

REGISTERED COMPANY NUMBER: 03342581 (England and Wales)
REGISTERED CHARITY NUMBER: 1067869

Report of the Trustees and
Consolidated Financial Statements
for the Year Ended 31 March 2023
for
The Courtyard Trust

The Courtyard Trust

Contents of the Financial Statements
for the Year Ended 31 March 2023

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 8
Report of the Independent Auditors	9 to 11
Statement of Financial Activities	12
Balance Sheet	13
Cash Flow Statement	14
Notes to the Cash Flow Statement	15
Notes to the Financial Statements	16 to 32

The Courtyard Trust

Reference and Administrative Details
for the Year Ended 31 March 2023

TRUSTEES	Mrs J Cobb (resigned 2 rd November 2022) Mr S Liddle (Vice Chair) Mr B Freeman (Chair) Mr D Fowler (resigned 2 rd November 2022) Ms A Palfrey Miss S Allen Mr M Baker (appointed 2 nd November 2022) Ms L J Hall (appointed 2 nd November 2022) Ms M Cooper (appointed 3 rd April 2023) Mrs E L Forrest (appointed 3 rd April 2023) Ms L Gale (appointed 3 rd April 2023) Ms J Hayes (appointed 3 rd April 2023) Mr P N Stevens (appointed 3 rd April 2023)
COMPANY SECRETARY	Mr I Archer
REGISTERED OFFICE	The Courtyard Edgar Street Hereford Herefordshire HR4 9JR
REGISTERED COMPANY NUMBER	03342581 (England and Wales)
REGISTERED CHARITY NUMBER	1067869
AUDITORS	Thorne Widgery Accountancy Ltd Chartered Accountants Statutory Auditors 2 Wyevale Business Park Kings Acre Hereford Herefordshire HR4 7BS
SOLICITORS	Gabbs 14 Broad Street Hereford HR4 9AP
BANKERS	LLoyds Bank plc 1 Gwent Square Cwmbran NP44 1XN

The Courtyard Trust

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 and the group 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 charitable company and group was formed to promote the improvement and development of artistic taste and the knowledge, understanding and appreciation of arts of cultural and educational value (including the art of dance, drama, literature, music and singing) of the public and in particular the residents of the County of Herefordshire.

The charity has the general aim of contributing to the quality of life of the people of Herefordshire and wider area by expanding their horizons through the provision of exciting, challenging and accessible professional and community arts events.

The main objectives for the year continue to be the promotion and fostering of artistic knowledge and the appreciation of the arts by the provision of facilities for the education and entertainment of the public in the fields of art, craft, music and drama.

Through the charity's strategic objectives, policies and strategies, we secure the future development of artistic and outreach and education activities throughout the county of Herefordshire. Our business plan, which is endorsed by Arts Council England clearly defines our short-, medium, and long-term objectives. This is reported to Arts Council England in an Annual Report which clearly shows the success of our objectives throughout the year.

Main activities undertaken to further the charity's purposes for the public benefit:

Concerts and stage performances

The concerts and stage performances presented on the stage of The Courtyard combine professional events, including classical plays and dramatic modern performances, with amateur community events, tribute bands, original bands, comedians, dance, youth theatre etc. The programme contains an eclectic mix of the arts to suit a range of public tastes, with the emphasis on maintaining a popular programme which helps to maintain the viability of the theatre, combined with a programme to challenge the audience. Similarly, the musical programme ranges from classical orchestras to professional jazz, popular music, and folk and world music

Participation

Our participation programme involves local schools and higher education colleges in a range of expressive arts. They aim to develop students' confidence and expression across the range of arts from dance, drama and music. The Courtyard works with 98% of schools in Herefordshire. The charity also runs a vibrant youth theatre programme both in the venue and in the market towns. We also programme a variety of dance classes for children, from the age of four, through to adult classes.

Art exhibitions

The charity has a number of visiting art exhibitions throughout the year. These offer an opportunity for the public to view, free of charge, works of art from a wide variety of mainly local artists. These exhibitions have a wide variety, including stained glass, acrylics, ceramics, photography and paintings, and range from traditional to more contemporary work.

Film screenings

The charity has a smaller studio space which is used predominantly for the screening of films. The films shown range from Hollywood blockbusters to small art house movies from both the UK and abroad. This area of work gives the public the chance to see a wide variety of films which would not be shown in more commercial cinemas.

Volunteers

The Trust is very involved in the community and is dependent on voluntary help. Besides those amateur performers and artists who display their talents at The Courtyard, volunteers are used for stewarding events and performances. The charity has over 100 volunteers, and without this voluntary help the charity would not be able to function. If the Trust was to pay for all stewarding duties then the cost for this alone would be in excess of £80,000 each year.

Public benefit

The directors have paid due regard to guidance issued by the Charity Commissioners in deciding what activities the organisation should undertake and to ensure that they provide public benefit.

The Courtyard Trust

Report of the Trustees for the Year Ended 31 March 2023

STRATEGIC REPORT

Significant charitable activities

2022/23 saw The Courtyard starting to return to a state of normal programming after bouncing back from the enormous effects of the pandemic. The organisation continues to remain resilient through good business practice and is supported through grant from Arts Council England (2023-26) as one of its National Portfolio Organisations. The Courtyard aligns its objectives with Arts Council of England for the financial year, where the objectives and actions are reviewed and monitored against ACE's 'Lets Create and its Investment Principals.

As a 'centre for the arts' in Herefordshire our programme remains eclectic and our programme includes: live events, films, live screenings, visual arts and a participatory arts programme

The Courtyard produced and held productions throughout the 2022/23 period without interruption and the programme included commissioned, programmed and hired pieces. The vast quantity of work which The Courtyard offers, both on and off stage, has supported its vision and was relevant to the community, ambitious and was of high quality and inclusive.

Throughout the 22/23 period, audience numbers have been excellent and this trend continued throughout the financial year. The film programme has been a major part of The Courtyard's programme and has seen the best audience numbers since the record year of 2013.

2022/23 The Courtyard had a significant problem relating to the Curtain Walling. This had to be resolved through major structural changes to the original design faults at a cost of £175,000. The Courtyard Trust has had to pay this from its reserved and is now in negotiation with Herefordshire Council about any potential support The Courtyard may expect from the council. The outcome will not be known until late 2023.

Performances: Highlights from the 22/23 year

The Goal (9 - 16 Sept): The Courtyard's in-house production returned and was restaged in the autumn and started off the season with Nick Lane's classic script based on Ronnie Radford's 1972 goal for Hereford United.

Jane Eyre (4 - 8 Oct): The Courtyard's Pro-Am was Jane Eyre. The production involved professional actors, youth theatre members and people from the local community to create a quality piece of theatre and retold the much-loved classic novel by Charlotte Bronte.

Angel (1 Oct): this production was a must see that was brought to life by The Torch Theatre. It was based on the true story of a woman who defended her village against the Taliban and was a powerful piece about courage in the midst of great adversity.

Orchestra of the Swan presented From a Far Country (1 Oct): the Orchestra of the Swan was joined by internationally renowned violinist Tai Murray who closed the Proms in 2018.

Monty Don (29 Oct) appeared at The Courtyard in late October and sold out.

Milton Jones (27 Oct): this was the first time that comedian Milton Jones had performed at The Courtyard.

The Nutcracker & Swan Lake (7 and 8 Nov): The Courtyard hosted The National Ballet again and was delighted to have many Ukrainian ballet performers in the company and on stage at The Courtyard.

Beauty and the Beast (Nov - Jan): The Courtyard's highest achieving panto was the much-loved and enthralling classic story of Beauty and the Beast. This panto saw The Courtyard win the Best Director Award in the Best British Panto Awards and came in the top 5 for Best Script Writer.

Snow White (Dec 2022): The Courtyard Kids Christmas show was Snow White which was full of riotous fun that took place on the Studio stage for the 7s.

Tom Allen (2nd Feb): performed at The Courtyard for the first time in his own one-man show.

Giovanni Pernice 2023 (12 Feb): Giovanni, still on a high after winning Strictly, returned with his latest dance show. The Strictly heart throb has become so popular that we had to add a second show, which both sold out.

Mid Wales Opera presented Hansel and Gretel (18 Mar): Mid Wales opera brought us the production of Hansel and Gretel that told the tale of 2 children lost in the woods who discover and gingerbread house. The performance was aimed at encouraging the younger audience to attend.

The Courtyard Trust

Report of the Trustees for the Year Ended 31 March 2023

Live Screenings

The Courtyard's Live Screening programme is firmly back as part of our core non participatory programme. The main distributors have returned, and we screened performances from the National Theatre, Royal Opera House, the Met Opera and Exhibition Screen. Some of the up-and-coming titles include La Traviata, Straight Line Crazy, Nutcracker, Swan Lake, Leopold Stadt, Frida Kahlo, Don Carlos, Rigoletto, Hamlet, Henry V, A Diamond Celebration, Like Water for Chocolate and Romeo & Juliet and Prima Facie.

Film Screenings

Film Season: the film season is now fully returned with a full programme of film throughout the week including breakfast movies, matinees and evening screenings. 2022/23 saw our best year both in audience numbers and financially.

Visual Art

The Courtyard maintained its work with visual artists and arts groups by ensuring a full Gallery programme was scheduled for the year including:

Herefordshire Open with H.Art: The Courtyard once again participated in H.Art Open and hosted work by many artists from the county, bringing a lot of footfall. This was the third year The Courtyard has featured as part of H.Art and it has helped bring more cohesion between The Courtyard and visual artists from the region.

Sculpture Cymru: this exhibition has been moved many times due to Covid-19. It will be a joy to welcome a range of beautifully crafted sculptures that have been exhibited in high-profile places like The National Botanical Gardens of Wales. The exhibition will be at The Courtyard throughout all of October 2022.

100 Years and Not Out by Herefordshire Arts & Crafts Society: this year marks the centenary of The Herefordshire Arts and Crafts Society. All the artists have been set a brief and will be meeting it through numerous mediums and styles. The exhibition will be a celebration of the last 100 years and feature in all three exhibition spaces throughout November and December 2022.

Sue Maud: The Courtyard hosted a collection of work from local artist Sue Maud through January 2023. This was very exciting as the artist is well renowned and respected. Her work often captures the ocean in an original way.

Amanda Jackson: has been living in a commune in Pembrokeshire and records the activities of the people who live and work there as they try to be completely independent of the state and live sustainably. All of the photographs were taken with cameras from the early 20th Century.

Richard Backlaw-Jones: as an artist he combs the beaches for rubbish and turns it into art. His work raises questions around pollution and the use of plastic - is it really a good thing? The exhibition ran throughout March 2023.

LEARNING, PARTICIPATION AND OUTREACH

The Learning, Participation and Outreach work at The Courtyard continues to thrive and is an essential part of The Courtyard. Highlights include:

Youth Theatre: in-house Youth Theatre continues to grow in popularity, and we are starting to see strong return in numbers. We have seen numbers now double and hope to begin an early year's group for this year as a feeder into future years.

Each group works towards an end of term showcase and will then start work on our next Junior Youth Theatre Production:

Community Youth Theatres: the community youth theatres have seen a huge rise in numbers, especially in Ross and Ledbury where we are at capacity and having to look at adding a new class. The numbers in Bromyard are starting to rise.

Dancing Tots: we have seen encouraging numbers returning to the session. Sessions benefit new mums and toddlers through taking part in participatory arts. The session started to look at incorporating a showcase for the end of term.

Film Club: is slowly but surely building in numbers and is now over 50% capacity. We saw interest grow since the groups made their first short films. These films were shown throughout half term before some of the main features, most notably The Secrets of Dumbledore. This is a great way to showcase the group and build more interest.

The Courtyard Trust

Report of the Trustees for the Year Ended 31 March 2023

#TalkAwayDontWalkAway: this project has gone from strength to strength with 8 schools participating and performing on the Main House stage as part of the Sharing Evening. The event including schools showing films they had made as part of the project as well as performances of songs and drama pieces. The event was a huge success and the evening closed with words by The Bishop of Hereford who praised the work of The Courtyard.

Children in Need: Children in Need have been very supportive and understanding of the current climate and allowed us to push our project back by one year. The next project is the Be a Star week and is in August.

Hereford Academy: after a slow start to the beginning of the academic year this class is up and running, with participants now up to double figures.

Schools: there has been a lot of interest from schools, and we are delivering sessions regularly each week in Brookfield, Kingsland, Mordiford, Weobley, St. Peter's Bromyard and Ivington. We have also j started a new after-school drama club at Mordiford Primary and this will run for the full academic year. We have also started our literary project in Marlbrook and this is going well.

Bard at the Yard: The Courtyard's flagship Shakespeare project, now over 10 years old, has, again, been very well received with three schools (four classes) coming to perform as part of the project. The feedback from parents and teachers is very positive with several schools hoping to book onto the project again for next year. The showcase took place on 8th June 2022.

Kid Lit: The Courtyard is now running its own Literary project which seeks to improve literacy in the primary classroom as children's writing stamina has suffered throughout lockdown. The project works with six schools who take part in workshops at The Courtyard led by published authors, with Luke Aylen heading the event.

Garrick Singers: the Garrick Singers returned and there has been positive feedback since the first session. Numbers increased with a weekly average of 25 members. The class is now under the tutelage of a new practitioner who has brought a new lease of life and renewed enthusiasm to the session.

The Muse Café: this is a new session which is run by the Orchestra of the Swan in collaboration with The Courtyard. The session works (predominantly) with veterans who live with dementia. Musicians from OOTS lead the sessions in music and create a very informal and relaxed atmosphere with the participants. We have seen the sessions go from strength to strength.

Playing Together: sessions returned to in-person and numbers are already into double figures. This has been very pleasing to witness and is largely down to the fact the sessions continued throughout the pandemic. The project is run in partnership with Wyldwood and sees mums and toddlers interact with care home residents as part of the drama session.

Life Drawing: this class has been run in person since September and numbers have never been so healthy - now up to 19.

Reading Room: this class has returned to in-person and numbers have been healthy. The class is led by Sara-Jane Arbury and focuses on contemporary texts.

Reading Room Extra: this class has returned to in-person and feedback from the participants is good. Numbers continue to increase, and the sessions have aided many participants to reduce their isolation.

Writing Room: this class is focussed on its June showcase in the Studio, written by the participants and performed by local actors. The class continues to grow in strength and many of the participants have gained recognition for their work. One writer has received ACE funding to develop her play into a radio play and another member, who is partially sighted, has received a commission from The Lyric Hammersmith to create a play.

Chance to Dance: numbers and feedback for this session have been very positive, with 20 participants most weeks.

The Courtyard is working in two care homes in and around the City of Hereford in a pilot project funded by the Hereford City Council. The project brings Forest School into residential care homes, and it has been a joy to see the work unfold. The feedback from residents has been overwhelmingly positive and the project (thought to be the first of its kind) is being reviewed as a case study.

The Courtyard Trust

Report of the Trustees for the Year Ended 31 March 2023

Fundraising

In the current economic and post-Covid climate, fundraising has become very challenging, with many Trusts and Foundations reducing the level of funding available. Trust and Foundation income is restricted and is used for the benefit of the people of Herefordshire to experience the arts in many ways.

We are supported through our Friends and Patrons and through our individual giving campaigns. We have also conducted events throughout the year to increase our fundraising income including shows by The Hey Yabs and co-productions with X-entricity and Ludwig Theatre Arts.

Our Christmas Appeal 2022: this was a successful campaign held throughout our Christmas Pantomime & Studio productions.

Financial review

The Group's net outgoing resources for the year ended 31st March 2023 amounted to £88,668 (2022: ££132,681 incoming). Total income for the year amounted to £3,021,210 (2022: £2,537,183). Further information can be found in the Statement of Financial Activities on page 12 of these financial statements.

Principal risk and uncertainties

The Courtyard is mainly self-financing, having lost its funding from the Herefordshire Council from April 2016. The Courtyard Trust is funded by Arts Council England by the sum of £216k per year and this funding has now been secured until 31st March 2026. In a normal year this funding represents 7% of our total income. The Courtyard is a resilient organisation, which adapts to the needs of the community and programmes for the population of Herefordshire and the surrounding counties.

Principal funding sources

Funding from the Arts Council has been confirmed for 2025/26.

Investment policy and objectives

Under the Memorandum and Articles of Association, the Trust has the power to invest surplus funds in any way that the directors see fit. The directors, having regard to the liquidity requirements of the theatre, have operated a policy of keeping any available funds in an interest bearing deposit account.

Reserves policy

Total group reserves balance at 31st March 2023 is £1,500,467 (2022: £1,589,134), with £521,384 (2022: £565,690) of this being unrestricted and £979,083 (2022: £1,023,444) of restricted. This is broadly in line with the Reserves Policy agreed in April 2009. The basis of this policy was to build up unrestricted reserves to a level sufficient to cover the salaries of contracted staff for three months, and the remaining obligations under a lease. For 2023 this would be equal to £320,466 (2022: £287,897).

Included on the consolidated balance sheet at the year-end are tangible fixed assets of £1,773,714 (2022: £1,726,726) and investments of £Nil (2022: £Nil).

Consolidated free reserves at the year end, being total reserves less any restricted fund and fixed and investment asset held, amounted to £253,392 (2022: £410,189).

Going concern

The cultural industries had been hit very hard by Covid-19 which, whilst still remain a threat, is no longer causing any major concern for The Courtyard or the cultural industries.

To the best of ability and knowledge, the Trustees can confirm with confidence that The Courtyard Trust and Trading Company will still be trading 12 months through to September 2024 and beyond. We are confident that, through effective and timely management and strong governance, the organisation will continue its path of resilience.

The Courtyard Trust

Report of the Trustees for the Year Ended 31 March 2023

STRATEGIC REPORT continued

Financial and risk management objectives and policies

Risk management

The management committee has conducted its own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. These procedures are periodically reviewed to ensure that they still meet the needs of the charitable company and group. Particular attention was focussed on non-financial risks arising from fire, health and safety of artists and audience, management of performing rights, and food hygiene.

Future plans

The Trust will continue with its aims and objectives for the coming financial year. The Directors are continuing to review the current business structure and are exploring new opportunities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Courtyard Trust is a private company limited by guarantee governed by its Articles of Association adopted by special resolution dated 5th March 2014. It is registered as a charity with the Charity Commission.

Recruitment and appointment of new trustees

Herefordshire Council currently nominate two of the Trustees. Recommendations for new appointments are made by either the current Directors or by the Chief Executive. Any new appointment will then be approved by the Board of Directors.

Organisational structure

The Board of Trustees, which can have a minimum of five and a maximum of eleven members, administers the charity. The Board meets at every three months with sub-committees meeting no less than every two months and cover matters relating to finance and human resources. There is a compliance committee that meets three times a year, and advises the Board on the adequacy and effectiveness of the systems of internal control and arrangements for risk management, control and governance processes. A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive had delegated authority, within terms of delegation approved by the trustees, for the operational matters including finance, employment and artistic performance.

Induction and training of new trustees

New trustees meet with the Chairman and the Chief Executive to be briefed on the background of the Charity, its history, its objectives and its current activities. They are also briefed on their role and their responsibilities in relation to the Charity. All new trustees receive an induction pack containing the Memorandum and Articles of Association, the latest report and accounts, and the current business plan.

Key management remuneration

Pay and remunerations for key management are set by the Board of the Trust. Salary levels are reviewed by the Board on an annual basis and any pay awards are set in line with inflation and the Trusts financial position.

Subsidiary Undertaking

The Courtyard Trust owns 100% of the issued share capital of its subsidiary undertaking, The Courtyard Trading Co. Limited, which is registered in England and located at The Courtyard, Edgar Street, Hereford, HR4 9JR. The principal activity of The Courtyard Trading Co. Limited is the running of the bar and restaurant facilities at The Courtyard. A summary of the trading results can be found in the notes to the consolidated financial statements.

Audited financial statements of The Courtyard Trading Co. Limited (company registered number 03350147) have been filed with the Registrar of Companies.

Related parties

Transactions with related parties can be found in the notes in the accounts.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Courtyard Trust 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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group 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 and group 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 group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

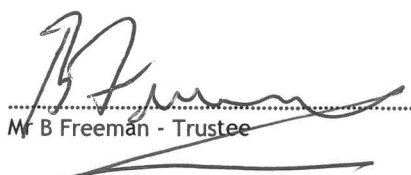
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company and group'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, Thorne Widgey Accountancy Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by the order of the board of trustees, as the company directors, on10/10/23..... and signed on the board's behalf by:


.....
Mr B Freeman - Trustee

Report of the Independent Auditors to the Trustees of
The Courtyard Trust

Opinion

We have audited the financial statements of The Courtyard Trust (the 'charitable company and group') 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 and group'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 and group 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 parent charitable company and group'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.

However, we draw your attention to the consolidated statement of financial activities on page 12 which shows that the charity and group has reported net expenditure of £88,668 during the year ended 31 March 2023. Given the economic climate for the arts and theatre sector, there is uncertainty surrounding the generation of future net income. Please refer to the going concern accounting policy in the notes to the financial statements which highlights how the charity and group will address the situation going forward. If these actions were to prove unsuccessful, this may indicate that a material uncertainty exists and may cast significant doubt on the charity and group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

Report of the Independent Auditors to the Trustees of The Courtyard Trust

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 and group 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 and group'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 and group 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.

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

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- o Enquiring of trustees, the finance committee and inspection of policy documentation as to the Charity's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- o Reading Trustees' meetings and finance committee minutes.
- o Considering performance targets for management.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is non-judgemental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks. We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by finance management/ those posted and approved by the same user/ those posted to unusual accounts.

Report of the Independent Auditors to the Trustees of
The Courtyard Trust

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with management (as required by auditing standards) and discussed with management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Charity and group are subject to laws and regulations that directly affect the financial statements including financial reporting legislation, taxation legislation and the Charities Act legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Charity and group are subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Charity and group's license to operate. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, data protection, anti-money laundering and specific areas of other legislation recognising the nature of the Charity and group's activities.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management, inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation


Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

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.

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 group and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Thorne Widgery Accountancy Ltd
Chartered Accountants
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date: ...17/10/23.....

The Courtyard Trust

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

	Notes	Unrestricted fund £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Grants, donations and legacies	2	344,967	102,700	447,667	708,776
Charitable activities	5				
Concerts, performances and films		1,602,232	-	1,602,232	978,896
Education and outreach		29,637	-	29,637	13,076
The Courtyard Trading Co. Limited	3	626,746	-	626,746	487,363
Other trading activities		311,692	-	311,692	348,986
Investment income	4	<u>3,236</u>	<u>-</u>	<u>3,236</u>	<u>86</u>
Total		2,918,510	102,700	3,021,210	2,537,183
EXPENDITURE ON					
Raising funds	6	38,101	-	38,101	65,119
The Courtyard Trading Co. Limited		599,478	-	599,478	475,919
Charitable activities	7				
Concerts, performances and films		2,121,248	12,890	2,134,138	1,817,431
Art exhibitions		15,864	11,916	27,780	24,324
Education and outreach		168,303	44,627	212,930	185,757
Development		-	77,628	77,628	-
Other		<u>19,823</u>	<u>-</u>	<u>19,823</u>	<u>101,314</u>
Total		2,962,817	147,061	3,109,878	2,669,864
NET INCOME(EXPENDITURE)		(44,307)	(44,361)	(88,668)	(132,681)
Transfers between funds	23	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Movement in Fund		<u>(44,307)</u>	<u>(44,361)</u>	<u>(88,668)</u>	<u>(132,681)</u>
RECONCILIATION OF FUNDS					
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>565,690</u>	<u>1,023,444</u>	<u>1,589,134</u>	<u>1,721,815</u>
TOTAL FUNDS CARRIED FORWARD		<u>521,383</u>	<u>979,083</u>	<u>1,500,466</u>	<u>1,589,135</u>

The Courtyard Trust
Charity and Consolidated Balance Sheet
31 March 2023

		Group		Charity	
	Notes	31.3.23 £	31.3.22 £	31.3.23 £	31.3.22 £
FIXED ASSETS					
Tangible assets	14	1,773,714	1,726,726	1,742,401	1,701,971
Investments	15	-	-	1	1
		<u>1,773,714</u>	<u>1,726,726</u>	<u>1,742,402</u>	<u>1,170,972</u>
CURRENT ASSETS					
Stocks	16	19,884	15,218	2,709	2,595
Debtors	17	75,583	48,626	105,827	171,347
Cash at bank and in hand		996,762	1,059,482	939,984	913,906
		<u>1,092,229</u>	<u>1,123,326</u>	<u>1,048,520</u>	<u>1,087,848</u>
CREDITORS					
Amounts falling due within one year	18	(701,729)	(621,508)	(650,197)	(584,765)
		<u>390,500</u>	<u>501,818</u>	<u>398,323</u>	<u>503,083</u>
NET CURRENT ASSETS					
		<u>390,500</u>	<u>501,818</u>	<u>398,323</u>	<u>503,083</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,164,214</u>	<u>2,228,544</u>	<u>2,140,725</u>	<u>2,205,055</u>
CREDITORS					
Amounts falling due after more than one year	19	(659,334)	(634,707)	(659,334)	(634,707)
PROVISIONS FOR LIABILITIES					
Deferred tax	25	(4,414)	(4,703)	-	-
NET ASSETS		<u>1,500,466</u>	<u>1,589,134</u>	<u>1,481,391</u>	<u>1,570,348</u>
FUNDS	23				
Unrestricted funds		502,308	546,904	502,308	546,904
Restricted funds		979,083	1,023,444	979,083	1,023,444
Non-charitable trading funds		19,075	18,786	-	-
TOTAL FUNDS		<u>1,500,466</u>	<u>1,589,134</u>	<u>1,481,391</u>	<u>1,570,348</u>

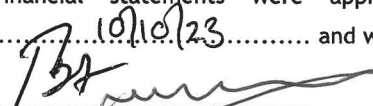
The group and charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023. The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company and group keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company and group 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 and group.

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 10/10/23 and were signed on its behalf by:



 Mr B Freeman - Trustee

The Courtyard Trust

Consolidated 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>63,180</u>	<u>272,947</u>
Net cash provided by operating activities		<u>63,180</u>	<u>272,947</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(153,763)	(150,686)
Sale of tangible fixed assets		-	42
Interest received		<u>3,236</u>	<u>86</u>
Net cash used in investing activities		<u>(150,527)</u>	<u>(150,558)</u>
Cash flows from financing activities			
Interest on Loan		24,627	23,707
Loan repayments		<u>-</u>	<u>(50,000)</u>
Net cash provided by financing activities		<u>24,627</u>	<u>(26,293)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		(62,720)	96,096
Cash and cash equivalents at the beginning of the reporting period		<u>1,059,482</u>	<u>963,386</u>
Cash and cash equivalents at the end of the reporting period		<u><u>996,762</u></u>	<u><u>1,059,482</u></u>

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

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.23 £	31.3.22 £
Net income for the reporting period (as per the Statement of Financial Activities)	(88,668)	(132,616)
Adjustments for:		
Depreciation charges	106,776	109,440
Loss on disposal of fixed assets	-	45
Interest received	(3,236)	(86)
Increase/(decrease) in deferred tax	(289)	(641)
Increase/(decrease) in corporation tax	-	640
(Increase)/decrease in stocks	(4,666)	(11,978)
(Increase)/decrease in debtors	26,957	66,586
Increase/(decrease) in creditors	<u>26,306</u>	<u>241,557</u>
Net cash provided by operations	<u>63,180</u>	<u>272,947</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>1,059,482</u>	<u>(62,720)</u>	<u>996,762</u>
	<u>1,059,482</u>	<u>(62,720)</u>	<u>996,762</u>
Debt			
Debts falling due after 1 year	<u>(634,707)</u>	<u>(24,627)</u>	<u>(659,334)</u>
	<u>(634,707)</u>	<u>(24,627)</u>	<u>(659,334)</u>
Total	<u>424,775</u>	<u>(87,347)</u>	<u>337,428</u>

The Courtyard Trust

Notes to the Consolidated 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 and group, 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.

Group Financial Statements

The results of The Courtyard Trust and its wholly owned subsidiary The Courtyard Trading Co. Ltd have been consolidated and group accounts have been presented. All transactions between the Charity and its subsidiary have been eliminated on consolidation. A separate statement of financial activities and income and expenditure account for the Charity itself are not presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

Going Concern

To the best of ability and knowledge, the Trustees can confirm with confidence that The Courtyard Trust and Trading Company will still be trading through to September 2024 and beyond. We are confident that, through effective and timely management and strong governance, the organisation will continue its path of resilience.

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.

Voluntary income comprises donations, gifts and grants that provide core funding or are of general nature, and are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Grants received for specific purposes are accounted for as restricted funds. Grants are recognised in the period to which they relate and when the conditions for receipt have been met.

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

Investment income is recognised on a receivable basis.

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

1. ACCOUNTING POLICIES - continued

Income

Incoming resources from charitable activities includes admission fees from theatrical shows and films, which are recognised in the period in which the relevant performance is held, and income received under contract or where entitlement to grant funding is subject to specific performance conditions and there is certainty of receipt.

Donated Goods

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102).

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.

Raising Funds

Raising funds includes all expenditure by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Charitable activities

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

Allocation and apportionment of costs

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

Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Tangible fixed assets

Individual fixed assets costing more than £1,000 are capitalised at cost. Tangible fixed assets are stated at cost less depreciation, which is charged at a rate so as to write off the cost of the asset, less its estimated residual value, over its expected useful economic life as follows:

Computers	33 1/3% reducing balance
Equipment and fixtures	25% reducing balance
Stage sets	33 1/3% straight line
Improvements to leasehold buildings	4% straight line
Motor vehicles	33 1/3% reducing balance

Stock

Stocks are valued at the lower of cost and net realisable value, after making due provision for obsolete and slow moving items.

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.

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

1. ACCOUNTING POLICIES - continued

Debtors

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

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.

Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Taxation

The charity is exempt from corporation tax on its charitable activities. In addition, there is a deed of covenant in place which enables the Courtyard Trading Co. Limited to covenant its taxable profits to the Charity.

Deferred tax

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance have not been discounted.

Hire purchase and leasing commitments

Rentals paid under operating leases are charges to the profit and loss account as incurred.

2. GRANTS, DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
Grants and donations	<u>344,967</u>	<u>102,700</u>	<u>447,667</u>	<u>708,776</u>
	<u><u>344,967</u></u>	<u><u>102,700</u></u>	<u><u>447,667</u></u>	<u><u>708,776</u></u>

£151,594 of donations and legacies in 2022 related to restricted funds and the remaining balance of £557,182 was unrestricted.

Included in the unrestricted funds is £Nil (2022: £15,661) of Covid Job Retention Scheme funding.

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

3. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
Hire of facilities	151,605	-	151,605	80,108
Sundry income	160,087	-	160,087	268,878
Income via The Courtyard Trading Co. Ltd	<u>626,746</u>	<u>-</u>	<u>626,746</u>	<u>487,363</u>
	<u>938,438</u>	<u>-</u>	<u>938,438</u>	<u>836,349</u>

All of the income received in the prior year was unrestricted.

Included in the income from The Courtyard Trading Co. Ltd is £Nil (2022: £13,194) of Covid Job Retention Scheme.

Included within sundry income for the year ending 31st March 2022 is non-recurring income of £172,500 received due to an insurance claim.

4. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
Deposit account interest	<u>3,236</u>	<u>-</u>	<u>3,236</u>	<u>86</u>

All of the investment income arises from an interest-bearing deposit account.
The income received in the prior year was unrestricted.

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.23 £	31.3.22 £
Admission charges & programmes	Concerts, performances and films	1,567,126	929,362
Performance grants & sponsorship	Concerts, performances and films	35,106	49,534
Education & outreach	Education and outreach	<u>29,637</u>	<u>13,076</u>
		<u>1,631,869</u>	<u>991,972</u>

The income received from charitable activities in 2023 relates to unrestricted funds. In the prior year all income received from charitable activities relates to unrestricted funds.

6. RAISING FUNDS

	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
The Courtyard Trading Co. Limited	599,478	-	599,478	475,919
Support costs	<u>38,101</u>	<u>-</u>	<u>38,101</u>	<u>65,119</u>
	<u>637,579</u>	<u>-</u>	<u>637,579</u>	<u>541,038</u>

The Courtyard Trust

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

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Concerts, performances and films	1,902,044	232,094	2,134,138
Art exhibitions	21,707	6,073	27,780
Education and outreach	<u>205,338</u>	<u>7,592</u>	<u>212,930</u>
	<u>2,129,089</u>	<u>245,759</u>	<u>2,374,848</u>

8. SUPPORT COSTS

	Finance £	Information technology £	Other £	Governance costs £	Totals £
Raising donations and legacies	3,224	-	34,877	-	38,101
Other resources expended	4,836	-	6,391	8,596	19,823
Concerts, performances and films	111,548	25,014	95,532	-	232,094
Art exhibitions	-	-	6,073	-	6,073
Education and outreach	-	-	<u>7,592</u>	-	<u>7,592</u>
	<u>119,608</u>	<u>25,014</u>	<u>150,465</u>	<u>8,596</u>	<u>303,683</u>

Included within general costs is irrecoverable VAT of £99,936 (2022: £69,245)

Support costs are allocated to activity cost categories on a basis consistent with the resource used.

9. NET INCOME/(EXPENDITURE)

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

	31.3.23 £	31.3.22 £
Auditors' Remuneration	8,053	7,053
Depreciation - owned assets	106,776	109,440
Other operating leases	1,017	1,155
Deficit on disposal of fixed assets	-	45
Staff pension contributions	<u>28,263</u>	<u>23,603</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

Expenses of £Nil (2022: £Nil) were reimbursed to 0 (2022: 0) trustee(s) during the year in line with the Trust's expenditure policy.

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

11. STAFF COSTS

GROUP

	31.3.23	31.3.22
	£	£
Wages and salaries	1,164,144	1,051,698
Social security costs	88,184	74,128
Pension costs	28,263	23,603
Life assurance	1,272	2,160
	<u>1,281,863</u>	<u>1,151,589</u>

CHARITY

	31.3.23	31.3.22
	£	£
Wages and salaries	856,191	788,150
Social security costs	72,807	61,704
Pension costs	22,509	19,177
Life assurance	1,272	2,160
	<u>952,779</u>	<u>871,191</u>

The charity and group operates a defined contribution pension scheme for employees, the assets for which are held separately from those of the company. There were no unfunded pension costs at the balance sheet date.

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

	31.3.23	31.3.22
Administration	6	10
Education and outreach	5	4
Sales and marketing	14	16
Productions and shows	20	10
Trading subsidiary	26	25
	<u>71</u>	<u>65</u>

The number of employees whose employee benefits exceeded £60,000 was nil for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Key management personnel

The key management personnel of the Trust comprise of the Chief Executive, Head of Finance, Commercial Manager, Associate Director, Head of Sales & Communications, Operations Manager and Head Chef. The total employee benefits of the key management personnel of the Trust were £257,305 (2022: £194,453).

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

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted fund £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Grants, donations and legacies	2	557,182	151,594	708,776	2,320,986
Charitable activities	5				
Concerts, performances and films		978,896	-	978,896	49,554
Education and outreach		13,076	-	13,076	80
The Courtyard Trading Co. Limited	3	487,363		487,363	211,665
Other trading activities		348,986	-	348,986	12,381
Investment income	4	<u>86</u>	<u>-</u>	<u>86</u>	<u>70</u>
Total		2,385,589	151,594	2,537,183	2,594,736
EXPENDITURE ON					
Raising funds	6	65,119	-	65,119	61,657
The Courtyard Trading Co. Limited		475,919	-	475,919	237,248
Charitable activities	7				
Concerts, performances and films		1,697,549	119,882	1,817,431	936,520
Art exhibitions		24,324	-	24,324	16,328
Education and outreach		118,808	66,949	185,757	130,283
Other		<u>30,872</u>	<u>70,442</u>	<u>101,314</u>	<u>23,173</u>
Total		2,412,591	257,273	2,669,864	1,405,209
NET INCOME(EXPENDITURE)		(27,002)	(105,679)	(132,681)	1,189,527
Transfers between funds	23	<u>98,554</u>	<u>(98,554)</u>	<u>-</u>	<u>-</u>
Net Movement in Fund		<u>71,552</u>	<u>(204,233)</u>	<u>(132,681)</u>	<u>1,189,527</u>
RECONCILIATION OF FUNDS					
RECONCILIATION OF FUNDS					
Total funds brought forward		494,138	1,227,677	1,721,815	532,288
TOTAL FUNDS CARRIED FORWARD		<u>565,690</u>	<u>1,023,444</u>	<u>1,589,134</u>	<u>1,721,815</u>

CONTINUING OPERATIONS

All income and expenditure have arisen from continuing activities.

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

13. ACTIVITIES OF THE TRADING SUBSIDIARY

The wholly owned trading subsidiary The Courtyard Trading Co. Limited (company number 03350147), which is incorporated in the United Kingdom, has transferred profits to The Courtyard Trust via gift aid. The Courtyard Trading Co. Limited operates the bar, cafe and restaurant at the premises of The Courtyard Trust. The Charity owns the entire share capital of 1 ordinary share of £1. A summary of the trading results is shown below:

	31.3.23	31.3.22
	£	£
Turnover	672,546	481,125
Other operating income	3,500	132,418
Cost of sales	(217,610)	(147,246)
Selling and distribution costs	(3,853)	(3,189)
Management charge	(46,800)	(16,000)
Administration costs	(377,304)	(325,419)
Deferred tax	289	587
Gift aid	(30,479)	(121,689)
Corporation tax	-	(652)
Net profit retained in / (loss absorbed by) subsidiary	<u>289</u>	<u>(65)</u>
The assets and liabilities of the subsidiary were:		
Fixed assets	31,313	24,754
Current assets	87,035	162,349
Current liabilities	(94,858)	(163,613)
Provision for liabilities and charges	<u>(4,414)</u>	<u>(4,703)</u>
	<u>19,076</u>	<u>18,787</u>

Gift aid of £30,479 (2022: £121,896) is payable from the trading company to the trust.

Included within the above turnover is sales to The Courtyard Trust for £39,618 (2022: £18,311) and Other income of £Nil (2022: £107,869).

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

14. TANGIBLE FIXED ASSETS

	Improves to leasehold building £	Assets under construction £	Fixtures and fittings £
CHARITY			
COST			
At 1 April 2022	1,574,969	-	534,625
Additions	-	119,921	23,163
Disposals	-	-	-
Reclassification	-	-	-
At 31 March 2023	<u>1,574,969</u>	<u>119,921</u>	<u>557,788</u>
DEPRECIATION			
At 1 April 2022	76,980	-	371,842
Charge for year	62,998	-	27,256
Eliminated on disposal	-	-	-
At 31 March 2023	<u>139,978</u>	<u>-</u>	<u>399,098</u>
NET BOOK VALUE			
At 31 March 2023	<u>1,434,991</u>	<u>119,921</u>	<u>158,690</u>
At 31 March 2022	<u>1,497,989</u>	<u>-</u>	<u>162,783</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 April 2022	-	91,322	2,200,916
Additions	-	-	143,084
Disposals	-	-	-
Reclassification	-	-	-
At 31 March 2023	<u>-</u>	<u>91,322</u>	<u>2,344,000</u>
DEPRECIATION			
At 1 April 2022	-	50,122	498,944
Charge for year	-	12,402	102,656
Eliminated on disposal	-	-	-
At 31 March 2023	<u>-</u>	<u>62,524</u>	<u>601,600</u>
NET BOOK VALUE			
At 31 March 2023	<u>-</u>	<u>28,798</u>	<u>1,742,400</u>
At 31 March 2022	<u>-</u>	<u>41,200</u>	<u>1,701,972</u>

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

14. TANGIBLE FIXED ASSETS - continued

GROUP	Improves to leasehold building £	Assets under construction £	Fixtures and fittings £
COST			
At 1 April 2022	1,592,251	-	593,870
Additions	-	119,921	33,842
Disposals	-	-	-
Reclassification	-	-	-
At 31 March 2023	<u>1,592,251</u>	<u>119,921</u>	<u>627,712</u>
DEPRECIATION			
At 1 April 2022	77,729	-	422,866
Charge for year	63,689	-	30,685
Eliminated on disposal	-	-	-
At 31 March 2023	<u>141,418</u>	<u>-</u>	<u>453,551</u>
NET BOOK VALUE			
At 31 March 2023	<u>1,450,833</u>	<u>119,921</u>	<u>174,161</u>
At 31 March 2022	<u>1,514,522</u>	<u>-</u>	<u>171,004</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 April 2022	-	91,322	2,277,443
Additions	-	-	153,763
Disposals	-	-	-
Reclassification	-	-	-
At 31 March 2023	<u>-</u>	<u>91,322</u>	<u>2,431,206</u>
DEPRECIATION			
At 1 April 2022	-	50,122	550,717
Charge for year	-	12,402	106,776
Eliminated on disposal	-	-	-
At 31 March 2023	<u>-</u>	<u>62,524</u>	<u>657,493</u>
NET BOOK VALUE			
At 31 March 2023	<u>-</u>	<u>28,798</u>	<u>1,773,713</u>
At 31 March 2022	<u>-</u>	<u>41,200</u>	<u>1,726,726</u>

15. FIXED ASSET INVESTMENTS

CHARITY	Shares in group undertakings £
MARKET VALUE	
At 1 April 2022 and 31 March 2023	<u>1</u>
NET BOOK VALUE	
At 31 March 2023	<u>1</u>
At 31 March 2022	<u>1</u>

The investment value in the charity's balance sheet £1 (2022: £1) relates to the nominal value of the share held in its wholly owned subsidiary the Courtyard Trading Co. Limited (Company number 03350147).

The charitable company's investments at the balance sheet date in the share capital of companies include the following:

The Courtyard Trading Co. Limited

Nature of business: Providing Bar and Restaurant facilities

Company number: 03350147

Class of share:	holding %	31.3.23	31.3.22
Ordinary	100	£	£
Aggregate capital and reserves		19,076	18,787
Profit/(Loss) for the year		<u>289</u>	<u>(65)</u>

16. STOCK

	31.3.23	31.3.22
	£	£
Stock	<u>19,884</u>	<u>15,218</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

CHARITY	31.3.23	31.3.22
	£	£
Trade debtors	27,306	9,616
Other debtors	11,493	11,719
Due from subsidiary company	37,908	121,689
VAT	-	-
Prepayments and accrued income	<u>29,120</u>	<u>28,323</u>
	<u>105,827</u>	<u>171,347</u>
GROUP	31.3.23	31.3.22
	£	£
Trade debtors	30,383	7,797
Other debtors	11,493	11,719
VAT	-	-
Prepayments and accrued income	<u>33,707</u>	<u>29,111</u>
	<u>75,583</u>	<u>48,627</u>

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

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

CHARITY	31.3.23	31.3.22
	£	£
Trade creditors	101,264	93,099
Social security and other taxes	18,755	14,115
Other creditors	96,800	68,107
VAT	16,301	8,012
Accruals and deferred income	<u>417,077</u>	<u>401,428</u>
	<u>650,197</u>	<u>584,761</u>
 GROUP	 31.3.23	 31.3.22
	£	£
Trade creditors	114,050	99,274
Social security and other taxes	26,309	17,767
VAT	42,280	24,553
Other creditors	86,290	73,671
Accruals and deferred income	432,800	405,591
Corporation tax	-	652
	<u>701,729</u>	<u>621,508</u>

Deferred income

Included in accruals and deferred income is deferred income of £335,143 (2022: £254,839) being monies received for performances to be held in the subsequent accounting period.

	CHARITY & GROUP
	31.3.23
	£
Deferred income at 1 April 2022	256,619
Resources deferred in the year	336,383
Amounts released from previous year	(256,619)
	<u>336,383</u>

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

CHARITY & GROUP	31.3.23	31.3.22
	£	£
Other loans (see note 20)	<u>659,334</u>	<u>634,707</u>
	<u>659,334</u>	<u>634,707</u>

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

20. LOANS

CHARITY & GROUP

An analysis of the maturity of loans is given below:

	31.3.23 £	31.3.22 £
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>19,735</u>	<u>14,516</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	639,599	620,191

No repayments are due until the year 2024/25, interest is not payable until this date.

21. OPERATING LEASE COMMITMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.23 £	31.3.22 £
Within one year	840	1,120
Between one and five years	<u>-</u>	<u>840</u>
	<u>840</u>	<u>1,960</u>

The above leases are in relation to the charitable company.

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP

	Unrestricted fund £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
Fixed assets	267,991	1,505,723	1,773,714	1,726,726
Current assets	1,007,869	84,360	1,092,229	1,123,326
Current liabilities	(701,729)	-	(701,729)	(621,508)
Long term liabilities	(48,334)	(611,000)	(659,334)	(634,707)
Provision of liabilities	<u>(4,414)</u>	<u>-</u>	<u>(4,414)</u>	<u>(4,703)</u>
	<u>521,383</u>	<u>979,083</u>	<u>1,500,466</u>	<u>1,589,134</u>

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

23. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
Unrestricted fund	546,904	(44,596)	-	502,308
Non-charitable trading subsidiary	18,786	289	-	19,075
	565,690	(44,307)	-	521,383
Restricted fixed asset funds				
Equipment	5,695	(1,424)	-	4,271
Kickstart	205,492	(11,244)	-	194,248
Development - funded by various sources	837,753	(35,023)	-	802,730
Development - funded by ACE	478,332	(19,997)	-	458,335
Garfield Weston - Culture Fund	43,953	(8,840)	-	35,113
Solar panels	-	11,026	-	11,026
	1,571,225	(65,502)	-	1,505,723
Other restricted asset funds				
Education & outreach	42,993	24,263	-	67,256
Sylvia Short	5,084	-	-	5,084
D M Thomas Foundation	590	-	-	590
Visual Arts - Hereford City Council	9,862	84	-	9,946
Development - loan	(611,000)	-	-	(611,000)
Committed restricted fixed asset funds	1,484	-	-	1,484
Donations <£5,000	3,206	(3,206)	-	-
	(547,781)	21,141	-	(526,640)
TOTAL RESTRICTED FUNDS	1,023,444	(44,361)	-	979,083
TOTAL FUNDS	1,589,134	(88,668)	-	1,500,466
Net movement in funds, included in the above are as follows:	Incoming resources £	Resources expended £	Movement in funds £	
Unrestricted funds				
Unrestricted fund	2,358,361	(2,402,957)	(44,596)	
Non-charitable trading subsidiary	677,046	(676,757)	289	
	3,035,407	(3,079,714)	(44,307)	
Restricted fixed asset funds				
Equipment	-	(1,424)	(1,424)	
Kickstart	-	(11,244)	(11,244)	
Development funded by various sources	-	(35,023)	(35,023)	
Development funded by ACE	-	(19,997)	(19,997)	
Garfield Weston - Culture Fund	-	(8,840)	(8,840)	
Solar Panels	12,126	(1,100)	11,026	
Other restricted asset funds				
Education & outreach	78,574	(54,311)	24,263	
Sylvia Short	-	-	-	
Visual Arts - Hereford City Council	12,000	(11,916)	84	
Donations <£5,000	-	(3,206)	(3,206)	
	102,700	(147,061)	(44,361)	
TOTAL FUNDS	3,138,107	(3,226,775)	(88,668)	

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 202323. MOVEMENT IN FUNDS
Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
Unrestricted fund	475,287	(26,937)	98,554	546,904
Non-charitable trading subsidiary	18,851	(65)	-	18,786
	494,138	(27,002)	98,554	565,690
Restricted fixed asset funds				
Equipment	7,689	(1,953)	(41)	5,695
Kickstart	186,533	(11,798)	30,757	205,492
Development - funded by various sources	811,214	(32,735)	59,274	837,753
Development - funded by ACE	498,332	(20,000)	-	478,332
Garfield Weston - Culture Fund	36,831	(11,328)	18,450	43,953
	1,540,599	(77,814)	108,440	1,571,225
Other restricted asset funds				
Education & outreach	35,157	7,836	-	42,993
Sylvia Short	1,066	4,018	-	5,084
D M Thomas Foundation	590	-	-	590
Visual Arts - Hereford City Council	10,374	(512)	-	9,862
Development - loan	(611,000)	-	-	(611,000)
Garfield Weston - Culture Fund non-FA	101,967	(83,517)	(18,450)	-
Committed restricted fixed asset funds	148,924	41,104	(188,544)	1,484
Donations <£5,000	-	3,206	-	3,206
	(312,922)	(27,865)	(206,994)	(547,781)
TOTAL RESTRICTED FUNDS	1,227,677	(105,679)	(98,554)	1,023,444
TOTAL FUNDS	1,721,815	(132,681)	-	1,589,134

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted fund	1,772,046	(1,798,983)	(26,937)
Non-charitable trading subsidiary	613,543	(613,608)	(65)
	2,385,589	(2,412,591)	(27,002)
Restricted fixed asset funds			
Equipment	-	(1,953)	(1,953)
Kickstart	-	(11,798)	(11,798)
Development funded by various sources	-	(32,735)	(32,735)
Development funded by ACE	-	(20,000)	(20,000)
Garfield Weston - Culture Fund	-	(11,328)	(11,328)
Other restricted asset funds			
Education & outreach	62,656	(54,820)	7,836
Sylvia Short	5,435	(1,417)	4,018
Visual Arts - Hereford City Council	9,000	(9,512)	(512)
Garfield Weston - Culture Fund non-FA	-	(83,517)	(83,517)
Committed restricted fixed asset funds	65,304	(24,200)	41,104
Donations <£5,000	9,199	(5,993)	3,206
	151,594	(257,273)	(105,679)
TOTAL FUNDS	2,537,183	(2,669,864)	(132,681)

23. MOVEMENT IN FUNDS - continued

The equipment fund is made up of capital grants received, to be spent on fixed assets. All other funds relate to grants for specific projects, expenditure incurred during the year is shown above.

Education and Outreach - funding towards this enables us to work with all age groups of children both able and disabled helping to improve life and essential skills. Workshops in schools help to empower pupils to deal with mental health issues and we run courses for Arts Awards activities. We are also able to provide tea dances for people living with Dementia, we provide practitioners to go into care homes and run activities for the residents.

Family Festival - each year we run a Family Festival where we run a full range of all types of activities for all ages. Activities include drama, puppetry, dance, creative workshops and many more.

Sylvia Short - we receive funding towards transport costs for pupils from schools to enable them to attend The Courtyard and participate in drama workshops and performances and to attend live shows as well.

Church Street - provide us with support funding for our Youth Theatre productions, enabling them to experience appearing on the Main House stage in an In House production

Visual Arts - provide us with funding to support and mentor up and coming artists, who are selected via a competition to produce work over a 12-month period which culminates in an Exhibition of their work at the Courtyard.

D M Thomas - provided us with funding to source and fit a hoist and changing bed, this will enable more children with disabilities to attend The Courtyard and participate in some of Education and Outreach projects.

Development - We have received funding to expand The Courtyard to enable us to provide additional space for courses and classes and performance space for our Youth Theatre and other local groups. We will also be extending our Café Bar, the additional room that this will give us will help to keep our sustainability for the future, along with an improved retail area where we will be able to offer goods from local artists.

Kickstart - funding was awarded by ACE to those organisations that had already received Capital Funding, in our case for the Development. The funding was to be used to help Covid proof the building as well as fitting out the areas altered by the Development.

Garfield Weston Culture Fund - funding was granted to allow us to restart our work both in the building and digitally and to make critical adaptations and improvements to our digital infrastructure. It also provided funding for 2 In house productions to be delivered in the summer of 2021 where we engaged with newly qualified actors and creatives just coming into the profession.

24. RELATED PARTY DISCLOSURES

During the year, the Trust made purchases totalling £23,492 (2022: £28,683) and sales of £4,455 (2022: £1,811) to the X-Entricity Theatre Company. Trustee S Liddle is a member of the X-Entricity Theatre Company. There were no amounts outstanding at the balance sheet date £Nil (2022: £Nil).

During the year the Trust made purchases totalling £2,753 (2022: £3,917) and sales of £1,123 (2022: £477) to The Hey Yabs. Trustee Steve Liddle is a member of the band. There were no amounts outstanding at the balance sheet date £Nil (2022: £Nil).

During the year the Trust made sales totalling £1,860 (2022: £1,694) to The Hereford Academy in relation to drama classes Trustee Bruce Freeman is Chair of Governors at The Hereford Academy. There were no amounts outstanding at the balance sheet date £Nil (2022: £Nil).

During the year, the Group made sales totalling £1,440 (2022: £6,425) to Cotswold Mini in relation to advertising. Trustee S Liddle is Head of Sales at Cotswold Hereford. There were no amounts outstanding at the balance sheet date £Nil (2022: £Nil).

25. PROVISION FOR LIABILITIES AND CHARGES

	Group 31.3.23 £	Charity 31.3.23 £	Group 31.3.22 £	Charity 31.3.22 £
Deferred tax	4,414	-	4,703	-
	<u>4,414</u>	<u>-</u>	<u>4,703</u>	<u>-</u>

In connection with accelerated capital allowances, movement in the year £289 (2022: £587).

26. LIABILITY OF THE MEMBERS

Every member of the company undertakes to contribute an amount not exceeding £1 to the assets of the company in the event of the company being wound up while he/she is a member, or within one year after he/she ceases to be a member. This contribution is for the payment of the debts and liabilities of the company contracted before he/she ceases to be a member and of winding up the company.

27. POST BALANCE SHEET EVENTS

At the year end, a claim was in the process of being made to HMRC in relation to theatre tax relief for prior periods, however as the amount was unknown at the year end, it was not considered appropriate for a provision to be made.

Since the year end, an amount has been received from HMRC in relation to the period 1st April 2021 to 31st March 2022, therefore this income will be recognised in the 2023/24 accounting year.