Ones and Driftwood; Carwyn, reflecting the life of rugby legend Carwyn James, from Torch Theatre, Pembrokeshire and nationally acclaimed playwright Owen Thomas. The 2024/25 year started with another highlight from Theatr na nÔg's Operation Julie which had an incredibly popular run across five shows. Our stage has also seen A Christmas Carol from the Swansea-based Lighthouse Theatre Company and The Adventure of Sherlock Holmes from Black Rat Productions and the Blackwood Miners' Institute. Dance has come from National Dance Company Wales (Pulse) and Ballet Cymru, with family friendly shows including Red Riding Hood and the Three Little Pigs.

Dance is also at the heart of some of our most successful and popular community offerings. Brecon Festival Ballet returned with their Christmas favourite, The Nutcracker, combining outstanding professional dance talent with professional musicians and emerging young performers. Nearly 90% of the 160 people involved The Nutcracker are Welsh born or based, showcasing the best of Welsh talent. BFB were back in April, just after the year in review, with the unique and inspiring Welsh-rooted Tanio'r Ddraig, a new ballet based on Welsh folk songs – along with Swan Lake, Act 2. The Mid Wales Dance Academy added to the celebration of dance – while also offering year-round weekly training from the theatre's studio. Other highlights from Brecon's creative community included popular runs of Brecon Little Theatre's Return to the Forbidden Planet and the Westenders' 75th annual pantomime, Cinderella. The Brecknock YFC, the Urdd and the Brecon Town Concert Band also showcased a wide range of community talent including an army of young people. The deeply moving Concert for Drew, the Lewis Merthyr Brass Band and Paul Shallcross Ensemble and the u3a Festival underlined the range of professional and community talent coming through our doors.

The range of work on offer during the year covered many other interests:

* Welsh language works included the Welsh language adaption of Phoebe Waller-Bridge's Fleabag from Theatr Clwyd, Golygfeydd o'r Pla Du from Theatrau Sir Gâr and supported by Theatr Genedlaethol Cymru, and Jemima from Cwmni Theatr Arad Goch,

* Young people enjoyed Feral Monster from National Theatre Wales, Hansel & Gretel from Sherman Theatre, Theatr na nÓg's Butterfly Hunter, Splashtest Dummies, The Amazing Bubbleman, Theatr Wildcats and Seren Stars Showcase and Frogs in Bogs from Familia de la Noche. Members of the Gwent and Powys Army Cadet Force joined with professional musicians from across the UK for the 24th Rorke's Drift Concert. The National Theatre Connections Festival saw young people from across South Wales given the opportunity to perform new works by prominent national playwrights.

* Our live screening programme allowed us to continue showcasing high-quality work from around the UK. National Theatre Live brought us Life of Pi, Dear England, The Best of Enemies, Vanya, Skylight. From the Royal Opera House we screened The Marriage of Figaro, Il Travatore and Das Rheingold, with the Royal Ballet bringing us Sleeping Beauty and Don Quixote. We gasped at some of the gravity defying stars of the Banff Mountain Film Festival and celebrated the Christmas favourite, The Snowman, with a sell-out show featuring a live orchestra.

* Talks included Welsh rugby's refereeing superstar Nigel Owen, 'rockstar' climber Hazel Findlay, Kenton Cool with Everest, the Untold Story, a Climate Justice Season in partnership with the Bannau Brycheiniog National Park and Black Mountains College as well as The Brecknock Society's annual Sir John Lloyd lecture.

* Tribute bands have been a small but highly popular part of our programming, bringing in often sell-out performances that support other, less commercial parts of our schedule. They have included: Yourythmics, The Simon and Garfunkel Story, the Jive Talkin' Bee Gees tribute and From Gold to Rio with the greatest hits of Spandau Ballet and Duran Duran.

Lastly, Theatr Brycheiniog was the focus of some positive UK wide publicity as we worked with the Welsh Government to host a reception for Their Majesties the King and Queen in July 2023 on their first official visit to Wales following their coronation. The day allowed us to showcase our facilities, staff and catering to around a hundred guests representing a wide array of Welsh public, business and third sector organisations.

Fundraising activities
Theatr Brycheiniog has been delighted and encouraged that it has continued to receive its core funding from the Arts Council of Wales and Powys County Council during the year under review. Brecon Town Council has also maintained its support in this most difficult of times. Details of this funding and other activities are shown in the financial statements later in this report.

Friends and Patrons continued their generous support throughout the year and our volunteer army of stewards continue to offer a dedicated service.

BUILDING

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

As noted earlier in this report, work began in early 2024 on the £1.8m UK-Government funding upgrade of some of the building's infrastructure. No money is coming directly to Theatr Brycheiniog as a result of this project, with all financial transactions between the UK Government, Powys County Council and their commercial contractors. Indeed, there will be a reduction of income across the summer of 2024 as our main auditorium will be out of use for several weeks while areas of replacement works are carried out. However, the long-term impact should be a positive one for all users of Theatr Brycheiniog.

The substantial ACW-funded work on the stage and auditorium lighting systems has had a small but positive daily impact on fuel bills which should add up to a significant long-term benefit as we continue to pay higher energy bills over recent years.

FINANCIAL REVIEW

Financial position

The Statement of Financial Activities for the year ending 31 March 2024, the Balance Sheet and related notes illustrate some of the ongoing challenges which have faced the charity during the financial year. While total income rose from £991,869 to £1,317,777, total expenditure rose almost as rapidly from £1,144,692 to £1,468,076 resulting in a negative net movement in funds of £150,299 - a small reduction of just £2,524 over the previous year. Depreciation charges continue to be a significant figure at £154,444 (previously £106,380) (Notes to Cash Flow Statement 1)

Other financial pressures - many of them beyond the control of the charity - remain an ongoing challenge - as demonstrated in the Detailed Statement of Financial Activities. Our heating and lighting bills rose from £38,871 to £119,105 an increase of over £80,000; our wages bill rose from £518,288 to £652,378, an increase of more than £130,000. A large part of that is driven by the increase in the National Minimum wage along with the filling of two vacancies during the year and increased activity in our cafe. In contrast, box office income has fallen by more than £25,000 (now £180,439, down from £207,046) as inflation and the cost-of-living crisis eat into families' disposable income. Our donations and grant income is also down around £25,000 (now £229,499, down from £254,369). Half of this reduction is because the earlier year includes a covid support payment but our Powys County Council core fund grant was also halved from £21,719 to £9,444. Powys County Council have notified us that this grant will be reduced to zero from the start of the current financial year.

On the positive side, our bar, bistro and event catering has increased income levels from £172,390 to £370,049 showing the benefits of previous investment in this service and the hard work of the team that delivers it. But this also necessitates constant work to ensure that profit margins allow this activity to contribute to the overall work of the charity and reflect the cost of sales in a world of ever-increasing prices.

Since the end of the financial year, Arts Council of Wales, supported by the Welsh Government, has agreed to make a substantial additional grant payment during 2024 /25 allowing the charity to retain jobs despite the challenging financial outlook. This will allow the charity to address the accumulated deficit, as detailed below. We are grateful to ACW for that ongoing support.

Reserves policy

Reserves accrued in previous years, mostly as a result of covid related support payments, have been expended, as foreseen and planned, on a range of pressing financial requirements. The audited accounts identify a deficit for the end of the financial year for the reasons identified in the financial review. However, it remains the long-term policy of the board that we seek to build up a permanent reserve of three months of funds. Having secured a substantial commitment of financial support from the Arts Council of Wales which will allow us to resolve the historic deficit during the 2024/25 financial year, work is underway at the time of writing to identify additional income streams and maintaining strict expenditure control, to allow the reserves policy to be delivered

FUTURE PLANS

In the autumn of 2023, the board commissioned an external arts consultant to begin a process of work identifying what needed to be done to offer Theatr Brycheiniog, its staff, board, supporters and its family of users a more sustainable future. That work has continued, as an ongoing project led by our new director Eleri B Jones. Some work, including decisions on staffing, operational costs and the commissioning of financially challenging projects were taken to address growing deficits. An attempt to absorb as much of the increased costs the charity is facing continues, with small hire rate increases anticipated in 24/25. Further work is underway across the 2024/2025 financial year to review all activities and identify further efficiencies and opportunities for growth and innovation.

Additional activities and support payments by the Arts Council of Wales across 2024/25 should allow the company to begin addressing the accrued deficit. Work is also being carried out to identify new sources of income including the commissioning of our own artistic and creative resources which will offer fresh sources of income in future years.

A refocused and more tax efficient Friends and Patrons scheme will be launched during the summer of 2024, allowing more money to be raised from a growing pool of our loyal supporters while also maximising the amount of donations that can also attract Gift Aid payments from HMRC.

We are also progressing on the setting up of a wholly-owned trading subsidiary to give appropriate separation between the increasingly successful operation of our café and bar work and our core charitable activities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

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

Theatr Brycheiniog Cyf took on the management of Theatr Brycheiniog on a 28-year lease when it opened in April 1997. The building is owned by Powys County Council who have agreed a new 25-year lease once the current Levelling Up Fund building works are complete.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Board of Trustees is in place to oversee the artistic and financial management of the charity, to ensure legal compliance and to ensure the theatre is used by as many sections of the community and as wide a constituency in Mid Wales as is possible.

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

New trustees follow a process of induction to equip them for the role and are required to operate to a Board Code of Conduct.

In February 2024, Sally Jones stood down as Vice Chair, having previously chaired the board for many years and then agreeing to lead the board's work in securing a new lease and other legal agreements with Powys County Council. The board is grateful for Sally's many years of dedicated service in guiding the charity through some challenging times. Trustees Hilary Davis and Ann Owen succeed Sally as Co-Vice Chairs.

During the Spring of 2024, trustees carried out a review of current and forthcoming board skill requirements and as a result initiated a process of co-option of three trustees who could fill those pressing skills gaps. The three individuals began to serve from the July 2024 board meeting. An open recruitment campaign was also launched to recruit a further two to three board members to take over the work of three board members who will stand down at the end of their second three-year period of service in October 2024. They are Sally Jones, Gary Blackledge and Elizabeth Jeffreys. A fourth board member, Liz Jenkins, will be standing down at the same time and a fifth board member, Jayne Gold resigned in July 2023. The board takes this opportunity to thank all those board members for their many years of dedicated service.

Organisational structure

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

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

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

Related parties

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

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

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

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

2446965 (England and Wales)

Registered Charity number

1005327

Registered office

Canal Wharf
Brecon
Powys
LD3 7EW

Trustees

A K R Collinson
J R Bond
T Mellerick-Wheeler
Dr R A E Paton
E A Owen
E J Jenkins
N B A Groombridge
H F Davis
S J Jones
G S Blackledge
E L Jeffreys

Auditors

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Theatr Brycheiniog CYF 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).

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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

The auditors, Ashmole and Co., will be proposed for re-appointment at the forthcoming Annual General Meeting.

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 1 October 2024 and signed on its behalf by:



A K R Collinson - Trustee

Report of the Independent Auditors to the Trustees of Theatr Brycheiniog CYF

Opinion

We have audited the financial statements of Theatr Brycheiniog CYF (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

We draw your attention to note 20 in the financial statements, which indicates that the company' outgoing resources exceeded its incoming resources by £150,299 during the year ended 31st March 2024 and, as at that date, its liabilities exceed its assets by £84,875. The charity continues to be heavily reliant on the grant aid provided by its core funders.These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

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

Our responsibilities and the responsibilities of the trustees with respect to the 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.

Report of the Independent Auditors to the Trustees of
Theatr Brycheiniog CYF

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.

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.

Report of the Independent Auditors to the Trustees of
Theatr Brycheiniog CYF

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
Theatr Brycheiniog CYF

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: 29.10.24

Theatr Brycheiniog CYF

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

	Notes	Unrestricted fund £	Restricted fund £	31.3.24 Total funds £	31.3.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and grants	2	229,499	-	229,499	254,369
Charitable activities	4				
Operation of theatre and arts centre		180,767	302,750	483,517	385,002
Other trading activities	3	604,761	-	604,761	352,498
Total		1,015,027	302,750	1,317,777	991,869
EXPENDITURE ON					
Raising funds					
Other trading activities	5	150,741	-	150,741	88,791
		150,741	-	150,741	88,791
Charitable activities	6				
Operation of theatre and arts centre		1,089,463	227,872	1,317,335	1,055,901
Total		1,240,204	227,872	1,468,076	1,144,692
NET INCOME/(EXPENDITURE)		(225,177)	74,878	(150,299)	(152,823)
RECONCILIATION OF FUNDS					
Total funds brought forward		(77,585)	143,009	65,424	218,247
TOTAL FUNDS CARRIED FORWARD		(302,762)	217,887	(84,875)	65,424

The notes form part of these financial statements

Theatr Brycheiniog CYF (Registered number: 2446965)

Balance Sheet
31 March 2024

	Notes	Unrestricted fund £	Restricted fund £	31.3.24 Total funds £	31.3.23 Total funds £
FIXED ASSETS					
Tangible assets	12	41,661	215,683	257,344	209,144
CURRENT ASSETS					
Stocks	13	12,675	-	12,675	12,891
Debtors	14	23,820	14,974	38,794	15,402
Cash at bank and in hand		68,729	1,229	69,958	55,082
		105,224	16,203	121,427	83,375
CREDITORS					
Amounts falling due within one year	15	(417,899)	(13,999)	(431,898)	(185,909)
NET CURRENT ASSETS/(LIABILITIES)		(312,675)	2,204	(310,471)	(102,534)
TOTAL ASSETS LESS CURRENT LIABILITIES		(271,014)	217,887	(53,127)	106,610
CREDITORS					
Amounts falling due after more than one year	16	(31,748)	-	(31,748)	(41,186)
NET ASSETS		(302,762)	217,887	(84,875)	65,424
FUNDS	17				
Unrestricted funds				(302,762)	(77,585)
Restricted funds				217,887	143,009
TOTAL FUNDS				(84,875)	65,424

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.

The notes form part of these financial statements

continued...

Balance Sheet - continued
31 March 2024

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 1 October 2024 and were signed on its behalf by:



A K R Collinson - Trustee

The notes form part of these financial statements

Theatr Brycheiniog CYF

Cash Flow Statement
for the Year Ended 31 March 2024

	Notes	31.3.24 £	31.3.23 £
Cash flows from operating activities			
Cash generated from operations	1	217,520	40,351
Net cash provided by operating activities		217,520	40,351
Cash flows from investing activities			
Purchase of tangible fixed assets		(202,644)	(201,157)
Net cash used in investing activities		(202,644)	(201,157)
Change in cash and cash equivalents in the reporting period		14,876	(160,806)
Cash and cash equivalents at the beginning of the reporting period		55,082	215,888
Cash and cash equivalents at the end of the reporting period		69,958	55,082

The notes form part of these financial statements

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)	(150,299)	(152,823)
Adjustments for:		
Depreciation charges	154,444	106,380
Decrease/(increase) in stocks	216	(4,664)
(Increase)/decrease in debtors	(23,392)	28,648
Increase in creditors	236,551	62,810
Net cash provided by operations	217,520	40,351

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	55,082	14,876	69,958
	55,082	14,876	69,958
Total	55,082	14,876	69,958

The notes form part of these financial statements

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.

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.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Stocks
Stocks 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.

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

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

Hire purchase and leasing commitments
Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

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.

continued...

2. DONATIONS AND GRANTS

	31.3.24	31.3.23
	£	£
Donations & Sponsorship	13,455	11,792
Powys CC - core fund	9,444	21,719
Powys CC - warm spaces	-	1,467
ACW - core funding	206,600	205,891
ACW - CRF 3	-	13,500
	229,499	254,369

3. OTHER TRADING ACTIVITIES

	31.3.24	31.3.23
	£	£
Hire of facilities	128,905	101,721
Bar, Bistro & event catering	370,049	172,390
Other catering income	36,546	18,230
Other income	64,261	55,157
Employment allowance	5,000	5,000
	604,761	352,498

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.24	31.3.23
		£	£
Box office income	Operation of theatre and arts centre	180,439	207,046
Merchandising & programmes	Operation of theatre and arts centre	328	684
Grants	Operation of theatre and arts centre	302,750	177,272
		483,517	385,002

Grants received, included in the above, are as follows:

	31.3.24	31.3.23
	£	£
Arnold Clark	-	1,000
Brecon Town Council	15,000	15,000
WCVA	-	55,149
Arts Council of Wales	278,550	90,123
Royal National Theatre	-	2,200
Atsain Anthem Music fund	2,000	6,000
Brecon Beacons National Park Sustainable Development fund	7,200	2,800
Colwinston Trust - Beacons Performance Past to Present	-	5,000
	302,750	177,272

continued...

5. OTHER TRADING ACTIVITIES

	31.3.24	31.3.23
	£	£
Purchases	150,741	88,791

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 7)	Totals
	£	£	£
Operation of theatre and arts centre	1,292,499	24,836	1,317,335

7. SUPPORT COSTS

	Finance	Governance costs	Totals
	£	£	£
Operation of theatre and arts centre	15,836	9,000	24,836

8. NET INCOME/(EXPENDITURE)

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

	31.3.24	31.3.23
	£	£
Auditors' remuneration	9,000	9,500
Depreciation - owned assets	154,444	106,380
Hire of plant and machinery	12,136	16,649

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

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

continued...

10. STAFF COSTS

The average monthly head count was 43 staff (2023: 36) and the average number of full-time equivalent staff (including casual and part time staff) employed during the year was 25.

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

	31.3.24	31.3.23
Trading	34	26
Box office, sales and marketing	6	7
Concerts and stage performance	3	3
	43	36

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

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and grants	254,369	-	254,369
Charitable activities			
Operation of theatre and arts centre	207,730	177,272	385,002
Other trading activities	352,498	-	352,498
Total	814,597	177,272	991,869
EXPENDITURE ON			
Raising funds			
Other trading activities	88,791	-	88,791
	88,791	-	88,791
Charitable activities			
Operation of theatre and arts centre	970,546	85,355	1,055,901
Total	1,059,337	85,355	1,144,692
NET INCOME/(EXPENDITURE)	(244,740)	91,917	(152,823)
RECONCILIATION OF FUNDS			
Total funds brought forward	167,155	51,092	218,247
TOTAL FUNDS CARRIED FORWARD	(77,585)	143,009	65,424

continued...

12. TANGIBLE FIXED ASSETS

	Leasehold improvements £	General Equipment £	Fixtures and fittings £	Technical equipment £	Totals £
COST					
At 1 April 2023	132,478	119,035	307,758	161,372	720,643
Additions	48,717	7,676	679	145,572	202,644
At 31 March 2024	181,195	126,711	308,437	306,944	923,287
DEPRECIATION					
At 1 April 2023	43,718	93,235	219,620	154,926	511,499
Charge for year	60,398	14,611	39,846	39,589	154,444
At 31 March 2024	104,116	107,846	259,466	194,515	665,943
NET BOOK VALUE					
At 31 March 2024	77,079	18,865	48,971	112,429	257,344
At 31 March 2023	88,760	25,800	88,138	6,446	209,144

13. STOCKS

	31.3.24 £	31.3.23 £
Stocks	12,675	12,891

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24 £	31.3.23 £
Trade debtors	17,150	3,862
Other debtors	14,974	1,260
Prepayments and accrued income	6,670	10,280
	38,794	15,402

continued...

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23
	£	£
Trade creditors	230,408	71,930
Social security and other taxes	12,538	-
VAT	7,950	9,976
Other creditors	44,882	20,052
Advanced ticket sales	59,691	24,651
Accruals and deferred income	76,429	59,300
	431,898	185,909

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.24	31.3.23
	£	£
Other creditors	31,748	41,186

17. MOVEMENT IN FUNDS

	At 1.4.23	Net movement in funds	At 31.3.24
	£	£	£
Unrestricted funds			
General fund	(77,585)	(225,177)	(302,762)
Restricted funds			
Restricted	143,009	74,878	217,887
TOTAL FUNDS	65,424	(150,299)	(84,875)

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	1,015,027	(1,240,204)	(225,177)
Restricted funds			
Restricted	302,750	(227,872)	74,878
TOTAL FUNDS	1,317,777	(1,468,076)	(150,299)

continued...

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	167,155	(244,740)	(77,585)
Restricted funds			
Restricted	51,092	91,917	143,009
TOTAL FUNDS	218,247	(152,823)	65,424

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	814,597	(1,059,337)	(244,740)
Restricted funds			
Restricted	177,272	(85,355)	91,917
TOTAL FUNDS	991,869	(1,144,692)	(152,823)

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	167,155	(469,917)	(302,762)
Restricted funds			
Restricted	51,092	166,795	217,887
TOTAL FUNDS	218,247	(303,122)	(84,875)

continued...

17. MOVEMENT IN FUNDS - continued

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	1,829,624	(2,299,541)	(469,917)
Restricted funds			
Restricted	480,022	(313,227)	166,795
TOTAL FUNDS	2,309,646	(2,612,768)	(303,122)

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2024.

19. USE OF FACILITIES

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

20. GOING CONCERN

During the period the charity's outgoing resources exceeded its incoming resources and its reserves were in deficit at the balance sheet date. The organisation continues to be heavily reliant on the grant aid provided by its core funders.

The financial statements have been prepared under the going concern basis which assumes the ongoing support of its core funders to enable it to continue as a going concern for the foreseeable future. The financial statements do not include any adjustments that would be required were the charity not to be considered as a going concern.

Theatr Brycheiniog CYF

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

	31.3.24 £	31.3.23 £
INCOME AND ENDOWMENTS		
Donations and grants		
Donations & Sponsorship	13,455	11,792
Powys CC - core fund	9,444	21,719
Powys CC - warm spaces	-	1,467
ACW - core funding	206,600	205,891
ACW - CRF 3	-	13,500
	229,499	254,369
Other trading activities		
Hire of facilities	128,905	101,721
Bar, Bistro & event catering	370,049	172,390
Other catering income	36,546	18,230
Other income	64,261	55,157
Employment allowance	5,000	5,000
	604,761	352,498
Charitable activities		
Box office income	180,439	207,046
Merchandising & programmes	328	684
Grants	302,750	177,272
	483,517	385,002
Total incoming resources	1,317,777	991,869
EXPENDITURE		
Other trading activities		
Bar Bistro Catering & Vending	150,741	88,791
Charitable activities		
Wages	652,378	518,288
Pensions	14,616	12,489
Hire of equipment	12,136	16,649
Water rates	4,972	7,578
Insurance	5,976	5,082
Light and heat	119,105	38,871
Telephone	2,482	2,426
Events and project costs	167,871	143,517
Recruitment costs	10,742	5,928
Carried forward	990,278	750,828

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

	31.3.24 £	31.3.23 £
Charitable activities		
Brought forward	990,278	750,828
Postage & Stationery	10,525	15,988
Sales commission	12,505	10,329
Advertising & printing	13,891	36,226
General marketing costs	990	1,137
Travelling	564	2,612
Rent	100	100
Equipment maintenance	3,495	4,131
Repairs to property	15,850	26,690
Subs affiliations PRS licences	6,940	10,182
Refuse, computer & sundry	29,813	21,930
Legal and professional fees	32,881	29,055
Training	1,490	2,312
Cleaning	12,326	10,643
Irrecoverable VAT	6,407	7,828
Depreciation of tangible fixed assets	154,444	106,380
	1,292,499	1,036,371
Support costs		
Finance		
Bank charges	1,476	1,099
Credit card charges	14,360	8,931
	15,836	10,030
Governance costs		
Auditors' remuneration	9,000	9,500
Total resources expended	1,468,076	1,144,692
Net expenditure	(150,299)	(152,823)

THEATR BRYCHEINIOG CYF

England & Wales - Charity number 1005327

Accounts

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

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

FOR

THEATR BRYCHEINIOG CYF

THEATR BRYCHEINIOG CYF

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for the year ended 31 March 2023

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THEATR BRYCHEINIOG CYF

REFERENCE AND ADMINISTRATIVE INFORMATION

Directors and Trustees

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

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

G S Blackledge	
J R Bond (appointed 28 September 2022)	
A K R Collinson	Chair
H F Davis	
J Gold (resigned 31 July 2023)	
N B A Groombridge	
E L Jeffreys	
E J Jenkins	
S J Jones	Vice-Chair
T D Mellerick-Wheeler	
E A Owen	
R A E Paton	

Theatre Director:	D R Wilson (to 23 June 2023)
Registered office:	Theatr Brycheiniog Canal Wharf Brecon Powys
Auditors:	W J James and Co Chartered Accountants and Statutory Auditors Bishop House 10 Wheat Street Brecon Powys
Bankers:	The Co-operative Bank PO Box 250 Skelmersdale Lancashire
Registered number:	2446965
Registered charity number:	1005327
Solicitors:	Capital Law Limited Capital Building Tyndall Street Cardiff CF10 4AZ and Refreshing Law Limited Mornington Drope Road St Georges-Super-Ely Cardiff

REPORT OF THE DIRECTORS/TRUSTEES
for the year ended 31 March 2023

The trustees present their report with the financial statements of the charity for the year ended 31 March 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

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

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

During early 2023, Theatr Brycheiniog Cyf developed a new Business Plan including an evolution of our aims, objectives and core values to better align with the priorities of our main funding partner the Arts Council of Wales (ACW). The aims and objectives are:

1. Deliver creativity
2. Involve Everyone
3. Celebrate Wales
4. Lead responsibly
5. Develop people
6. Challenge ourselves

The Business Plan is headlined: *We are for Everyone, Every day – I Bawb, Bob Amser.*

ORGANISATIONAL REVIEW

Theatr Brycheiniog Cyf began the financial year in the middle of a substantial internal refurbishment funded by the European Social Fund through Wales Council for Voluntary Action (WCVA) and a capital grant from ACW. This saw the renewal of the bar, café and foyer / box office with the development of a shop selling local arts and crafts. Design agency Creo, commissioned by the Theatr to deliver the refurbishment, also carried out a rebranding to update the Theatr's look, feel and communications.

These improvements will be followed by up to £2.4 million of the UK Government's Levelling Up Funding given to Powys County Council to upgrade the physical infrastructure of the building. Tender documents were issued in the summer of 2023 with work due to be completed by the end of 2024.

Negotiations with Powys County Council over the LUF project have taken place in parallel with discussions about a new lease agreement between the council as owners of the theatre building and Theatr Brycheiniog Cyf as the secure tenant. The negotiations are designed to facilitate the envisaged building work with a new lease agreed on the completion of the works.

The recruitment and training of new staff remained challenging throughout the financial year and sales were further hit by reduced spending as the cost-of-living crisis affected our audiences. A two-week closure for the completion of the internal refurbishment during the summer of 2022 followed by delays in recruiting experienced catering staff further affected income streams. Indeed, the full positive impact of our investment in improved cafe facilities was only seen in the final quarter of these figures - with further significant improvements in income noted during the summer of 2023.

From Summer 2022 through to March 2023, the Board, the Director and the Senior Management Team have engaged with the Arts Council of Wales in their Investment Review 2023 process. An 'in principle' decision on funding is due in September 2023 with the new funding period beginning in April 2024.

ORGANISATIONAL REVIEW (Continued)

Director David Wilson announced his resignation in February 2023 and left Theatr Brycheiniog in June. The Board thanked David for his success in leading the Theatr Brycheiniog family over the last four years. His successor was named as Emma Flatley, Director of Programmes and Engagement at Welsh National Opera who is due to begin work with the Theatr in October 2023. Trustees were particularly impressed by Emma's proven experience in accessing grant funding for a wide range of professional and community arts projects.

Arts Council of Wales (ACW), Powys County Council (PCC), the Welsh Government (WG) and Brecon Town Council (BTC) have all continued to provide invaluable financial support to Theatr Brycheiniog as we seek to rebuild audiences, some of which have been slow to return following the Covid pandemic.

PUBLIC BENEFIT

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

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

We strive, in both the building and the performing arts programme we present, to be accessible to all sections of the community, and to encourage diversity of use and of users, and we publicise the Theatr's activities widely.

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

We are proud to have worked with Powys County Council to act as a Warm Hub during the winter - offering a programme of free film screenings to support our local community.

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

ACHIEVEMENTS AND PERFORMANCE

Audiences continued to show a mixed level of return following the re-opening of the Theatr, after the Covid lockdown in February 2022. There was also a high level of no shows - up to 20 per cent on some performances, on a par with other venues across the UK. Some genres, such as tribute shows resumed their pre-covid attendance levels during the year. Others, such as drama and live and encore screenings remained slower selling. Other initiatives, such as our Baby B! events for our youngest audiences and our Young Music Promoters project for 12-18 year old have proved a resounding success.

We have continued to host visits from a wide range of Welsh arts organisations, ensuring that their work reaches audiences across Mid Wales. These include Welsh National Opera, Mid Wales Opera, Opra Cymru, Ballet Cymru, National Dance Company Wales, Theatr Genedlaethol Cymru, BBC National Orchestra of Wales

A notable highlight of the summer season was the innovative musical Operation Julie, which told the story of Wales biggest ever drugs bust - in 1977. The Theatr na nÓg and Aberystwyth Arts Centre production brought us packed audiences over three nights and wide ranging and very positive publicity. The Mid Wales Dance Academy's 'Summer Spectacular' also proved very popular, celebrating the year-round work being done in the Theatr with young dancers. The Brecon Festival Ballet, Nutcracker, a unique blend of professional dancers and musicians supported by a wide range of community participants was a highlight of the Christmas period. Other highlights were provided by Brecon Little Theatre, The Westenders, Brecknock YFC, Brecon Baroque Festival and a wide range of community groups who help us ensure that Theatr Brycheiniog remains: 'For Everyone, Everyday – I Bawb, Bob Amser.'

ACHIEVEMENTS AND PERFORMANCE (Continued)

Theatr Brycheiniog continues to look for cost effective ways of highlighting the visual arts while celebrating the diversity of creative life in our community. One highlight was 'Brecon in Bits: Inspired by the Street'. Drawing ideas from the buildings of Brecon and street art from across Wales, year ten pupils at Brecon High School experimented with stencilling and spray-painting processes to create a series of new artworks which were exhibited in the Theatr from September 2022. The artwork was then adapted for use on street banners which welcomed visitors to the town from the spring of 2023.

FUNDRAISING

Theatr Brycheiniog has been delighted and encouraged that it has continued to receive its core funding from the Arts Council of Wales and Powys County Council. Brecon Town Council has also maintained its support in this most difficult of times. Details of this funding, and that of Wales Council for Voluntary Action and others are shown in the financial statements later in this report.

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

BUILDING

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

During the period work was completed on the long-anticipated front of house refurbishment, starting with the first floor and bar and moving on to the foyer, box office and café with the gallery floor following that. Plans continue with Powys County Council to use Levelling Up Funding for much needed structural renovations and mechanical and electrical enhancements.

FINANCIAL REVIEW

As can be seen in the Statement of Financial Activities for year ending 31 March 2023 and the Balance Sheet as at 31 March 2023 (pages 11 -12 and related notes) Theatr Brycheiniog Cyf has faced a challenging financial period. While total income rose from £853,709 to £991,869, total expenditure rose more quickly, climbing from £799,943 to £1,144,692. This has resulted in a negative net movement in funds of £152,823. It should be noted, however that £106,380 of this deficit can be accounted for by depreciation - reflecting the considerable capital expenditure in particular the leasehold property improvements of recent years. This has to be depreciated over the remaining three-year term of the current lease - leading to a hefty depreciation charge (see page 23).

Furthermore, in previous periods the Theatr received significant Covid recovery grants which generated significant surpluses in those earlier years. Those surpluses have now been used to support the activities of the Theatr in the year ended 31 March 2023.

Other financial pressures include the impact of rapidly rising inflation on many areas of expenditure and the slowdown in some areas of income because of the impact of the cost of living crisis on audiences - and the greater challenge in raising grant income in such difficult financial circumstances. It should also be noted that the positive benefits of the Covid Recovery Grants are reflected in the 2021/22 financial year with that source of support being exhausted during 2022/23.

Other points to note:

- **Income has increased to £991,869 (£853,709 in 2021/22).** This has been achieved despite a near halving of donation and grant income, post-Covid and reflects an increase in income from both our charitable activities, operating the theatre and other related activities as well as an increase in income from our other trading activities.

- **Expenditure increased to £1,144,692 (£799,943 in 2021/22)** reflecting the substantial increase in nearly all of our costs during the year

FINANCIAL REVIEW (Continued)

- **Fund balances to carry forward reduced to £65,424 (£218,247 in 2021/22)**, a reflection of the strong financial challenges faced during the year and also the impact of depreciation and other factors including how capital grants are treated in charity accounts - as explained above and in the notes to the accounts below.

Reserves policy

The Trustees had designated reserves from the general fund to address the needs and risk profile of the organisation going forward. In approving these accounts, Trustees have agreed to remove that designation so that reserves can be used as appropriate to address the challenging financial requirements of Theatr Brycheiniog during the year in question. Details can be found on page 20 under note 15.

PLANS FOR FUTURE PERIODS

As we finished the 2022/23 financial year, the board agreed a new Business Plan and an application to the Arts Council of Wales for Investment Review funding for the three-year period beginning 1 April 2024. The Business Plan outlines our determination to bring the best possible professional creative activity to the Theatr while also supporting our vibrant network of community creators and taking a step forward to co-producing as well as receiving productions.

We also await a decision from Powys County Council on the start date for on-site work financed by the UK Government's Levelling Up Fund. This will see up to £2.4 million being spent on the structure of the Theatr Brycheiniog building. Work is due to include the replacement and upgrading of the building's mechanical and electrical functions including air handling and lighting, replacement doors and widows, new lifts, refurbishment of toilets and other much needed structural repairs.

Other work is currently under discussion to ensure Theatr Brycheiniog's building and its operations can become as environmentally sustainable as possible by 2030 in line with Arts Council of Wales policies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

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

Theatr Brycheiniog Cyf took on the management of Theatr Brycheiniog on a 28-year lease when it opened in April 1997. The building is owned by Powys County Council who are, at the time of writing, involved in ongoing discussions about agreeing a fresh lease.

REPORT OF THE DIRECTORS/TRUSTEES (Continued)
for the year ended 31 March 2023

Appointment of trustees

The Board of Trustees is in place to oversee the artistic and financial management of the company, to ensure legal compliance and to ensure the Theatr is used by as many sections of the community and as wide a constituency in Mid Wales as is possible.

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

New trustees follow a process of induction to equip them for the role and are required to operate to a Board Code of Conduct.

Jodie Bond joined the board in September 2022 as a co-optee to fill a specific need for a fluent Welsh speaker. Andy Collinson, Jayne Gold and Tin Mellerick -Wheeler joined the board in February 2022 with their positions confirmed by election at the AGM in October 2022. Hilary Davies, Nic Groombridge and Elizabeth Jenkins were re-elected for a second term at the same meeting. Jayne Gold resigned on 31st July 2023. Elizabeth Jenkins has notified the board that she will stand down at the end of 2023.

Sally Jones stood down as Chair of the Board in March 2023 and Andy Collinson was elected as her successor. Sally Jones agreed to serve as Vice Chair for a maximum of twelve months to ensure continuity across a number of ongoing board priorities and was duly elected.

Organisation

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

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

Ad hoc working groups of Board members also occasionally meet to deal with specific issues on a task and finish basis. For example, a trustee leads the group which deals with recruitment of new trustees as described above, other trustees have begun reviews of Youth Engagement policy and company membership.

REFERENCE AND ADMINISTRATIVE DETAILS

See page 1 for further information.

Related parties

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

Risk management

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

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

REPORT OF THE DIRECTORS/TRUSTEES (Continued)
for the year ended 31 March 2023

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

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

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

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

STATEMENT AS TO DISCLOSURE TO OUR AUDITORS

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

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

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

BY ORDER OF THE BOARD OF TRUSTEES:

Mr A K R Collinson
Chair, Trustees and Board of Directors Dated: 5 September 2023

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

Opinion

We have audited the financial statements of Theatr Brycheiniog Cyf (the "charitable company") for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Material uncertainty relating to going concern

We draw your attention to note 2, which explains the reliance of the charitable company on the support of its key funders. As stated in note 2, these events or conditions, along with other matters explained in note 2, indicate that a material uncertainty exists that may cast significant doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the reporting framework (United Kingdom Generally Accepted Accounting Practice, United Kingdom Accounting Standards and the Companies Act 2006) and UK charities laws and regulations. In addition, we concluded that there are significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the financial statements such as Health and Safety Regulations, the General Data Protection Regulation and Licensing Regulations.

- We understood how the charitable company is complying with those frameworks by making inquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries by reviewing the minutes of board meetings and other committee minutes to identify any non-compliance with laws and regulations.

- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur by discussing with management to understand where it considered there was susceptibility to fraud. We considered the controls that the charitable company has established to address risks identified, or that otherwise prevent, deter and detect fraud, and how management monitors those controls.

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations that could materially impact the financial statements. Our procedures involved journal entry testing, with a focus on journals indicating large or unusual transactions, taking into account our understanding of the charitable company; enquiries of management and focussed testing in areas we assessed as being more susceptible to irregularities including fraud.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THEATR BRYCHEINIOG CYF

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Use of our report

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

W J James & Co

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

Dated: 5 September 2023

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

THEATR BRYCHEINIOG CYF

STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)
for the year ended 31 March 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
INCOME					
Donations and grants	3	254,369	-	254,369	497,886
Income from charitable activities:					
Operation of theatre and arts centre	4	207,730	177,272	385,002	127,588
Income from other trading activities	5	352,498	-	352,498	228,235
TOTAL INCOME	15	814,597	177,272	991,869	853,709
EXPENDITURE					
Costs of raising funds:					
Trading operations	6	88,791	-	88,791	40,431
Expenditure on charitable activities:					
Operation of theatre and arts centre	7	970,546	85,355	1,055,901	759,512
TOTAL EXPENDITURE	15	1,059,337	85,355	1,144,692	799,943
NET (EXPENDITURE)/INCOME		(244,740)	91,917	(152,823)	53,766
Transfers between funds	10	-	-	-	-
NET MOVEMENT IN FUNDS		(244,740)	91,917	(152,823)	53,766
Reconciliation of funds					
Fund balances brought forward at 1 April 2022		167,155	51,092	218,247	164,481
Fund balances carried forward at 31 March 2023	16	(77,585)	143,009	65,424	218,247

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

All income and expenditure is derived from continuing activities.

BALANCE SHEET
as at 31 March 2023

	Notes	2023 £	2023 £	2022 £	2022 £
FIXED ASSETS					
Tangible assets	12		209,143		114,368
CURRENT ASSETS					
Stock		12,891		8,227	
Debtors	13	15,402		44,050	
Cash at bank and in hand		55,084		215,888	
		83,377		268,165	
CREDITORS: Amounts falling due within one year	14	227,096		164,286	
NET CURRENT ASSETS			(143,719)		103,879
TOTAL ASSETS LESS CURRENT LIABILITIES			65,424		218,247
			65,424		218,247
RESERVES					
Unrestricted income funds:					
General fund	15		(195,585)		49,155
Designated fund	15		118,000		118,000
			(77,585)		167,155
Restricted funds	15		143,009		51,092
			65,424		218,247

For the year ending 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act relating to small companies but as the company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

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

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

Approved on behalf of the board on 5 September 2023

Mr A K R Collinson
Chair

STATEMENT OF CASH FLOWS
for the year ended 31 March 2023

	Note	2023 £	2022 £
Cash used in operating activities	**24**	**40,352**	**208,987**
Cash flows from investing activities			
Interest income		-	-
Purchase of tangible fixed assets		(201,156)	(121,247)
Proceeds from disposal of fixed assets		-	-
Cash provided by (used in) investing activities		(201,156)	(121,247)
Increase in cash and cash equivalents in the year		(160,804)	87,740
Cash and cash equivalents at the beginning of the year		215,888	128,148
Cash and cash equivalents at the end of the year		**55,084**	**215,888**

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

1. ACCOUNTING POLICIES

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

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

Statement of compliance
The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

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

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

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

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

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

Investment income is recognised on a receivable basis.

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

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

Volunteers and donated services and facilities
The value of services provided by volunteers is not incorporated into these financial statements.

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

1. ACCOUNTING POLICIES (Continued)

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

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

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

Leasehold improvements	over the period of the lease
Fixtures and fittings	10% to 25% per annum
Technical equipment	25% per annum
General equipment	25% per annum

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

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

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

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

Fund accounting
Funds held by the charity are either:

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

Designated funds – these are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for specific future purposes or projects.

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

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

1. ACCOUNTING POLICIES (Continued)

Pension costs

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

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

Irrecoverable Value Added Tax

The company's income consists of some income which is standard rated for VAT purposes and some income which is exempt from VAT. Under current VAT legislation, the mix of standard rated and exempt sources of income means that the charity is unable to recover all of the VAT charged on expenses. Any irrecoverable VAT incurred in the year is included in central premises costs in note 7.

2. GOING CONCERN

The charitable company remains heavily reliant on the grant aid provided by its core funders as shown in note 3 to these accounts. In particular, and as noted in the Directors' report, we are currently awaiting a decision on Arts Council of Wales Investment Review funding for the period beginning April 2024.

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

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

3. INCOME FROM DONATIONS AND GRANTS

	2023	2022
	£	£
Brecon Town Council – core funding	-	7,500
Powys County Council – core funding	21,719	21,719
Powys County Council – Covid-19 additional funding	-	4,000
Powys County Council – warm spaces	1,467	-
Arts Council of Wales – core funding	205,891	196,749
Arts Council of Wales – Cultural Recovery Fund 1 grant	-	16,831
Arts Council of Wales – Cultural Recovery Fund 2 grant	-	113,747
Arts Council of Wales – Cultural Recovery Fund 3 grant	13,500	121,500
	242,577	482,046
Donations and sponsorship	11,792	15,840
	254,369	497,886

4. INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Income from admission charges	207,046	58,127
Merchandising and programmes	684	836
Income from performances	207,730	58,963
Other grant income (unrestricted):-		
HM Revenue & Customs – Coronavirus Job Retention Scheme grant	-	31,853
Support from revenue grant income (restricted):-		
Welsh Government – We Need Bees performance	-	15,000
Royal National Theatre – Connections Festival	2,200	-
Atsain Anthem Music Fund	6,000	-
Brecon Beacons National Park Sustainable Develoment Fund	2,800	-
Colwinston Trust – Beacons Performance Past to Present	3,725	-
WCVA	4,863	-
Capital grant income (restricted):-		
Theatres Trust	-	5,000
Brecon Town Council	15,000	2,000
Arts Council of Wales	90,123	7,377
WCVA	50,286	7,395
Colwinston Trust – Beacons Performance Past to Present	1,275	-
Arnold Clark	1,000	-
	177,272	36,772
Total income from charitable activities	385,002	127,588

5. INCOME FROM OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Hire of facilities	101,720	42,015
Bar sales, bistro and event catering	172,390	94,287
Other catering income	18,230	10,994
Other income	60,158	80,939
	352,498	228,235

6. COSTS OF RAISING FUNDS

	2023 £	2022 £
Bar and bistro purchases, event catering and vending supplies	88,791	40,431

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Note	Concerts and stage performances £	Education £	2023 Total £	2022 Total £
Direct Charitable Expenditure					
Touring company performance fees, workshops and classes		143,517	-	143,517	72,077
Backstage and other production costs		20,780	-	20,780	19,312
Programme research			-	-	-
Advertising, marketing and box office		63,678	-	63,678	57,250
Central premises costs		175,340	-	175,340	140,751
Staff costs	9	536,706	-	536,706	411,468
Depreciation		106,380	-	106,380	49,154
Governance costs	8	9,500	-	9,500	9,500
		1,055,901	-	1,055,901	759,512

8. GOVERNANCE COSTS

	2023 £	2022 £
Auditor's remuneration	9,500	9,500

9. STAFF COSTS

	2023 £	2022 £
Salaries and wages	482,195	378,372
Social security costs	36,094	22,482
Compensation for loss of office	-	1,340
Employer pension contributions	12,489	9,274
Recruitment costs	5,928	-
	536,706	411,468

No employee earned more than £60,000 (2022: nil).

The key management personnel of the charity comprise the trustees and the Theatre Director. The total employee benefits of the key management personnel of the Trust were £56,319 (2022: £48,736).

The average monthly head count was 36 staff (2022: 33) and the average number of full-time equivalent staff (including casual and part time staff) employed during the year was:

	2023	2022
Trading	15	10
Box office, sales and marketing	6	4
Concerts and stage performances	2	4
	23	18

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

10. TRANSFERS BETWEEN FUNDS

Transfers are made from restricted funds to the general fund in respect of any expenditure incurred through the general fund that relates to restricted funds, and between the general fund and designated funds in accordance with decisions by the Trustees to designate funds for specific purposes or projects.

11. TAXATION

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

12. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Fixtures and fittings £	Technical equipment £	General equipment £	Total £
COST:					
At 1 April 2022	-	253,674	160,906	109,164	523,744
Additions	132,478	54,081	468	14,129	201,156
Disposals	-	-	-	(4,259)	(4,259)
At 31 March 2023	132,478	307,755	161,374	119,034	720,641
DEPRECIATION:					
At 1 April 2022	-	176,099	150,299	82,978	409,376
Charge for year	43,718	43,520	4,629	14,514	106,381
Eliminated on disposals	-	-	-	(4,259)	(4,259)
At 31 March 2023	43,718	219,619	154,928	93,233	511,498
NET BOOK VALUE:					
At 31 March 2023	88,760	88,136	6,446	25,801	209,143
At 31 March 2022	-	77,575	10,607	26,186	114,368

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

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	3,862	6,586
Other debtors	1,260	15,564
Prepayments and accrued income	10,280	10,852
Value Added Tax	-	11,048
	15,402	44,050

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	71,930	44,866
Other creditors	61,239	19,505
Accruals and deferred income	59,300	78,153
Advance ticket sales	24,651	21,762
Other taxes and social security	9,976	-
	227,096	164,286

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

15. ANALYSIS OF CHARITABLE FUNDS

	Balance at 1 April 2022	Movements in Reserves (including transfers)			Balance at 31 March 2023
		Incoming	Outgoing	Transfers	
	£	£	£	£	£
Unrestricted funds					
General fund	49,155	814,597	1,059,337	118,000	(77,585)
Designated funds					
Contingency Reserve	48,000	-	-	(48,000)	-
Staffing Resource Emergency fund	40,000	-	-	(40,000)	-
Utilities, Energy and Buildings Emergency Reserve	30,000	-	-	(30,000)	-
	167,155	814,597	-	-	(77,585)
Restricted funds:					
Capital grants	51,092	157,684	67,967	-	140,809
Theatrical History and Now fund	-	2,800	2,800	-	-
Beacons Performance Past to Present	-	3,725	3,725	-	-
WCVA fund	-	4,863	4,863	-	-
RNT Connections Festival	-	2,200	-	-	2,200
Atsain Anthem Music fund	-	6,000	6,000	-	-
	51,092	177,272	85,355	-	143,009
Total	218,247	991,869	1,144,692	-	65,424

Three designated funds were established by the Board during the previous year for the following purposes:-

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

During the year the Board decided that as these were no longer required the balances should be transferred to the General Fund.

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

The Theatrical History and Now fund, the Beacons Performance Past to Present fund, the WCVA fund and the RNT Connections Festival fund all represent money received towards the cost of specific projects and performances and the costs of these are charged directly to the funds.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted fund	Total fund
	£	£	£
Tangible fixed assets	68,334	140,809	209,143
Net current liabilities	(145,919)	2,200	(143,719)
	(77,585)	143,009	65,424

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

17. USE OF FACILITIES

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

18. SHARE CAPITAL

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

19. RELATED PARTY TRANSACTIONS AND REMUNERATION OF TRUSTEES

Neither the Trustees, nor any person connected with them, received any remuneration or other benefits from the Charity (2022: Nil). There were no related party transactions requiring disclosure in these financial statements.

20. OTHER FINANCIAL COMMITMENTS

At 31 March 2023 the company had annual commitments under non-cancellable operating leases of £100 per annum in respect of land and buildings with an expiry date of between one and five years, and £3,488 per annum in respect of plant and equipment with an expiry date of less than one year.

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

	2023 £	2022 £
Expiring in less than one year	1,744	-
Expiring between one and five years	200	5,532
Expiring in more than five years	-	-
	1,944	5,532

21. CONTINGENT LIABILITY

During the year ended 31 March 2015 the company undertook a full building survey of the condition of the premises from which it operates. The survey revealed a number of issues that require remedial work both in the short term and over a longer period. The total cost of the remedial work recommended by the building surveyors was estimated at £1,442,200.

Some of the urgent issues identified in that report have been dealt with, and since then Powys County Council included Theatr Brycheiniog in a successful bid for levelling up funding from UK Government. Their bid proposed that the levelling up project redevelop and maintain Theatr Brycheiniog to ensure the theatre is viable and can enhance and sustain its delivery of arts, cultural and wellbeing projects to the local community and visitors. The project is now at the tendering stage and the project is moving forward.

22. APB ETHICAL STANDARD – PROVISIONS AVAILABLE FOR SMALL ENTITIES

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

23. PENSION COSTS

Defined contribution pension plan

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £7,758 (2022 - £5,087).

The defined contribution liability is allocated to unrestricted funds.

Defined benefit pension plan

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

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

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

	2023 £	2022 £
Net movement in funds	(152,823)	53,766
Add back depreciation charge	106,380	49,153
Deduct profit on disposal of fixed assets	-	-
Decrease (increase) in stock	(4,664)	(2,803)
Decrease (increase) in debtors	28,649	20,307
Increase (decrease) in creditors	62,810	88,564
Net cash used in operating activities	40,352	208,987

DETAILED INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 March 2023

	2023		2022	
	£	£	£	£
INCOME:				
Box office		207,046		58,127
Merchandising and programmes		684		836
Hire of facilities		101,721		42,015
Revenue grants		262,165		528,899
Bar sales, bistro and event catering		172,390		94,287
		744,006		724,164
OTHER INCOME:				
Donations and sponsorship		11,792		15,840
Release of capital grants		67,967		18,778
Other catering income		18,230		10,994
Other income		55,158		76,939
Employment Allowance		5,000		4,000
		902,153		850,715
EXPENDITURE:				
Event and project costs	143,517		72,077	
Bar and bistro purchases, event catering and vending supplies	88,791		40,431	
Salaries and wages	518,288		402,194	
Pension contributions	12,489		9,274	
Recruitment costs	5,928		-	
Telephone	2,426		3,976	
Postage and stationery	15,988		9,859	
Sales commission	10,329		3,580	
Advertising and printing	36,226		40,385	
General marketing costs	1,137		3,427	
Travelling	2,612		1,267	
Rent	100		100	
Heat and light	38,871		32,200	
Insurance	5,082		6,031	
Water rates	7,578		3,771	
Hire of equipment	16,649		15,057	
Equipment maintenance and consumables	4,131		4,265	
Repairs to property	26,690		19,326	
Subscriptions, affiliations, PRS and licences	10,182		7,273	
Refuse collection, computer and sundry expenses	21,930		18,914	
Auditor's remuneration	9,500		9,500	
Legal and professional fees	29,055		33,423	
Training	2,312		4,019	
Cleaning	10,643		5,350	
Bad debt expense	-		60	
Irrecoverable VAT	7,828		-	
Depreciation	106,380		49,153	
		(1,134,662)		(794,912)
Carried forward		(232,509)		55,803

DETAILED INCOME AND EXPENDITURE ACCOUNT (Continued)
for the year ended 31 March 2023

	2023		2022	
	£	£	£	£
Brought forward		(232,509)		55,803
FINANCE COSTS:				
Bank charges	1,099		723	
Credit card charges	8,931		4,308	
		(10,030)		(5,031)
(DEFICIT)/SURPLUS FOR THE YEAR		(242,539)		50,772

THEATR BRYCHEINIOG CYF

England & Wales - Charity number 1005327

Accounts

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

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

FOR

THEATR BRYCHEINIOG CYF

THEATR BRYCHEINIOG CYF

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for the year ended 31 March 2022

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THEATR BRYCHEINIOG CYF

REFERENCE AND ADMINISTRATIVE INFORMATION

Directors and Trustees

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

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

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

Theatre Director:	D R Wilson
Registered office:	Theatr Brycheiniog Canal Wharf Brecon Powys
Auditors:	W J James and Co Chartered Accountants and Statutory Auditors Bishop House 10 Wheat Street Brecon Powys
Bankers:	The Co-operative Bank PO Box 250 Skelmersdale Lancashire
Registered number:	2446965
Registered charity number:	1005327
Solicitors:	King Davies & Partners Lloyds Bank Chambers 18 Talbot Street Maesteg and Refreshing Law Limited Mornington Drope Road St Georges-Super-Ely Cardiff

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

The trustees present their report with the financial statements of the charity for the year ended 31 March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

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

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

Its core values are
- Delivering excellence
- Inspiring creativity
- Embracing collaboration

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

ORGANISATIONAL REVIEW

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

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

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

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

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

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

ORGANISATIONAL REVIEW (Continued)

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

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

PUBLIC BENEFIT

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

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

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

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

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

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

ACHIEVEMENTS AND PERFORMANCE

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

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

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

ACHIEVEMENTS AND PERFORMANCE (Continued)

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

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

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

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

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

FUNDRAISING

Theatr Brycheiniog has been delighted and encouraged that it has continued to receive its core funding from ACW and PCC and that it has received additional Cultural Recovery Funding through ACW, PCC and directly from the Welsh Government. Brecon Town Council has also maintained its support in this most difficult of times. Details of this funding, and that of WCVA, The Theatre's Trust and others are shown in the financial statements later in this report.

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

BUILDING

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

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

FINANCIAL REVIEW

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

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

FINANCIAL REVIEW (Continued)

- **Income is slightly up over 20/21, at £853,709.** Donations and grants, and income from charitable activities has reduced somewhat according to changes during the year – for example the cessation of the CJRS scheme - but our core funders have remained generous in their cultural recovery and other grant making to ensure the financial stability of the Theatr, for which we are extremely grateful. Some ticketing and merchandising income was received from the events that could take place before full re-opening in May 2022. Income from trading activities saw a significant improvement thanks, in large part, to the success of the Cultural Café and use of the car park as people became more generally active.

- **Expenditure increased to £799,943** as staff returned to work and general business activity began to increase.

- **Fund balances to carry forward increased to £218,247**, a reflection of the increased activity during the period and sums the Theatr holds for capital works which continue to be scheduled into 2022/23.

Reserves policy

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

PLANS FOR FUTURE PERIODS

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

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

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

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

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

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

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

Appointment of trustees

The Board of Trustees is in place to oversee the artistic and financial management of the company, to ensure legal compliance and to ensure the theatre is used by as many sections of the community and as wide a constituency in Mid Wales as is possible.

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

New trustees follow a process of induction to equip them for the role and a Board Code of Conduct was brought into use during the period.

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

Organisation

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

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

Ad hoc working groups of Board members also occasionally meet to deal with specific issues on a task and finish basis. For example, a trustee leads the group which deals with recruitment of new trustees as described above, other trustees have begun reviews of Youth Engagement policy and company membership.

REFERENCE AND ADMINISTRATIVE DETAILS

See page 1 for further information.

Related parties

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

Risk management

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

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

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

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

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

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

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

STATEMENT AS TO DISCLOSURE TO OUR AUDITORS

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

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

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

BY ORDER OF THE BOARD OF TRUSTEES:

Mrs S J Jones
Chair, Trustees and Board of Directors Dated: 30 August 2022

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

Opinion

We have audited the financial statements of Theatr Brycheiniog Cyf (the "charitable company") for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Material uncertainty relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THEATR BRYCHEINIOG CYF

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

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THEATR BRYCHEINIOG CYF

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Use of our report

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

W J James & Co

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

Dated: 30 August 2022

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

THEATR BRYCHEINIOG CYF

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

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

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

All income and expenditure is derived from continuing activities.

BALANCE SHEET
as at 31 March 2022

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

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

Directors' responsibilities:

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

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

Approved on behalf of the board on 30 August 2022

Mrs S J Jones
Chair

THEATR BRYCHEINIOG CYF

STATEMENT OF CASH FLOWS
for the year ended 31 March 2022

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

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

1. ACCOUNTING POLICIES

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

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

Statement of compliance
The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

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

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

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

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

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

Investment income is recognised on a receivable basis.

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

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

Volunteers and donated services and facilities
The value of services provided by volunteers is not incorporated into these financial statements.

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

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

1. ACCOUNTING POLICIES (Continued)

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

- Costs of raising funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

- Charitable activities include expenditure associated with the staging of concerts, stage productions, art exhibitions and educational programmes, and include both the direct costs and support costs relating to these activities.

- Governance costs include those incurred in the governance of the charity and its assets, and are primarily associated with constitutional and statutory requirements, and these are included within charitable activities in the Statement of Financial Activities.

- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

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

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

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

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

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

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

Fund accounting
Funds held by the charity are either:

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

Designated funds – these are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for specific future purposes or projects.

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

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

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

1. ACCOUNTING POLICIES (Continued)

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

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

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

2. GOING CONCERN

The charitable company remains heavily reliant on the grant aid provided by its core funders as shown in note 3 to these accounts.

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

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

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

3. INCOME FROM DONATIONS AND GRANTS

	2022 £	2021 £
Brecon Town Council – core funding	7,500	7,500
Brecon Town Council – Covid-19 re-opening grant	-	2,500
Powys County Council – core funding	21,719	34,467
Powys County Council – Covid-19 additional funding	4,000	45,000
Arts Council of Wales – core funding	196,749	196,749
Arts Council of Wales – Covid-19 stabilisation grant	-	60,000
Arts Council of Wales – Cultural Recovery Fund 1 grant	16,831	151,481
Arts Council of Wales – Cultural Recovery Fund 2 grant	113,747	-
Arts Council of Wales – Cultural Recovery Fund 3 grant	121,500	-
Welsh Government – Economic Resilience Fund Covid-19 grant	-	30,000
	482,046	527,697
Donations and sponsorship	15,840	18,921
	497,886	546,618

4. INCOME FROM CHARITABLE ACTIVITIES

	2022 £	2021 £
Income from admission charges	58,127	-
Merchandising and programmes	836	-
Income from performances	58,963	-
Other grant income (unrestricted):-		
HM Revenue & Customs – Coronavirus Job Retention Scheme grant	31,853	213,109
Support from grant income (restricted):-		
Welsh Government – We Need Bees performance	15,000	-
Other grant income (restricted):-		
Theatres Trust – camera equipment	5,000	-
Brecon Town Council – camera equipment	2,000	-
Arts Council of Wales – capital	14,772	40,000
	36,772	40,000
Total income from charitable activities	127,588	253,109

5. INCOME FROM OTHER TRADING ACTIVITIES

	2022 £	2021 £
Hire of facilities	42,015	6,627
Bar sales, bistro and event catering	94,287	10,994
Other catering income	10,994	-
Other income	80,939	22,774
	228,235	40,395

6. INVESTMENT INCOME

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

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

7. COSTS OF RAISING FUNDS

	2022 £	2021 £
Bar and bistro purchases, event catering and vending supplies	40,431	10,953

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Note	Concerts and stage performances £	Education £	2022 Total £	2021 Total £
Direct Charitable Expenditure					
Touring company performance fees, workshops and classes		72,077	-	72,077	1,100
Backstage and other production costs		19,312	-	19,312	4,815
Programme research		-	-	-	-
Advertising, marketing and box office		57,250	-	57,250	11,780
Central premises costs		140,751	-	140,751	111,339
Staff costs	10	411,468	-	411,468	342,188
Depreciation		49,154	-	49,154	23,195
Governance costs	9	9,500	-	9,500	8,300
		759,512	-	759,512	502,717

9. GOVERNANCE COSTS

	2022 £	2021 £
Auditor's remuneration	9,500	8,300

10. STAFF COSTS

	2022 £	2021 £
Salaries and wages	378,372	318,797
Social security costs	22,482	16,240
Compensation for loss of office	1,340	-
Employer pension contributions	9,274	7,141
Recruitment costs	-	10
	411,468	342,188

No employee earned more than £60,000 per annum (2021: nil).

The key management personnel of the charity comprise the trustees and the Theatre Director. The total employee benefits of the key management personnel of the Trust were £48,736 (2021: £40,870).

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

	2022	2021
Trading	10	10
Box office, sales and marketing	4	4
Concerts and stage performances	4	4
	18	18

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

11. TRANSFERS BETWEEN FUNDS

Transfers are made from restricted funds to the general fund in respect of any expenditure incurred through the general fund that relates to restricted funds, and between the general fund and designated funds in accordance with decisions by the Trustees to designate funds for specific purposes or projects.

12. TAXATION

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

13. TANGIBLE FIXED ASSETS

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

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

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

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

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

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

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

16. ANALYSIS OF CHARITABLE FUNDS

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

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

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

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

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

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

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

18. USE OF FACILITIES

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

19. SHARE CAPITAL

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

20. RELATED PARTY TRANSACTIONS AND REMUNERATION OF TRUSTEES

Neither the Trustees, nor any person connected with them, received any remuneration or other benefits from the Charity (2021: Nil). There were no related party transactions requiring disclosure in these financial statements.

21. OTHER FINANCIAL COMMITMENTS

At 31 March 2022 the company had annual commitments under non-cancellable operating leases of £100 per annum in respect of land and buildings with an expiry date of more than five years, and £3,488 per annum in respect of plant and equipment with an expiry date of between one and five years.

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

	2022 £	2021 £
Expiring in less than one year	-	-
Expiring between one and five years	5,532	9,120
Expiring in more than five years	-	-
	5,532	9,120

22. CONTINGENT LIABILITY

During the year ended 31 March 2015 the company undertook a full building survey of the condition of the premises from which it operates. The survey revealed a number of issues that require remedial work both in the short term and over a longer period. The total cost of the remedial work recommended by the building surveyors was estimated at £1,442,200.

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

23. APB ETHICAL STANDARD – PROVISIONS AVAILABLE FOR SMALL ENTITIES

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

24. PENSION COSTS

Defined contribution pension plan

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £5,087 (2021 - £3,793).

The defined contribution liability is allocated to unrestricted funds.

Defined benefit pension plan

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

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

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

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

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

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

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

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

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

THEATR BRYCHEINIOG CYF

England & Wales - Charity number 1005327

Accounts

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

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

FOR

THEATR BRYCHEINIOG CYF

THEATR BRYCHEINIOG CYF

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for the year ended 31 March 2021

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THEATR BRYCHEINIOG CYF

REFERENCE AND ADMINISTRATIVE INFORMATION

Directors and Trustees

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

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

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

Theatre Director:	D R Wilson
Registered office:	Theatr Brycheiniog Canal Wharf Brecon Powys
Auditors:	W J James and Co Chartered Accountants and Statutory Auditors Bishop House 10 Wheat Street Brecon Powys
Bankers:	The Co-operative Bank PO Box 250 Skelmersdale Lancashire
Registered number:	2446965
Registered charity number:	1005327
Solicitors:	King Davies & Partners Lloyds Bank Chambers 18 Talbot Street Maesteg and Refreshing Law Limited Mornington Drope Road St Georges-Super-Ely Cardiff

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

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

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

OBJECTIVES AND ACTIVITIES

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

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

Its core values are
- Delivering excellence
- Inspiring creativity
- Embracing collaboration

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

ORGANISATIONAL REVIEW

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

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

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

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

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

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

ORGANISATIONAL REVIEW (Continued)

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

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

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

PUBLIC BENEFIT

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

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

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

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

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

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

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

ACHIEVEMENTS AND PERFORMANCE

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

ACHIEVEMENTS AND PERFORMANCE (Continued)

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

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

FUNDRAISING

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

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

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

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

BUILDING

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

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

FINANCIAL REVIEW

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

FINANCIAL REVIEW (Continued)

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

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

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

Reserves policy

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

PLANS FOR FUTURE PERIODS

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

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

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

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

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

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

Appointment of trustees

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

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

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

Organisation

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

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

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

REFERENCE AND ADMINISTRATIVE DETAILS

See page 1 for further information.

Related parties

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

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

Risk management

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

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

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

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

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

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

STATEMENT AS TO DISCLOSURE TO OUR AUDITORS

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

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

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

BY ORDER OF THE BOARD OF TRUSTEES:

Mrs S J Jones
Chair, Trustees and Board of Directors Dated: 23 August 2021

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

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Material uncertainty relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the reporting framework (United Kingdom Generally Accepted Accounting Practice, United Kingdom Accounting Standards and the Companies Act 2006) and UK charities laws and regulations. In addition, we concluded that there are significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the financial statements such as Health and Safety Regulations, the General Data Protection Regulation and Licensing Regulations.

- We understood how the charitable company is complying with those frameworks by making inquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries by reviewing the minutes of board meetings and other committee minutes to identify any non-compliance with laws and regulations.

- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur by discussing with management to understand where it considered there was susceptibility to fraud. We considered the controls that the charitable company has established to address risks identified, or that otherwise prevent, deter and detect fraud, and how management monitors those controls.

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations that could materially impact the financial statements. Our procedures involved journal entry testing, with a focus on journals indicating large or unusual transactions, taking into account our understanding of the charitable company; enquiries of management and focussed testing in areas we assessed as being more susceptible to irregularities including fraud.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THEATR BRYCHEINIOG CYF

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Use of our report

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

W J James & Co

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

Dated: 23 August 2021

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

THEATR BRYCHEINIOG CYF

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

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

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

All income and expenditure is derived from continuing activities.

BALANCE SHEET
as at 31 March 2021

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

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

Directors' responsibilities:

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

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

Approved on behalf of the board on 23 August 2021

Mrs S J Jones
Chair

THEATR BRYCHEINIOG CYF

STATEMENT OF CASH FLOWS
for the year ended 31 March 2021

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

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

1. ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

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

Investment income is recognised on a receivable basis.

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

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

Volunteers and donated services and facilities
The value of services provided by volunteers is not incorporated into these financial statements.

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

1. ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

Fund accounting
Funds held by the charity are either:

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

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

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

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

1. ACCOUNTING POLICIES (Continued)

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

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

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

2. GOING CONCERN

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

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

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

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

3. INCOME FROM DONATIONS AND GRANTS

	2021 £	2020 £
Brecon Town Council – core funding	7,500	7,500
Brecon Town Council – Covid-19 re-opening grant	2,500	-
Powys County Council – core funding	34,467	47,215
Powys County Council – Covid-19 additional funding	45,000	-
Arts Council of Wales – core funding	196,749	194,608
Arts Council of Wales – Covid-19 stabilisation grant	60,000	-
Arts Council of Wales – Covid-19 revenue support grant	151,481	-
Welsh Government – Economic Resilience Fund Covid-19 grant	30,000	-
	527,697	249,323
Donations and sponsorship	18,921	21,009
	546,618	270,332

4. INCOME FROM CHARITABLE ACTIVITIES

	2021 £	2020 £
Income from admission charges	-	173,800
Merchandising and programmes	-	614
Income from performances	-	174,414
Other grant income (unrestricted):-		
HM Revenue & Customs – Coronavirus Job Retention Scheme grant	213,109	2,545
Support from grant income (restricted):-		
Arts Administration – Unlimited Conference	-	5,000
Other grant income (restricted):-		
The Gibbs Trust – Screen and curtain	-	5,000
Brecon Beacons National Park – Dressing room refurbishment	-	10,000
Brecon Town Council - Dressing room refurbishment	-	2,000
Arts Council of Wales – various	-	31,861
Arts Council of Wales – capital	40,000	-
	40,000	53,861
Total income from charitable activities	253,109	230,820

5. INCOME FROM OTHER TRADING ACTIVITIES

	2021 £	2020 £
Hire of facilities	6,627	111,764
Bar sales, bistro and event catering	10,994	185,062
Other catering income	-	29,958
Other income	22,774	61,011
	40,395	387,795

6. INVESTMENT INCOME

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

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

7. COSTS OF RAISING FUNDS

	2021	2020
	£	£
Bar and bistro purchases, event catering and vending supplies	10,953	87,648

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Note	Concerts and stage performances	Education	2021 Total	2020 Total
		£	£	£	£
Direct Charitable Expenditure					
Touring company performance fees, workshops and classes		1,100	-	1,100	146,431
Backstage and other production costs		4,815	-	4,815	11,379
Programme research		-	-	-	363
Advertising, marketing and box office		11,780	-	11,780	43,471
Central premises costs		111,339	-	111,339	133,903
Staff costs	10	342,188	-	342,188	445,415
Depreciation		23,195	-	23,195	16,989
Governance costs	9	8,300	-	8,300	10,481
		502,717	-	502,717	808,432

9. GOVERNANCE COSTS

	2021	2020
	£	£
Auditor's remuneration	8,300	10,481

10. STAFF COSTS

	2021	2020
	£	£
Salaries and wages	318,797	413,630
Social security costs	16,240	22,927
Employer pension contributions	7,141	8,808
Recruitment costs	10	50
	342,188	445,415

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

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

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

	2021	2020
Trading	10	12
Box office, sales and marketing	4	4
Concerts and stage performances	4	4
	18	20

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

11. TRANSFERS BETWEEN FUNDS

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

12. TAXATION

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

13. TANGIBLE FIXED ASSETS

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

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

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

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

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

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

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

16. ANALYSIS OF CHARITABLE FUNDS

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

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

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

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

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

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

18. USE OF FACILITIES

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

19. SHARE CAPITAL

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

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

20. RELATED PARTY TRANSACTIONS AND REMUNERATION OF TRUSTEES

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

21. OTHER FINANCIAL COMMITMENTS

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

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

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

22. CONTINGENT LIABILITY

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

23. APB ETHICAL STANDARD – PROVISIONS AVAILABLE FOR SMALL ENTITIES

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

24. PENSION COSTS

Defined contribution pension plan

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

The defined contribution liability is allocated to unrestricted funds.

Defined benefit pension plan

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

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

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

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

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

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

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

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