

Charity Registration Number: 1118364
Company Registration Number: 06002090

SHERMAN CYMRU

CONSOLIDATED TRUSTEES' REPORT AND GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2024

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CONTENTS:

OBJECTIVES AND ACTIVITIES	2
ACHIEVEMENTS AND PERFORMANCE.....	3
FINANCIAL REVIEW.....	14
INVESTMENT POWERS AND POLICY	15
KEY MANAGEMENT PERSONNEL	16
FUTURE PLANS	16
PRINCIPAL RISKS AND UNCERTAINTIES.....	17
STRUCTURE, GOVERNANCE AND MANAGEMENT.....	18
REFERENCE AND ADMINISTRATIVE DETAILS	20
OFFICERS AND PROFESSIONAL ADVISERS	20
RESPONSIBILITIES OF THE BOARD OF TRUSTEES'	21
REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SHERMAN CYMRU	22
STATEMENT OF FINANCIAL ACTIVITIES - CONSOLIDATED	26
SUMMARY INCOME AND EXPENDITURE ACCOUNT.....	27
BALANCE SHEET - CONSOLIDATED.....	28
BALANCE SHEET - CHARITY ONLY	29
STATEMENT OF CASH FLOWS - CONSOLIDATED	30
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS.....	31

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

OBJECTIVES

The objects of Sherman Cymru are to promote and encourage art and in particular performing art for the benefit of the public by the development, production and presentation of new writing or works of any form, the provision of theatre facilities and the advancement of education of children, young persons and adults by participation in the experience of theatre, drama and the performing arts.

Our Mission:

We make and curate exciting theatre for Cardiff audiences. We develop and nurture the work of Welsh and Wales based artists. We generate opportunities for the citizens of Cardiff to connect with theatre through relevant, inspiring and visionary engagement.

Our Artistic Vision:

Imagine a world made more equitable, more compassionate, more unified by the power of theatre. We are driven to achieve this vision every day. We do this by creating and curating shared live theatre experiences that inspire people from all backgrounds across South Wales to make a better world, in their own way. We believe that access to creativity and self-expression is a right and we constantly strive to ensure everyone has the opportunity to be enriched by the art of theatre.

Our focus on the development and production of new writing, and on nurturing Welsh and Wales-based artists makes us the engine room of Welsh theatre. We tell Welsh stories with global resonance through our Made at Sherman productions, created under our roof in the heart of Cardiff. We're a place for everyone, generating opportunities for the citizens of South Wales to connect with theatre through inspiring and visionary engagement.

PUBLIC BENEFIT

We have referred to the guidance contained in the Charity Commissioners' general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The company's strategic aims are:

- a. To create and curate exceptional, exciting, high quality theatre experiences in Welsh and English for the enjoyment and stimulation of all ages and backgrounds
- b. As a truly bilingual organisation, to make a meaningful and impactful contribution to the Welsh Government's aim of reaching 1 million Welsh speakers by 2050
- c. To grow and diversify our audience, increasing our annual average capacity by 8% from the pre-pandemic average of 67% to an average of 72% by the end of 2026/27
- d. To strengthen the Sherman's reputation as an iconic, welcoming public building and creative hub in the centre of Cardiff for the local and Wales-wide community
- e. To cultivate and nurture a new, diverse generation of theatre makers and arts leaders
- f. To work in partnership to engage young people, including those from socially excluded and disadvantaged backgrounds, in high quality, affordable activities in a wide range of theatre making disciplines to help develop their creative, social, personal and economic potential
- g. To ensure we have a fully supported workforce and leadership team which is as diverse as the city we represent
- h. To grow our digital understanding and capacity and develop new ways of working that exploit modern technologies for artistic, strategic, commercial, communication, and operational purposes
- i. To exploit the Sherman's work nationally and internationally for the purpose of building audiences, reputation, and where appropriate, commercial gain
- j. To reduce Sherman Theatre's long-term impact on the environment and to aspire to become a model of practice for other arts organisations
- k. To maintain a financially stable company and develop a commercially viable and sustainable income generation model which will grow year-on-year across the period of this plan

Each aim has two or three key objectives and three to five year outcomes all contained within the Company Business Plan.

ACHIEVEMENTS AND PERFORMANCE

2023-24 saw Sherman Theatre celebrate its 50th Birthday, marked by some significant co-productions, a large-scale community production and a number of celebratory events. Through these events and productions we re-engaged with lapsed audiences and engaged with new audiences which saw overall capacity increase from a pre-pandemic (2019-20) level of 65% to 67% in 2023-24, and for Made at Sherman productions, capacity increased from 67% in 2019-20 to 75% in 2023-24.

In September 2023, we received the outcome of the ACW Investment Review and were awarded Multi-Year Funding status continuing with the same level of annual investment each year.

The theatre was nominated for Theatre of the Year at The Stage Awards 2023:

*"... a theatre making work that is both firmly rooted in its local community
but of a genuinely world-class standard."*

The Stage, December 2023

SHERMAN THEATRE PRODUCTIONS AND CO-PRODUCTIONS

2023 saw Sherman Theatre celebrate 50 years since it first opened. Our programme for the year saw a number of exciting co-productions, new writing, stories rooted within our city and a large scale community production.

Romeo & Julie by Gary Owen

Our co-production with the National Theatre of Gary Owen's reimagining of Romeo and Juliet was initially meant to open in 2020 but had been postponed due to the pandemic. It finally opened at the National Theatre in February 2023 and ran until 1 April 2023, subsequently transferring to Sherman Theatre where it ran from 13 – 29 April 2023. The run played to a capacity of 88% over 19 performances and reached 162% of the financial target.

The production was written by Gary Owen and directed by Rachel O'Riordan and featured Rosie Sheehy, Callum Scott Howells, Catrin Aron, Anita Reynolds and Paul Brennan in the cast.

"It's packed with its own poetry, gorgeous as a shimmer of iridescent oil in dirty gutter water. And O'Riordan's production – lean, unsparing, fizzing with feeling – hits us dead-on in the heart."

***** The Stage

RWCMD NEW: Mad Margot by Rebecca Hammond

Our collaboration with Royal Welsh College of Music and Drama's NEW Festival was **Mad Margot** by Rebecca Hammond, directed by Jac Ifan Moore. The production played at RWCMD as well as at The Yard in London.

IMRIE by Nia Morais, a co-production with Fran Wen

Our co-production with Frân Wen of Nia Morais's Welsh Language play **Imrie** played at Sherman Theatre in the Studio from 11 – 20 May 2023 prior to a three week tour across Wales to: Pontardawe Arts Centre; Aberystwyth Arts Centre; Galeri, Caernarfon; Theatr Clwyd, Mold; Pontio, Bangor; Torch, Milford Haven; The Riverfront, Newport; Ye Egin, Carmarthen; and Garth Olwg, Pontypridd.

Elan Davies became the first Welsh language winner of The Stage Debut Award for her performance in **Imrie**.

"A refreshing and stirring piece of theatre."

**** The Stage

"Mae Imrie yn stori am hud a rhyfeddod i unrhyw un."

Entertainment South Wales

Housemates by Tim Green, a co-production with Hijinx In October 2023, *Housemates*, by Tim Green in a co-production between Sherman Theatre and Hijinx, captivated audiences and played to nightly standing ovations.

In the 1970s, just a few metres from the Sherman Theatre's doors, a revolution started. It was a revolution that rocked the world. It began when Alan, a young man born with Down's syndrome, crashed into the life of Cardiff University student Jim. Alan had lived as a resident in Ely Hospital since childhood; all he wanted was to live in a house and be in a band. Jim wanted to make a difference in the world but didn't know how. Together with their friends, they embarked on an experiment that transformed how things were done, how people were treated and who got to tell you how to live. This was the beginning of the end of institutionalised care and the birth of Supported Living.

Throughout the creation of this show, the brilliant minds of Hijinx's neurodivergent artists were not just consulted but deeply involved in shaping the story and taking charge in key production roles.

"A gloriously uplifting play... A production that radiates warmth, wit and humanity."
***** *The Stage*

"... and astounding story, entertainingly and movingly realised."
**** *The Guardian*

Hansel and / a Gretel by Katie Elin-Salt, with translation by Branwen Davies

This is our regular Christmas production for younger audiences (3-6 years) and their families, performed in Welsh and English with specific provision for Relaxed Performances as well as a BSL interpreted performance. *Hansel and / a Gretel* was directed by Joe Murphy, with design by Hayley Grindle, lighting design by Ceri James, and composition by Lynwen Haf Roberts and cast members, Elin Phillips, James Ifan and Mari Fflur. This production also toured to venues throughout SE Wales for three weeks in November 2023 prior to the full run in the Sherman Studio over the Christmas period. At the Sherman the production played to an overall audience of 7,496 (compared to 7,584 in 2022) reaching 82% of its financial target. The tour did very well, playing to over 1,500 people across South East Wales.

Peter Pan by Catherine Dyson, a co-production with Theatr Iolo

This was a co-production with Theatr Iolo, with specialist support from NoFitState. Written by Catherine Dyson with a new score by Gwyneth Herbert, and directed by Lee Lyford. This production continued the popular Actor/Musician format and included spectacular flying sequences supported by the team from NoFitState. The run included a Relaxed Performance, two Captioned Performances, and a BSL interpreted performance. The cast featured Emily Burnett, Rebecca Hayes, Peter Mooney, Kevin McIntosh, Kieron Self, Rebecca Killick, Owen Alun, Alex Murdoch, and Lynwen Haf Roberts, with Edward Lee and Elinor O'Leary as apprentice actors. The production played to 15,677 people (compared to 11,662 people in 2022), and was hugely well received by audiences and critics alike.

"Magical."
**** *The Guardian*

"... a moving, thought-provoking show which will have you laughing out loud one minute and wiping a tear from your eye the next."
Cardiff Mummy Says

The Wife of Cyncoed by Matt Hartley

Originally commissioned in 2018, we staged *The Wife of Cyncoed* in the Studio in Spring 2024, directed by Hannah Noone and starring Vivien Parry. The production played to 100% of capacity, with both audience and critical acclaim.

"The Sherman Theatre has a proud legacy of telling stories for the people of Cardiff, and this is a grippingly good piece of theatre.

Parry's performance alone is worth seeing, but coupled with Hartley's superbly sharp dialogue this a must-see production..."

****** The Morning Star*

PRODUCTIONS SUPPORTED BY SHERMAN THEATRE

CHOO CHOO! (Or ... Have You Ever Thought About ***? (Cos I Have)) –
Stammermouth Theatre**

2023 saw the second year of the Sherman Theatre's involvement with the Pleasance Edinburgh National Partnership scheme. Created to support individuals and companies from across the UK to take their work to the Edinburgh Festival Fringe, Sherman Theatre is now the Welsh partner for the Pleasance. We supported Stammermouth Theatre to take *Choo Choo!* to the Fringe through offering rehearsal space, marketing, technical, producing, and fundraising support and preview performances at the Sherman in advance of the show heading to Edinburgh. The show was hugely successful and was awarded The Scotman's Fringe First Award and The Mental Health Foundation Award.

Sprinkles by Katie Elin-Salt

In December 2023, we supported a production of *Sprinkles* through a variety of in-kind support including rehearsal space, marketing and technical support. The show played on top of our set for *Hansel and/a Gretel* and ticket income was donated to a number of charitable organisations.

CURATED PROGRAMME

FAMILY WORK:

In June, we presented *Pinocchio* by Little Angel Theatre in the Studio for two performances.

We were pleased to present Remarkable Rhythm, a dance theatre show for young people 7+ and their families by Krystal Lowe for 2 performances in the Studio over June half-term.

We presented Birmingham Stage Company's *Horrible Histories: Barmy Britain* in the Main House in September 2023 for five performances.

During the Easter Holidays, we presented *Charlie Cook's Favourite Book* in the Main House for five performances.

DANCE/PHYSICAL THEATRE:

National Dance Company Wales returned in May 2023 with one performance of *Pulse*, as well as an evening to celebrate its 40th anniversary, *Gathering*. They also presented a Discover Dance matinee for children and young people and their families.

WELSH LANGUAGE WORK:

In July, we presented Cwmni Theatr Arad Goch's production of *Jemima, made for schools and families* on our Main Stage for two performances.

In September 2023 Theatr Clwyd's new Welsh language adaptation of the hit show *Fleabag* played the Main House for four performances.

We presented *Rhinoseeros* by Theatr Genedlaethol Cymru in the Main House for four performances in October 2023. Theatr Genedlaethol Cymru then returned to the Sherman in the spring with four performances of *Ie, Ie, Ie* in the Studio in February 2024 and one scratch performance of *Kiki Cymraeg* in March 2024.

NEW WRITING:

Made in (India) Britain by Rinkoo Barpaga – an award-winning, coming-of-age story performed in BSL played for two performances in the Studio in April 2023.

We were delighted to present *The Mistake*, an urgent new play by Michael Mears, following its hugely successful Edinburgh run, in September 2023. This played for one performance in our Studio.

In October 2023, we presented a new play by Owen Thomas, Carwyn, in the Studio for three performances.

National Theatre Wales presented *Feral Monster* by Bethan Marlow in the Main House in February 2024.

MUSIC / COMEDY / CABARET:

A programme of one-night comedy, music and cabaret events often bring in new audiences and also can drive ancillary sales across the café bar.

The comedy programme featured a variety of well-known names:

- Tom Davis: *Work in Progress* – Studio (April 2023)
- Tim Key: *Mulberry* – Main House (May 2023)
- Nick Mohammed: *Mr Swallow* – Main House (May 2023)
- Mark Steel: *An Evening and a Little Bit of Morning with Mark Steel* – Main House (May 2023)
- Suzi Ruffell: *Snappy* – Main House (June 2023)
- Daniel Kitson – Studio (June 2023)
- Josie Long: *Re-Enchantment* – Main House (September 2023)
- Jordan Gray: *Is It A Bird?* – Studio (September 2023)
- Bridget Christie: *Who Am I?* – Main House (September 2023)
- Steve Hall and Steve Williams – Studio (November 2023)
- John Kearns: *The Varnishing Days* – Main House (February 2024)
- Miles Jupp: *On I Bang* – Main House (February 2024)
- Count Arthur Strong... *And It's Goodnight From Him* – Main House (February 2024)

We also presented the following one-night events, which were a combination of cabaret, talks and an evening with style events:

- *Danny Beard: Live* – Main House (June 2023)
- Caitlin Moran: *What About Men?* – Main House (July 2023)

SHERMAN CYMRU

Consolidated Trustees' Report and Group Financial Statements

Year ended 31 March 2024

- Richard Coles: *Borderline National Trinket* – Main House (September 2023)
- Richard Herring: RHLSTP – Main House (March 2024)

COMMUNITY AND AMATEUR:

As part of the 50th Anniversary celebrations, Sherman Theatre welcomed a vibrant network of Youth Theatre companies from across Cardiff and South Wales to take part in our Youth Theatre Festival in April 2023. Over three days young people from eight different youth theatre groups from across Wales and the South West participated in workshops, performances and social activities with Sherman Youth Theatre presenting *Ghost Cities* by Gary Owen.

Throughout July we also had a number of events from the Creative Engagement team at the Sherman. Our Sherman Players (our amateur group for ages 18+) performed *The London Merchant*, directed by Gareth Warren. Our final performances in July were by our integrated Youth Theatre group – 60 young people between the ages of 8 and 17 performed *Stolen Stories* on the stage of the Studio.

In February 2024, Sherman Youth Theatre presented *The Periodicals*, written by Sian Owen and directed by Alice Eklund. They performed in the Studio across three evenings in February 2024 and then again at the Sherman NT Connections Festival in April 2024.

Love Cardiff; 50 Years of Your Stories

The production of ***Love Cardiff; 50 Years of Your Stories*** was a unique collaboration that not only shared the stories of five different Cardiff communities but also the, largely unknown, background of the Sherman Brothers, Harry and Abe. They were the children of Russian/Jewish immigrants, who rose from humble beginnings to become influential community figures. Their profitable businesses made them very wealthy, but they were determined to share that good fortune with the city they called home and their philanthropy led to the building of the theatre that bears their name.

We worked closely with the ***Jewish History Association of South Wales*** to construct an accurate and detailed timeline of the brothers' lives, which also acted as a plotted history of the city itself. The narrative of the Sherman brothers was rehearsed over the final three weeks of the project with two professional actors, one of whom authentically represented the Jewish community. It provided a holding structure through which the stories of the other communities could be explored in a fluid and reflective way. The result was a show that told the story of Cardiff and its communities, past and present, celebrating the richness of cultural diversity and the contribution of immigrants, which has long been essential to the development and fabric of the city.

Love Cardiff; 50 Years of Your Stories played for three performances in August 2023 to extremely enthusiastic and supportive audiences. There was a further performance as part of our Community Celebration Day activities, featuring younger performers from within *Waulah Cymru*.

In September, National Youth Arts Wales brought us a new version of *Under Milk Wood / Dan Y Wenallt* developed for the National Youth Theatre Wales Ensemble 2023, showcasing the best emerging talent in Wales.

The relationship between Sherman Theatre and Royal Welsh College of Music and Drama continued to grow and develop and throughout the year, as well as the Sherman involvement in NEW, the theatre also hosted two of the College productions. Our co-production of *Mad Margot* by Rebecca Hammond and directed by Jac Ifan Moore was performed at RWCMD and at The Yard, London. In June, their Musical Theatre students presented *Women on the Verge of a Nervous Breakdown* in the Main House. In March 2024, RWCMD Opera students occupied the Main House for a number of weeks leading up to their performances of an opera double bill: *Gianni Schicchi* by Puccini and *La bella dormiente nel bosco (The Sleeping Beauty)* by Respighi, conducted by Carlo Rizzi and directed by Caroline Clegg.

ARTIST DEVELOPMENT

Building on the impact achieved during its pilot year a new programme of activity was introduced during this second year of Literary department activity. The programme, which will now form the core of all upcoming Literary activity year on year, was developed in consultation with our writing community and focused on supporting writers from entry level through to R&D.

- Running over nine months the EXPLORE programme is an open access opportunity that comprises of monthly introductory workshops on writing for theatre. Three of the EXPLORE participants have gone on to be commissioned for Sherman SHOUT/BLOEDD scratch nights and a number of them have sent in full scripts to our Unsolicited Programme.
- The EXPAND programme is skills-based training strand to elevate the skills and craft of emerging artists. EXPAND is aimed towards creatives who already have a good grasp of what it takes to write a play. The application process required the participant to confirm they had already written one full play but it did not have to be produced. Workshops are taught by creatives from the industry (employing 10 freelance creatives) who have specific experience in that field as well as some sessions being taught by the Literary Manager and Artistic Director.
- Supporting three writers each year, EXPLODE is an R&D outcome-based development strand focused on elevating the capability of mid-career artists. During year two Mari Izzard, Connor Allen and Ciaran Fitzgerald were supported through placement on EXPLODE. Both Mari and Connor finished the year with a sharing of their work (employing five freelance creatives). Due to ill health Ciaran was unable to complete the programme and will instead have the opportunity to join the cohort for 2024.

Ongoing support for writers was provided via weekly PIT STOP sessions and through opportunities to submit scripts through our Unsolicited Scripts programme.

Across the year the Literary department provided dramaturgical support for eight Made at Sherman productions that will be seen onstage during the 2023/2024 artistic programme. Amongst these is Serman's critically acclaimed co-production of *Housemates* with Hijinx and Tim Green, and *IMRIE* the debut Welsh language play of our writer in residence Nia Morais (co-production with Fran Wen). The department also continued to support Creative Engagement through the delivery of the Introduction to Playwriting programme, Youth Theatre festival workshops and Tales & Tea sessions.

A project highlight was the introduction of SHOUT! a series of events showcasing new writing and amplifying the work of under-represented communities. Five SHOUT/BLOEDD scratch nights were held over the course of the year, each one platforming a different community such as: LGBTQIA+, deaf, disabled and neurodivergent communities, refugee and asylum seekers and global majority artists. When working with these communities the Literary Team offered one writer of each group the role of guest curator to support and aid the team in locating other creatives to take part. The

SHOUT model was also adapted for the National Eisteddfod in the summer of 2023 where the entire event was delivered in Welsh.

Project activity:

- 23 writers submitted unsolicited scripts and received feedback from the team.
- 42 writers met with the team through the weekly Pit Stops sessions.
- The team delivered one Sherman Scribblers session. In consultation with the group, the decision was taken to incorporate this activity into the wider Literary programme moving forwards, with writers having the opportunity to take part in future EXPLORE or EXPAND workshops to develop their writing.
- Delivery of two Tales and Tea performances for older audience members.
- The Literary Team increased their support for the Introduction to Playwriting (ITP) programme, attending weekly workshop session with the young writers and leading on the dramaturgy for the Writers Room Commission.
- The Literary Team supported creative engagement around the upcoming autumn Made at Sherman production, *Odyssey '84*, meeting with colleagues at Big Pit to plan a future Tales and Tea session with older members of the local community.
- Providing dramaturgical support for five Sherman commissioned writers, alongside early stage dramaturgical conversations with a further three writers.
- Supporting Sherman R&Ds for EXPLODE writers, Connor Allen, Mari Izzard, Ciaran Fitzgerald.
- Providing dramaturgical support to R&Ds of six pieces of new writing.
- Continued development of partnership with Bad Wolf, facilitating introductions with writers associated with the Sherman.
- Working with Eisteddfod Genedlaethol Cymru to get our Welsh language *Iphigenia yn Sblot* ready for this year's Eisteddfod (Pontypridd 2024).

CREATIVE ENGAGEMENT

Introduction to Playwriting

A core part of our Creative Engagement work is our Introduction to Playwriting programme supported by Moondance,

Weekly sessions during the spring term of 2023 focused on the development of a new piece of writing for Sherman Theatre's 50th anniversary Youth Festival in April. Performed by Sherman's Youth Theatre group 4 (ages 11-15), *Ghost Stories* was a new take on Gary Owen's *Ghost Story* (which premiered in Cardiff in 2004), incorporating brand new material written by our Introduction to Playwriting participants. Gary also joined the group for a guest writer session.

During the summer term the group explored writing audio dramas, receiving a brief to create their own plays based on real-life observation and lived experience. The audio dramas were performed by professional actors, directed by professional directors, and recorded and professionally produced by Music Composer and Producer Branwen Munn and Sound Designer Christopher Young. They were launched in November 2023 as the *Listen Up! Act II* collection.

During the autumn term the weekly sessions focused on autobiographical writing, with guest tutor Tori Lyons working with the group to write their own monologues. At the end of the term the Sherman Players (our non-professional acting group for ages 18+) performed the group's work, alongside monologues from the Sherman back catalogue, to a public and invited audience.

The Writers Room commission launched in November 2023, seeking to pair a professional writer with the group to collaborate on the creation of a new play. Writers were invited to apply for the commission via open call out and a total of four writers pitched their ideas to the group. The group

selected to work with playwright Jennifer Lunn who began working with the group in January 2024 on the development of a new play to be performed by Sherman's Youth Theatre as their annual production in spring 2025.

For group member Corb Davies it was an award-winning autumn term as he became the recipient of the Shakespeare Schools Foundation *What you Will* award, a new creative competition for children and young people to celebrate 400th anniversary of Shakespeare's First Folio. Writers were tasked with creating a new speech for either a major or minor character in a Shakespeare play. Corb's work created a new speech for *Innogen* from *Much Ado About Nothing* and won the 17-21 age group category. Sherman Theatre's Literary Manager, Davina Moss accompanied Corb to collect his award at a Celebration Gala at the Criterion Theatre in London on the 27th of November.

Across the term the group benefitted from attending performances of new writing at every stage of its development. This included *Housemates*, *SHOUT*, *Sprinkles*, *Peter Pan*, and *Scene/Change*. October 2023- *Housemates*, Sherman Theatre's autumn main house show/ co-production with Hijinx

It was important that group had the collective experience of seeing such a diverse range of shows which they could then discuss during their weekly sessions, alongside seeing their own work being performed. They were also able to attend post-show discussions and Q&As with panels including writers, performers and directors.

Community Production

Following initial conversations with communities over the preceding months, brokered by writer and Associate Artist Paul Jenkins, *Love Cardiff; 50 Years of Your Stories* officially launched with a *Community Meet & Greet* in May 2023. This event saw representatives from our community groups come together at the Sherman to meet one another and hear about the plans for the project, including how we would work together and how the community stories would be presented within the framework of the story of the Sherman Brothers, whose generosity facilitated the original construction of the building.

The groups involved in the project were:

- **Kurdish All Wales Association/KAWA** (Large group, predominantly made up of refugees and asylum seekers)
- **Cathay's Day Provision** (Learning disabled and/or neurodivergent adults)
- **Waulah Cymru** (Multi-generational group, representing a five-hundred strong community of Pakistani heritage)
- **Members of Cardiff's Deaf Community** (Recruited through Deaf Hub Wales)
- **The Welsh Ballroom Community** (An LGBTQIA+ group who perform at *alternative balls* – 80% of the group have intersecting protected characteristics relating to both race and gender)

Over a period of 12 weeks, we worked with these groups in a workshop format to explore what they wanted to say about their communities focusing on three key questions:

- *How does your community define itself?*
- *What does the city of Cardiff offer, or provide for your community/group?*
- *What does your group/community give back to the city?*

Each group worked in a slightly different way depending on their level of experience and specific needs. Where possible, a facilitator was recruited from within the community itself to lead the

creative process, as was the case with *KAWA* and both the *Deaf* and *Ballroom* communities. For *Cathays Day Provision*, we recruited a facilitator, with experience of working with neurodivergent adults and mentoring, who could not only support the group but help to upskill the staff at the local community centre, who were keen to develop tools and techniques for theatre-making. As *Waulah Cymru* had an existing relationship with the theatre and had worked with the Creative Engagement team previously, their sessions were facilitated directly by the core creative team. Each group included a community catalyst who acted as a liaison point for disseminating information and communicating with the groups and many people attended sessions and contributed to the development of the work, even though they could not, or chose not, to participate in a final performance. A small team of BSL interpreters supported the work with the *Deaf Community* and helped to ensure that the performance was accessible to d/Deaf audience members.

In addition to the involved and embedded work with our five selected communities, we wanted to ensure that this project provided an opportunity for even more of Cardiff's communities to be celebrated. To create this platform, we devised a community celebration event, featuring an exhibition of our core communities, alongside images of other local groups, organisations and charities. We also commissioned a new piece of artwork by a celebrated local artist, that incorporated a collage of images shared by community leaders. The following organisations contributed to the event, which was attended by a diverse range of Cardiff residents and families.

- Aubergine Café (Neurodivergent led)
- Cathays Community Centre
- Edible Cardiff
- Everyman Theatre
- EYST (Ethnic Youth Support Team)
- Foodbank Cardiff
- Forget Me Not Chorus (Dementia Choir)
- Goldies (Choral performance group)
- Green Squirrel (Community Resilience Eco-Project)
- Grow Cardiff (Gardening and Wellbeing group)
- Harris Hussain
- River Music
- Sahar Saki (Artist)
- Samarpan Nrithyalaya (Performer/Dancer)
- Sherman Players
- Sherman Youth Theatre
- St Andrews Church
- Stacey Blythe (Musician)
- TGP Cymru (Children and Families Support Group)
- Theatre Café
- Unify Creative (Artis)
- YMCA

Our Community Celebration Day involved workshops in Indian Dancing, Welsh Language Storytelling through Music, African Drumming and Persian Calligraphy. It also showcased intergenerational choirs and culturally diverse musicians and dancers. There were drop-in activities in our foyer and there was a pop-up cinema showing community short films, submitted via an open call. We also provided a prayer room and a simple lunch for all visitors and contributors. More than

150 people attended the event and the feedback was very positive in regard to how multi-cultural, welcoming and celebratory the event had been.

There followed an evening of LGBTQIA+ curated activity, delivered in association with the *Theatre Café* and the *Welsh Ballroom Community*, including films, performances and panel-led Q&A's. The two partner organisations had not met previously, but went on to collaborate, staging a subsequent event at the church which houses the *Theatre Café* a few weeks later. This demonstrates how the event at the Sherman supported the development of new relationships between community groups and organisations, something that many of our community partners commented on and felt very positive about.

Our activities were fully accessible and supported by a BSL interpreter, which meant that the Deaf attendees from our core community activity could also participate in the discussions and impromptu performances, which featured as part of this special evening.

The Story Project – Collaboration with The Wallich

This is a two-year project which aims to expand the reach of the arts in Wales and establish creative pathways for individuals within a culture of shared learning through collaboration between Welsh art makers and people with lived experience of homelessness, and to support the creation of work informed by real stories.

Throughout 2023, Sherman Theatre supported the planning phase of the project, followed by a ten-week pilot project with the Cardiff group which culminated in a sharing at the Sherman Theatre of 13 December 2023.

In February 2024, we began the first ten-week programme to enable the creation of a mini theatre company to create a short piece of theatre.

Tales and Tea

Through the Tales and Tea initiative we provide a daytime performance for audience members who prefer not to venture out to the theatre in the evening. The project aims to promote wellbeing through the opportunity to see a brand new piece of writing, share thoughts and feedback, chat and meet others in a supported, friendly environment. Each performance comprises of a rehearsed reading in either the Sherman Studio or Main House theatre, a post show Q&A session with the writer, director, and cast, followed by tea, cake and an opportunity to socialise.

The audience age ranges from 50 to 80+. Performances are held on a quarterly basis, both at Sherman Theatre and, where possible, in community venues. All performances have BSL interpretation and are relaxed, Dementia Friendly performances. We offer a subsidised ticket rate of £5 at the Sherman and offer our community based performances free of charge.

The Tales and Tea season began with a preview performance of Katie-Elin Salt's festive play, *Sprinkles* on the 15th of November. *Sprinkles* went on to be performed as a programmed script in hand reading in December, performed on the set of our under 7s Christmas show in the Sherman Studio.

On the 26th of January, the Tales and Tea audience had the opportunity to experience an exclusive reading of our spring Made at Sherman production, *The Wife of Cyncoed*, written by Matt Hartley and performed by Vivien Parry, ahead of its world premiere performances in March.

FINANCIAL REVIEW

These accounts cover the period from 1 April 2023 to 31 March 2024.

During the year the charity secured ongoing revenue investment from the Arts Council of Wales (ACW).

Restricted Fund projects:

In addition, during the year the charity received grant aid from the following trusts and foundations for Restricted Fund projects:

- Paul Hamlyn Foundation for the Sherman 5 project
- £317,000 over four years (2019 – 2023) from Paul Hamlyn Foundation More & Better fund to support the development of the Sherman 5 initiative
- In agreement with funders, the initiative was extended to the end of July 2023 to take into account the hiatus in activity during the pandemic. Funding therefore ceased on 31 July 2023.

This major award for the charity has significantly helped drive forward the Sherman's social impact and underscore its commitment to audience development.

During the year, the charity gratefully received the following restricted funds:

- **Arts Council of Wales (Creative Pathways) - £21,900** to support the continuation of the Literary Department between November 2023 and March 2024 whilst we awaited the outcome of the Investment Review.
- **Arts Council Wales (Iphigenia yn Sblot) - £22,041** initial payment for the production and tour of Iphigenia yn Sblot, which was also supported by Eisteddfod Genedlaethol Cymru.
- **Davies M Charity - £5,000** to support a programme of Tales and Tea events aimed at reducing feelings of isolation and loneliness in older people.
- **Garrick Trust - £1,500** to support the development of an emerging designer.
- **Moondance Foundation - £40,170** – Second year of three year funding for continuation of Introduction to Playwriting initiative, working with young people aged 15 – 18.
- **National Lottery Heritage Fund - £24,809** – Second payment towards a large scale community production and associated activities.

Unrestricted Income from Trading – predominantly from the commercial hiring/letting out of our auditorium and rehearsal spaces and our bar and café, amounted to £255,161.

Resources Expended:

Expenditure totalled £3,055,655 in the year. Staff levels were 23 (including 2 funded posts).

The Charity continues to hold a term loan with the Royal Bank of Scotland. Within the Balance Sheet given on page 28 and 29 the loan balance outstanding is split between creditor payments due within one year and creditor payments due after more than one year. Following the process to confirm the loan agreement under Section 124(2) of The Charities Act 2011 during the 2014-year and the consequent change to the rate of interest paid, the company is pleased to report the diminishing level of the total loan.

FUNDS:

We closed the year with an in-year operating deficit in unrestricted funds of £74,978.

INVESTMENT POWERS AND POLICY

Under its Memorandum and Articles of Association the charity has a range of powers to invest its funds.

Sherman Cymru Productions Ltd:

On 30 September 2014 the charity set up a wholly owned trading subsidiary called Sherman Cymru Productions Ltd. The charity holds the entire issued share capital of 1 ordinary shares of £1 each in Sherman Cymru Productions Limited, a company incorporated in England and Wales, company number 9241356, set up to develop and produce the Production of Theatrical Plays.

During this year, the company received £215,486 (2023: £132,435) under the Theatre Production Tax Relief.

As at 31 March 2024 the charity was owed £215,486 from Sherman Cymru Productions Limited.

At the year end the charity had no further investments other than monies held in interest earning accounts at Barclays Bank PLC and a holding account with Royal Bank of Scotland.

TANGIBLE FIXED ASSETS

Details of movements in tangible fixed assets are shown in Note 15 to the financial statements.

RESERVES POLICY

The trustees agreed at a Finance Committee meeting on 3 September 2024 to a reserves policy that general reserves, after excluding restricted funds and any transfers to designated funds, should be in the region of £300,000.

The purpose of these reserves are to cushion the potential impact of any major unforeseen or unexpected expenditure and to ensure that any significant shortfall in short-term income, e.g. the income generated from ticket sales, doesn't affect the charity's financial viability. The charity aims to achieve this level of general reserves within the next three financial years.

At 31 March 2024 the charity had free reserves (excluding restricted funds and fixed assets) of £587,099 (2023: £588,437).

Transfers and Reserves:

A budget item was added in February 2015 for Transfers. The practice of designating reserves continues.

Allowing for the agreed setting aside of the £300k, for the General Reserves Policy, would leave a balance of £287,099. The Trustees agreed to assign the free reserves to designated funds as outlined below:

- £7,099 to underwrite the Christmas productions and any shortfalls in ticketing income
- £75,000 for Digital Capture
- £100,000 Building Maintenance (*in formal recognition of the ever depreciating asset value*)
- £100,000 Potential future Business Disruption
- £5,000 to support a dedicated Individual Giving Fundraising effort

KEY MANAGEMENT PERSONNEL

The executive team consists of the Artistic Director (leading on Artistic Policy) and the Chief Executive.

The Senior Management team (SMT) comprises the above two Directors working with a team of five Senior Managers to deliver the strategies, policies and aims of the company through its artistic programming.

The Senior Management Team are:

Head of Finance & Administration, Head of Marketing and Communications, Head of Production and Planning, Head of Fundraising and Development, and Head of Operations.

Trustees set the remuneration for the executive team. The executive team review and recommend rates of pay, salaries and wages for the SMT and all staff through the HR & Governance Committee who will make recommendation to the Finance Committee before a full recommendation is made to the Board for ratification. Certain posts/roles are governed by union agreements – recognised unions are EQUITY, the union for actors, stage managers and creative teams (Designers, Lighting Designers, choreographers, Fight Directors, et al), and BECTU the union representing most theatre technicians and some FOH staff. The company is committed to paying the MRSL 2 rate for creative teams.

Pension arrangements, annual leave terms, and all other contract terms are the same for all staff including the executive team. We do not operate a performance related pay scheme, nor do we have any bonus scheme. There are no incremental pay awards – although the Board undertake an annual review.

Each year the Artistic Director and Chief Executive and all staff participate in performance appraisals, the executive team appraisals being undertaken by the Chair of the Board.

During the year the following remuneration was paid in respect of the Executive and Senior Management team.

Annual Gross	Employer NI	Employer Pension	Total 2024	Total 2023
£317,743	£35,042	£8,115	£360,900	£349,824

A company pay increase was awarded for all posts up to and including the Senior Management Team this financial year in response to the cost of living crisis.

FUTURE PLANS

Sherman Cymru's Business Plan is updated and re-issued annually, setting out plans for the forthcoming three years.

Following the successful outcome of the Investment Review, we have secured multi-year funding for the next 3-6 years. That said there is ongoing about the level of funding that we will receive in the future.

Despite this element of ongoing uncertainty, our core priorities over the next years are to ensure:

- we produce and curate high quality work that is relevant to the citizens of Cardiff and beyond. This vision is reflected across all work at the Sherman and underpins all artistic decision-making. Strong, clear and forthright artistic leadership is supported by the ambition of the Executive and Senior Management Team (SMT) and a honed, skilled team of staff members empowered to fulfil the mission;
- the company is in the best possible position to take full advantage of the Theatre Production Tax Relief Scheme;
- parsimonious use of all the company's resources at all times so the company can achieve its aim to be more financially stable and less reliant on grants, and in the short-term to reduce the reliance on ACW advance grant;
- we invest in CPD for our staff to build a knowledgeable and highly skilled team driving forward the ambition of the company;
- we choose our partners and collaborators with care – ensuring buy-in to the company's ambition from all parties primarily through confirming artistic compatibility and financial viability of companies and projects before proceeding;
- we strengthen and add to the skills of the board of trustees through public advertising, and the re-introduction of the trainee trustee mentoring scheme, all with the aim to have a board working to its optimum level of support;
- we respond to opportunities to tour the company's work further afield, ensuring that the best new work made in Wales is seen by audiences across the UK and when possible/invited, internationally;
- we continue to ensure that we are looking ahead and developing a robust and resilient organisation for the future. This includes constant analysis of our infrastructure and its fit for purpose; finding future proof solutions to meet our digital requirements; and striving to identify additional streams for income generation within our defined business model.
- we strive for continuous improvement in minimising the impact of our work on our environment and prioritise sustainability across all areas of our activities.

The company constantly seeks to improve, to set ourselves targets, to aim high, to self-assess, to produce the highest possible quality and standard of work that it can. The impact of self-assessment/evaluation both individually for members of staff, and collectively in evaluating the produced work, will lead to the highest possible achievements.

The impact of having a programme of work that chimes with the citizens of Cardiff should lead to widening access to the performing arts within our communities and result in a higher number of first-time theatre attenders and attenders generally.

PRINCIPAL RISKS AND UNCERTAINTIES

The company's Risk Register is reviewed throughout the year, by all Committees, who each focus on a particular area and then make recommendation to the Board of Trustees.

Five areas of risk are considered: Governance and Management, Financial, Artistic, Organisational, Operational. All are assessed for both likelihood of occurrence and potential impact, severity of impact and overall gross risk. Mitigating factors are then considered and recorded.

In addition to this main risk register, we also carry out Risk Assessments of every Production we create, every production that we buy in, every activity we undertake to ensure we are providing as safe and risk-free an environment as possible for our audiences, customers, staff and participants.

Liability of members

Sherman Cymru Ltd is a company Ltd by Guarantee with no share capital. Clause 7 of the memorandum of association provides that every members, as defined by Clause 1 of the articles of association, is liable to contribute a sum not exceeding £1 in the event of the company being wound up whilst they are a member or within one year of ceasing to be a member. At the year-end there were 15 members.

STRUCTURE, GOVERNANCE AND MANAGEMENT

GOVERNING DOCUMENT

Sherman Cymru is a charity limited by guarantee governed by its Memorandum and Articles of Association dated 17 November 2006. The charity is registered as a charity with the Charity Commission.

APPOINTMENT OF TRUSTEES

As set out in the charity's Articles of Association, trustees are either appointed at an Annual General Meeting, or may be co-opted by the trustees during the year.

INDUCTION AND TRAINING PROVIDED FOR NEW TRUSTEES

On election/appointment, each new trustee receives an induction pack, some key organisational policies, and pen pictures of existing trustees and key members of staff. New trustees are briefed by the Chair and the Executive Team comprising of the Artistic Director and Executive Director on the charity's artistic activity and how the Board of Trustees and its Committees work. All trustees are actively encouraged to see the charity's work and to discuss the work they have seen either with fellow trustees, or with the charity's staff. In 2019/20 the company reintroduced a scheme for Trainee Trustees with a view to particularly encouraging, training and supporting people from diverse backgrounds to become trustees in the voluntary sector. However, the impact of Covid-19 has meant that scheme has been temporarily suspended.

ORGANISATION

The charity is administered by the Board of Trustees, which can number up to 20 people, who meet on average every twelve weeks. At 31 March 2024, the Board had an Artistic Policy Committee, a Marketing and Fundraising Committee, a Finance Committee and an HR and Governance Committee. The membership of the Board of Trustees is set out on page 16.

The Chief Executive is accountable for the management of the charity, delegating responsibility through a team of Senior Managers leading their relevant teams. The Artistic Director takes the artistic leadership for the charity.

RELATED PARTIES

There were three related party transaction with Trustees during the year:

Owen Thomas – Writer Fee £400, (2023: £250) (see Note 24)

Gary Owen – Royalty Fee (*Romeo & Julie*) - £13,784

Capital Law – Professional HR Advice - £1,193 (Huw Thomas, Trustee, is employed by Capital Law)

SHERMAN CYMRU
Consolidated Trustees' Report and Group Financial Statements
Year ended 31 March 2024

Sherman Cymru commissioned productions of £526,374 (2023: £347,880) to Sherman Cymru Productions Ltd during the period.

As at 31 March 2024 the charity was owed £215,487 (2023: £132,436) from Sherman Cymru Productions Limited. All transactions were at arm's length.

RISK ASSESSMENT

Risk is regularly reviewed by the Board of Trustees as part of business planning processes, with financial risk reviewed and considered by the Board's Finance and HR & Governance Committees on an ongoing basis.

AUDITORS

The current Letters of Engagement to appoint Azets Audit Services as auditors to the charity will be presented at the forthcoming Annual General Meeting.

REFERENCE AND ADMINISTRATIVE DETAILS

OFFICERS AND PROFESSIONAL ADVISERS

TRUSTEES

Ceri Davies	(Chair - from 26 September 2022)
Rhian Head	(Interim Vice Chair - from 26 September 2022)
Nicholas Carlton	
Llinos Daniel	
Alex Hicks	
Iftakhar Khan	
David King MBE	
Marta Minier	
Gary Owen	
Marc Simcox	
Huw Thomas	
Louise Thomas	
Owen Thomas	
Jane Tyler	
Helen Vallis	

CHARITY SECRETARY

Julia Barry

REGISTERED OFFICE

Sherman Theatre
Senghennydd Road
Cardiff
CF24 4YE

BANKERS

Barclays Bank PLC
1 – 5 Working Street
Cardiff
CF10 2DP

AUDITORS

Azets Audit Services
Ty Derw
Lime Tree Court, Cardiff Gate Business Park
Cardiff
CF23 8AB

SENIOR STAFF

Joe Murphy	Artistic Director
Julia Barry	Chief Executive
Mandy Ivory-Castile	Head of Production and Planning
Kevin Burt	Head of Operations
Edward Newsome	Head of Marketing and Communications
Sally Shepherd	Head of Finance and Administration
Emma Tropman	Head of Fundraising and Development

RESPONSIBILITIES OF THE BOARD OF TRUSTEES'

The trustees (who are also directors of Sherman Cymru for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 the group and of the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the 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'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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

The current Letters of Engagement to appoint Azets Audit Services as auditors to the charity will be presented at the forthcoming Annual General Meeting.

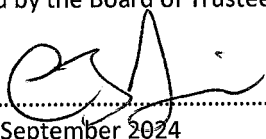
Disclosure of information to auditor

In so far as the trustees are aware:

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees report, including the strategic report, was approved by the Board of Trustees.

Approved by the Board of Trustees and signed on behalf of the Board

Trustee.....Ceri Davies
Date: 23 September 2024

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF SHERMAN CYMRU

Opinion

We have audited the financial statements of Sherman Cymru (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the consolidated Statement of Financial Activities, the consolidated and parent Balance Sheet, the consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 group's or parent 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 other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and directors report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors report including the trustees report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report included within the trustees report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees (who are also the directors of the parent 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 group's and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable

SHERMAN CYMRU
Consolidated Trustees' Report and Group Financial Statements
Year ended 31 March 2024

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

Azets Audit Services

Andrew Howells
Senior Statutory Auditor
Azets Audit Services
Chartered Accountants
Statutory Auditor

Date *23 September* 2024

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES – CONSOLIDATED

	Note	Unrestricted funds £	Restricted funds £	Total funds 2024 £	Total funds 2023 £
Income and endowments from:					
Donations and legacies	3	1,239,504	115,981	1,355,485	1,485,578
Charitable activities	4	872,234	-	872,234	623,971
Other trading activities	5	219,745	-	219,745	141,700
Other	6	146,749	-	146,749	160,891
Total income and endowments		2,478,232	115,981	2,594,213	2,412,140
Expenditure on:					
Raising funds	7	53,655	-	53,655	49,323
Trading costs	8	278,335	-	278,335	215,400
Charitable activities	9	2,221,220	502,445	2,723,665	2,346,483
Total expenditure		2,553,210	502,445	3,055,655	2,611,206
Net movement in funds	12	(74,978)	(386,464)	(461,442)	(199,066)
Total funds brought forward	21,22	1,194,002	3,174,235	4,368,237	4,567,303
Total funds carried forward	22,23	1,119,024	2,787,771	3,906,795	4,368,237

The notes on pages 31 to 48 form part of the financial statement

SUMMARY INCOME AND EXPENDITURE ACCOUNT

	2024 £	2023 £
Total income of continuing operations	2,594,213	2,412,140
Total expenditure of continuing operations	<u>(3,055,655)</u>	<u>(2,611,206)</u>
Net surplus/deficit for the period	<u>(461,442)</u>	<u>(199,066)</u>

There are no recognised gains and losses for the financial year other than the deficit on the income and expenditure account of -£461,442 after depreciation charges of £301,870

Total income comprises £2,478,232 for unrestricted funds and £115,981 for restricted funds.

A detailed analysis of income by source is provided in the statement of financial activities.

Detailed analysis of the expenditure is provided in the statement of financial activities and notes 7-9.

The summary income and expenditure account is derived from the statement of financial activities which, together with the notes to the financial statements, provides full information on the movements during the year on all the funds of the company.

The notes on pages 31 to 48 form part of the financial statement

SHERMAN CYMRU
Consolidated Trustees' Report and Group Financial Statements
Year ended 31 March 2024

BALANCE SHEET - CONSOLIDATED

	Note	£	2024 £	2023 £
Fixed assets				
Tangible assets	15		3,574,775	3,876,645
Current assets:				
Stocks	17	25,681		33,260
Debtors and prepayments	18	383,062		280,519
Cash at bank and in hand		466,444		744,666
		<u>875,187</u>		<u>1,058,445</u>
Liabilities:				
Creditors: amounts falling due within one year				
Trade creditors		52,420		64,341
Other creditors	19	338,002		293,913
		<u>390,422</u>		<u>358,254</u>
Net current assets			<u>484,765</u>	<u>700,191</u>
Total assets less current liabilities			4,059,540	4,576,836
Creditors: amounts falling due after more than one year	20		(152,745)	(208,599)
Net assets			<u>3,906,795</u>	<u>4,368,237</u>
The funds of the charity:				
Restricted Funds	22		2,787,771	3,174,235
Unrestricted funds:	21		<u>1,119,024</u>	<u>1,194,002</u>
Total charity funds	23		<u>3,906,795</u>	<u>4,368,237</u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements were approved by the board of directors on 23 September 2024 and signed on its behalf.

Trustee  Jane Tyler

Company No. 06002090 (England and Wales)

The notes on pages 31 to 48 form part of the financial statement

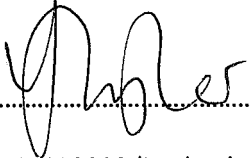
SHERMAN CYMRU
Consolidated Trustees' Report and Group Financial Statements
Year ended 31 March 2024

BALANCE SHEET - CHARITY ONLY

	Note	£	2024 £	2023 £
Fixed assets:				
Tangible assets	15		3,574,775	3,876,645
Investments	16		1	1
Current assets:				
Stocks	17	25,681		33,260
Debtors and prepayments	18	383,062		280,519
Cash at bank and in hand		466,444		744,666
		875,187		1,058,445
Liabilities:				
Creditors: amounts falling due within one year				
Trade creditors		52,420		64,341
Other creditors	19	338,002		293,913
		390,422		358,254
Net current assets			484,765	700,191
Total assets less current liabilities			4,059,541	4,576,837
Creditors: amounts falling due after more than one year	20		(152,745)	(208,599)
Net assets			3,906,796	4,368,238
The funds of the charity:				
Restricted Funds	22		2,787,771	3,174,235
Unrestricted funds:	21		1,119,025	1,194,003
Total charity funds	23		3,906,796	4,368,238

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements were approved by the board of directors on 23 September 2024 and signed on its behalf.

Trustee  Jane Tyler

Company No. 06002090 (England and Wales)

The notes on pages 31 to 48 form part of the financial statement

STATEMENT OF CASH FLOWS - CONSOLIDATED

	Note	2024 £	2023 £
Net cash provided by operating activities	27	<u>(283,321)</u>	<u>(33,884)</u>
<i>Cash flows from investing activities:</i>			
Purchase of property plant and equipment		-	396
Net cash provided by (used in) investing activities		<u>-</u>	<u>396</u>
<i>Cash flows from financing activities:</i>			
Repayments of borrowing		<u>(52,471)</u>	<u>(52,955)</u>
Net cash provided by (used in) financing activities		<u>(52,471)</u>	<u>(52,955)</u>
Change in cash and cash equivalents in the reporting period		(278,222)	(13,553)
Cash and cash equivalents at the beginning of the reporting period		744,666	731,113
Cash and cash equivalents at the end of the reporting period	27	<u>466,444</u>	<u>744,666</u>

The notes on pages 31 to 48 form part of the financial statement

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Sherman Cymru is a private company limited by guarantee incorporated in England and Wales registered office Senghennydd Road, Cardiff, CF32 4YE.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charity's financial statements.

Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Sherman Cymru meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Rounding

Figures contained in the financial statements have been rounded to the nearest pound.

Presentation of the accounts on a going concern basis

The charity reported a net deficit on unrestricted funds of -£74,978 in the year. This charity is monitoring results on a frequent basis. The trustees are of the view that on this basis the charity is a going concern and there are no material uncertainties about the charity's ability to continue as a going concern.

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 charity 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.

Liabilities policy

Liabilities are recognised in the Statement of Financial Activities as they become payable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (Continued)

Pensions

The charity operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the charity. Contributions payable are charged to the profit and loss account in the year they are payable and are charged against unrestricted funds

Group financial statements

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Sherman Cymru Productions Limited.

The particular accounting policies adopted are described below.

Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the charity's members in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

Investment income and gains are allocated to the appropriate fund.

Incoming resources

Trading activities (included within activities in furtherance of the charity's objectives) comprise receipts from performances held during the year and other related income. Monies received in advance of the next financial period are carried forward in the balance sheet.

Tangible fixed assets

Tangible fixed assets are depreciated at cost in equal annual instalments over their estimated useful lives as follows:

Major leasehold improvements	25 years
General building improvements	10 years
Fixtures and fittings	5 years
Vehicles	5 years
IT equipment	3 years
All other equipment	5 years

Basis of apportionment

Support costs and management and administration have been allocated to the following categories on a staff cost basis:

Trading Costs

Bar and front house costs

Fundraising activities

Support costs have been allocated to governance costs based on the percentage of governance costs to total costs in the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (Continued)

Stocks

Stocks are stated at the lower of cost and net realisable value.

Grants

Revenue grants receivable are accounted for in the period to which they relate. Capital grants are credited to restricted funds on a received basis and released to the income and expenditure account over the remaining lives of the assets to which they relate.

Script commissions

Script commission payments to writers and development costs are treated as prepayments until the accounting period in which the production takes place. Where it is decided not to take a commission

Through to production any commissioning payments and accrued development costs are written back to the financial year in which that decision is made.

Development income

Development income is accounted for in the period in which the related expenditure occurs.

Taxation

As a registered charity, Sherman Cymru is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. INCOME FROM DONATIONS AND LEGACIES – GROUP AND CHARITY

	Unrestricted funds £	Restricted funds £	Total funds 2024 £	Total funds 2023 £
<i>Fundraising</i>	15,577	-	15,577	10,578
<i>Recurrent grants:</i>				
Arts Council of Wales	1,165,461	-	1,165,461	1,167,014
<i>Other grants:</i>				
Arts Council of Wales	58,466	21,900	80,366	153,593
Other	-	94,081	94,081	154,393
	<u>1,239,504</u>	<u>115,981</u>	<u>1,355,485</u>	<u>1,485,578</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds 2024 £	Total funds 2023 £
Ticket sales:				
Sherman Cymru productions	286,279	-	286,279	160,708
In House Visiting Companies	242,683	-	242,683	259,130
Communities and Engagement	6,030	-	6,030	7,252
Touring:				
Sherman Cymru productions	13,259	-	13,259	12,750
Co-productions	41,532	-	41,532	-
Communities and Engagement:				
Participant fees	29,812	-	29,812	35,735
Project income	-	-	-	-
Development & New Writing	451	-	451	471
Hires	35,416	-	35,416	13,915
Publishing	1,285	-	1,285	1,574
HMRC Theatre Tax relief	215,487	-	215,487	132,436
	<u>872,234</u>	<u>-</u>	<u>872,234</u>	<u>623,971</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds 2024 £	Total funds 2023 £
Bar and Front of House receipts	219,745	-	219,745	141,700
	<u>219,745</u>	<u>-</u>	<u>219,745</u>	<u>141,700</u>

6. INCOME FROM OTHER SOURCES

	Unrestricted funds £	Restricted funds £	Total funds 2024 £	Total funds 2023 £
Other income	146,749	-	146,749	160,891
	<u>146,749</u>	<u>-</u>	<u>146,749</u>	<u>160,891</u>

7. EXPENDITURE ON RAISING FUNDS

	Unrestricted funds £	Restricted funds £	Total funds 2024 £	Total funds 2023 £
Fundraising activities	53,655	-	53,655	49,323
	<u>53,655</u>	<u>-</u>	<u>53,655</u>	<u>49,323</u>

8. EXPENDITURE ON TRADING COSTS – GROUP AND CHARITY

	2024 £	2023 £
Bar and front of house costs		
Bar and café salaries	127,858	103,864
Bar and café purchases	119,248	86,973
	<u>247,106</u>	<u>190,837</u>
Other Front of House salaries and costs	31,229	24,563
Total bar and Front of House costs	<u>278,335</u>	<u>215,400</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9. EXPENDITURE ON CHARITABLE ACTIVITIES – GROUP AND CHARITY

	Staff costs £	Other costs £	Deprecia- tion £	Governanc e £	Total 2024 £	Total 2023 £
Unrestricted						
Artistic	836,297	559,868	48,641	-	1,444,806	1,269,796
Marketing	188,680	209,175	11,216	-	409,071	368,077
Management & Administration Support Costs	130,149	69,858	7,760	-	207,767	178,913
	<u>103,215</u>	<u>25,047</u>	<u>6,023</u>	<u>25,291</u>	<u>159,576</u>	<u>104,644</u>
	<u>1,258,341</u>	<u>863,948</u>	<u>73,640</u>	<u>25,291</u>	<u>2,221,220</u>	<u>1,921,430</u>
Restricted						
Production & Performances	-	128,933	107,311	-	236,244	93,397
Marketing	-	499	415	-	914	11,543
Management & Administration	-	193	160	-	353	1,660
Support Costs	137,982	2,358	116,805	-	257,145	244,994
Other costs	-	4,251	3,538	-	7,789	73,459
	<u>137,982</u>	<u>136,234</u>	<u>228,229</u>	<u>-</u>	<u>502,445</u>	<u>425,053</u>
Total Charitable Activity Costs	<u>1,396,323</u>	<u>1,000,182</u>	<u>301,869</u>	<u>25,291</u>	<u>2,723,665</u>	<u>2,346,483</u>

Included in governance costs above are the following governance costs:

	Unrestricted funds £	Restricted funds £	Total funds 2024 £	Total funds 2023 £
Audit	13,000	-	13,000	13,325
Legal	1,877	-	1,877	630
Salary	7,314	-	7,314	6,858
Support costs	3,100	-	3,100	2,604
	<u>25,291</u>	<u>-</u>	<u>25,291</u>	<u>23,417</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL – GROUP AND CHARITY

None of the trustees received any emoluments from the company during the year (2024: £nil). Two members of the Executive and Senior Management team received remuneration within the £60,000 - £69,999 bracket (2023: Two). Pension contributions were £3,821 (2023: £3,807).

	2024 £	2023 £
Employee costs during the year:		
Wages and salaries	865,039	874,841
Employer's National Insurance contributions	74,394	77,803
Employer's Pension contributions	21,639	20,233
	<u>961,072</u>	<u>972,877</u>

Employee costs shown above relate to staff paid through payroll. Note 9 contains amounts paid to freelance contracted staff and relates only to staff engaged in charitable activities.

11. STAFF NUMBERS

	2024 No.	2023 No.
Average number of persons employed:		
Production staff (temporary)	12	14
Permanent staff	23	24
	<u>35</u>	<u>38</u>

Key Management Personnel

During the year the following remuneration was paid in respect of the Executive and Senior Management team.

Annual Gross	Employer NI	Employer Pension	Total 2024	Total 2023
£317,743	£35,042	£8,115	£360,900	£349,824

12. NET INCOME/(EXPENDITURE) FOR THE YEAR – GROUP AND CHARITY

	2024 £	2023 £
Net incoming resources after charging:		
Auditors' remuneration	13,000	13,325
Depreciation	<u>301,870</u>	<u>309,027</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13. TAXATION – GROUP AND CHARITY

As a registered charity, Sherman Cymru is entitled to exemption from taxation in respect of income and capital gains received with section 478-489 of the Corporation Tax 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

14. CALLED UP SHARE CAPITAL – CHARITY ONLY

The company is limited by guarantee. All members of Sherman Cymru have guaranteed to contribute, in the event of winding-up, an amount not exceeding £1 each. There were 15 members (2024: 15 members) at 31 March 2024.

15. TANGIBLE FIXED ASSETS – GROUP AND CHARITY

	Long Leasehold Property Improvements £	Fixtures and equipment £	Motor vehicles £	Total £
Cost or valuation				
at 1 April 2023	7,035,361	281,051	40,000	7,356,412
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2024	<u>7,035,361</u>	<u>281,051</u>	<u>40,000</u>	<u>7,356,412</u>
Accumulated depreciation				
at 1 April 2023	3,194,877	257,557	27,333	3,479,767
Charge for the year	292,502	1,368	8,000	301,870
Eliminated on disposal	-	-	-	-
At 31 March 2024	<u>3,487,379</u>	<u>258,925</u>	<u>35,333</u>	<u>3,781,637</u>
Net book value				
At 31 March 2024	<u>3,547,982</u>	<u>22,126</u>	<u>4,667</u>	<u>3,574,775</u>
At 31 March 2023	<u>3,840,484</u>	<u>23,494</u>	<u>12,667</u>	<u>3,876,645</u>

Long leasehold land and buildings with a carrying amount of £3,547,982 (2023: £3,840,484) have been pledged to secure borrowings of the charity. The charity is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16. INVESTMENTS – CHARITY ONLY

On 30 September 2014 the charity set up a wholly owned trading subsidiary called Sherman Cymru Productions Ltd. The charity holds the entire issued share capital of 1 ordinary shares of £1 each in Sherman Cymru Productions Limited, a company incorporated in England and Wales, company number 9241356, set up to develop and produce the Production of Theatrical Plays.

A summary of the trading results is shown below.

	Year ended 31 March 2024 £	Year ended 31 March 2023 £
Summary profit and loss account:		
Income	526,374	347,880
Administrative expenses	(741,861)	(480,316)
Operating loss	(215,487)	(132,436)
HMRC Theatre Tax Relief	215,487	132,436
Result for the period	-	-
The assets and liabilities of the subsidiary were:		
Total assets	215,487	132,436
Amounts falling due within one year	(215,486)	(132,435)
	1	1
Aggregate share capital and reserves	1	1

17. STOCKS – GROUP AND CHARITY

	2024 £	2023 £
Bar and Front of House	6,743	9,463
Production	8,642	10,915
Publications	9,315	11,914
Other stocks	981	968
	<u>25,681</u>	<u>33,260</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18. DEBTORS

	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
Trade debtors	42,144	42,144	37,772	37,772
Other debtors	38,095	38,095	45,820	45,820
Taxation and Social Security	-	-	-	-
HMRC Theatre Tax Relief	215,487	-	132,436	-
Intercompany balance	-	215,487	-	132,436
Prepayments	56,181	56,181	64,491	64,491
Accrued Income	31,155	31,155	-	-
	<u>383,062</u>	<u>383,062</u>	<u>280,519</u>	<u>280,519</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
Other creditors				
Taxation and Social Security	23,248	23,248	28,528	28,528
Deferred revenue income	104,427	104,427	136,066	136,066
General accruals	154,459	154,459	68,609	68,609
Bank Loan	55,868	55,868	52,485	52,485
Accruals for Redevelopment costs	-	-	8,225	8,225
	<u>338,002</u>	<u>338,002</u>	<u>293,913</u>	<u>293,913</u>

Deferred income relates to income received in advance and which relates to future financial period.

	Charity & Group	
	2024 £	2023 £
Balance as at 1st April 2023	136,066	74,387
Income received in the year	1,277,986	1,771,933
Released to income	<u>(1,309,625)</u>	<u>(1,710,254)</u>
Balance as at 31 March 2024	<u>104,427</u>	<u>136,066</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
Bank Loan	<u>152,745</u>	<u>152,745</u>	<u>208,599</u>	<u>208,599</u>
	<u>152,745</u>	<u>152,745</u>	<u>208,599</u>	<u>208,599</u>

The bank loan is secured over the assets of the charity and is repayable in equal monthly instalments.

Repayable by instalments

	Total 2024 £	Total 2023 £
Within one year	55,868	52,485
Between 2 and 5 years	152,745	208,599
After 5 years	-	-
	<u>208,613</u>	<u>261,084</u>

21. UNRESTRICTED FUNDS – GROUP AND CHARITY

	General funds £	Capital funds £	Total Funds 2024 £
Balances Brought Forward	588,437	605,565	1,194,002
Surplus/deficit for the year	(74,978)	-	(74,978)
Movement for the year	<u>73,640</u>	<u>(73,640)</u>	-
	<u>587,099</u>	<u>531,925</u>	<u>1,119,024</u>

Designated Funds

Designated Capital funds, relates to the investment in fixed assets.

Designated Revenue Funds comprises:-

- £7,099 to underwrite the Christmas productions
- £5,000 to support Fundraising and Development
- £75,000 for Digital Capture
- £100,000 Building Maintenance (*in formal recognition of the ever depreciating asset value*)
- £100,000 Potential future Business Disruption

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Previous year

	General funds £	Capital funds £	Total Funds 2023 £
Balances Brought Forward	593,142	682,859	1,276,001
Surplus for the year	(81,999)	-	(81,999)
Movement for the year	77,294	(77,294)	-
	<u>588,437</u>	<u>605,565</u>	<u>1,194,002</u>

22. RESTRICTED FUNDS – GROUP AND CHARITY

The income funds of Sherman Cymru included in restricted funds comprise the following unexpended balances of capital grants and donations applied for the Building Refurbishment and Redevelopment. The cost of which are being depreciated over the useful life of the asset.

	Balance at 01/04/23 £	Incoming resources £	Expenditure £	Balance at 31/03/24 £
Capital				
Building Refurbishment and Redevelopment	2,891,782	-	(209,190)	2,682,592
Foyer Refurbishment	20,695	-	(11,040)	9,655
Arts Council of Wales – Public Art	2,437	-	-	2,437
Foyle Foundation/Garrick Trust-Transit Van	12,667	-	(8,000)	4,667
	<u>2,927,581</u>	<u>-</u>	<u>(228,230)</u>	<u>2,699,351</u>
Revenue funds				
Arts Council of Wales (Creative Pathways)	4,017	-	(330)	3687
Arts Council of Wales (Creative Pathways)	26,916	21,900	(48,816)	-
Arts Council of Wales (Housemates)	19,186	-	(19,186)	-
Arts Council Wales (RAMPS)	83,986	-	(83,986)	-
Arts Council Wales (Iphigenia yn Sblot)	-	22,041	-	22,041
Davies M Charity	-	5,219	(2,215)	3,004
D'Oyly Carte	4,450	-	(4,450)	-
Esmee Fairbairn (Covid Support)	4,533	-	(333)	4,200
Fenton Arts Trust	280	-	(280)	-
Garrick Trust	-	1,500	(687)	813
Gibbs Trust	2,000	-	(2,000)	-
Go Wales	967	-	-	967
Innovate Trust	7	-	(7)	-
Hodge Foundation	2,358	-	(2,358)	-
Legacy – A Kellaway	1,246	-	(1,246)	-
Moondance Foundation	34,593	40,170	(21,379)	53,384
National Heritage	27,804	24,809	(52,613)	-
National Theatre Connections Festival 2024	-	-	(3,347)	(3,347)
Old Vic	3,671	-	-	3,671
Paul Hamlyn Foundation 2019	30,640	342	(30,982)	-
	<u>246,654</u>	<u>115,981</u>	<u>(274,215)</u>	<u>88,420</u>
Total Restricted Funds	<u>3,174,235</u>	<u>115,981</u>	<u>(502,445)</u>	<u>2,787,771</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

22. RESTRICTED FUNDS GROUP AND CHARITY (continued)

Arts Council of Wales (Creative Pathways)

Support for the continuation of the Literary Programme responding to a gap in Wales' theatre ecology, laying foundations for a permanent Literary Department to create world-class, bi-lingual new writing for Cardiff, Wales, and everyone.

Arts Council of Wales (Creative Pathways)

To support the continuation of the Literary Department between November 2023 and March 2024 whilst we awaited the outcome of the Investment Review.

Arts Council of Wales (Housemates)

A grant to support the R&D phase of our co-creation with Hijinx Theatre Company, working with neuro-diverse actors.

Arts Council of Wales (RAMPS)

A Connect and Flourish grant to support a development year of the RAMPS Cymru initiative across the five partner organisations: Sherman Theatre, Theatr Clwyd, Pontio, Torch Theatre, and Royal Welsh College of Music and Drama.

Arts Council of Wales (Iphigenia yn Sblot)

A grant to support the production and tour of "Iphigenia yn Sblot", which will also be supported by the Eisteddfod Genedlaethol Cymru.

Davies M Charity

A grant to support a programme of Tales and Tea events aimed at reducing feelings of isolation and loneliness in older people.

D'Oyly Carte

A grant to contribute towards the costs of the Sherman Youth Theatre Festival 2024.

Esmee Fairbairn – Covid Support

A grant received to support the organization whilst it worked through the uncertain times of Covid, utilized to support the Heart of Cardiff programme.

Fenton Arts Trust

A grant to support trainee Assistant Director and trainee Designer on Youth Theatre production of "Ghost Cities".

Garrick Trust

A grant to support the development of an emerging designer.

Gibbs Trust

Match funding for the ACW grant for Housemates

Go Wales

A grant to support a technical apprentice in the production department.

Hodge Foundation

A grant to support the Christmas Schools Appeal in 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

22. RESTRICTED FUNDS GROUP AND CHARITY (continued)

Legacy – A Kellaway

A legacy donation to support the work of the Creative Engagement team utilized on Youth Theatre Festival 2024.

Moondance Foundation

Year 2 of a three year funding for the continuation of the Introduction to Playwriting initiative, working with young people aged 15 – 18.

National Lottery Heritage Fund

To support a large scale community production and associated activities in the Theatre's 50th anniversary year.

National Theatre

Contribution towards the National Theatre Connections Festival hosted by Sherman Theatre and involving schools and youth theatre groups.

Old Vic

Match funding to support the work of the Literary Department.

Paul Hamlyn Foundation

A More & Better grant to support the continuation and enhancement of the Sherman 5 initiative until 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

23. RESTRICTED FUNDS GROUP AND CHARITY (continued)

Previous year

	Balance at 01/04/22 £	Incoming resources £	Expenditure £	Balance at 31/03/23 £
Capital				
Building Refurbishment and Redevelopment	3,100,972	-	(209,190)	2,891,782
Foyer Refurbishment	35,238	-	(14,543)	20,695
Arts Council of Wales – Public Art	2,437	-	-	2,437
Foyle Foundation/Garrick Trust-Transit Van	20,667	-	(8,000)	12,667
	<u>3,159,314</u>	<u>-</u>	<u>(231,733)</u>	<u>2,927,581</u>
Revenue funds				
Arts Council of Wales (Creative Pathways)	18,594	3,020	(17,597)	4,017
Arts Council of Wales (Creative Pathways)	-	44,742	(17,826)	26,916
Arts Council of Wales (Housemates)	14,528	15,075	(10,417)	19,186
Arts Council Wales (RAMPS)	-	90,756	(6,770)	83,986
Darkley Trust	-	2,500	(2,500)	-
D'Oyly Carte	-	4,500	(50)	4,450
Esmee Fairbairn (ITP)	14,865	-	(14,865)	-
Esmee Fairbairn (Covid Support)	9,201	-	(4,668)	4,533
Fenton Arts Trust	-	3,000	(2,720)	280
Gibbs Trust	2,000	-	-	2,000
Go Wales	967	-	-	967
Innovate Trust	437	-	(430)	7
Hodge Foundation	-	5,000	(2,642)	2,358
Legacy – A Kellaway	1,246	-	-	1,246
Lloyd Webber Foundation	1,546	-	(1,546)	-
Moondance Foundation	-	40,170	(5,577)	34,593
National Heritage	-	27,804	-	27,804
National Theatre Connections Festival 2020	35	-	(35)	-
National Theatre Connections Festival 2024	2,999	-	(2,999)	-
Old Vic	10,000	-	(6,329)	3,671
Paul Hamlyn Foundation 2019	52,840	71,419	(93,619)	30,640
Philip Carne	1,024	-	(1,024)	-
Stage One Producers	1,706	-	(1,706)	-
	<u>131,988</u>	<u>307,986</u>	<u>(193,320)</u>	<u>246,654</u>
Total Restricted Funds	<u>3,291,302</u>	<u>307,986</u>	<u>(425,053)</u>	<u>3,174,235</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds			
	Designated		Restricted	Total
	Capital	General	funds	2024
	funds	funds		
	£	£	£	£
Group				
Fixed assets	875,424	-	2,699,351	3,574,775
Net current (liabilities)/assets	(190,754)	587,099	88,420	484,765
Long Term liabilities	(152,745)	-	-	(152,745)
	<u>531,925</u>	<u>587,099</u>	<u>2,787,771</u>	<u>3,906,795</u>
Charity				
Fixed assets	875,424	-	2,699,351	3,574,775
Investments	-	1	-	1
Net current (liabilities)/assets	(190,754)	587,099	88,420	484,765
Long Term liabilities	(152,745)	-	-	(152,745)
	<u>531,925</u>	<u>587,100</u>	<u>2,787,771</u>	<u>3,906,796</u>

See notes 21 and 22 for a breakdown of funds.

Previous year

	Unrestricted	Restricted	Total
	funds	funds	2024
	£	£	£
Group			
Fixed assets	949,064	2,927,581	3,876,645
Net current assets	453,538	246,654	700,192
Long Term liabilities	(208,599)	-	(208,599)
	<u>1,194,003</u>	<u>3,174,235</u>	<u>4,368,238</u>
Charity			
Fixed assets	949,064	2,927,581	3,876,645
Investments	1	-	1
Net current assets	453,538	246,654	700,192
Long Term liabilities	(208,599)	-	(208,599)
	<u>1,194,004</u>	<u>3,174,235</u>	<u>4,368,239</u>

24. RELATED PARTY TRANSACTIONS – CHARITY ONLY

Sherman Cymru commissioned productions of £526,374 (2023: £347,880) to Sherman Cymru Productions Ltd during the period.

As at 31 March 2024 the charity was owed £215,487 (2023: £132,436) from Sherman Cymru Productions Limited. All transactions were at arm's length.

There were three related party transactions during the year:

- Gary Owen – Writer and Royaltie fee for "Romeo and Julie" £13,784
- Owen Thomas – Contribution to Sherman Scribblers and 50th Anniversary £400 (2023: £250)
- Capital Law – Professional HR Advice £1,193 (Huw Thomas, Trustee is employed by Capital Law)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25. OPERATING LEASES – CHARITY ONLY

At 31 March 2021 the charity was committed to making the following payments under non-cancellable operating leases:

	2024 £	2023 £
Plant and equipment:		
Fall due within 1 year	19,305	14,989
Fall due within 2 – 5 years	21,698	4,716
	<u>41,003</u>	<u>19,705</u>

26. PENSIONS – GROUP AND CHARITY

Sherman Cymru is fully compliant with Auto Enrolment and operates a qualifying workplace pension scheme with Legal & General. Contribution during the period were £21,639 (2023: £20,233). The outstanding balance at the year-end was £4,015 (2023: £4,348).

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

	2024 £	2023 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	(461,441)	(199,064)
<i>Adjustments for:</i>		
Depreciation charges	301,870	309,027
(Increase)/decrease in stocks	7,579	1,308
(Increase)/decrease in debtors	(102,543)	(91,835)
Increase/(decrease) in creditors	(28,785)	(53,320)
Net cash provided by/(used in) operating activities	<u>(283,321)</u>	<u>(33,884)</u>
<u>Analysis of Cash and Cash Equivalents</u>		
Cash in hand	466,444	744,666
Total Cash and Cash Equivalents	<u>466,444</u>	<u>744,666</u>

Analysis of Net Debt:

	At 1 April 2023 £	Cashflows £	At 31 March 2024 £
Cash	744,666	(278,222)	466,444
Bank loans falling due within one year	(52,485)	(3,383)	(55,868)
Bank loans falling due after more than one year	(208,599)	55,854	(152,745)
	<u>483,582</u>	<u>(225,751)</u>	<u>257,831</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

28. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES - 2023

	Unrestricted funds £	Restricted funds £	Total funds 2023 £
Income and endowments from:			
Donations and legacies	1,177,592	307,986	1,485,578
Charitable activities	623,971	-	623,971
Other trading activities	141,700	-	141,700
Other	160,891	-	160,891
<i>Total income and endowments</i>	<u>2,104,154</u>	<u>307,986</u>	<u>2,412,140</u>
Expenditure on:			
Raising funds	49,323	-	49,323
Trading costs	215,400	-	215,400
Charitable activities	1,921,430	425,053	2,346,483
<i>Total expenditure</i>	<u>2,186,153</u>	<u>425,053</u>	<u>2,611,206</u>
<i>Net movement in funds</i>	(81,999)	(117,067)	(199,066)
Reconciliation of Funds			
Total funds brought forward	1,276,001	3,291,302	4,567,303
<i>Total funds carried forward</i>	<u>1,194,002</u>	<u>3,174,235</u>	<u>4,368,237</u>

