

**Report of the Trustees and
Consolidated Financial Statements
for the Year Ended 31 March 2023
for
Theatr Mwldan**

Ashmole & Co
Manchester House
Grosvenor Hill
Cardigan
Ceredigion
SA43 1HY



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for the Year Ended 31 March 2023**

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Theatr Mwldan

Report of the Trustees for the Year Ended 31 March 2023

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 2023. 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

The principal activity of the company during the year under review was the management of theatre premises known as Theatr Mwldan as a venue for the Arts.

The company's Memorandum of Association states that its objects are "...to promote the advancement and improvement of general education in relation to all aspects of the arts and drama, theatre music, dance and film; the development of public appreciation thereof through the medium of both the English and Welsh languages."

The Board believes that these aims will be achieved by maintaining and improving the facilities offered by the theatre and by presenting a wide range of artistic events. The balance of the programme recognises the activities of various community user groups who are encouraged to use the theatre as a base. This general policy has not changed.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The theatre relies on grants and the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the Trustees give careful consideration to the accessibility of the theatre for those on low incomes.

The Board meets formally every three months to create and monitor the implementation of policy and the day-to-day management of the company's facility by the Theatre Director, Mr. Dilwyn Davies, and his staff.

Theatr Mwldan
Report of the Trustees
for the Year Ended 31 March 2023

STRATEGIC REPORT

Achievement and performance

Charitable activities

During the year, the resources available to the company decreased by £129,938 (2021-22 £5,788 increase).

This decrease in resources comprises a revenue surplus generated by the venue of £598 (2022 - £149,554 surplus), a profit generated by the trading subsidiary of £811 (2022 - £12,650 loss) and a decrease in the Capital Fund of £131,347 (2022 - £131,116 decrease).

The financial statements of 2022-2023 show a turnover of £1,402,276, an increase of 42% from the previous year.

The financial year ending 31 March 2023 was the first full year of operation by the company since the closure of the venue from March 2020 to September 2021 due to the COVID-19 global pandemic. Nevertheless, the company's operations and financial performance continued to be affected by the aftereffects of the pandemic, most particularly by a reduction in audience numbers attending live performances and cinema screenings.

By the year end 31 March 2022, cinema audiences were only at around 45% of their pre-pandemic levels. During 2022/23, the year covered by these accounts, cinema audience numbers improved somewhat to a level of 60% of pre-pandemic levels. However this level represents a substantial reduction on the commercial financial basis on which the company's foundation is built and consequently represents a significant loss to the company's pre-pandemic business model.

Mwldan's touring and production work grew steadily during 2022/23, and the company delivered 41 touring productions. Whilst this was a welcome return to touring activity post-pandemic, it fell below the usual level of touring activity and the associated income generated.

The company's live performance programme was also grown during the year, with encouraging signs of audiences being willing to return to live performances. However, attendance numbers were down on what would have been expected from pre-pandemic events. Similarly hiring and community activity also grew but remained below pre-pandemic levels.

Together with partners South Wind Blows of Ireland and Triogl of Wales, the company delivered a highly successful second physical edition of the Other Voices Festival in Cardigan in November 2022, and also resumed its outdoor programme of events at Cardigan Castle in the summer 2022.

The income levels generated by the company's bar operation recovered particularly well to a level equivalent to 88% of pre-pandemic; it is notable that this recovery was helped by the improvements made to the front of house and bar areas during the venue's closure and the work done by the staff team as a result of the Cultural Recovery Fund.

In the year 2022 -23 the company received £274,889 in revenue funding from the Arts Council of Wales as core grant support for its status as an ACW Arts Portfolio Wales member. As part of this funding £29,740 was ring fenced to provide programming, marketing and business support services from Theatr Mwldan to Wyeside Arts Centre, Builth Wells. £19,740 of the £29,740 was passed as grant funding to Wyeside Arts Centre to support its programming costs. Theatr Mwldan continues as an Arts Portfolio Wales client within Arts Council of Wales' portfolio since the Investment Review in 2015. In March 2023, Mwldan submitted its application to the latest Arts Council of Wales Investment Review, the results of which would become known in Autumn 2023.

The Trustees remain acutely aware of the serious damage inflicted by the pandemic on the company's activities and trading, but also recognise that these annual accounts show positive signs of financial recovery along a path towards the resumption of pre-pandemic levels of financial operation. However, they also remain cautious as to whether full recovery to pre-pandemic levels will be achievable in the years to come.

The company's staff team was badly impacted by the pandemic, with the number of employees falling from 26 in early 2020 to just 12 during Autumn 2021. The company recruited new members of staff during the year 2022/23, to achieve the level of 23 staff by the year end.

The Trustees and CEO remain vigilant to the continued and changing business climate, and monitor financial performance extremely closely as the company's operational and economic recovery continues. The Trustees and CEO will continue to protect, as much as possible, the company's cash reserves, conscious that these are needed to support business recovery in the longer term.

Theatr Mwldan
Report of the Trustees
for the Year Ended 31 March 2023

Theatr Mwldan Media Developments Ltd (TMMD), the wholly owned subsidiary of Theatr Mwldan, has made a surplus of £811 this year. The subsidiary had also been inactive during the pandemic but began to build its activities back during the year 2022/23 with new rental clients taking up residence in the Business Centre.

Future Developments

The impact of the COVID-19 pandemic continues to be the biggest challenge facing the company and whilst the year 2022/23 demonstrated some recovery, the Trustees are aware that this is only a partial return to the company's business model based on pre-pandemic levels of operation and revenue generation.

The aftermath of the pandemic continues to be significant threat to the company's business recovery in the medium to long term, and to have a profound impact on the business model of the company. The Trustees and CEO are aware of the need to both control costs in proportion to the lost income, and also to look for new opportunities to evolve the company's business model to generate income from alternative sources. However, budgetary predictions are for a loss-making scenario in 2023/24 and much depends on a positive outcome from the ACW Investment Review in 2023/24.

The Trustees will continue to develop the strategy of long-term commercial business diversification of the company within a global framework. This activity will run in parallel with the company's responsibilities to deliver a programme of arts, education and entertainment activity to its local and regional community, and to support the artists it works with. The Trustees note that this strategy is essential to achieve continued long-term sustainability for the company. The Trustees also note the significance and importance of the company's partnership with other organisations such as Cardigan Castle and South Wind Blows to deliver commercial, community and artistic outputs that bring wider cultural and economic benefits to the company and the town of Cardigan. The Trustees also recognize the need to seek new sources of funding to support the company going forwards.

Financial review

Reserves policy

The Trustees recognise that the risks and opportunities faced by the charity have changed significantly since 2004 with the end of capital development project and the impressive performance and diversification of the new venue pre-pandemic. The risks which were present in the capital project had diminished and the Board continues to develop systems and procedures to manage the different risks presented by the new enlarged venue.

The Trustees have since ensured that the company's reserves have been steadily increased as a result of successful year-on-year trading, recognising that, in the longer term, the main threat to the company's viability would be the withdrawal or reduction of revenue funding, or as recently illustrated the intervention of external global events over which they have no control. The target level of reserves is currently quantified as twelve months' worth of fixed overhead costs. Future budgets will plan for modest annual surpluses to build up to the target level of free reserves.

Within the context of the COVID-19 pandemic, the Trustees will further review their Reserves Policy to ensure the company is, as much as possible, protected against similar future events.

Future plans

In 2023/24 Theatr Mwldan continues as an Arts Council of Wales Arts Portfolio Wales core revenue funded client. Notwithstanding the COVID-19 pandemic, and the outcome of the ACW Investment Review which becomes effective on 1st April 2024, the Trustees are aware that the climate for public funding continues to be very tough with the likelihood of further significant challenges in the future. Therefore, the Trustees will continue to seek opportunities for increasing revenue streams from outside the physical resources of the venue as part of the company's business model of diversification.

The ACW Investment Review in 2023 will serve as a focus for the Trustees to consider future company strategies as the sector emerges from the COVID-19 crisis. It is imperative that the company continues as a ACW Portfolio funded client beyond 2023/24. Any withdrawal or reduction in real terms of funding support beyond that date may render the company financially unviable in present circumstances.

Theatr Mwldan

Report of the Trustees for the Year Ended 31 March 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The company was incorporated on 30th March 1992. Its affairs are governed by its Memorandum and Article of Association, as amended on 15th June 1993, 22nd October 1997, 26th September 2002 and 15th January 2017.

Theatr Mwldan is a company limited by guarantee. Each member has undertaken to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be a member for payment of the company's debts and liabilities along with other costs.

During the year ended 31st March 2023 there were 37 members.

Recruitment and appointment of new trustees

New trustees are briefed on their legal obligations under charity and company law, the Charity Commission Guidance on public benefit, content of the Memorandum and Articles of Association, the committee and decision-making process and the recent financial performance of the charity.

Organisational structure

The Articles of Association specify that the number of trustees shall be at least six but not more than twelve. Six trustees are to be elected by the members at the Annual General Meeting and four trustees may be co-opted. One trustee is to be nominated by each of Cardigan Town Council and Cyngor Sir Ceredigion.

Related parties

None of our Trustees receive remuneration or other benefit from their work with the charity. Any connection between a Trustee or Senior Manager of the charity with a production company, contracted actor, performer or exhibitor must be disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02701986 (England and Wales)

Registered Charity number

1024034

Registered office

Bath House Road
CARDIGAN
Ceredigion
SA43 1JY

Trustees

P J Layton
D Grace
G Johnson
D Llewelin
J Jones
P D Halliday
A E Evans
R Jones (resigned 7.6.22)
M Hine
T Phillips (appointed 7.6.22)

Company Secretary

Mrs V Goddard

Theatr Mwldan

**Report of the Trustees
for the Year Ended 31 March 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

HSBC Bank plc
11 High Street
Cardigan
Ceredigion
SA43 1JN

Solicitors

Messrs George, Davies & Evans
Castle Chambers
Grosvenor Hill
Cardigan
SA43 1HX

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

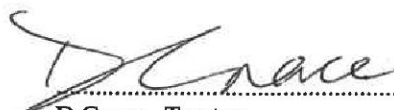
In so far as the trustees are aware:

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

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on18/12/2023..... and signed on the board's behalf by:


D Grace - Trustee

**Report of the Independent Auditors to the Trustees of
Theatr Mwldan**

Opinion

We have audited the financial statements of Theatr Mwldan (the 'charitable company') for the year ended 31 March 2023 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 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 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.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Matters on which we are required to report by exception

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

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

Report of the Independent Auditors to the Trustees of Theatr Mwldan

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

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

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

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

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

In addition to the above, our procedures included:

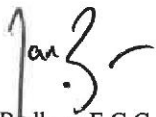
- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations
- enquiries of management and those charged with governance concerning actual and potential litigation and claims
- performing analytical procedures to identify 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 Mwldan**

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.



Ian Badham F.C.C.A

For and on behalf of Ashmole & Co

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Manchester House

Grosvenor Hill

Cardigan

Ceredigion

SA43 1HY

Date: 19.12.2023

Theatr Mwldan

**Consolidated Statement of Financial Activities
for the Year Ended 31 March 2023**

	Notes	Unrestricted fund £	Restricted fund £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	3,569	-	3,569	3,265
Charitable activities	5				
Theatre		1,116,613	-	1,116,613	764,001
Touring Productions		134,416	-	134,416	129,255
Commercial trading activities	19	21,390		21,390	12,195
Other trading activities	3	125,288	-	125,288	39,464
Investment income	4	1,000	-	1,000	1,024
Other income		-	-	-	34,283
Total		<u>1,402,276</u>	<u>-</u>	<u>1,402,276</u>	<u>983,487</u>
EXPENDITURE ON					
Raising funds	6	59,346	-	59,346	22,063
Commercial trading activities	19	20,579		20,579	24,845
Charitable activities	7				
Theatre		1,159,596	131,347	1,290,943	765,410
Touring Productions		<u>161,346</u>	<u>-</u>	<u>161,346</u>	<u>165,381</u>
Total		<u>1,400,867</u>	<u>131,347</u>	<u>1,532,214</u>	<u>977,699</u>
NET INCOME/(EXPENDITURE)		1,409	(131,347)	(129,938)	5,788
RECONCILIATION OF FUNDS					
Total funds brought forward		642,994	3,802,356	4,445,350	4,439,562
TOTAL FUNDS CARRIED FORWARD		<u>644,403</u>	<u>3,671,009</u>	<u>4,315,412</u>	<u>4,445,350</u>

The notes form part of these financial statements

Theatr Mwldan

**Balance Sheet
31 March 2023**

	Notes	31.03.23 Group funds £	31.03.22 Group funds £	31.03.23 Charity funds £	31.03.22 Charity funds £
FIXED ASSETS					
Tangible assets	13	3,828,618	3,963,155	3,827,928	3,962,230
Investments	14	<u> </u>	<u>-</u>	<u>147,455</u>	<u>140,839</u>
		3,828,618	3,963,155	3,975,383	4,103,069
CURRENT ASSETS					
Stocks	15	500	500	500	500
Debtors	16	210,465	201,894	208,090	193,425
Cash at bank and in hand		<u>527,866</u>	<u>442,687</u>	<u>485,356</u>	<u>406,151</u>
		738,831	645,081	693,946	600,076
CREDITORS					
Amounts falling due within one year	17	<u>(252,037)</u>	<u>(162,886)</u>	<u>(249,594)</u>	<u>(152,661)</u>
NET CURRENT ASSETS		<u>486,794</u>	<u>482,195</u>	<u>444,352</u>	<u>447,415</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,315,412</u>	<u>4,445,350</u>	<u>4,419,735</u>	<u>4,550,484</u>
NET ASSETS		<u>4,315,412</u>	<u>4,445,350</u>	<u>4,419,735</u>	<u>4,550,484</u>
FUNDS	18				
Unrestricted funds		644,402	642,993	748,725	748,127
Restricted funds		<u>3,671,010</u>	<u>3,802,357</u>	<u>3,671,010</u>	<u>3,802,357</u>
TOTAL FUNDS		<u>4,315,412</u>	<u>4,445,350</u>	<u>4,419,735</u>	<u>4,550,484</u>

The notes form part of these financial statements

Theatr Mwldan

**Balance Sheet - continued
31 March 2023**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

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 financial statements were approved by the Board of Trustees and authorised for issue on 16/12/2023 and were signed on its behalf by:



.....
P J Layton - Trustee



.....
D Grace - Trustee

The notes form part of these financial statements

Theatr Mwldan

**Cash Flow Statement
for the Year Ended 31 March 2023**

	Notes	31.3.23 £	31.3.22 £
Cash flows from operating activities			
Cash generated from operations	1	<u>86,746</u>	<u>185,143</u>
Net cash provided by operating activities		<u>86,746</u>	<u>185,143</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(926)	(2,610)
Loan advanced to subsidiary		<u>(6,615)</u>	<u>(10,925)</u>
Net cash used in investing activities		<u>(7,541)</u>	<u>(13,535)</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		79,205	171,608
Cash and cash equivalents at the beginning of the reporting period		<u>406,151</u>	<u>234,544</u>
Cash and cash equivalents at the end of the reporting period		<u><u>485,356</u></u>	<u><u>406,151</u></u>

The notes form part of these financial statements

Theatr Mwldan

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2023**

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

	31.3.23 £	31.3.22 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(130,749)	18,438
Adjustments for:		
Depreciation charges	135,227	135,545
Increase in debtors	(14,665)	(34,681)
Increase in creditors	<u>96,933</u>	<u>65,841</u>
Net cash provided by operations	<u>86,746</u>	<u>185,143</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank and in hand	<u>406,151</u>	<u>79,205</u>	<u>485,356</u>
	<u>406,151</u>	<u>79,205</u>	<u>485,356</u>
Total	<u>406,151</u>	<u>79,205</u>	<u>485,356</u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

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, with the exception of investments which are included at market value.

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.

Allocation and apportionment of costs

Costs have been allocated as far as possible between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others have been apportioned based on the estimated usage of the resource.

Tangible fixed assets

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

Freehold property	- over the term of the property lease
Long leasehold	- over the term of the property lease
Plant and machinery	- 33% on cost and 25% on cost
Fixtures and fittings	- 10% 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.

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.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

1. ACCOUNTING POLICIES - continued**Grants and donations receivable**

Confirmed revenue grants and general programme support grants are credited to the income and expenditure account evenly over the accounting period concerned. Specific programme support grants are taken into account when the relevant production occurs.

Gifts of fixed assets for charity use, and funds received for the specific purpose of providing such fixed assets, are accounted for immediately as restricted funds where it is clear that the donor intended the continuing use of the asset. In particular, this treatment is applied to capital grants.

All other grants and donations are included in income on receipt.

Arts outside Cardiff production costs

Production costs are charged to the income and expenditure account in the accounting period in which the related income arises.

Donated services

Generally, donated services including the work done by volunteers, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised when there is no financial cost borne by the donor.

Group Financial Statements

The financial statements consolidate the results of the Charity and its wholly owned subsidiary, Theatr Mwldan Media Developments Limited. A separate Statement of Financial Activities, and Income and Expenditure Account, for the Charity itself are not presented.

2. DONATIONS AND LEGACIES

	31.3.23	31.3.22
	£	£
Donations	3,461	3,197
Subscriptions	<u>108</u>	<u>68</u>
	<u>3,569</u>	<u>3,265</u>

3. OTHER TRADING ACTIVITIES

	31.3.23	31.3.22
	£	£
Bar sales	<u>125,288</u>	<u>39,464</u>

4. INVESTMENT INCOME

	31.3.23	31.3.22
	£	£
Caffi income	<u>1,000</u>	<u>1,024</u>

Theatr Mwldan

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

5. INCOME FROM CHARITABLE ACTIVITIES

		31.3.23	31.3.22
	Activity	£	£
Ticket sales - live events	Theatre	70,670	15,725
Cardigan Castle events	Theatre	70,208	-
Cinema	Theatre	257,899	104,809
Theatre hire	Theatre	47,009	14,051
Other income	Theatre	12,057	8,233
Cyngor Sir Ceredigion	Theatre	14,000	18,073
Arts Council of Wales - consolidated revenue grant	Theatre	274,889	270,827
Cardigan Town Council	Theatre	2,500	2,500
Production performance fees	Theatre	-	13,180
CD Sales	Theatre	24,305	16,603
Other Voices grant	Theatre	295,000	-
Music Royalty income	Theatre	12,167	3,722
Arts Council of Wales Culture Recovery Fund - revenue	Theatre	9,942	296,278
Arts Council of Wales - cost of living grant	Theatre	8,522	-
Other Voices -wristband income	Theatre	17,445	-
Production performance fees	Touring Productions	113,554	120,816
Other production income	Touring Productions	20,862	8,439
		<u>1,251,029</u>	<u>893,256</u>

6. RAISING FUNDS

Other trading activities

	31.3.23	31.3.22
	£	£
Purchases	<u>59,346</u>	<u>22,063</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 8)	Totals
	£	£	£
Theatre	879,288	411,655	1,290,943
Touring Productions	<u>161,346</u>	<u>-</u>	<u>161,346</u>
	<u>1,040,634</u>	<u>411,655</u>	<u>1,452,289</u>

Theatr Mwldan

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

8. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Theatre	<u>384,164</u>	<u>14,279</u>	<u>13,212</u>	<u>411,655</u>

9. NET INCOME/(EXPENDITURE)

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

	31.3.23	31.3.22
	£	£
Auditors' remuneration	3,150	3,100
Auditors' remuneration for non audit work	1,880	1,320
Depreciation - owned assets	135,228	135,544
Other operating leases	<u>261</u>	<u>194</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

11. STAFF COSTS

	31.3.23	31.3.22
	£	£
Wages and salaries	407,278	328,137
Social security costs	34,488	29,334
Other pension costs	<u>22,920</u>	<u>21,033</u>
	<u>464,686</u>	<u>378,504</u>

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

	31.3.23	31.3.22
Theatre Management	10	8
Cleaning	2	1
Technicians	<u>1</u>	<u>1</u>
	<u>13</u>	<u>10</u>

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

No employee earned £60,000 or more per annum.

Theatr Mwldan

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3,265	-	3,265
Charitable activities			
Theatre	764,001	-	764,001
Touring Productions	129,255	-	129,255
Commercial trading activities	12,195		12,195
Other trading activities	39,464	-	39,464
Investment income	1,024	-	1,024
Other income	<u>34,283</u>	<u>-</u>	<u>34,283</u>
Total	<u>983,487</u>	<u>-</u>	<u>983,487</u>
EXPENDITURE ON			
Raising funds	22,063	-	22,063
Commercial trading activities	24,845		24,845
Charitable activities			
Theatre	634,294	131,116	765,410
Touring Productions	<u>165,381</u>	<u>-</u>	<u>165,381</u>
Total	<u>846,583</u>	<u>131,116</u>	<u>977,699</u>
NET INCOME/(EXPENDITURE)	136,904	(131,116)	5,788
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>506,090</u>	<u>3,933,472</u>	<u>4,439,562</u>
TOTAL FUNDS CARRIED FORWARD	<u>642,994</u>	<u>3,802,356</u>	<u>4,445,350</u>

Theatr Mwdan

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

13. GROUP TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Plant and machinery £
COST			
At 1 April 2022	651,048	5,661,118	1,050,968
Additions	-	-	926
At 31 March 2023	<u>651,048</u>	<u>5,661,118</u>	<u>1,051,894</u>
DEPRECIATION			
At 1 April 2022	247,398	2,117,909	1,034,671
Charge for year	<u>13,021</u>	<u>114,291</u>	<u>8,151</u>
At 31 March 2023	<u>260,419</u>	<u>2,232,200</u>	<u>1,042,822</u>
NET BOOK VALUE			
At 31 March 2023	<u>390,629</u>	<u>3,428,918</u>	<u>9,072</u>
At 31 March 2022	<u>403,650</u>	<u>3,543,209</u>	<u>16,297</u>
	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 April 2022	270,106	16,450	7,649,690
Additions	-	-	926
At 31 March 2023	<u>270,106</u>	<u>16,450</u>	<u>7,650,616</u>
DEPRECIATION			
At 1 April 2022	270,106	16,451	3,686,535
Charge for year	-	-	135,463
At 31 March 2023	<u>270,106</u>	<u>16,451</u>	<u>3,821,998</u>
NET BOOK VALUE			
At 31 March 2023	<u>-</u>	<u>-</u>	<u>3,828,618</u>
At 31 March 2022	<u>-</u>	<u>-</u>	<u>3,963,155</u>

Theatr Mwldan

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

14. FIXED ASSET INVESTMENTS

	31.3.23	31.3.22
	£	£
Shares	100	100
Loans	<u>147,355</u>	<u>140,739</u>
	<u>147,455</u>	<u>140,839</u>
		Shares in group undertakings £
MARKET VALUE		
At 1 April 2022 and 31 March 2023		<u>100</u>
NET BOOK VALUE		
At 31 March 2023		<u>100</u>
At 31 March 2022		<u>100</u>
		Loans to group undertakings £
At 1 April 2022		140,739
New in year		<u>6,616</u>
At 31 March 2023		<u>147,355</u>

There were no investment assets outside the UK.

15. STOCKS

	31.03.23	31.03.22	31.3.23	31.3.22
	Group	Group	Charity	Charity
	£	£	£	£
Stocks	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.03.23	31.03.22	31.3.23	31.3.22
	Group	Group	Charity	Charity
	£	£	£	£
Trade debtors	95,206	118,403	94,148	115,575
Other debtors	54,980	-	54,980	-
VAT	1,317	33,836	-	28,195
Prepayments and accrued income	<u>58,962</u>	<u>49,655</u>	<u>58,962</u>	<u>49,655</u>
	<u>210,465</u>	<u>201,894</u>	<u>208,090</u>	<u>193,425</u>

Theatr Mwldan

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.03.23	31.03.22	31.3.23	31.3.22
	Group	Group	Charity	Charity
	£	£	£	£
Trade creditors	13,240	38,924	13,240	31,127
Third party funds	-	4,759	-	4,759
Social security and other taxes	8,337	7,327	8,337	7,327
VAT	16,819	-	16,819	-
Other creditors	2,443	2,572	-	144
Accruals and deferred income	<u>211,198</u>	<u>109,304</u>	<u>211,198</u>	<u>109,304</u>
	<u>252,037</u>	<u>162,886</u>	<u>249,594</u>	<u>152,661</u>

18. MOVEMENT IN FUNDS

	At 1.4.22	Net movement in funds	At 31.3.23
	£	£	£
Unrestricted funds			
General fund	748,127	598	748,725
Restricted funds			
Capital Fund	3,802,357	(131,347)	3,671,010
TOTAL FUNDS	<u>4,550,484</u>	<u>(130,749)</u>	<u>4,419,735</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	1,380,886	(1,380,288)	598
Restricted funds			
Capital Fund	-	(131,347)	(131,347)
TOTAL FUNDS	<u>1,380,886</u>	<u>(1,511,635)</u>	<u>(130,749)</u>

Theatr Mwldan

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	598,573	149,554	748,127
Restricted funds			
Capital Fund	3,933,473	(131,116)	3,802,357
TOTAL FUNDS	<u>4,532,046</u>	<u>18,438</u>	<u>4,550,484</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	971,292	(821,738)	149,554
Restricted funds			
Capital Fund	-	(131,116)	(131,116)
TOTAL FUNDS	<u>971,292</u>	<u>(952,854)</u>	<u>18,438</u>

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

	At 1.4.21 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	598,573	150,152	748,725
Restricted funds			
Capital Fund	3,933,473	(262,463)	3,671,010
TOTAL FUNDS	<u>4,532,046</u>	<u>(112,311)</u>	<u>4,419,735</u>

Theatr Mwldan

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

18. 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	2,352,178	(2,202,026)	150,152
Restricted funds			
Capital Fund	-	(262,463)	(262,463)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>2,352,178</u>	<u>(2,464,489)</u>	<u>(112,311)</u>

Theatr Mwldan

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

19. COMMERCIAL TRADING OPERATIONS AND INVESTMENT IN SUBSIDIARY

	31.03.23	31.03.22
	£	£
Turnover	21,390	12,195
Cost of sales and administrative expenses	<u>(20,579)</u>	<u>(24,845)</u>
Net profit for the period	811	(12,650)

Summary of assets and liabilities

	£	£
Fixed assets	690	925
Current assets	44,885	45,005
Current liabilities	(2,443)	(10,225)
Long term liabilities	<u>(147,355)</u>	<u>(140,739)</u>
Total net liabilities	(104,223)	<u>(105,034)</u>
Share Capital	100	100
Profit and (loss) account	<u>(104,323)</u>	<u>(105,134)</u>
Financed by Theatr Mwldan	<u>(104,223)</u>	<u>(105,034)</u>

Long term creditor of £147,355 (2022 - £140,739) is due to Theatr Mwldan. The subsidiary continues to experience difficulties but repayments will take place when sufficient funds are available to do so.

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.

21. FRC ETHICAL STANDARD – PROVISIONS AVAILABLE FOR SMALL ENTITIES

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

22. GOING CONCERN

These financial statements have been prepared on the going concern basis.

Theatr Mwldan

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2023**

	31.3.23 £	31.3.22 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	3,461	3,197
Subscriptions	<u>108</u>	<u>68</u>
	3,569	3,265
Other trading activities		
Bar sales	125,288	39,464
Investment income		
Caffi income	1,000	1,024
Charitable activities		
Ticket sales - live events	70,670	15,725
Cardigan Castle events	70,208	-
Cinema	257,899	104,809
Theatre hire	47,009	14,051
Other income	12,057	8,233
Cyngor Sir Ceredigion	14,000	18,073
Arts Council of Wales - consolidated revenue grant	274,889	270,827
Cardigan Town Council	2,500	2,500
Production performance fees	113,554	133,996
Other production income	20,862	8,439
CD Sales	24,305	16,603
Other Voices grant	295,000	-
Music Royalty income	12,167	3,722
Arts Council of Wales Culture Recovery Fund - revenue	9,942	296,278
Arts Council of Wales - cost of living grant	8,522	-
Other Voices -wristband income	<u>17,445</u>	<u>-</u>
	1,251,029	893,256
Other income		
Covid JRS grant	<u>-</u>	<u>34,283</u>
Total incoming resources	1,380,886	971,292
EXPENDITURE		
Other trading activities		
Bar cost of sales	59,346	22,063
Charitable activities		
Wages	34,284	39,706
Social security	3,468	4,582
Carried forward	37,752	44,288

This page does not form part of the statutory financial statements

Theatr Mwldan

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2023**

	31.3.23 £	31.3.22 £
Charitable activities		
Brought forward	37,752	44,288
Rates and water	2,341	1,557
Insurance	21,686	18,373
Light and heat	46,737	24,249
Telephone & internet	15,951	17,751
Postage and stationery	704	514
Advertising	4,523	2,545
Cardigan Castle event costs	65,446	-
Cinema - film hire	111,616	46,182
Cinema - other costs	339	1,378
Touring production costs	-	1,152
Repairs and renewals	48,312	69,618
Cleaning materials & support	8,577	6,037
Cleaning wages	45,665	35,257
Social security	2,309	2,062
Licences and Performing Rights Society	2,667	4,648
Programme printing and distribution	19,504	7,450
Other marketing expenses	11,774	9,319
Grants to other organisations	19,740	19,488
Motor expenses	1,032	385
Production Artist fees	85,140	113,682
Other Production costs	19,730	26,138
Production travel and accommodation	8,273	7,398
Other Voices expenses	255,006	4,890
CD Sales Costs	20,929	13,081
Live show performance cost	49,654	-
Depreciation of tangible fixed assets	<u>135,227</u>	<u>135,545</u>
	1,040,634	612,987
Support costs		
Management		
Wages	327,329	253,174
Social security	28,711	22,690
Pensions	22,920	21,033
Other operating leases	261	194
Staff and volunteers' expenses	<u>4,943</u>	<u>1,545</u>
	384,164	298,636
Finance		
Bank charges	14,279	7,138
Governance costs		
Auditors' remuneration	3,150	3,100
Auditors' remuneration for non audit work	1,880	1,320
Directors' indemnity insurance	1,520	1,520
Legal & professional fees	<u>6,662</u>	<u>6,090</u>
	<u>13,212</u>	<u>12,030</u>
Total resources expended	<u>1,511,635</u>	<u>952,854</u>
Net (expenditure)/income	<u>(130,749)</u>	<u>18,438</u>

This page does not form part of the statutory financial statements