

TEAM COLLECTIVE CYMRU CHARITY

England & Wales · Charity number 1127952

Details

Other names	NATIONAL THEATRE OF WALES, THE NATIONAL THEATRE OF WALES
Status	Registered
Legal form	Charitable company
Company number	06693227
Registered	2009-02-09
Register	View on the Charity Commission register

Contact

Address	Tramshed Tech Unit D Pendyris St Cardiff
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Activities

Objects: The Objects of the Charity are, for the public benefit, to promote and assist in the advancement of the education of the public so far as this shall be charitable and, in particular, to procure the performance of and increase the understanding of the arts in all their forms, in Wales and elsewhere.

Activities: To promote and assist in the advancement of the education of the public so far as this shall be charitable and in particular to procure the performance of an increase in the understanding of the dramatic arts in all their forms in Wales and elsewhere primarily through the English language.

Classification

- **How:** Other Charitable Activities
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE WALES
- Throughout Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£446,298	£675,345	-	-
2024-03-31	£2,179,584	£2,361,385	£537,481	42
2023-03-31	£4,911,521	£6,637,518	£719,282	42
2022-03-31	£5,216,029	£3,693,325	£2,445,279	33
2021-03-31	£2,045,387	£1,678,420	£922,575	23

Trustees

Name	Role	Appointed
Catherine Jane McKeag	Chair	2025-06-18
Craig Ashley Bates		2025-06-18
Katherine Margaret Keeble-Buckle		2025-06-18
Nirushan Sudarsan		2025-06-18
Yvonne Patricia Connikie		2023-04-24

Accounts

REGISTERED COMPANY NUMBER: 06693227 (England and Wales)
REGISTERED CHARITY NUMBER: 1127952

REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 MARCH 2024
FOR

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)

MHA LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

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FOR THE YEAR ENDED 31 MARCH 2024**

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

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

EXECUTIVE SUMMARY

The most notable event of this financial year was the announcement in September 2023 that 100% of the company's core funding from Arts Council of Wales (ACW) would cease from 1 April 2024. Since its inception, The National Theatre of Wales (NTW) has received multi-year portfolio funding from ACW, therefore removal of this grant necessitated a complete and total review of the operating model and strategy of NTW.

At the beginning of the calendar year 2024, following the outcome of an unsuccessful appeal to ACW in late December 2023, the Board and the Executive began an urgent restructuring programme, focussed initially on reducing costs to enable the future viability of the organisation.

Annual staff costs have been reduced by more than 80% and NTW is now a remote working organisation, having vacated our office premises at the end of the financial year. Having reduced costs, the Board is now focused on developing and implementing a new strategy for NTW, which it plans to complete by March 2025.

NTW is eligible for transition funding, payable in instalments from ACW, up to a maximum of 20% of the previous year's full-year funding, totalling £407,000. There are restrictions on this funding and therefore it can only be used to cover exceptional costs resulting from the loss of ACW funding, and in the development and implementation of a new strategy for the charity. At the time of writing, £181,000 has been received.

Despite the core funding cut, NTW has continued to diversify its income from other sources, with over 50% application success rate in 2023-24. The Company has fundraised £281,139 from alternative sources to continue to deliver TEAM community and outreach projects across Wales in 2024/2025.

When approving the financial statements, the trustees have a reasonable expectation the charity has adequate resources, and a strong enough fundraising pipeline, to continue to operate for the foreseeable future, albeit with a reduced scope of activity. Resources will now be focussed on community outreach and arts education work through the TEAM (Theatre, Education, Arts and Music) programme, rather than large-scale theatrical productions. This work continues to align with the charitable objects of the organisation.

OBJECTIVES AND ACTIVITIES

National Theatre Wales was created in 2008. Our charitable objects, as set out in our Articles of Association, are:

To promote and assist in the advancement of the education of the public so far as this shall be charitable, and in particular, to procure the performance of and increase the understanding of the dramatic arts in all their forms, in Wales and elsewhere primarily through the medium of the English language.

NTW has presented over a hundred powerful, nationally significant productions, ranging from the intimate to the epic. We have created work of lasting impact and global reputation, garnering critical acclaim for notable works such as *The Passion* (2011), *Coriolanus* (2012), *Mametz* (2014), *The Insatiable*, *Inflatable Candyfloss* (2015), *City of the Unexpected* (2016), *On Bear Ridge* (2019), *Petula* (2022), *Circle of Fifths* (2022-24) and *Feral Monster* (2024).

NTW has also delivered a range of theatre maker, participant and audience development initiatives which weave through one another and our productions. In this way, we deliver deep and wide-ranging impact for the sector and the people of Wales.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

Impact

During 2023-2024, NTW engaged with over 15,000 members of our communities across Wales and beyond - 19% of whom were children and young people. We organised 94 participatory sessions, from school workshops to recordings of community stories. NTW's digital reach grew further: we welcomed over 50,000 website visitors and 2.2 million people engaged across digital channels.

NTW supported theatre makers and creatives across Wales through many programmes, including residencies for 15 artists focused on co-creation, an emerging dramaturgs programme for eight artists and the creation of TEAM Collective formed of nine established creatives.

Emerging and early career creatives were given development opportunities including; ten early career creatives, aged 18-28, taking part in our new Young Collective; 12 musicians learning about making music for theatre as part of Feral Fest and 12 young people storytellers connecting with their communities to share stories in an exhibition of audio portraits.

18 artists were under commission, including four new commissions this year, to create and develop creative work. 94% of these artists and theatre makers under commission were from under-represented backgrounds within the sector.

NTW employed 27 members of core staff and a skilled freelance and voluntary workforce of 330 theatre makers and creatives.

NTW produced and toured 3 productions - all developed with audiences and communities across Wales.

In line with its commitment to sustainable ways of working, 100% of productions were delivered at the baseline level of the Theatre Green Book, meaning 50% of materials have been used before and 65% will go on to have a future life.

Strategy

NTW's 2023-2027 Strategic Plan was developed in 2023 through a wide-ranging consultation exercise with staff, our Board, and TEAM Panel members, theatre makers, collaborators and stakeholders, members of our audience and other interested parties.

Given the change in NTW's funding position, this strategy is currently undergoing significant review, therefore reference to the previous strategy is considered unhelpful.

With a revised focus on the TEAM programme of work, NTW will continue to champion equality of access and connection through its work with communities and artists across Wales. Through TEAM - our network of our community-based artists, activists and leaders - we will continue to develop and deepen our partnerships with communities and individuals across Wales and internationally. We will continue to catalyse change by boosting the power of communities, and channelling stories and experiences through a network of voices traditionally excluded from cultural activity.

Public benefit

We have referred to the guidance contained in the Charity Commission's guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

ACHIEVEMENTS AND PERFORMANCE

The changed behaviour of audiences impacted by COVID-19 and the cost-of-living crisis meant continuous innovation has been required to retain existing and engage with new audiences. In 2023-24, NTW's Producing, Collaboration and Audience teams were working more closely than ever to:

- diversify theatre audiences and cultivate younger audiences (to benefit both touring venues and NTW)
- renew focus on box office and sales
- actively develop new work through grass-roots relationships with communities
- ensure the voices of people in Wales are at the heart of the work we produce
- broaden the range of - and increase - opportunities for freelancers and artists across Wales to work with us.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

Productions

Kidstown

Kidstown was conceived by artists **Nigel Barrett** and **Louise Mari**. Borne out of the realisation the Covid-19 pandemic and the climate emergency had profoundly affected a generation of children, it aimed to provide an experience which revived a sense of freedom and joy.

- 2,630+ people visited, with many staying for the whole five hours, and returning day after day
- 36% of kids came back for more than one day; some were there from start to opening time until closing time every day
- 86 freelance theatre makers from across Wales were employed, trained and supported to make *Kidstown* happen
- 8 accessibility sessions were held from BSL to relaxed sessions
- 23 'Kidstown Experts' - employed from each local area - were on-site, helping the children to unlock their creative potential
- 1.23 million engaged via television and radio, including on BBC One's BBC Breakfast TV
- 800 packed lunches were given to children
- 150,000+ impressions on X (formerly Twitter) during live tweeting
- 100+ suitcases were filled with props, costumes and craft materials for the children to turn into all sorts of creations - using mainly recycled and second-hand items
- Schools resources for *Kidstown* were developed and piloted in collaboration with 3 teachers and 70 year 5 pupils at Milton Primary School in Newport. These will be distributed to schools across Wales via Hwb.

Our partners and sponsors were instrumental in the project's success: Eisteddfod Genedlaethol Cymru, Open Newtown, Oriel Davies Gallery in Newtown, Beaufort FC Football Club in Ebbw Vale, Edenstone Homes and Aaron & Partners Solicitors and IKEA.

Circle of Fifths

Circle of Fifths is an immersive production combining film, music and theatre, directed by film and theatre-maker Gavin Porter. It premiered in June 2022 in Cardiff, opening to critical acclaim.

Circle of Fifths was seen by 982 people across 14 shows and was warmly received. Touring the work to smaller theatre spaces as well as outside of traditional theatre venues and in more rural communities, like a chapel in Chirk, brought in new audiences.

★★★★ "[A] beautiful and moving portrait of a place and its people." - Guardian

The tour also opened up opportunities for creatives and young people across Wales, including showcasing local artists at NTW TEAM Social events.

Feral Monster

Feral Monster is a new musical celebrating teenagers and LGBTQIA+ Wales written by Bethan Marlow, directed by Izzy Rabey and with music by Nicola T. Chang. From 15 February to 22 March 2024, *Feral Monster* toured to Sherman Theatre in Cardiff, Aberystwyth Arts Centre, Pontio in Bangor, Ffwrnes in Llanelli (Theatrau Sir Gâr) and Theatr Brycheiniog in Brecon, with 15 performances.

"To have this opportunity to have my work produced by a national theatre company and for the queerness of it to be celebrated has been so valuable for me on a personal and professional level. I am hoping it will open doors for me to create more queer theatre, both in and out of Wales." Bethan Marlow, *Feral Monster* playwright

The show reached 821,463 people across live and digital activities.

Feral Monster was watched by 2,538 audience members across the tour. Show reports showed 'rapturous applause and cheering' after each performance and a standing ovation at all venues.

The show focused on cultivating theatre audiences of the future in line with the Wellbeing of Future Generations Act: 29% of audiences at Sherman Theatre were under 25 years old. The Box Office target was surpassed by 11% and additional grant income of £34,500 was secured from a corporate sponsor and trust and foundations.

Access to theatre was widened through targeted, personalised invites to key audience groups who don't usually attend theatre, including free tickets, transport grants and discount codes.

Our Collaboration team organised various events and programmes to open up access and as audience development tools.

Partnerships with Principality Building Society and Jack Arts supported the work, which was positively reviewed.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

★★★★ *"Original and smart... The hope, angst and anger will appeal to anyone who is, or has ever been, adolescent."* - The Stage

★★★★ *"A roaring success... A musical that breathlessly tackles everything from classism to addiction to neurodivergence to the postmodern nuances of queer identity ...The intersection of class with all of Feral Monster's other issues is its most defining and successful trait."* - Buzz Magazine

★★★★ *"[A] resounding achievement... Imaginative and pacey"* - IWA - Welsh Agenda

★★★ *"There's no shortage of smart ideas in Bethan Marlow's drama of adolescent awakening in rural Wales... Marty Langthorne's lighting is exquisite, as if the stage is a pulsating heart, fit to burst."* - The Guardian

"Entertaining but also thought-provoking... with an impressive cast" LGBTQYMRU

Creative development
Commissions and R&Ds

NTW continued its programme of commissioning and development which engaged a range of Welsh artists from more established creatives international profile through to the brightest voices of an emergent generation. 94% of writers and artists under commission were from an under-represented group in the sector. This programme has again met and exceeded the targets set out in the 2022-2023 Strategic Equalities Plan.

Supporting Dramaturgs

Thanks to support from the John Ellerman Foundation, NTW is developing dramaturgical talent across Wales. At the start of 2023/24, there were 141 applications in response to an open call for dramaturgs to support productions, commissions and NTW. The following dramaturgs were selected because they shared lived experiences with the lead creatives and/or the themes of the shows/commissions, and the lead creatives were part of the selection process, which greatly benefitted the creatives and the work produced or developed.

Creative chats

NTW supported 52 theatre makers, artists, and those aspiring to work in the theatre sector through **one-hour sessions**. These Creative chats were tailored to address individual needs, providing attendees with support in various forms, such as signposting, introductions, project discussions, and general guidance. The Company's Creative Development team met with each artist, offering a welcoming atmosphere, via Zoom or in the office, as well as practical assistance. In line with NTWs' commitment to fostering artistic connections, the Company facilitated networking opportunities, linking artists with relevant organisations and individuals. Creative chats were paused in January due to the Company leaving the office premises and staffing changes.

Artists-in-residence: Co-creation

Thanks to funding from the Esmée Fairbairn Foundation, NTW has supported 14 Welsh and Wales-based artists over a year to think about different ways of making work and the different ways they can connect with their communities. The artists were recruited through an open-call process. They were involved in weekend residencies, workshops with artists well-versed in community exploration and were given a bursary to allow them time to think deeply about what co-creation means to them.

Collaboration

Over 5,600 people from communities across Wales took part in creating theatre and engagement projects. Through Collaboration, NTW engaged 2,871 children and young people, which made up 19% of our audience.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

Sustainability

Reducing our carbon impact and raising awareness of the climate crisis are fundamental parts of what NTW does and how it operates. With all productions, NTW now meets Theatre Green Book's Baseline standard of sustainability, meaning at least 50% of materials have been used before and 65% have gone on to have a future life. For some shows, 85% of materials had a previous life and 90% went on to have a future life.

Fundraising

There was a 42% application success rate in 2023/24, including grants secured from Esmée Fairbairn Foundation's Funding Plus, the UK Government through the Shared Prosperity Funds administered by Cardiff Council, PRS Foundation's The Open Fund and Maria Björnson Memorial Fund. The Company reached out to businesses across Wales and secured corporate sponsorship from the Principality Building Society and in kind corporate support from IKEA, Jack Arts, Edenstone Homes and Aaron & Partners Solicitors. Individual giving activity was rekindled with messaging further embedded across communications, particularly box office processes, resulting in increased donations. Relationships were maintained with existing multi-annual funders, such as John Ellerman Foundation and Esmée Fairbairn Foundation, and new relationships were cultivated to underpin core fundraising activities in 2024/25. Given the current funding position, NTW will continue to cultivate existing relationships, and expand its funding pipeline further.

Operations

HR & Well-being

In the first half of the financial year, NTW continued to prioritise staff well-being through various initiatives. The Company's Flexible Working Policy enabled staff to take a balanced approach to working arrangements. A new Time Off in Lieu Policy has supported staff to improve how they are compensated for overtime worked, specifically during production-heavy periods.

NTW continued its commitment to employee growth with training sessions delivered on accessibility and safeguarding. Specific training on marketing and fundraising, was undertaken to develop the skills of staff specialising in these areas. Two staff undertook Mental Health First Aid training by Cult Cymru.

The Company supported staff's physical and mental health by introducing a new employee assistance programme from Westfield Health. We funded counselling for specific people before the Westfield Health programme was introduced.

In the second half of the financial year, staff became aware of the funding situation, and that redundancies would be necessary. A consultation process was initiated in 2024, concluding in the new financial year.

Governance

In April 2023, **Yvonne Connikie** and **Sharon Gilburd** were announced as the new Co-Chairs, with a warm reception. To enhance transparency and management, NTW deployed an updated Quarterly Reporting format for the Arts Council of Wales Revenue Funded Agreement and trustees, and a dynamic Risk Management System, empowering the Board to make informed decisions with relevant insight.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

FINANCIAL REVIEW

As of 31 March 2024, the group's free reserves amounted to £466,207 (2023: £165,218). This is after providing for £60,000 dilapidations. This figure is above the guideline level set in the group's Reserves Policy (see later in the report) as due to the current position of the organisation, it was agreed to write back the designated reserves to free reserves. The group has been utilising these free reserves to fund its operation into the new financial year of 2024/2025.

However, as a result of cessation of funding from ACW, there exists a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. This material uncertainty arises due to the need to secure sufficient alternative funding and successfully implement the new strategy to maintain financial sustainability.

Reserves policy

In accordance with good corporate governance and Charity Commission guidelines, the group has always maintained a target minimum level for free reserves.

The group holds reserves for several reasons: they help provide short-term cash flow, to allow expenditure to be incurred ahead of income being received; they provide contingency to help mitigate the impact of unexpected/unforeseen expenditures; they assist budget management, by allowing pressures to be dealt with, or investment in services made, whilst a longer-term solution is found; and they can help commitments to be met in the event of a cessation of funding.

In summary, the holding of reserves helps to provide liquidity, security and underwriting. It provides transparency which in turn provides increased accountability to funders and stakeholders and gives them confidence in the financial management of an organisation. In doing so it makes a positive contribution to the reputation of the organisation in terms of being seen to manage funds properly and prudently.

The group's Reserves Policy for this accounting period was set following an evaluation process taking into account several factors including an assessment of three months' spending, identified areas of financial risk and the 'run-off' costs needed should the group cease trading due to a loss of core funding.

The level of free reserves as of 31 March 2024 is more than the group's target figure, but the policy will be revised for 2024-25 in line with the new operating model, focussed on the TEAM programme, revised staffing and operating costs.

Pension

The Company has in place a group personal pension scheme, on a defined contribution basis, administered by Royal London (formerly Scottish Life). The Company makes agreed employer contributions to the scheme, every month. These were at a rate equivalent to 5% of gross salary throughout 2023-24 as they were in 2022-23. During 2023-24 contributions were made for all eligible staff joining the scheme.

As of 31 March 2024, 17 staff were members of the Company pension scheme, equating to all those eligible to be so then. Three employees were not a member of the scheme, due to being within their postponement period, and who joined the scheme after their postponement during the 2023-24 financial year.

The Company also makes contributions to the defined contribution scheme administered by Aviva on behalf of Equity, where it employs actors and stage managers who are members of the scheme. Per industry conditions of service, and auto-enrolment guidelines, the Company contributed the equivalent of 5% in the 2023-24 financial year, the same as in 2022-23, where it was applicable to do so. Scheme members contributed at a rate of 3%.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024**

FUTURE PLANS

NTW has fundraised £300,904 from other sources (Shared Prosperity Fund, John Ellerman Foundation, Esmée Fairbairn) to continue to deliver theatre, education, arts and music (TEAM) projects across Wales from 1 April 2024 - 31 March 2025 as it transitions.

Conversations are already taking place to establish a funding pipeline into the financial year 2025-26, the trustees have a reasonable expectation the charity has adequate resources to continue its operations for the foreseeable future.

Transition funding will also support with exceptional costs as the organisation pivots and restructures.

Activities successfully fundraised for and planned for the year 2024-25:

- Skills development and network-building for emerging and mid-career theatre-makers and creative freelancers, including a series of commissions and events called The City Socials;
- Schools' projects, improving the skills, resilience and confidence of teachers and pupils in Cardiff;
- Young Collective, a programme for 10 young creatives to develop confidence, networks and leadership skills;
- Developing 9 community and arts leaders through TEAM Collective, which puts people at the heart of theatre-making;
- 6 community projects to improve wellbeing, skills and confidence;
- development a new production, written by one of Wales' most critically acclaimed theatre talents Seiriol Davies, in collaboration with Sherman Theatre, Cardiff.

Given the change in funding, the trustees realise the importance of focusing on a scope of work which can be achieved with funding from trusts and foundations. TEAM has shown itself to be successful in accessing such funds for its work. Operating costs have been reduced to enable an organisation of this scope to successfully operate in the current funding landscape.

Concerning the staging of scale theatrical work, strategic alternatives are being explored with the sector, though it is accepted this is no longer a focus for the charity due to extreme funding constraints.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The National Theatre of Wales (NTW) was incorporated as a company limited by guarantee and not having a share capital on 9 September 2008. It is registered as a charity with the Charity Commission and regarded as such by HM Revenue and Customs.

Recruitment and appointment of new trustees

NTW was established with a core funding commitment from the Arts Council of Wales and the Welsh Government. These two bodies advertised and appointed a Chair followed by eight further trustees in 2008. Membership is open to individuals, who apply in the form required by the directors and are approved by the directors. Membership is non-transferable.

The Company's Articles of Association state that:

A person appointed to the office of director for two consecutive terms shall, at the third Anniversary Board Meeting arising during his/her second term as a director, retire from office as a director and shall therefore be ineligible for re-election as a director for a period of two years unless the Board resolve that he/she may be eligible for re-election as a director for such further period not exceeding three years as the Board in its absolute discretion sees fit.

Where a director is re-elected for a third term pursuant to Article 2 above, he/she shall retire from office as a director by the third Anniversary Board Meeting following the passing of the resolution referred to in that Article. Any director who retires pursuant to this Article shall thereafter be ineligible for re-election as a director (for a period of three years).

As a result, having stood down and been re-elected to the Board in February 2011, the Company's original trustees were subsequently subject to retirement per an agreed process of rotation. This concluded in March 2016 with the retirement of the founding Chair of trustees. This rotation approach ensured a continuity of management during the retirement process. During that process, several new trustees were appointed, including a new Chair in December 2016. A new series of retirements and recruitments have taken place on a rotation basis from 2018-19 onwards. As of 31 March 2024, a Board of 8 trustees was in place. The appointment of further trustees will occur as appropriate, considering the skills and experience of the individuals concerned.

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) (REGISTERED NUMBER: 06693227)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

Welsh Language Standards

NTW is subject to compliance with the Welsh language standards via a compliance notice relating to section 44 of the Welsh Language (Wales) Measure 2011. These standards promote and facilitate the Welsh language and ensure it is not treated less favourably than the English language in Wales. As part of NTWs' compliance requirements, the standards appear on the Company website along with the Welsh Language Complaints Policy, the Welsh Language Standards Annual Report and the Welsh Language Strategy.

During 2023/24, no complaints were received regarding NTWs' Welsh language standards compliance. The Company received positive feedback on its Welsh Language Strategy.

Organisational structure

The Board of Trustees meets on a quarterly basis and has established two subcommittees - a Finance Subcommittee and a People & Policies Subcommittee, which meet quarterly and biannually respectively - with appropriate matters delegated accordingly.

During most of 2023-24 the day-to-day running of the Company has been in the hands of a full-staff team, headed by the Chief Executive/Artistic Director. However, due to the change in funding, this structure will change into the new financial year.

The Company also has a wholly-owned trading subsidiary, called NTW Productions Limited, via which the delivery of its productions is transacted. The Company pays a commissioning fee per production to the trading Company which equates to the cost of producing the show, less any Theatre Tax Relief credit the subsidiary is entitled to claim for the production (all claims for such credits are processed via the subsidiary for reasons of accounting transparency). The trading Company is overseen via a Board of Directors which comprises the Company's Artistic Director, Executive Director and Director of Producing, two trustees (the Chair of the Board of Trustees and the Chair of the Finance Sub Committee), and a non-executive director.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
06693227 (England and Wales)

Registered Charity number
1127952

Registered office
Tramshed Tech Unit D
Pendyris Street
CARDIFF
CF11 6BH

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) (REGISTERED NUMBER: 06693227)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

Trustees

Co-Chair
Co-Chair

Yvonne Connikie
Sharon Gilburd
Clive William Jones (Previous
Chair)
Simon Keith Pirotte
Sian Doyle
Anna Arrieta
Miguela Gonzalez
Robert Edge
Tafsila Khan
Stacey Ackers
Sanjiv Vedi
Simon Stephens
Joanne Lilford
Stephen Dimmick

Appointed 24 April 2023

Trustees

Resigned 24 April 2023
Resigned 24 April 2023
Resigned 31 December 2023

Resigned 29 November 2023
Resigned 31 December 2023

Appointed 26 June 2023

Executive team

Chief Executive/Artistic Director
Executive Director/Deputy CEO
Interim Executive Director

Lorne Campbell
Bronwen Price
Leonora Thomson

Resigned 6 April 2024
Resigned 31 January 2024
Appointed 11 March 2024 – resigned
26 July 2024

Director of Collaboration

Naomi Chiffi

Senior Statutory Auditor

Julia Mortimer

Auditors

MHA

Chartered Accountants and Statutory Auditor
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

Solicitors

Hugh James
Hodge House
114-116 St. Mary Street
CARDIFF
CF10 1DY

Bank

Lloyds Bank

CCLA

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The National Theatre of Wales (Trading as National Theatre Wales) for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and charitable company will continue in business.

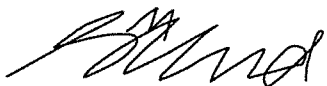
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible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

In so far as the trustees are aware:

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

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

Approved by order of the Board of Trustees on **12.12.24** and signed on its behalf by:



.....
Ms Sharon Margaret Gilburd - Trustee

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF THE NATIONAL THEATRE OF WALES

Opinion

We have audited the financial statements of The National Theatre of Wales (the 'parent charitable company') and its subsidiary (the group) for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Cash Flow Statement 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 their 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 responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

We draw attention to Note 2 in the financial statements, which explains that the company was unsuccessful in its application to the Arts Council of Wales for core funding. This, along with other matters as set forth, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Report of the Trustees, which includes the directors' report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees, including the directors' report, has 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 Report of the Trustees which includes the directors' 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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE NATIONAL THEATRE OF WALES

- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the group 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 the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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

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

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inaccurate journals. We addressed these risks by carrying out specifically targeted procedures, which included:

- Enquiries of management, those charged with governance around actual and potential litigation and claims;
- Enquiry management to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management 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 bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

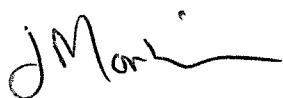
Because of the inherent limitations of an audit there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE NATIONAL THEATRE OF WALES**

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



Julia Mortimer FCCA (Senior Statutory Auditor)
for and on behalf of MHA
Statutory Auditor
CARDIFF
CF23 8RS

Date: 12 December 2024

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

		Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	1,649,654	-	1,649,654	1,675,115
Charitable activities	5				
Promoting, maintaining, improving and advancing education		335,407	153,022	488,429	3,191,096
Other trading activities	4	12,000	-	12,000	-
Investment income	6	6,863	-	6,863	4,648
Other income	7	21,938	700	22,638	40,662
Total		2,025,862	153,722	2,179,584	4,911,521
EXPENDITURE ON					
Raising funds	9	285	-	285	7,202
Charitable activities	10				
Promoting, maintaining, improving and advancing education		<u>2,175,712</u>	<u>185,388</u>	<u>2,361,100</u>	<u>6,630,316</u>
Total		2,175,997	185,388	2,361,385	6,637,518
NET INCOME/(EXPENDITURE)		(150,135)	(31,666)	(181,801)	(1,725,997)
RECONCILIATION OF FUNDS					
Total funds brought forward		616,342	102,940	719,282	2,445,279
TOTAL FUNDS CARRIED FORWARD		<u>466,207</u>	<u>71,274</u>	<u>537,481</u>	<u>719,282</u>

The notes form part of these financial statements

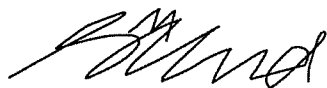
THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY (REGISTERED NUMBER: 06693227)

CONSOLIDATED AND CHARITY BALANCE SHEETS
AT 31 MARCH 2024

		Group		Charity	
	Notes	2024 £	2023 £	2024 £	2023 £
FIXED ASSETS					
Tangible assets	17	-	6,696	-	6,696
Investments	18	-	-	1	1
		-	6,696	1	6,697
CURRENT ASSETS					
Debtors: amounts falling due within one year	19	703,538	650,984	703,538	650,984
Cash at bank		<u>166,937</u>	<u>350,297</u>	<u>166,937</u>	<u>350,297</u>
		870,475	1,001,281	870,475	1,001,281
CREDITORS					
Amounts falling due within one year	20	(272,994)	(288,695)	(272,995)	(288,696)
		<u>597,481</u>	<u>712,586</u>	<u>597,480</u>	<u>712,585</u>
NET CURRENT ASSETS/(LIABILITIES)					
		597,481	719,282	597,481	719,282
TOTAL ASSETS LESS CURRENT LIABILITIES					
		(60,000)	-	(60,000)	-
NET ASSETS		<u>537,481</u>	<u>719,282</u>	<u>537,481</u>	<u>719,282</u>
FUNDS	23				
Unrestricted funds: (Including designated funds)		466,207	616,342	466,207	616,342
Restricted funds		<u>71,274</u>	<u>102,940</u>	<u>71,274</u>	<u>102,940</u>
NET ASSETS		<u>537,481</u>	<u>719,282</u>	<u>537,481</u>	<u>719,282</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved and authorised for issue by the Board of Trustees on 12.12.24 and were signed on its behalf by:



Ms Sharon Gilburd - Co-Chair

The notes form part of these financial statements

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY (REGISTERED NUMBER: 06693227)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>(187,271)</u>	<u>(2,418,743)</u>
Net cash provided by (used in) operating activities		<u>(187,271)</u>	<u>(2,418,743)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(3,541)	(4,902)
Sale of tangible fixed assets		589	449
Interest received		<u>6,863</u>	<u>4,648</u>
Net cash provided by (used in) investing activities		<u>3,911</u>	<u>195</u>
Change in cash and cash equivalents in the reporting period		(183,360)	(2,418,548)
Cash and cash equivalents at the beginning of the reporting period		<u>350,297</u>	<u>2,768,845</u>
Cash and cash equivalents at the end of the reporting period		<u><u>166,937</u></u>	<u><u>350,297</u></u>

The notes form part of these financial statements

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY (REGISTERED NUMBER: 06693227)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

1. 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)	(181,801)	(1,725,997)
Adjustments for:		
Depreciation charges	3,984	4,803
Loss/(Profit) on disposal of fixed assets	5,664	(366)
Interest received	(6,863)	(4,648)
Theatre tax relief claim – movement in debtor	(167,671)	(208,751)
Decrease/(increase) in debtors	115,117	(65,400)
(Decrease)/increase in creditors	<u>44,299</u>	<u>(418,384)</u>
Net cash provided by (used in) operating activities	<u>(187,271)</u>	<u>(2,418,743)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/23 £	Cash flow £	At 31/3/24 £
Net cash			
Cash at bank and in hand	350,297	(183,360)	166,937
Total	<u>350,297</u>	<u>(183,360)</u>	<u>166,937</u>

The notes form part of these financial statements

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1. STATUTORY INFORMATION

These financial statements include the consolidated results of The National Theatre of Wales and its trading subsidiary NTW Productions Limited.

The National Theatre of Wales is a company limited by guarantee incorporated in Wales within the United Kingdom. The registered office is Tramshed Tech Unit D, Pendyris Street, Cardiff, CF11 6BH. The nature of the charitable group's and company's operations and principal activities is disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the group's functional currency, and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

There have been no material departures from Financial Reporting Standard 102.

Going concern

The most notable event of this financial year was the announcement in September 2023 that 100% of the Company's core funding from Arts Council of Wales (ACW) would cease from 1 April 2024. Since its inception, NTW has received multi-year portfolio funding from ACW, therefore removal of this grant necessitated a complete and total review of the operating model and strategy of NTW.

At the beginning of the calendar year 2024, following the outcome of an unsuccessful appeal to ACW in late December 2023, the Board and the Executive began an urgent restructuring programme, focussed initially on reducing costs to enable the future viability of the organisation.

Annual staff costs have been reduced by more than 80% and NTW is now a remote working organisation, having vacated our office premises at the end of the financial year. Having reduced costs, the Board is now focused on developing and implementing a new strategy for NTW, which it plans to complete by March 2025.

NTW is eligible for transition funding, payable in instalments from ACW up to a maximum of 20% of the previous year's full year funding, totalling £407,000. At the time of writing, £181,000 has been received.

Despite the core funding cut, NTW has continued to diversify its income from other sources, with over 50% application success rate in 23/24. The company has fundraised £281,139 from alternative sources to deliver TEAM community and outreach projects across Wales in 2024/25.

However, as a result of cessation of funding from ACW, there exists a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. This material uncertainty arises due to the need to secure sufficient alternative funding and successfully implement the new strategy to maintain financial sustainability.

After taking the above into account, the trustees have concluded, when considering a period of 12 months from when the financial statements are authorised for issue, the going concern basis of accounting in the preparation of these accounts is still appropriate.

Income

All income is recognised in the Statement of Financial Activities once the group has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably. This includes capital grants.

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024**

2. ACCOUNTING POLICIES - continued

Donations and legacies income

Donations and legacies income includes donations, gifts and grants that provide core funding or, are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods, or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Investment income

Investment income is recognised on a receivable basis.

Expenditure

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

Expenditure on charitable activities comprises those costs incurred by the group in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the group and include the accountancy fees and costs linked to the strategic management of the group as well as a proportion of salaries based on an approximation of time spent in this area.

Tangible fixed assets

Fixed assets are initially recorded at cost. The value below which fixed assets are not capitalised is £500.

Depreciation is calculated so as to write off the cost of an asset, less its estimate residual value over the useful economic life of the asset as follows:

Fixtures & fittings	- 25% straight line
Computer equipment	- 33% straight line

However, where assets are acquired as a result of grant funding they will be depreciated over their useful life, or the period of the grant, whichever is the shorter.

Taxation

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

Funds structure

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the group without further specified purpose and are available as general funds.

Designated funds are funds which have been specifically designated for specific future costs.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, is charged to the fund, together with a fair allocation of support and governance costs.

Investments

Investments are stated at market value at the balance sheet date.

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024**

2. ACCOUNTING POLICIES - continued

Pension costs and post-retirement benefits

The group operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the group. The annual contributions payable are charged to the statement of financial activities incorporating the income and expenditure account.

Termination payments

The charitable group recognises termination benefits as a liability and an expense only when the entity is demonstrably committed either to terminate the employment of an employee or group of employees before the normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

Employee benefits

When employees have rendered service to the group, short-term employee benefits to which employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

Financial instruments

The group 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.

Trade debtors and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

Creditors are recognised where the group 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

Provisions

The group commits to providing pensions for all core staff via the group pension scheme. Joining the scheme is subject to auto enrolment regulations. At any point in time a number of eligible employees have yet to join the scheme but when they do employer contributions are backdated to their original start date. Provision is made for the group's potential contribution in respect of these individuals in those instances where a simple accrual is not considered appropriate.

Dilapidations

A provision is recognised in the financial statements when the charity has a present obligation (whether legal or constructive) as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	1,218	195
Grants	<u>1,648,436</u>	<u>1,674,920</u>
	<u>1,649,654</u>	<u>1,675,115</u>

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

	2024	2023
	£	£
Arts Council of Wales - Core funding	1,630,303	1,648,436
Esmée Fairbairn Foundation	-	10,000
Arts Council of Wales – Cost of Living Uplift	<u>18,133</u>	<u>16,484</u>
	<u>1,648,436</u>	<u>1,674,920</u>

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024**

4. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Sponsorship agreement – Feral Monster production	<u>12,000</u>	<u>-</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
	£	£
Theatre tax relief credit	315,138	251,778
Grants	153,022	103,768
Performing and related activities	20,269	2,835,300
Speaker fees	-	250
	<u>488,429</u>	<u>3,191,096</u>

All income is derived from the single charity activity of 'Promoting, maintaining, improving and advancing education'.

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

	2024	2023
	£	£
Paul Hamlyn Foundation	-	48,973
Esmée Fairbairn Foundation	50,000	50,000
John Ellerman Foundation	40,000	-
Arts Council of Wales – Yma O Hyd project	-	500
Gottfried Wilhelm Leibniz Universität Hannover	-	4,295
Cardiff Council – UK Government's Shared Prosperity Fund	38,697	-
PRS Foundation – Feral Monster	9,985	-
Esmée Fairbairn Foundation – Media Training	6,840	-
Maria Bjornson Memorial Fund – Feral Monster	7,500	-
	<u>153,022</u>	<u>103,768</u>

6. INVESTMENT INCOME

	2024	2023
	£	£
Bank interest	<u>6,863</u>	<u>4,648</u>

7. OTHER INCOME

	2024	2023
	£	£
Gain on sale of tangible fixed assets	-	366
Other income	22,638	11,946
Film tax relief	-	28,350
	<u>22,638</u>	<u>40,662</u>

8. RESULT OF PARENT CHARITABLE COMPANY

The total income of the parent charitable company was £2,944,794 and net expenditure was £181,801.

9. RAISING FUNDS

Raising donations and legacies

	2024	2023
	£	£
Fundraising expenditure	<u>285</u>	<u>7,202</u>

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024**

10. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 11) £	Support costs (see note 12) £	Totals £
Promoting, maintaining, improving and advancing education	<u>1,707,131</u>	<u>653,969</u>	<u>2,361,100</u>

11. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2024 £	2023 £
Staff costs	781,426	1,464,531
Creative and artistic activities	806,823	4,189,728
Marketing costs	56,710	369,827
Recruitment costs	2,172	15,008
Dilapidations	<u>60,000</u>	<u>-</u>
	<u>1,707,131</u>	<u>6,039,094</u>

12. SUPPORT COSTS

	Staff costs £	Other costs £	Depreciation £	Governance costs £	Totals £
Promoting, maintaining, improving and advancing education	<u>383,017</u>	<u>234,399</u>	<u>3,984</u>	<u>32,569</u>	<u>653,969</u>

13. NET INCOME/(EXPENDITURE)

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

	2024 £	2023 £
Auditors' remuneration	13,750	11,671
Auditors' remuneration for non-audit work	1,500	1,658
Depreciation - owned assets	3,984	4,803
Loss/(surplus) on disposal of fixed assets	<u>5,664</u>	<u>(366)</u>

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024**

14. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 or for the year ended 31 March 2023.

Trustees' expenses

During the year an amount of £982 (2023: £1,796) was paid to 2 (2023: 6) trustees in respect of travel and other expenses.

During the year the following professional fees were paid to trustees for services provided. The fees were paid at a commercial rate.

	2024 £	2023 £
T Khan	197	-
S Ackers	-	8,810
	<u>197</u>	<u>8,810</u>

During the comparative year £25,800 of fees were paid to entities over which 2 trustees had significant control.

Trustees are permitted to receive compensation for professional services rendered to the charity by virtue of clause 5(5)(a)(ii) of the Memorandum of Association.

15. STAFF COSTS

	2024 £	2023 £
Employee costs during the year		
Wages and salaries	1,036,758	1,580,908
Employer's National Insurance contributions	85,990	151,934
Pension costs	<u>41,696</u>	<u>67,828</u>
	<u>1,164,444</u>	<u>1,800,670</u>

	2024	2023
Number of persons employed		
Permanent staff	22	21
Collective Cymru	-	15
Temporary production staff	<u>20</u>	<u>6</u>
	<u>42</u>	<u>42</u>

The number of employees whose emoluments, as defined for taxation purposes, amounted to a rate of over £60,000 during the year were as follows:

	2024	2023
£60,001 - £70,000	1	1
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1

All employees earning more than £60,000 were members of the company pension scheme.

Included within staff costs is an amount of £37,100 in relation to redundancy costs (2023: £Nil).

Total remuneration benefits paid to key management personnel in the year was £180,991 (2023: £183,977).

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

16. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – 31 MARCH 2023

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,675,115	-	1,675,115
Charitable activities			
Promoting, maintaining, improving and advancing education	262,223	2,928,873	3,191,096
Investment income	2,294	2,354	4,648
Other income	<u>366</u>	<u>40,296</u>	<u>40,662</u>
Total	1,939,998	2,971,523	4,911,521
EXPENDITURE ON			
Raising funds	7,202	-	7,202
Charitable activities			
Promoting, maintaining, improving and advancing education	<u>2,136,703</u>	<u>4,493,613</u>	<u>6,630,316</u>
Total	2,143,905	4,493,613	6,637,518
NET INCOME/(EXPENDITURE)	(203,907)	(1,522,090)	(1,725,997)
Transfers between funds	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds	(203,907)	(1,522,090)	(1,725,997)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>820,249</u>	<u>1,625,030</u>	<u>2,445,279</u>
TOTAL FUNDS CARRIED FORWARD	<u>616,342</u>	<u>102,940</u>	<u>719,282</u>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
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17. TANGIBLE FIXED ASSETS – Group and charity

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2023	33,110	56,964	90,074
Additions	-	3,541	3,541
Disposals	(33,110)	(60,505)	(93,615)
At 31 March 2024	-	-	-
DEPRECIATION			
At 1 April 2023	32,996	50,382	83,378
Charge for year	114	3,870	3,984
Eliminated on disposal	(33,110)	(54,252)	(87,362)
At 31 March 2024	-	-	-
NET BOOK VALUE			
At 31 March 2024	-	-	-
At 31 March 2023	114	6,582	6,696

18. FIXED ASSET INVESTMENTS – Charity

	Shares in group undertakings £
MARKET VALUE	
At 1 April 2023 and 31 March 2024	1
NET BOOK VALUE	
At 31 March 2024	1
At 31 March 2023	1

There were no investment assets outside the UK.

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

NTW Productions Limited:
Nature of business: Theatre production

Class of share:	% holding
Ordinary	100

	2024 £	2023 £
Aggregate capital and reserves	1	1

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024**

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade debtors	4,426	8,201	4,426	8,201
Other debtors	9,860	28,453	9,860	28,453
Accrued income	65,769	151,891	65,769	151,891
Theatre tax relief recoverable	570,691	403,020	-	-
VAT	39,797	23,146	39,797	23,146
Prepayments	12,995	36,273	12,995	36,273
Amounts owed by group undertakings	-	-	570,691	403,020
	<u>703,538</u>	<u>650,984</u>	<u>703,538</u>	<u>650,984</u>

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade creditors	142,260	83,698	142,260	83,698
Social security and other taxes	19,462	22,242	19,462	22,242
Other creditors	6,063	59,106	6,064	59,107
Accruals	<u>105,209</u>	<u>123,649</u>	<u>105,209</u>	<u>123,649</u>
	<u>272,994</u>	<u>288,695</u>	<u>272,995</u>	<u>288,696</u>

21. LEASING AGREEMENTS

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

	2024 £	2023 £
Within one year	12,500	24,228
Between one and five years	<u>9,375</u>	<u>13,136</u>
	<u>21,875</u>	<u>37,364</u>

Total operating lease payments recognised as an expense in the year was £36,729 (2023: £35,329).

22. PROVISIONS FOR LIABILITIES

	2024 £	2023 £
Dilapidations provision	<u>60,000</u>	-
	<u>60,000</u>	-

The above provision is relating to a dilapidations report, dated February 2024, for office premises at Castle Arcade, Cardiff. Discussions and negotiations are ongoing at this time.

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23. MOVEMENT IN FUNDS

	At 1/4/23 £	Net movement in funds £	Transfers between funds £	At 31/3/24 £
Unrestricted funds				
General fund	165,218	(146,151)	447,140	466,207
Designated fund - Fixed assets	6,696	(3,984)	(2,712)	-
Designated fund - TEAM	3,734	-	(3,734)	-
Designated fund - Marketing	5,699	-	(5,699)	-
Designated fund - Core resilience	1,856	-	(1,856)	-
Designated fund - Creative Development	39,277	-	(39,277)	-
Designated fund - Office Improvements	1,808	-	(1,808)	-
Designated fund - Productions	236,956	-	(236,956)	-
Designated fund - Organisational review changes	35,000	-	(35,000)	-
Designated fund - Creative Development posts	40,686	-	(40,686)	-
Designated fund - Creative Development projects	2,500	-	(2,500)	-
Designated fund - Springboard bursaries	2,465	-	(2,465)	-
Designated fund - Festival 2022 Support (Creative Associate)	27,908	-	(27,908)	-
Designated fund - Young People's Strategy	3,592	-	(3,592)	-
Designated fund - Collaboration in Productions	35,000	-	(35,000)	-
Designated fund - Producing support	7,947	-	(7,947)	-
	616,342	(150,135)	-	466,207
Restricted funds				
Esmee Fairbairn Foundation	500	(500)	-	-
National Companies Consultancy Project	6,832	(1,442)	-	5,390
Battersea Arts Centre - The Agency	9,874	-	-	9,874
Big Lottery Fund - Access Forum	2,330	-	-	2,330
Mametz real-time digital lesson plans	931	-	-	931
Andrew Lloyd Webber Foundation - Emerging Directors	2,500	(2,500)	-	-
People's Palace Projects (Far Apart UK)	3,914	-	-	3,914
Bluestone Foundation/Little Green Grant	109	-	-	109
Festival 2022 - Galwad	24,089	(24,089)	-	-
John Ellerman Foundation - Associate Dramaturg Programme	17,863	2,245	-	20,108
Esmee Fairbairn Foundation - A Fairer Future	31,747	(3,386)	-	28,361
Unboxed / Galwad SXSW support	2,205	(2,205)	-	-
Arts Council of Wales Gwyl Grant - Yma O Hyd	46	-	-	46
Green Man 2023 -	-	116	-	116
Cardiff UKSPF 24/25 Projects	-	95	-	95
	102,940	(31,666)	-	71,274
TOTAL FUNDS	<u>719,282</u>	<u>(181,801)</u>	<u>-</u>	<u>537,481</u>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
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23. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,025,862	(2,172,013)	(146,151)
Designated fund - Fixed assets	-	(3,984)	(3,984)
	<u>2,025,862</u>	<u>(2,175,997)</u>	<u>(150,135)</u>
Restricted funds			
Esmee Fairbairn Foundation	-	(500)	(500)
National Companies Consultancy Project	-	(1,442)	(1,442)
Andrew Lloyd Webber Foundation - Emerging Directors	-	(2,500)	(2,500)
Festival 2022 - Galwad	-	(24,089)	(24,089)
John Ellerman Foundation - Associate Dramaturg Programme	40,000	(37,755)	2,245
Esmee Fairbairn Foundation - A Fairer Future	50,000	(53,386)	(3,386)
Unboxed / Galwad SXSW support	-	(2,205)	(2,205)
Green Man 2023 -	700	(584)	116
Cardiff UKSPF 24/25 Projects	38,697	(38,602)	95
Media training	6,840	(6,840)	-
Feral Monsters production	17,485	(17,485)	-
	<u>153,722</u>	<u>(185,388)</u>	<u>(31,666)</u>
TOTAL FUNDS	<u>2,179,584</u>	<u>(2,361,385)</u>	<u>(181,801)</u>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024**

23. MOVEMENT IN FUNDS – continued

Comparatives for movement in funds

	At 1/4/22 £	Net movement in funds £	Transfers between funds £	At 31/3/23 £
Unrestricted funds				
General fund	283,806	157,620	(276,208)	165,218
Designated fund - Fixed assets	6,680	(4,803)	4,819	6,696
Designated fund - TEAM	4,100	(366)	-	3,734
Designated fund - Marketing	60,227	(54,528)	-	5,699
Designated fund - Core resilience	7,947	(6,091)	-	1,856
Designated fund - Creative Development	26,697	(7,016)	19,596	39,277
Designated fund - Office Improvements	1,808	-	-	1,808
Designated fund - Productions	230,645	(230,645)	236,956	236,956
Designated fund - Organisational review changes	35,000	-	-	35,000
Designated fund - Creative Development posts	40,686	-	-	40,686
Designated fund - Creative Development projects	4,000	(1,500)	-	2,500
Designated fund - Springboard bursaries	32,210	(1,635)	(28,110)	2,465
Designated fund - Festival 2022 Support (Creative Associate)	33,443	(5,535)	-	27,908
Designated fund - Young People's Strategy	13,000	(9,408)	-	3,592
Designated fund - Collaboration in Productions	-	-	35,000	35,000
Designated fund - Producing support	-	-	7,947	7,947
Designated fund - Reinventing Performing Arts	40,000	(40,000)	-	-
	820,249	(203,907)	-	616,342
Restricted funds				
Paul Hamlyn Foundation	61,200	(61,200)	-	-
Esmee Fairbairn Foundation	790	(290)	-	500
National Companies Consultancy Project	7,582	(750)	-	6,832
Battersea Arts Centre - The Agency	9,874	-	-	9,874
Big Lottery Fund - Access Forum	2,330	-	-	2,330
Mametz real-time digital lesson plans	1,381	(450)	-	931
Andrew Lloyd Webber Foundation - Emerging Directors	4,000	(1,500)	-	2,500
People's Palace Projects (Far Apart UK)	12,670	(8,756)	-	3,914
Bluestone Foundation/Little Green Grant	109	-	-	109
Festival 2022 - Galwad	1,485,094	(1,461,005)	-	24,089
John Ellerman Foundation - Associate Dramaturg Programme	40,000	(22,137)	-	17,863
Esmee Fairbairn Foundation - A Fairer Future	-	31,747	-	31,747
Unboxed / Galwad SXSW support	-	2,205	-	2,205
Arts Council of Wales Gwyl Grant - Yma O Hyd	-	46	-	46
	1,625,030	(1,522,090)	-	102,940
TOTAL FUNDS	2,445,279	(1,725,997)	-	719,282

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
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23. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,939,998	(1,782,378)	157,620
Designated fund - Fixed assets	-	(4,803)	(4,803)
Designated fund - TEAM	-	(366)	(366)
Designated fund - Marketing	-	(54,528)	(54,528)
Designated fund - Core resilience	-	(6,091)	(6,091)
Designated fund - Creative Development	-	(7,016)	(7,016)
Designated fund - Productions	-	(230,645)	(230,645)
Designated fund - Creative Development projects	-	(1,500)	(1,500)
Designated fund - Springboard bursaries	-	(1,635)	(1,635)
Designated fund - Festival 2022 Support (Creative Associate)	-	(5,535)	(5,535)
Designated fund - Young People's Strategy	-	(9,408)	(9,408)
Designated fund - Reinventing Performing Arts	-	(40,000)	(40,000)
	1,939,998	(2,143,905)	(203,907)
Restricted funds			
Paul Hamlyn Foundation	48,973	(110,173)	(61,200)
Esmee Fairbairn Foundation	-	(290)	(290)
National Companies Consultancy Project	-	(750)	(750)
Mametz real-time digital lesson plans	-	(450)	(450)
Andrew Lloyd Webber Foundation - Emerging Directors	-	(1,500)	(1,500)
People's Palace Projects (Far Apart UK)	-	(8,756)	(8,756)
Festival 2022 - Galwad	2,836,505	(4,297,510)	(1,461,005)
John Ellerman Foundation - Associate Dramaturg Programme	-	(22,137)	(22,137)
Esmee Fairbairn Foundation - A Fairer Future	50,000	(18,253)	31,747
Unboxed / Galwad SXSW support	31,250	(29,045)	2,205
Arts Council Wales Gwyl Grant - Yma O Hyd	500	(454)	46
Media Futures	4,295	(4,295)	-
	2,971,523	(4,493,613)	(1,522,090)
TOTAL FUNDS	<u>4,911,521</u>	<u>(6,637,518)</u>	<u>(1,725,997)</u>

Designated funds prior year (see transfer between funds note 2024)

Designated fund - Fixed Assets

The fund represented the net book value of fixed assets.

Designated fund - TEAM

The fund represented the value of core funds set aside towards the company's TEAM community engagement programme activities.

Designated fund - Marketing

The fund represented the value of funds set aside to meet website development costs.

Designated fund - Core resilience

The fund represented the value of funds set aside to finance staff and other costs associated with the development and implementation of the company's income generation and diversification strategy.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
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23. MOVEMENT IN FUNDS - continued

Designated fund - Creative Development

The fund represented the value of unapplied research and development and commissioning funds to be utilised in support of an enhanced programme of such projects in future years. An additional £29,668 was designated during the year to provide for costs associated with future projects.

Designated fund - Office improvements

The fund represented the value of funds set aside to support essential improvement works and other expenditure relating to the office at 30 Castle Arcade. This includes costs associated with searches for alternative accommodation.

Designated fund - Productions

This represented the value of funds set aside to supplement 'in year' funds to enable investment in future years' artistic programmes. An additional £236,956 was designated during the year to support future artistic programmes.

Designated fund - Organisational review changes

The fund represented the value of funds set aside to provide for staffing changes arising from the company's review of its organisation structure.

Designated fund - Creative Development posts

The fund represents the value of funds set aside to provide for freelance support to be engaged to oversee and administer the company's creative development activities during 2022/23 and 2023/24.

Designated fund - Creative Development projects

The fund represents the value of funds set aside to provide match funding for the Emerging Directors programme - matching the final year funding approval from the Andrew Lloyd Webber Foundation.

Designated fund - Springboard bursaries

The fund represented the value of funds set aside to support the company's Springboard Bursaries programme, introduced in 2021/22 to assist freelancers.

Designated fund - Festival 2022 Support (Creative Associate)

The fund represented the value of funds set aside to provide funding towards salary costs associated with the post of Creative Associate.

Designated fund - Young People's Strategy

The fund represented the value of funds set aside to support the costs of the work that the charity is incurring in respect of the Young People's Strategy.

Designated fund - Collaboration in Productions

This funding represented the value of funding set aside to finance collaboration and engagement initiatives alongside productions to be staged in the 2023-24 financial year.

Designated fund - Producing support

This funding represented the value of funding set aside to engage a consultant to provide strategic producing support to the Artistic Director.

Prior year only

Designated fund - Reinventing Performing Arts

This funding, provided by the Esmée Fairbairn Foundation aimed at helping organisations recover from the impacts of the pandemic, will be used to help NTW re-imagine its online community presence.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
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23. MOVEMENT IN FUNDS - continued

Restricted funds

Esmée Fairbairn Foundation

This funding was provided to contribute towards the company's creative development programme for artists working across Wales.

National Companies Consultancy Project

This project is a jointly funded initiative involving the eight national arts organisations in Wales, as designated by the Arts Council of Wales - the first time that they have all come together in this way. The companies taking part, other than NTW, are BBC National Orchestra of Wales, Ffilm Cymru Wales, Literature Wales, National Dance Company Wales, Theatr Genedlaethol Cymru, Wales Millennium Centre and Welsh National Opera. Each organisation is contributing to the project financially and/or in kind, and the funding is being used to pay for the services of a consultant, who has been engaged to provide the companies with advice in a number of areas. These areas include building resilience and growth in the wider arts sector; developing audience diversity and inclusivity; identifying ways in which to lead on supporting the professional development of artists; and how to increase the international profile and market opportunities for Wales. The project documents were signed in March 2017, with the work taking place throughout 2017/18 and 2018/19 and continuing into 2019/20 and beyond.

Battersea Arts Centre - The Agency

The Agency is a creative entrepreneurial programme, that seeks to use the arts to assist and encourage young people, in local disadvantaged communities, to develop their creative ideas into business opportunities. It is a partnership involving NTW, Battersea Arts Centre (BAC), Contact Theatre, People's Palace projects and FabLab Belfast, with funding provided by the Big Lottery Fund. The purpose of the partnership is to continue running an existing project in London (BAC) and Manchester (Contact) and replicate and run the programme in Wales (NTW) and Northern Ireland (FabLab).

Big Lottery Fund - Access Forum

This funding has been provided via the Big Lottery Fund's 'Awards for All' programme. Its purpose is to fund a series of Forum events being held across Wales. The Forum exists to bring together organisations, artists and individuals from across Wales to work together in removing barriers to accessing the arts faced by people with disabilities.

Mametz real-time digital lesson plans

This represents a combination of funding from two sources - the Colwinston Trust, and the Welsh Government's WW1 Activity Fund. The purpose of the funding is to enable the development of real-time, digital lesson plans related to NTW's 2014 production 'Mametz', which now forms part of the A level Drama and Theatre Studies syllabus in Wales. The aim of these plans is to provide an insight to aid both teachers and students.

Andrew Lloyd Webber Foundation - Emerging Directors

This funding contributes towards the costs of NTW's Emerging Directors Programme. This programme has the primary aim of giving talented and promising individuals the opportunity to work alongside experienced directors.

People's Palace Projects (Far Apart UK)

This funding relates to 'Far Apart but Close at Heart UK', a multi-partner research study that the company is taking part in. The study is led by People's Palace Projects (who provide the funding to NTW), in conjunction with the Unit for Social and Community Psychiatry at Queen Mary University of London. Other companies taking part in the study, which aims to explore how arts organisations in the UK are using online platforms and other means to support the mental health of young people during a global pandemic, include Battersea Arts Centre, Contact Theatre Manchester, Dirty Protest and Royal Theatre Stratford East. This project is run in parallel with a sister project in Latin America.

Bluestone Foundation/Little Green Grant

This funding comprises two small grants. One, in the sum of £2,500, was provided by the Bluestone Foundation. The other (Little Green Grant), in the sum of £1,000, was provided by the Pembrokeshire Association of Voluntary Services. Together they were utilised to fund the design and construction of 'mission boards' related to Simple Acts - a call for social change, which was a central thread throughout all of the Go Tell The Bees activity. (Simple Acts encourages people to perform seven activities - Simple Acts - as part of their daily lives to help improve the environment and the world around us. These activities are 'plant a seed', 'learn one new thing about nature', 'take a walk', 'connect with someone new', 'consume a little less', 'be kind to your neighbour' and 'consider the stars').

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23. MOVEMENT IN FUNDS - continued

Festival 2022

NTW heads up a partnership of organisations, collectively known as Collective Cymru, that came together to submit a bid to Festival 2022 (since renamed the Unboxed Festival). The organisations involved include Centre of Alternative Technology, Clwstwr, Disability Arts Cymru, Ffilm Cymru, Fran Wen and Sugar Creative, whilst community partners are CellB, Citizens Cymru, Disability Arts Cymru, Ethnic Minorities Youth Support Team (EYST) and Merthyr Tydfil Leisure Trust. During the 2020/21 financial year the company received a commissioning fee from Festival 2022 for the purposes of working up a full business case bid for a project culminating in the Autumn of 2022. Notification was received in March 2021 that the bid had been successful and work on the project (now known as 'Galwad') commenced with effect from April 2021. The project culminated in a series of events to be staged in September 2022, with the project itself coming to a conclusion by December 2022.

John Ellerman Foundation - Associate Dramaturg Programme

This funding has been provided to support NTW's dramaturgical development of new commissions and projects, and talent development initiatives.

Esmee Fairbairn Foundation - A Fairer Future

This funding has been provided to support NTW's creative development activities.

Unboxed / Galwad SXSW support

This funding was provided by Unboxed Festival to support a Galwad presence at the South by South West Conference staged in Austin, Texas in March 2023.

Arts Council of Wales Gwyl Grant - Yma O Hyd

This funding was provided to support the staging of Yma O Hyd poetry and creative workshops held in Tenby.

Media Futures

This funding was provided by Gottfried Wilhelm Leibniz Universität Hannover in relation to a joint project with Data4Change and Monnow Media Ltd called "Someone Must Have Been Telling Lies". It aimed at addressing the themes of misinformation and disinformation by working with marginalised communities in Swansea and Cardiff.

Cardiff UKSPF 24/25 projects

Funding, via the Cardiff Council, from the UK Government's Shared Prosperity Fund to support capacity building.

Media Training

Funding of £6,840 was provided by the Esmee Fairbairn Foundation towards media training costs.

Feral Monster production

Funding was provided by PRS Foundation £9,985 and Maria Bjornson Memorial Fund £7,500 towards the costs of the Feral Monster production, a musical about an unremarkable teenager.

Restricted funds in prior period

The **Paul Hamlyn Foundation** supports the company's 'TEAM' programme, the role of which is to develop relationships within communities, and thereby promote National Theatre Wales and develop interest in theatre.

Transfers between funds

A transfer of £2,712 has been made from the general fund to the designated fixed assets fund, representing the balance of capital additions and disposals during the year. At the year end the fund value is £Nil in line with the Balance Sheet fixed assets held.

In light of the organisation's position (outlined under Note 2), a decision was made to transfer all other opening designated fund balances back to the general fund. As a result, a total transfer of £444,428 has been made from each of these funds to the general fund.

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24. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in independently administered funds. The group also makes contributions to a defined contribution scheme administered by Aviva on behalf of Equity. The pension cost charge represents contributions paid by the group to the funds and amounted to £41,696 (2023: £67,828). Contributions outstanding at the year end amounted to £5,638 (2023: £2,878).

25. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2024, that required disclosure (2023: none).

26. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2024 are represented by:			
Tangible fixed assets	-	-	-
Current assets	786,728	83,747	870,475
Current liabilities	(260,521)	(12,473)	(272,994)
Provision for liabilities	(60,000)	-	(60,000)
Total net assets	466,207	71,274	537,481

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024**

26. SUBSIDIARY COMPANY

The charity owns the whole of the issued ordinary share capital of NTW Productions Limited, a company registered in England and Wales. The subsidiary is commissioned to produce theatrical productions on behalf of the charity. All activities have been consolidated on a line by line basis in the SOFA. The total net profit is gifted to the charity.

A summary of the results of the subsidiary is shown below:

	2024 £	2023 £
Turnover	765,210	641,157
Cost of sales	(1,080,348)	(896,710)
Gross profit	(315,138)	(255,553)
Administrative expenses	-	-
Loss on ordinary activities before taxation	(315,138)	(255,553)
Theatre tax relief claim	315,138	255,553
Profit for the financial year	-	-

The aggregate of the assets, liabilities and funds was:

	2024 £	2023 £
Assets	570,692	255,554
Liabilities	(570,691)	(255,553)
Funds (representing 1 ordinary share of £1)	1	1

Accounts

REGISTERED COMPANY NUMBER: 06693227 (England and Wales)
REGISTERED CHARITY NUMBER: 1127952

REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 MARCH 2023
FOR

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY

MHA LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

FINANCIAL REVIEW

The 2022-23 financial year saw the Company stage its first full year of activity since the COVID-19 pandemic and the restrictions that went with it. The Company's office remained fully operational during the year, but at a lower capacity level than before the pandemic, which means that hybrid working arrangements are common-place for all staff. This has meant that the Company's investment in digital and flexible ways of doing business has continued. In addition, the Company has taken the opportunity to reassess its strategic direction and working practices, whilst building upon the efficacy of its business model and the robustness of its financial management practices that proved so successful in seeing it through the challenges of the pandemic.

From a financial perspective, the most notable event was the culmination of work on Galwad - a project forming part of the Unboxed Festival and commissioned by Creative Wales. Supported by a variety of funding sources, this is a project far bigger than anything previously undertaken by NTW - involving expenditure approaching some £5.9m across two financial years. Aside from the impact on the Company's turnover, the Galwad funding has also helped NTW exceed its targets for income diversification and investment in production, artist development and engagement related activities.

Excellent financial management continues to ensure that budgets are adhered to. This allowed the Company to invest some £105k of 'free' reserves and £357k of designated reserves in support of its activities in 2022-23, whilst still enabling a 'free' reserves balance of some £165k to be carried forward and a further £310k to be designated for reinvestment in 2023-24 and beyond.

'Free' reserves levels are in accordance with the operational limits set out in the Company's Reserves Policy, but in order to adopt a prudent approach its budgets for 2023-24 provide for funds to be set aside to restore their balance above target levels set out in the Reserves Policy, with a budgeted value of such reserves at 31 March 2024 of some £242k (the level set to allow for an increase in target levels when next reviewed, a process scheduled for completion in the 2023-24 but paused due to funding developments outlined below). Budgets also allow for the use of some £325k of designated reserves, for the specific purposes for which they have been set aside.

Theatre Tax Relief (TTR) credits of some £256k were generated in the year (although some £4k of these credits are due to be passed to a co-production partner relating to prior year production). This takes the total income claimed from this source to more than £1.1m over the period that the scheme has been in place (since 2014).

Since the balance sheet date of these accounts, there has been a significant change NTW's funding position. The entirety of the Company's core funding from Arts Council of Wales (ACW) will cease from 1st April 2024. In March 2023, NTW sent ACW an Investment Review application for 3-year core revenue funding for the 2024-25 to 2026-27 period. On 27 September 2023, ACW notified NTW that it would cease to award NTW revenue funding from 1 April 2024. NTW engaged with ACW's appeal process and though the appeal resulted in grounds for review, on 21st December, 2023 ACW confirmed it would uphold its earlier funding decision. NTW is now in discussions with ACW regarding an exceptional payment of up to 25% of NTW's previous annual grant of £1.6m. NTW is now focussed on re-modelling the financial scenario for 2024-25, with unrestricted reserves and restricted income providing the initial source of funding until a revised strategy and Business Plan is in place. Transition funding from ACW is subject to restrictions, and should NTW be successful in securing transition funding, which at the time of writing has not been confirmed, it will be used to re-assess existing strategy and plans. Trustees are fully engaged in this pivoting of the business for the future, and are aware of the fundamental choices which lay ahead. These choices could include development of a new strategy and plan in line with NTW's revised funding profile, to include new funding pathways and a revised programme of work, to a decision on the viability of NTW's beyond the 24-25 financial year. The Board have already taken action to reduce costs to maximise funds available for this pivot and assure the future viability of NTW. This includes closing office premises, minimising commitments which require core funding, and a redundancy programme. The Chief Executive/Artistic Director is to step down, the Deputy CEO, who left the business in January 2023 will not be replaced, and an interim CEO has been appointed to cover both roles.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

OBJECTIVES AND ACTIVITIES

National Theatre Wales was created in 2008 with the overall aim of developing and enriching English language theatre in Wales. Our charitable objects, as set out in our Articles of Association, are:

To promote and assist in the advancement of the education of the public so far as this shall be charitable, and in particular, to procure the performance of and increase the understanding of the dramatic arts in all their forms, in Wales and elsewhere primarily through the medium of the English language.

NTW has presented over a hundred powerful productions that are nationally significant, ranging from the intimate to the epic. We have created work of lasting impact and global reputation, garnering critical acclaim for notable works such as *The Passion* (2011), *Coriolanus* (2012), *Mametz* (2014), *The Insatiable*, *Inflatable Candyfloss* (2015), *City of the Unexpected* (2016), *On Bear Ridge* (2019) and *Petula* (2022).

NTW also delivers a range of theatre maker, participant and audience development initiatives which weave through one another and our productions. In this way, we deliver deep and wide-ranging impact for the sector and the people of Wales.

We have established NTW as a radical and innovative national Company with a reputation for:

- Creating exciting new productions on a wide range of scales, sometimes in unexpected places, with change-making at their heart.
- Bringing dynamic combinations of artists together to challenge and inspire each other.
- Pioneering online initiatives grounded in a user-led digital community.
- Supporting and encouraging theatre makers at a variety of stages in their development, open to emerging artists, new voices and working with participants and audience members at every step of the journey.
- Networking UK wide and internationally to achieve a new level of critical and artistic awareness for theatre in and from Wales.
- Expanding definitions of what theatre is and of what a national theatre can be.
- Being a truly national theatre: relevant, accessible and embedded in communities.
- Centring audiences in everything that we do.

Overall Impact

Since its establishment in 2008, NTW has showcased its dedication to supporting the ambitious cultural and theatrical landscape and culture in Wales. NTW has reached **over 331,000 live and over 8.2 million online and television broadcast audience members**, as well as **104,400 community participants**.

During 2022-2023, NTW engaged with **over 34,400 members of the community** across Wales, **54% of whom were children and young people**. We facilitated **1,840 participatory sessions**, from workshops to open mic nights. Further adapting to the modern hybrid landscape, NTWs' digital presence continued to expand. In addition to tripling our newsletter subscriber base, we welcomed over **359,000 website visitors** and **2.5 million views across digital channels**.

Alongside **15 artist residencies**, NTW delivered **685 training and workshop sessions to 2,000 participants** and engaged with **1,010 audience members** through talks and Q&A events. **18 artists were commissioned** to create and develop creative work – 100% of whom were from under-represented backgrounds within the sector. NTW employed **23 members of core staff**, and a skilled freelance and voluntary workforce of just under **750 theatremakers**.

In terms of NTWs' **6 productions** in 2022-2023, 78% originated from and/or had been developed with audiences and communities across Wales. Highlights include the co-creation of *A Proper Ordinary Miracle* - an outdoor performance in Wrexham and the culmination of NTWs' four-year journey into the heart of Wrexham's communities. The show focused on the theme of home and involved over 150 theatre makers and 550 audience members, concluding **4 years of community engagement with local groups, partners and audiences**. Co-creation was also central to *Galwad*, an immersive and ambitious transmedia endeavour which had an overall digital audience of over 5.4 million, worked with 125 Welsh businesses and 485 freelancers and individuals.

In line with its commitment to sustainable ways of working, 100% of productions were delivered at the base level of the **Green Book** and 20% were delivered at the intermediate level.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

Our Strategy

NTW's 2022-2025 Strategic Plan was developed through a wide-ranging consultation exercise with staff, our Board, and TEAM Panel members, theatre makers, collaborators and stakeholders, members of our audience and other interested parties. It responded to a post-COVID-19 and post-Brexit world, reflecting the ongoing uncertainty and a renewed vigour to address inequality within the sector and our world, the climate emergency and increasing economic and socio-political instability, as heightened by recent global events such as the murder of George Floyd and Breanna Taylor and the rise of the alt right movement.

NTW's new strategy (2023-2027) represents a fundamental shift from place-making to change-making. These are its key tenets:

Our Vision

Making theatre matter as a force for change. Harnessing the power of Wales' stories, people and places to collectively imagine and shape a more equal, sustainable and environmentally just world.

Our Mission

We do this by connecting and collaborating with audiences, communities and theatre makers to:

- Tell the stories and amplify the lived experiences of Wales, exploring the challenges of our times to inspire change.
- Place equality, social and environmental justice and well-being at the core of what we do.
- Create essential and extraordinary experiences together that connect us locally, nationally and globally.

Our Values

Our Values are the guiding principles that underpin all our work, practices and working culture.

- **Connection** | We pursue connection through everything we do. We believe in it as a route to shared belonging and collective identity. We convene, gather and listen. We share ideas, stories and imagine futures together.
- **Courage** | We are bold in our ambition, brave in embracing risk and vulnerability to fail as a means to move forward. We stay focused, we recognise that the spaces that feel hard and uncomfortable are often the moments where change happens.
- **Authenticity** | We are open and self-reflective; we challenge our own assumptions and default behaviours and encourage individuals to speak their truth. We make space for individuals to bring their true and whole selves to work with us.

Our Work

We continue to channel our activity through our three fundamentally interconnected areas of work which together comprise the main activities undertaken to further our purposes for the benefit of the public. These feed a centralised approach to engagement that places the audience - the Welsh public - at the heart of what we do. Each area uses the unique skills and practices that exist in the art of theatre making to engage, question and listen to the experiences of the people of Wales:

- **Collaboration:** Through TEAM – our network of community based artists, activists and leaders who support, challenge and advise NTW – we continue to develop and deepen our partnerships with communities and individuals across Wales and Internationally. We seek to catalyse change by boosting the power of communities; channelling stories and experiences through a network of voices traditionally excluded from cultural activity.
- **Creative Development:** Our Creative Development programme focuses on opening up pathways and providing support and development opportunities for remarkable theatre makers and collectives.
- **Production:** As a theatre without walls, we are empowered by an incredible mandate to bring performance to new places and in new forms. We are committed to creating popular, accessible, meaningful theatre that connects audiences with the gamut of emotional experience, entertaining and challenging us in equal measure.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

During 2022-2023, we continued to develop dynamic supporting cross-cutting strategies for all three of these core areas of Our Work, with audiences at their centre. These include:

- Strategic Equalities Plan
- Climate Emergency Strategy
- Young People's Strategy

Our Aims

In order to enact our Vision and Mission and inspire change, we will:

- **Our Ethos:** Create a reflexive culture of listening and belonging across all our work, centring audiences, communities and theatre makers to ensure their needs and perspectives actively shape our decision-making and are represented in all our activities.
- **Our Work:** Produce a world class, cohesive, bold and accessible programme of theatre making, embodied by courageous production, collaboration activity and creative development practice that catalyses and provokes change through transformational experiences.
- **Our Reach:** Build new audiences for theatre in Wales, and make theatre relevant and of deeper impact to more people, especially young people and those who experience racism, ableism and poverty.
- **Our Commitment:** Prioritise anti-discrimination and social justice across all our processes and projects, including a renewed focus on our environmental responsibilities. Building a culture of self-analysis to ensure our decision-making values every activity on its ability to contribute to building a more equal, sustainable and environmentally just Wales.
- **Our Responsibility:** Diversify our income, grow our unrestricted revenue and maximise the impact of the public's investment in the arts through the experiences and opportunities we create for audiences, communities and theatre makers.
- **Our Identity:** Explore national identity to amplify the difference and multiplicity of experiences in Wales and of being Welsh. Examining what it means to be human, here and now, to connect us with a global audience united by universal experiences.

Public Benefit

We have referred to the guidance contained in the Charity Commission's guidance on public benefit when reviewing our aims and objectives and in planning our future activities. As a result, we developed the following deliverables for the Company:

Our Outputs

These are the immediate products and effects of our endeavours:

- Our productions and projects
- Our People composition and reach
- Our stakeholder perceptions and relationships
- Financial investment in us and Our People

Our Outcomes

These are the medium-term changes we will generate for Our People:

- Increased employability (A Prosperous Wales)
- Increased self-confidence (A Resilient Wales)
- Increased climate emergency activism (A Resilient Wales)
- Increased cultural activism (A More Equal Wales)
- Decreased risk of, and increased resilience to, mental illness (A Healthier Wales)
- Exposure to new worlds, philosophies, cultures (A Wales of Cohesive Communities)
- Increased access to, and deepened impact of, Welsh theatre (A Wales of Vibrant Culture and Thriving Welsh Language)
- Increased ability to empathise (A Globally Responsible Wales)

These organisational Outcomes were chosen from a wider list of benefits theatre can generate because they contribute to achieving the seven Well-being Goals in the Well-being of Future Generations Act (2015) – hence the references at the end of each Outcome above.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

Our impact

This is the long-term change we have planned to generate for Wales – namely the extent to which the Outputs and Outcomes we have achieved take us towards delivering on our Vision: a Wales where theatre matters as a force for change, and where we harness the power of the nation's stories, people and places to collectively imagine and shape a more equal, sustainable and environmentally just world. These will now be reviewed and updated in line with our strategic reassessment.

ACHIEVEMENTS AND PERFORMANCE

NTWs' 2022 season saw it emerge from the rapidly changing range of COVID-19 pandemic restrictions which had dominated theatre experiences during 2020 and 2021, only to face the economic and geo-political uncertainty and extremes of impending financial recession and high inflation rates, Brexit coming into full effect, energy supply fragility and war in Europe.

The performing arts experienced unpredictable and patchy audience return, with a general preference for upbeat, irreverent content such as musicals, comedy and tribute acts to the detriment of more serious content which had been in development pre-pandemic.

In this operating climate, NTW staged six rather than its usual four productions. It also ran a series of professional development opportunities which offered entry points, step changes and pathways for theatre makers, many of whom faced serious financial and well-being hardships during the pandemic and ensuing cost of living crisis. In its final year of Paul Hamlyn Foundation funding, Collaboration and TEAM ran a full programme of activity which engaged theatre makers, creative participants and audience members, and ran the 3-year culmination of activity in Wrexham through the collaborative full-scale production which was *A Proper Ordinary Miracle*.

Alongside these works, the Company launched its new brand and website, and initiated a rigorous redevelopment of its operational platforms and processes, with multiple large, organisationally- and sector-redefining projects in train throughout the year. These will see fruition in 2023-2024 and will support NTW to build strength and depth across its functions and the wider sector. These investments put us in a strong position to pursue alternative funding pathways through 2024-25, as our operational governance is robust and provides potential funders with confidence.

Productions

Petula

Petula, NTWs' co-production with Theatr Genedlaethol Cymru and August 012, was in production in spring 2022 and was planned to tour 6 mid-scale venues in Wales through March-April. Directed by **Mathilde Lopez** and translated/adapted by **Daf James** from **Fabrice Melquiot's** extraordinary play, the show supported the re-opening of venues following the gradually reducing social distancing restrictions imposed during the COVID-19 pandemic. A series of stringent processes to minimise the risk and impact of infection – including cast and crew bubbles and employing two understudies – were strictly adhered to but the Aberystwyth and Bangor performances were cancelled due to Covid outbreaks amongst the team.

A fluid multi-lingual (Welsh/English/French) work, it thematically addressed mental health and well-being, particularly in the young and the aftermath of trauma. Lead character Pwddin Evans - played by **Dewi Wykes** - struggles to deal with his ridiculous parents, step-parents, the weight of his teenage worries, gravity – so he launches himself into space in search of answers and his missing cousin Petula – played by **Kizzy Crawford**.

A panel of **12 young campaign advisors** gave feedback on the initial campaign artwork and helped develop ideas for creative content. Advanced press coverage included pieces in *The Stage* and *Whatsonstage*, *Golwg*, *Buzz*, *Cardiff Times*, *Cardiff Life*, *Barn* and both *Radio Cymru* and *Radio Wales*, with the *Observer* and *Guardian* running positive reviews. *Petula.cymru* – the show's micro site – received **14,000 page views** and **6,000 visits** (4,600 unique visits).

Petula faced ongoing audience hesitancy to return to theatres. Schools were a key target for the tour, and many were wary to book or cancelled last minute due to infection rate increases. In spite of this, audience numbers hit over **1,500** and the reviews were glowing. *Petula* was nominated for the 'Best Show for Children and Young People' category in the 2022 UK Theatre Awards, and **Dewi Wykes** was nominated for 'Best Performer in a Play' in the 2022 *The Stage* Debut Awards.

"A story that could be Roald Dahl or early Spielberg... this production is nothing if not unique." ★★★★★
- *The Stage*

"The action may be absurd but the trauma and confusion of growing up are totally realistic."
- *The Observer*

"Funny enough to make me laugh so much I started to worry about needing a new ribcage."
- *Nation.cymru*

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

Circle of Fifths

In summer 2022, film maker, theatre maker and long-standing TEAM member **Gavin Porter** and a collective of Cardiff-based artists brought us together to celebrate life in death. *Circle of Fifths* was a live documentary performance, told through real life stories, rooted in tradition, music and memory.

The show explored grief – particularly poignant in the aftermath of the COVID-19 pandemic – and weaves the stories and emotions of mourners through a spiritual performance founded in playing, sharing, absorbing and dancing to music as a way to offer harmony when death has fractured life's rhythm. The multicultural traditions and identities of the Butetown community – in which the production was located – were central to the piece, which crescendoed into something resembling a fully immersive, universally understood and engaged-in funeral.

This piece was experimental, fully collaborative and led by Gavin after years of development. It took each audience member on a unique journey, drawing tears and laughter in equal measures.

Due to its success, NTW will re-mount the show for 2023/2024, touring it around Wales, to London and beyond.

"You feel you are part of something real and stark and spiritual." ★★★★★

- Buzz Magazine

"My unexpressed feelings were communicated in a way that was beyond me." ★★★

- The Stage

Kidstown

Kidstown was conceived after discussions with artists **Nigel Barrett** and **Louise Mari** about the impact of the Covid-19 pandemic lockdown and the climate emergency on a generation of children. Mindful of the significance of kids experiencing something that grown-ups could not give them a map for – all new, unknown, sometimes scary, sometimes just really, really boring, Nigel and Louise came up with an experience that could revive a sense of freedom and joy in them. The result was a **3-year production** aimed at empowering Wales' children to make sense of their environment by making and building through imaginative, chaotic, and uninhibited play. Where grown-ups were not allowed, and children set the rules.

The pilot ran over the 2022 August bank holiday weekend, with an enclosed arena full of cardboard, fabric, paint, and props cupboard. **Over 150 children** joined us to play. Castles were built. Shops opened. Mayoral elections were interrupted by tiger chases. Grown-ups sat as audience members outside, listening intently to the curated broadcast from Nigel and Louise featuring the voices of the children.

In 2023/2024 *Kidstown* will return as a fully designed and artistically curated show, travelling to Newtown, Ebbw Vale and the Llŷn Peninsula at the National Eisteddfod. The voices captured during these two years will inspire and feature in the 2024/2025 show *Requiem for the Children*, a bilingual musical explosion themed on the crises our children will face if we do not act now. Drawing new content from every location it visits, this will be an internationally touring collaborative show.

Galwad

Since being awarded Department for Digital, Culture, Media & Sport (DCMS) funding in March 2021 for a Festival 2022 / Unboxed project, the consortium (led by NTW with partners the Centre of Alternative Technology, Clwstwr, Disability Arts Cymru, Ffilm Cymru, Frân Wen and Sugar Creative, S4C and Sky Arts) established the body Collective Cymru to develop and deliver an immersive and highly ambitious transmedia endeavour across broadcast media, digital and live platforms.

A team of freelancers and a tiered governing structure was assembled through summer 2021, after which Collective Cymru embarked on a 'world-building' process (where fictional, but plausible worlds are imagined for film or gaming), with **120 participants** drawn from **5 communities** across Wales, community partners CellB, Citizens Cymru, Disability Arts Cymru, Ethnic Minorities Youth Support Team (EYST) and Merthyr Tydfil Leisure Trust, and from a wide range of global expertise in the climatic, technological and social conditions of the next thirty years. Led by **Alex McDowell**, production designer of *Minority Report*, and Experimental Design Studio, the world-building process generated the imagined base of our 2052 world and a digital resource. This was the framework by which a team of 16 Welsh writers including **Hanna Jarman**, **Eric Ngalle Charles**, **Owen Sheers** and **Emily Burnett** developed a series of interwoven narratives through spring 2022.

Inspired by the Well-Being of Future Generations Act, *Galwad* was a new kind of story for our times. Unfolding on social media channels and digital platforms in real-time over seven days in autumn 2022, and broadcast live on Sky Arts on Sunday 2 October, *Galwad* used new forms of storytelling to create an emotional connection to a possible future in 30 years' time.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

Galwad was rooted in the people and places of contemporary Wales, with the future story-world of 2052 imagined by hundreds of people in response to the social, economic and cultural consequences that could result from a 1.8 degree rise in global temperatures.

It broke new ground by using transmedia storytelling (scattering characters and plot across multiple channels and platforms including a **60-minute TV drama**) combined with live-streamed and live-broadcast performances to immerse the viewer in a story which unfolded in real-time.

Committed to radical inclusion from the start, Galwad set out to change how projects of this scale are made and by whom, through inclusive casting, tri-lingual scripting, accessible formats, community engagement, and collaborative processes of creation involving over **400 freelancers and creatives across Wales**: a true collective act of the imagination.

Unfolding over seven days across social and broadcast channels, **167 pieces of content** (all in accessible formats) were distributed over 5 online platforms (Twitter, Facebook, TikTok, Instagram, YouTube) and broadcast channels Sky Arts, S4C, BBC Radio Cymru and BBC Radio Wales.

The overall online reach was **5.44 million+**, with **2.74 million** unique views from across **149 countries** and **2.5 million** minutes watched.

£3.1 million was spent on **485 freelancers and individuals** to create Galwad. Of these: **84%** reside in Wales, **27%** are Deaf and/or Disabled or living with a long-term medical condition; **25%** are from global majority heritage backgrounds; **26%** identify as LGBTQI.

125 Welsh businesses and audiences were engaged, with **80%** of production and **70%** of the overall project spend taking place in Wales. **159 tonnes** of carbon emissions were offset or reduced by the project.

A number of collaborative, inclusion-driven initiatives contributed to the making and impact of Galwad:

- **Galwad Young Company: 12 people aged 18 to 25** worked across the live story, broadcast drama, script writing, citizen journalism, access and inclusion and sustainability; **6 residencies; £6,000 bursaries** for each young company member including **3 paid** forward legacy days.
- **Inclusive Skills Development: 67 young people** being supported through discovery sessions; **42 freelancers** undertaking training with Cult Cymru; **39 opportunities** for core project team skills development e.g., deaf and disability awareness; **19 next step** mentored associate roles including design, composing, film-making, writing and choreography; **10** foot in the door trainees; **9 citizen journalists** trained.
- **Community Cast: 50 community performers** worked with the creative team on devising and/or performing the live scenes, broadcast drama and audio messages; including the Merthyr Movers who worked with **Anthony Matsena** and **Marc Rees**; Merthyr College students who worked with film-maker **Jamie Jones**; and the finale young cast – who devised the welcome performance in Blaenau Ffestiniog.
- **Engagement: 7 Blaenau community 'activator' residents** helped shape the story, participation activity and audience experience for the Blaenau and wider community; Siop Galwad conceived and hosted by community partners CellB to provide a place in Blaenau Ffestiniog to chat about the project; **9 people** from across Wales were supported by the Bureau of Investigative Journalism and Solutions Journalism to write pieces published by Nation.Cymru on the implications of Galwad as citizen journalists; **10 trainees** worked on the TV drama with Mad as Birds TV, co-ordinated by Ffilm Cymru.
- **Schools: A 'Week in the Future' live lessons, activities and teaching resources** engaged **173 schools** in Wales and **2,500 individual pupils** aged 7-11 years old.

"The whole experience of *Galwad*, the world building, the way we've been involved with parts of the creative process, the live event, it's had a profound effect on me... and it has really helped me to actively make change happen for myself and the community."

- *Blaenau Participant and Collaborator*

"A dizzyingly ambitious, weeklong drama unfolding in real time through live-streamed performance, TV and on social media."

- *The Guardian*

A Proper Ordinary Miracle

Following four years of Paul Hamlyn Foundation investment in NTW TEAM, winter 2022 saw the development and production of *A Proper Ordinary Miracle* - the finale of TEAM activity in Wrexham. This co-created full-scale outdoor show was conceived, developed and delivered by **over 250 artists**, creative participants and audience members who had been involved in TEAM Wrexham activity, with support from NTW staff and freelancers, and directed by **Catherine Paskell**, with long-term TEAM members **Natasha Borton** and **Anastacia Ackers** employed as Assistant Director and Assistant Dramaturg respectively.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

"It was a brilliant experience. [I've] never heard about walking theatre, so it was something new [that] I experienced. I enjoyed the idea of walking through some of the buildings. All the crew [were] brilliant. Everything was very well thought [out]. Excellent."

- Audience Member

TEAM Wrexham chose to focus on the theme of homelessness and explore the power imbalance between local communities and corporations, shining a light on the politics of place, space and the systems we all play a part in. Site-specific theatre saw a group of artists meet on the streets of Wrexham and become immersed in the narrative, noise and raw emotion of ambition, conflict and rebellion.

The participatory nature of the play saw the audience playing local people being presented with a housing investment opportunity by a developer, before being split into two groups, one of which stayed with the developer while the other followed a group of activists opposed to the project.

"The project is a dream come true. It's an opportunity to review Wrexham's identity on a national stage, from the comfort of our own streets."

- Natasha Borton, Assistant Director

Over **150 theatre makers** were involved in the show and **550 audience members** joined us across **9 fully booked shows** over **6 days**. The audience was limited to 60 in each run to cater for the practical constraints of the outdoor performance and to ensure an intimate environment. **81%** of the audience felt the show resonated with the issues of the world and **77%** found the performance absorbing. **4 out of 5** audience members agreed that it was good to see this work happen in Wrexham and the localised theme was embedded throughout the performance as the word 'home' appeared over **60** times in the script.

The distinctive quality the non-professional performers brought to the production was noted as a highlight to the performances, including the involvement of the **One Love Choir** – a group uniting those who have experienced homelessness, addiction and mental health issues.

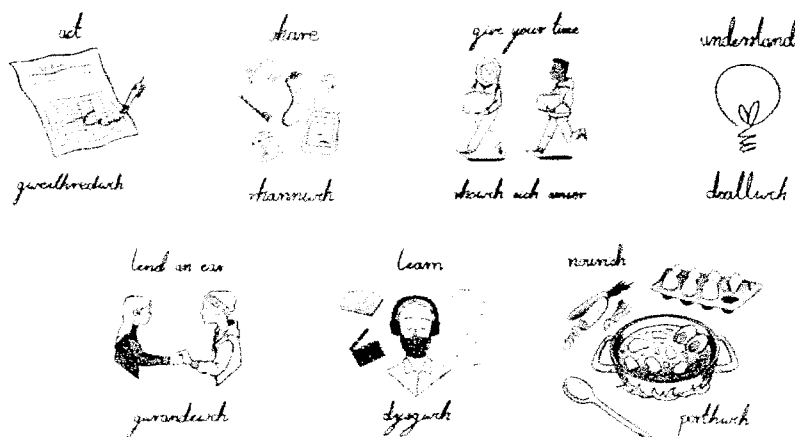
"It just blew me away. Having such a great performance based in Wrexham, involving people of Wrexham and carrying such an important social message... I even went twice so I could see the other side."

- Audience Member

Overall, the long-term impact of *A Proper Ordinary Miracle* resonates beyond the tangible. The project recognised and valued some of the most invisible people in the city, gaining their trust and helping them to articulate their experiences through creativity. Rooted in the belief that unity can drive change, the **7 Small Steps** initiative emerged, echoing the success of Simple Acts in Go Tell the Bees, inspiring impactful contributions to combat homelessness. Through volunteering, listening, sharing, learning, acting, understanding, and nourishing, the production catalysed a profound engagement that extended compassion, creativity and a shared sense of home.

"It started to rain so much [during the performance]... and nobody walked. I mean, everybody stayed in the same place. No complaints or anything. I thought it was phenomenal."

- Audience Member



A Proper Ordinary Miracle – 7 Small Steps Initiative | Illustrations: Malgorzata Michniewicz (Aspeku).

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

The Cost of Living

This three part socio-political theatre experience explored the lived reality of a world where our capitalist state is increasingly using unchecked bureaucracy, reduced civil liberty and labyrinthine legislature to control the population, maintain power imbalance and deny social change.

Part One: Counting the Cost of Living

Created with **Mathilde Lopez** and **Shirish Kulkari** in partnership with EYST and Grangetown Pavilion Youth Forum, *Part One: Counting the Cost of Living* gave a voice to those who so often do not feel like they have one. There were **5 lead community participants** from the two organisations, who led the conversations with "people in power" with our audiences. It saw over **140 participants** from marginalised communities and identities come together on each show night to share a meal with individuals with power within our society, such as politicians, police representatives and leaders of organisations, including **Rob Stewart** (Leader of Swansea Council) and **Jeremy Vaughan** (Chief Constable of South Wales Police) and **Rhian Davies** (CEO of Disability Wales) and **Rob Stewart** (Leader of Swansea Council).

The development of *Part One: Counting the Cost of Living* included the creation of a film – 'My Name is Joseph K' – directed by **Mathilde Lopez** with a community cast including **Zelo**, **Ismat Ayed**, **Muhit Rahman** and **Gulnihar Begum**.

Early stage research for *Part One: Counting the Cost of Living* was with Data4Change (<https://www.data4chan.ge/>), through a European Fund Media Futures. Data4Change's mission statement is to equip people and organisations with the skills, processes and creative talent they need to harness the power of their data for positive social change.

Part Two: Joseph K and the Cost of Living

Emily White's stage adaptation of **Franz Kafka's** *The Trial* weaves the nightmare of arrest and trial into a performance that highlights the never-ending price we pay at the mercy of arbitrary, unaccountable and insatiable power. The narrative follows Jo K, who has a well-paid job in financial services and barely notices the growing chaos all around on their walk to work each morning. The homeless lining the street, the food banks, the anger, the protests, the relentless rise of the cost of living and those who cannot afford to meet it. Until one day, K is arrested. No one will tell K what the charges are, but still, they must be answered. Suddenly, K is on the outside looking in. And it's cold and frightening. K is played by four actors, increasingly representing the marginalised and powerless identities within our society.

Directed by **Lorne Campbell**, with **Anthony Matsena** and **Kel Matsena**, and **Bianca Ali** as Assistant Director, the show received over **800 audience members**. The play text was published by Faber & Faber.

*Part Three: F**k the Cost of Living*

In partnership with Grand Ambition, we commissioned a range of Welsh musical artists to articulate what we are all thinking through the power of song. **Minas**, **HMS Morris** and **Ayoub Boukhalfa** performed music of catharsis and protest, hosted by **Rahim El-Habachi** after each *Part Two: Joseph K and the Cost of Living* show. Each one lasted up to 30 minutes. Minas and HMS Morris wrote new protest songs for Wales, based on working with *Part One: Counting the Cost of Living* community participants and the script of *Part Two: Joseph K and the Cost of Living*.

"The entire evening has clearly been carefully, thoughtfully composed and orchestrated."

- IWA

"This is a reinvented company unafraid of taking risks and engaging with its audience on issues that affect their everyday lives, something to always be applauded."

- Buzz Magazine

Creative Development

Play On

In the second round of Play On – a collaboration between Theatr Genedlaethol Cymru, Theatr Clwyd and NTW to find new and exciting scripts and plays by playwrights based in Wales – the Company had the privilege of reviewing **37 captivating plays**. A team of **6 freelancers** were paid to read the submissions, including artist **Jeremy Linell** and writer **Rachel Trezise**. From this selection, **6 plays** earned recommendations for further consideration by partner companies. In addition to this, NTW Creative Development Producer, **Alice Rush**, facilitated meaningful meetings with the **6 playwrights** with the aim of gaining insights into their individual writing journeys and exploring how the Company could provide valuable support to nurture their careers.

REPORT OF THE TRUSTEES
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Fly the Flag

Fly the Flag, which is co-produced by NTW, Fuel, the National Theatre, the National Theatre of Scotland and The Mac, Belfast, aims to celebrate and highlight the human rights we all share. This initiative increases awareness of the Universal Declaration of Human Rights among young individuals while also shedding light on instances where these rights are compromised. During the 2022-2023 phase of the project, Fly the Flag centred its focus on Article 20 of the Universal Declaration of Human Rights, specifically emphasising the right to protest. In Wales, NTWs' focus was directed toward engaging young individuals **aged 16 to 25**, guiding them to explore the compelling dynamics of protest through the mediums of performance, movement, and music. The culmination of these collaborative efforts resulted in a captivating body of work, captured on film, involving **12 young people over 7 days in 6 locations**, and supported by TEAM Pembrokeshire. The film was showcased in December in Milford Haven.

Creative Chats

Over the course of the year, the Company held **75 one-hour sessions**, engaging with a diverse range of individuals, including theatre makers, artists, and those aspiring to work in the sector. These *Creative Chats* were tailored to address individual needs, providing attendees with support in various forms, such as signposting, introductions, project discussions, and general guidance. NTWs' new online booking system, introduced as part of its website relaunch, allowed attendees to easily reserve slots with us. The Company's Creative Development team met with each artist, offering a welcoming atmosphere, via Zoom or in the office, and practical assistance. In line with NTWs' commitment to fostering artistic connections, the Company facilitated networking opportunities, linking artists with relevant organisations and individuals. Due to the success of the pilot, NTW will continue to deliver this service in 2023-2024.

Freelancer Fridays

Since November 2022, NTW has opened the doors of the office to freelancers every Friday. Following the impact of COVID-19 on the freelance workforce, alongside the pressures of energy prices and the cost of living crisis, the Company identified the capacity due to its new hybrid working arrangements. This open-door policy allows NTW to hear what people are doing, offer advice and to see where it can connect with people in Wales going forward. In addition to utilising desk space, freelancers can access refreshments, resources, the printer and meeting room. They can utilise the online booking system or liaise directly with the Creative Development Team. In spring 2023, NTW welcomed **15 freelancers** into the office and will continue to keep its doors open during 2023/2024.

Creative Development Consultation Sessions

In October 2022, the Creative Development Producer and Creative Associate completed a comprehensive tour of Wales with the primary goal of establishing relationships with freelancers in the region. This tour not only allowed NTW to gain valuable insights into the current needs and demands within the sector, but also provided an opportunity to assess how it could enhance digital connectivity through our NTW Community pages. The journey took in **6 key locations**: Cardiff, Swansea, Bangor, Wrexham, Milford Haven, and Aberystwyth. In addition to the physical visits, NTW organised **2 online events**. During these interactions, the Company engaged with **60 freelancers** who received payment for their contributions. The outcome of the consultation is being applied to NTWs' 2023-2024 offer and was built into the Company's Arts Council Wales 2024-2027 Investment Review application.

Celebrating the Global Majority Event

In November 2022, the Company delivered a Celebrating the Global Majority event at Tiny Rebel in Cardiff. The evening featured an impressive line-up of performances, including **Eadyth, Francis Bolley, Asian Persuasion**, and was hosted by the Company's Creative Associate, **Rahim El Habachi**. Attendees had the opportunity to connect, network and engage with Global Majority artists and Welsh arts organisations.

The Cost of Living Industry Day

In March 2023, the Company hosted an Industry Day that brought together **71 freelancers** and different organisations from across Wales and beyond. The event centred on exploring NTWs' co-creation initiatives and facilitating the exchange of practices. As part of this opportunity, NTW awarded 14 bursaries to freelancers, enabling them to spearhead events in their communities as NTW super-connectors, backed by the Company's support via mentoring from NTW Creative Development team and utilising funding from the Esmée Fairbairn Foundation. The Industry Day cultivated extensive nationwide dialogues, reinforcing the network and development support available to freelancers. The Industry Day and Artist residency resulted in robust engagement, attracting international and national partners such as The Abbey, Dublin Festival, Cork International Festival, and the Barbican. The participation of a diverse cross-section of Welsh artists and organisations further enriched the event's impact and reach.

WJCB Associate Director Placement

Fahadi Mukulu completed his year-long Associate Director placement, co-hosted between NTW and Common Wealth Theatre, and supported by a Weston Jerwood Creative Bursary. This placement was designed to promote entry into and skills development for young creatives and leaders from traditionally marginalised contexts. The placement started in 2021 and was temporarily paused as Fahadi entered Higher Education. Fahadi resumed his role in summer 2021 and in spring and finally summer 2022.

REPORT OF THE TRUSTEES
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Commissions and R&Ds

NTW has embarked on an ambitious programme of commissioning and development which engaged a range of Welsh artists from senior figures of international profile through to the brightest voices of an emergent generation. 100% of artists of our commissioned writers and artists were from an under-represented group in the sector. This programme has again met and exceeded the targets set out in the 2022-2023 Strategic Equalities Plan. These commissions and development processes *encompass a broad range of starting points, lead artists, methodologies and potential outcomes, and include:*

- *Orion*
The first R&D of *Orion* by **Faebian Averies**, who was NTWs' 2021-2022 BBC Writer in Residence, was delivered in October. Directed by **Mathilde Lopez** and comprising a cast of four, the 3 day R&D culminated in an informal sharing and feedback session which supported the development of the next stage of rewriting.
- *Feral Monster*
In parallel, another week-long R&D also took place during the same month, as we remained committed to nurturing the development of **Bethan Marlow's** *Feral Monster*, directed by **Izzy Rabey**. Held in Cardiff with a cast of 6 and the collaborative involvement of composer Nicola T. Chang, an informal sharing of the work ended the week.
- *Seed Commissions*
Steven Kavuma undertook a seed commission that delved into themes of Black male mental health. The resonance of this exploration resulted in a decision to commission the piece during 2023-24. Similarly, Rhys Slade Jones' work on a seed commission focused on Wales' relationship with the prison industrial complex continued to progress.

REPORT OF THE TRUSTEES
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Collaboration

Although originally slated to end in December 2021, the Paul Hamlyn Foundation generously extended funding for TEAM's co-creation project by one year in acknowledgement of the impact of the Covid-19 pandemic. NTW agreed with the Foundation that there would be additional focus on those groups most affected by the pandemic - young people, and those who experience racism, ableism and poverty._

A Proper Ordinary Miracle

As the culmination of five years of Collaboration / TEAM activity in Wrexham came to an end, there were numerous additional activities which contributed to the *A Proper Ordinary Miracle* finale. Highlights include:

- *Sounds of Wrexham Workshop, Salvation Army, Wrexham*
In October 2022, NTW TEAM met community members at Wrexham Salvation Army as part of our ongoing co-creation of *A Proper Ordinary Miracle*, and talked about the tunes of the town. This work inspired the soundscape for the production itself.
- *Refugee Celebration Day & Community Kickabout for Refugee Awareness Week, Wrexham*
On the last weekend of June 2022, TEAM hosted both a Refugee Celebration Day and a NTW TEAM Community Kickabout. The Celebration Day, held at Tŷ Pawb, was part of Refugee Week 2022, an annual festival celebrating the contributions of refugees. The theme for 2022 was 'Healing'. The community was invited to bring a dish to share, while watching performances from **Yasmine Latkowski** (Arabic Sounds), **Rolando** and **Tony Star** and **Natasha Borton** (Spoken Word Artists and TEAM Panel member). The event was opened by guest speaker, Niloha Rangel, a former doctor and asylum seeker and Ambassador for TCC, Doctors of the World. There was also a showing of a collection of short films curated by Refugee Week for children and young people, with popcorn provided. The Community Kickabout was held at Bellevue Park, Wrexham and was a Sunday morning game of footy open to any gender, any age and any ability. This was followed by the opportunity to watch Bellevue Football Club versus Wrexham Town Police Football Club.
- *Community Art Workshops, Wrexham*
At the start of November 2022, artist **Sophia Leadill** led bunting and banner-making workshops throughout the week and, over the weekend, NTW hosted an afternoon of painting, making and community creativity on the green space on Henblas Square, Wrexham. All of the work created formed part of the set for *A Proper Ordinary Miracle*.

TEAM Consultation & Exchange Events

During January to March, we held three mid-scale consultation events in Narberth, Wrexham and Cardigan as well as hosting over **25 in-depth interviews** and consultations with people from a range of backgrounds, including representatives from Torch Theatre, BlackHistory 365, Yr Egin and more. The three consultation events saw an overall audience of over **300** people, providing a platform for local emerging and established artists such as **Charles Dale**, **Phil Okwedy**, **Martin Daws**, **Robbie Price** alongside over **20 additional artists**. The events enabled theatremakers, artists, audience and communities to provide honest feedback and contribute to the future of NTWs' programming ambitions.

The Dons

Over **7 weeks** in spring 2022, NTW worked with Pembrokeshire boxing coach **Mark Davies** of Tenby Sharks Boxing Club, local Pupil Referral Units, and film-maker **Wayne Boucher** to support young people excluded from mainstream education to increase their mental resilience and fitness through boxing, documentary making and collective endeavour. As well as improving the mental health of the young people involved, the project supported the new national curriculum for Wales by working across Health and Wellbeing, Language, Literacy and Communication and the Expressive Arts Areas of Learning and Experience.

The project was featured on *ITV Cymru Wales* news and Boxing Coach Mark was subsequently offered and accepted two days a week employment at the provision, which will continue into the next academic year.

"[The project] has increased pupil engagement, relationships and attendance... and it's encouraging to see the young people working together so positively. The curriculum is usually bound by examination requirements and specifications, but this has given us the opportunity to provide an education fulfilling curriculum requirements in a more creative and holistic way."
- *Jemma Denninson, Head of Provision at Pembrokeshire Dock Centre*

REPORT OF THE TRUSTEES
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Far Apart, But Close at Heart

Far Apart, But Close at Heart continued in 2022-2023 as NTWs' creative exploration of lockdown life for **7 young artists** aged **17 to 29**. Through **5 weeks** of intensive workshops, this group developed a multi-medium performance showcased at Tŷ Pawb. The performance was the culmination of an **18-month research project** investigating the impact of creative engagement by arts organisations on the mental well-being and resilience of young individuals during the COVID-19 lockdown. The final presentation gained attention from the sector, media outlets, local organisations and bodies specialising in mental health. The project's Ambassador, **Isabella Crowther**, represented the group at the concluding event held at Battersea Arts Centre.

NTWs' Young Collective (November 2022 & February 2023)

Since 2017, NTW has been gathering the opinions, thoughts and wishes for Wales' national theatre from young people across Wales in order to shape its new Young Person's Strategy. With a resulting framework in place, the Company invited a group of young people from across Wales to participate in a weekend residency at the Urdd Centre in Cardiff in November 2022. Led by artists **Mathilde Lopez** and **Nathan Crossan-Smith**, with guest artists including **John Norton**, **Rhiannon White** and **Fahadi Mukulu**, the group of young people participated in a range of creative discussions, debates and sharings in order to flesh out the body of the strategy. Their ideas were gathered in multiple ways, including via filmed interviews with **Gavin Porter**. The group was invited to meet again in February 2023 and spent the day with **Mathilde Lopez** and **Nathan Crossan-Smith** to help shape their ideas further.

Dylan Thomas Day

In May 2022, an event was held in Solva, Pembrokeshire celebrating the life and work of Dylan Thomas, with poetry and storytelling performances from artists including **Phil Okwedy**, **Claire Ferguson-Walker** and **Angharad Tudor**. A series of competitions were also run involving schools throughout the county – one for primary school children to create collages in the style of Peter Blake's illustrations for *Under Milk Wood*, which was judged by artist/designer and former TEAM Panel member **Di Ford**. The second was for secondary school pupils to write a poem based on the theme of water, judged by the Children's Laureate Wales and former TEAM Panel member, **Connor Allen**. The third was an open competition for anyone aged 16+ to create a poem based on the theme of water, to be judged by TEAM and The Edge Festival, Solva, who also provided a prize. The shortlisted poems in the 16+ category became a poetry trail throughout the village.

Foster Care Wales

In May 2022, TEAM hosted a day of workshops with Foster Care Wales in Hwb, Narberth. There were **70 families** in attendance. NTW ran arts and crafts workshops, and TEAM member **Phil Okwedy** did some storytelling as well as sharing his own experiences of living in Foster Care.

Voicebox TEAM Takeover, Tŷ Pawb, Wrexham

In June 2022, TEAM took over Voicebox's weekly open-mic night at Tŷ Pawb in Wrexham. Artists and locals were invited to join NTW for a night of spoken word, poetry, music, comedy and more in this curious cabaret of Wrexham's performance scene. Everyone was welcome to enjoy the showcase and contribute their ideas to *A Proper Ordinary Miracle* taking over Wrexham in November 2022.

Pembrokeshire Pride

In July 2022, TEAM had a stand at Pembrokeshire's first ever Pride event hosted by Boulevard Show Bar in Milford Haven. This provided the opportunity to network with a wide range of individuals from all around Pembrokeshire and to connect with organisations such as PAVS Volunteering Pembrokeshire, Mind Pembrokeshire and Stand Up To Racism West Wales.

RipTide Festival

In August 2022, TEAM offered workshops at the RipTide Festival in Manorbier, with a large number of children and young people participating in the workshops NTW offered. The event featured **18 different acts and bands**, showcasing talent from all over Pembrokeshire.

Plant Dewi Family Day

In September 2022, TEAM hosted workshops at an event in St David's Cathedral hosted by Plant Dewi, a project which nurtures families and strengthens communities in the Diocese of St David's. NTW ran a series of creative workshops for the whole family, with **300 people** in attendance from all over Pembrokeshire, Carmarthenshire and Ceredigion.

Mural at the Groves (Wrexham)

In September 2022, TEAM unveiled a mural at The Groves emergency temporary accommodation facility in Wrexham. The mural is a result of a series of workshops held over two years in various locations across the city, with those who are street-homeless or in temporary accommodation, as well as the wider Wrexham community. The event, hosted by Wrexham TEAM Associate **Iolanda Banu-Viegas** and lead artist **Sophia Leadill**, was attended by the Mayor and Mayoress of Wrexham, along with local council members, housing support officers and service users.

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Gŵyl Cymru Workshops

As part of the Gŵyl Cymru festival, **Ali Goolyad**, a Somali-Welsh poet, delivered a series of bilingual workshops at Ysgol Hafan Y Mor in Tenby, supported by an Arts Council Wales Gŵyl Cymru grant. Over **350 pupils** from **5 year groups** engaged with the project that aimed to celebrate the Welsh football team competing in the World Cup. The children took part in activities like crafting football-themed accessories and creating poems and chants focused on football, unity, and Welsh identity. Ali fostered creativity, cultural understanding and connection to his Welsh heritage and culture and after expressing the desire to learn Welsh, the students eagerly assisted in incorporating the language into his poetry.

Chair Recruitment

TEAM Panel members were invited to a photoshoot at Chapter Arts Centre as part of the recruitment campaign for the new Chair of NTWs' Board, led by TEAM Panel member **Cara Gaskell**. TEAM Panel members **Kyle Legall**, **Nirushan Sudarshan**, along with TEAM Associate **Rachel John** and former TEAM Panel member **Gavin Porter**, participated in a workshop about what skills and qualities the new Chair should have.

Next Phase of TEAM

NTW is currently working to strengthen how the work and ethos of TEAM links seamlessly to its wider artistic programme, connecting departments within NTW and providing opportunity, aspiration and inspiration to individuals and communities throughout Wales and internationally. Work was completed in spring 2023 to plan for the next four years of TEAM, culminating in the 2027 *Festival of Change*. The Company is exploring best fit funding opportunities for this programme, and also for the remounting of TEAM Panel, a mechanism vital to our success as an organisation.

The Collaboration department is also looking at what TEAM requires from a future version of the Online Community – this is an essential tool for the Company to be able to communicate effectively with TEAM members throughout Wales and further afield and a mechanism to link people as creative, cohesive communities.

TEAM will remain a truly transformational approach to how communities experience the arts in Wales which champions NTW as the leading company in collaborative practice, placing Wales on the global arena as a change-making nation.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

Audiences & Development

CRM: Spektrix

The Company's collaboration with Spektrix remains dynamic and the migration of box office data was completed during 2022/2023. This transition has resulted in the **full integration of the CRM** system with NTWs' website. This system now serves as a comprehensive hub for audience-crucial functions, encompassing the management of mailing list subscribers, the facilitation and monitoring of donations, as well as the execution of ticket sales for both complimentary and ticketed events. In instances where partner venues are responsible for overseeing the box office, the Company has taken proactive steps to **foster data sharing agreements** which play a pivotal role in preserving accurate and comprehensive insights into audiences, as well as their booking behaviours. The Company continues to work closely with Spektrix to **tailor its functionality** to benefit the whole organisation's usage. Notable initiatives include refining segmentation strategies, implementing effective tagging mechanisms, deploying targeted mailing campaigns, and generating comprehensive reports.

Brand & Web Development

The Company completed work with specialists on its **brand and website** to reframe the perception of the Company with a warm, accessible, values-based brand that shows theatre as something that exists all around us in the form of human stories and experiences. The renewed descriptors, tone of voice and imagery guidelines are being embedded across NTW with clear and detailed **brand guidelines** being used across the team.

Public-facing Strategic Plan 2023-27

In collaboration with **Jo Lilford** and **Alex Jenkins** and with the aim of articulating NTWs' change-making vision, strategic direction and commitments over the next years, a concise version of our Strategic Plan was shared with audiences and stakeholders in March 2023 and is available to download online on the Company website. In alignment with NTWs' aims to be transparent about what it does, the document contains an overview of Company targets and the rationale for key decisions that have been made. Alongside the designed PDF version, printed copies were shared at the NTW Season Launch in February 2023, and an Easy Read format was created to ensure the plan is accessible to learning disabled audiences.

Co-Chair Announcement

The Co-Chair announcement took inspiration from the successful recruitment campaign, centring the qualities the Company was looking for in its new Chair. NTW shared both a **press release** and a **'Get to know our new Co-Chairs' article** to amplify the news, which was positively received by both audiences and organisations. Co-Chair **Sharon Gilburd** was interviewed by Radio Cymru.

"Brilliant news! Job shares at Chair level remove barriers to participation for so many people, opens doors to a wider talent pool and promotes diversity and inclusion.
When we do things differently, the impossible becomes possible."
- *Parents & Carers in Performing Arts (PiPA)*

"Really exciting and genuinely pleased to see National Theatre Wales making this bold statement with co-leadership for the Board."

- *Raidene Carter, Creative Director and former NTW Trustee*

Season Launch

NTWs' first Season Launch after the pandemic was held in February at Chapter Arts in Cardiff. The event aimed to communicate the **ambition and breadth** of its 2023-2024 programme alongside launching the Strategic Plan and sharing the **impact** of recent projects and productions. Hosted by award-winning writer, composer, songwriter and performer, **Seiriol Davies**, the evening saw over **150 theatre makers**, audiences and arts professionals join the Company to hear its plans and commitments for the upcoming years.

Newsletter Subscriber Increase

In December 2022, NTW aimed to enhance its e-newsletter subscriber base, engaging proactively with its **9,000+ recipients**. Among them, the Audiences team successfully identified and cultivated just under **3,800 individuals** who emerged as enthusiastic and committed subscribers, thereby establishing a sturdy benchmark for its engagement standards. Drawing on this milestone, NTWs' efforts have yielded a positive outcome in the upsurge in its active subscriber tally and the Company more than **tripled the active recipients** who continue to receive useful and insightful information about NTW in line with its new brand.

REPORT OF THE TRUSTEES
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Fundraising

The Development team experienced a hiatus in staffing during 2022-2023, and following a restructure, is enjoying new strengths in 2023. The Company has recently successfully secured a Esmée Fairbairn Foundation Funding Plus grant to support media training for key staff and trustees, and is awaiting the outcome of applications to Cardiff's Shared Prosperity Fund (£250,000), Events Wales (£27,000), PRS (£10,000) and the Darkley Trust (£10,000). Applications to Children in Need, the Backstage Trust, the Colwinston Trust (£20,000), Moondance, Media Cymru and the Ashley Family Foundation are also imminent.

A Big Lottery application for £400,000 to support TEAM/Collaboration from 2023-2024 was unsuccessful. An action plan is in motion to secure additional funding as a priority. The Company is working on an application to Garfield Weston and has positive discussions with invite-only fund Calouste Gulbenkian, with several other applications planned.

The 'Support Us' pages on the website have been expanded and updated, and the donations portal has been refreshed. NTW will shortly develop an Individual Giving Strategy to ensure that its supporters and audiences are directed to donate on a regular basis, ahead of the possible launch of a members' scheme. NTW has started conversations with corporates about possible partnerships and sponsorships and is developing a donor stewardship programme for high net worth individuals.

Operations

HR & Well-being

Following the ongoing global and UK-wide crises, NTW continued to prioritise the well-being of its staff through various initiatives during 2022-2023. An internal well-being consultation was conducted in November 2022, revealing that 100% of staff had all the equipment and tools needed for work, and 85% valued the flexibility of remote working. These insights were integrated into strategy development and highlighted those areas that needed the most development to improve the staff experience at NTW. The Company's Flexible Working Policy gained traction, fostering a balanced approach to working arrangements. The Company's commitment to employee growth was evident in the delivery of training sessions on strategically central topics like classism and disabilities. A new Time Off in Lieu (TOIL) Policy was established – focused on improving the ways that staff can be compensated for overtime worked, specifically during production-heavy periods. In addition to this, a new Anti-Racism Plan was developed to solidify the Company's stance against discrimination in the sector. An updated HR Handbook is slated for completion later in 2023, enhancing NTWs' dedication to fostering a supportive and inclusive work environment.

Governance

In the pursuit of continuing our effective governance, a successful recruitment campaign to find a new Chair was launched in November 2022. In April 2023, **Yvonne Connikie** and **Sharon Gilburd** were named the new Co-Chairs and the departure of **Clive Jones**, the previous Chair, marked the end of an impactful tenure. To enhance transparency and management, NTW updated the Quarterly Reporting format for the Arts Council Wales Revenue Funded Agreement and Trustees. Furthermore, a dynamic Risk Management System was introduced, empowering the Board to make informed decisions with relevant insight. As part of the ongoing commitment to excellence in governance, NTW aimed to optimise the composition of the Board with deliberate additions and strategic departures, ensuring the Board's engagement, integration, and effectiveness. This dedication was further manifested through an updated Governance Induction Pack, training programme, and collaboration opportunities, reinforcing NTWs' alignment with its strategic goals and the broader sector.

Monitoring, Evaluation & Reporting

During 2022-2023, significant progress was made in the development of the Company's new Monitoring, Evaluation, and Reporting system – NTWs' Data Engine. This system's primary purpose is to capture and analyse data across various aspects of NTW, encompassing both organisational and project dimensions. The Data Engine provides staff with the ability to accurately record performance against targets and key performance indicators (KPIs), valuable learning insights, risk assessment, audience and stakeholder feedback, as well as their interests, needs, and behaviours, in addition to strategic insights. The primary objective of this reporting mechanism is twofold: to serve as a dynamic tool for internal and external stakeholders, and to support the documentation and communication of NTWs' strategic aspirations and objectives. Furthermore, this tool plays a pivotal role in ensuring that pertinent information reaches the right individuals both within and outside of the Company and among our stakeholders. It empowers the Company to comprehensively gauge and expedite the long-term impact of our outputs. Looking ahead, NTW will formally introduce and rigorously test this system throughout 2023-2024. Our ultimate aim is to share a blueprint with the broader sector, thereby contributing to the collective effort to substantiate the significance of engagement with arts provision in Wales and beyond.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

FINANCIAL REVIEW

The statement of financial activities for the Company is shown on page 34. During the year, the group made a deficit on unrestricted funds of £203,907 (2022: surplus £13,945). This was not an unexpected outcome for a year in which the Company budgeted for the use of significant levels of reserves in delivering its programme of work.

As of 31 March 2023, the Company's free reserves amounted to £165,218 (2022: £283,806). This figure is below the guideline level set in the group's Reserves Policy (see later in the report). The group's budget strategy for 2023-24 provides for a restoration of reserves during the year, which will lead to a forecast balance of some £242,000 by the end of the financial year.

Also included within the total for General Reserves, as shown in the balance sheet on page 35, are designated reserves of £444,428 (2022: £529,763).

The group's financial results have allowed it to designate funds at the end of the financial year for agreed purposes. These designations amount to £309,572 in total, with most of that amount being set aside to support productions, creative development and Collaboration initiatives linked to productions. During 2022-23 designated funds brought into the year were applied to the value of £356,724, displaying the Company's rapid re-investment of funds set aside in this manner. Such funds were applied for a number of purposes, including predominantly productions and creative development once more, as well as marketing (website and brand development) and the development of a Young People's Strategy. At this point, it should be noted that the group's plans for 2023-24 budget for a further application of these funds in support of its budget strategy, with a budgeted year-end balance of designated funds of approximately £216,000.

The balance of General Reserves of £6,696 (2022: £6,680) is accounted for by a fixed asset related designated fund, which matches the net book value of fixed assets in the balance sheet.

The financial year 2022-23 saw Corporation Tax-related Theatre Tax Relief (TTR) credits continue to contribute to the group's finances. The claims are submitted via the Company's wholly-owned subsidiary, NTW Productions Limited, with this year's claim relating predominantly to the productions of *Circle of Fifths*, *A Proper Ordinary Miracle* and *The Cost of Living*, plus a small value of residual credits relating to the previous year's production of *Petula*. This year's accounts recognise an amount of £251,778 being claimed in this regard (2022: £95,854). As is always the case with TTR, the claim has yet to be submitted to, or settled by, HMRC at the time of accounts production. This means that there must still be considered an element of uncertainty in terms of the quantification of this relief.

The applications of reserves and the designations of funds referred to in this report reflect NTWs' continuing policy to prioritise reinvestment in creative activities in the use of any available reserves. The level of reserves remains an achievement in the light of the challenges of the pandemic and the funding reductions that have occurred in recent years and owes much to robust financial management - although the caveats regarding the value of TTR credits need to be considered when viewing this level of reserves.

The financial year 2022-23 saw NTW continue to receive core grant from ACW as part of the latter's commitment to funding NTW as part of its Arts Portfolio Wales group of annually funded organisations, to which it commits funding from its Welsh Government support, with the level of such funding continuing to be subject to annual confirmation. For 2022-23, ACW provided core support to NTW to the value of £1.665m (2021-22 £1.624m). The current round of funding commitment continues to the end of 2023-24. In March 2023, NTW made a submission for future funding as part of ACWs' Investment Review. As mentioned earlier in this report, that application proved unsuccessful.

In 2022-23 the Company continued to be successful in obtaining ring-fenced grant funding from several sources, including charitable foundations and public bodies, to finance a range of projects and initiatives. In 2022-23, such grants totalled £103,768 (2022: £167,969).

The most significant element of this funding was provided by the Esmée Fairbairn Foundation (EFF), with the first year's instalment of £50,000 per annum support of the NTW's creative development activities – a level of support that continues into 2023-24. This was also accompanied by a £10,000 'cost of living' uplift, which was unrestricted in nature, and used to contribute towards the costs of *The Cost of Living - Part Three: F**k the Cost of Living*. Neither of these funding streams were received in the previous year, though it did see receipt of £40,000 unrestricted grant from EFF's Reinventing Performing Arts Fund. The relationship with EFF is longstanding, having commenced in 2011, and one for which NTW is extremely grateful. Over the years, EFF has shown its confidence in NTW in the form of some £914k of funding towards a variety of activities.

As long-term funding relationship becomes re-established, another comes to an end – at least for the time being. The 2022-23 financial year saw the final expenditure under the existing funding agreement with the Paul Hamlyn Foundation (PHF). Funding from this source in 2022-23 amounted to £48,973 (2022: £91,370), the funding being provided to support the Company's TEAM programme. The relationship with PHF began in the 2009-10 financial year, and by 2022 the support provided by them amounted to some £1.067m – another considerable show of confidence in NTW.

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Other sources of project grant funding received in 2022-23, all one-off in nature, related to Unboxed Festival support towards a *Galwad* presence at the South by South West Conference staged in Austin, Texas in March 2023 (£31,250); Media Futures support from Gottfried Wilhelm Leibniz Universität (£4,295) applied towards the costs of *The Cost of Living – Part One: Counting the Cost of Living*; and £500 from ACW Gŵyl Grant funding towards the staging of *Yma O Hyd* poetry and creative workshops staged in Tenby.

A note here regarding the receipt of funding from the John Ellerman Foundation (JEF). Whilst no funding was received from JEF during the year in question, the £40,000 received in the previous year being applied in year, the further tranches of a three year programme of support recommenced in 2023-24. The funding, which supports NTWs' dramaturgical development of new commissions and projects and talent development initiatives, runs until March 2025.

NTW also holds residual funds from a number of previous funding approvals that are gradually being fully utilised.

In the context of ring-fenced funding, as with last year, it is appropriate to highlight the most significant source of such funding, which came in the form of a commissioning fee (from the Unboxed Festival via Creative Wales), as opposed to a grant, and was supplemented by contributions from other organisations. This related to the *Galwad* project, where NTW headed up a partnership of organisations, collectively known as Collective Cymru, that came together to deliver a project known as *Galwad*, which culminated in the Autumn of 2022. Total income for this project in 2022-23 amounted to £2,836,505 (2022: £3,042,128). The financial significance of this project in the context of NTW cannot be overstated - the income received in each of the financial years concerned exceeding the remainder of the Company's turnover for those years.

As of 31 March 2023, restricted funds of £102,940 (2022 £1,625,030) were being carried forward. (NB The balance carried forward in the previous year was exceptional due to the timing of payments received from Creative Wales relating to *Galwad*, with an amount of some £1.6m being invoiced in March 2022). It is anticipated that many existing ring-fenced reserves are likely to be fully applied by 31 March 2024, as previously approved projects move towards their planned conclusion. Budgets indicate a balance of some £20,000 likely to remain.

The group continues to seek to develop its income streams through developing relationships that will encourage sponsorship and other forms of fundraising, and seeking grants from other funding bodies, in addition to increasing the level of income generated through box office receipts. Due to the *Galwad* commissioning fee and other income, the income generated from sources other than ACW core funding remained high at £3,246,601 (2022: £3,591,954). This level is far in excess of those achieved previously, for instance £421,312 in 2020-21.

Diversification of funding sources, so that core funding represents 60% or less of total income, represents one of the group's strategic targets. During 2022-23 some 66% (2022: 69%) of funding was obtained from other such sources – well in excess of the 40% target and previous performance.

At £6.638m (2022: £3.693m) the group's expenditure levels have increased markedly once more, thanks to *Galwad*, with some £4.298m having been spent on that project during the year, with funding coming from in-year income and the application of brought forward ring-fenced reserves. Expenditure levels exclusive of *Galwad*, at £2,340m (2022 £2.136m), remain in line with previous performance.

Within its turnover, the focus of the Company's expenditure will continue to be on its production, artist development and engagement related activities. During 2022-23 expenditure on creative and artistic activities accounted for some 85% (2022: 82%) of total expenditure. This remains above the levels achieved in previous years (2021:73%) clearly demonstrating the Company's commitment to investing in the art form and the sector post pandemic.

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Reserves Policy

In accordance with good corporate governance and Charity Commission guidelines, the group has always maintained a target minimum level for free reserves.

The group holds reserves for a number of reasons. They help provide short-term cash-flow to allow expenditure to be incurred ahead of income being received; they can provide contingency to help mitigate the impact of unexpected/unforeseen expenditures; they assist budget management, by allowing pressures to be dealt with, or investment in services made, whilst a longer-term solution is found; and they can help commitments to be met in the event of a cessation of funding.

In summary, the holding of reserves helps to provide liquidity, security and underwriting. It provides transparency that provides increased accountability to funders and stakeholders and gives them confidence in the financial management of an organisation. In doing so it makes a positive contribution to the reputation of the organisation in terms of it being seen to manage funds properly and prudently.

The group's current Reserves Policy was set following an evaluation process taking into account several factors including an assessment of three month's spend, identified areas of financial risk and the 'run off' costs that would need to be met should the group cease trading due to a loss of core funding. Following this review, the group revised its target level accordingly (from £150,000), and now operates with a target level for free reserves of £200,000, comprising a General Reserve of £150,000 and a Working Reserve of £50,000. The General Reserve is intended to be the Company's core reserve, providing a contingency in the event of any unforeseen events, and any decision on the use of this reserve rests with the trustees. The Working Reserve is intended to provide the scope to manage short term budgetary issues on a day to day basis, without having to obtain specific authorisation from trustees, and is managed by the Senior Leadership Team within these parameters.

The review of the group's Reserves Policy also encompassed a codification of the process for the management of all the group's reserves.

The group keeps its target levels, and performance against them, under regular review. The sufficiency or otherwise of reserves levels are the subject of regular reports to trustees and form an integral part of budget processes. The group is also committed to a thorough re-assessment of the target levels on a regular basis.

Within the context of its Reserves Policy, the core of the group's philosophy and priority will continue to be to re-invest any available reserves in its artistic and creative activities.

As mentioned earlier in this report, the level of free reserves as of 31 March 2023 is below the group's target figure. However, it remains within the operational parameters of the Working Reserve, as set out above, and as such is considered reasonable, with the restoration of the balance to target levels being a priority of the 2023-24 budget strategy.

Pension

The Company has in place a group personal pension scheme, on a defined contribution basis, administered by Royal London (formerly Scottish Life). The Company makes agreed employer contributions to the scheme, on a monthly basis.

These were at a rate equivalent to 5% of gross salary throughout the 2022-23 as they were in 2021-22.

With the Company having reached its staging date for pension auto enrolment as of 1 April 2017, all staff are eligible to join the scheme in accordance with the regulations applying to auto enrolment. From that date, all eligible staff have been automatically enrolled into the Company scheme, following an initial period of postponement that accords with the regulations. They do have the opportunity to subsequently opt out if they wish, and similarly to opt to join the scheme sooner if they meet the statutory criteria. They also have the option of requesting to join if they do not meet the statutory criteria but wish to be part of the scheme.

Company employer contribution rates remain at 5% following the introduction of auto enrolment. Initially employee rates remained discretionary, as the employer contribution exceeded (2017-18) the minimum combined level (2%) required by The Pensions Regulator, whilst in 2018-19 it equated with the regulatory minimum level (which was being increased on a phased basis). However, as from 1 April 2019, the Pensions Regulator's minimum requirement increased to 8% which has meant that, with effect from that date, employees are now required to make a minimum 3% contribution.

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During 2021-22 contributions were made in respect of all eligible staff joining the scheme. Where staff have yet to join the scheme, it has been the Company's practice to set aside a provision to fund such costs when they do become due. With the introduction of auto enrolment such instances have become minimal, potentially occurring only where either the financial year end falls within the midst of an employee's postponement period or the employee's circumstances fall outside of the criteria for auto enrolment. Where the individual's status is likely to be determined within a twelve-month period from the balance sheet date backdated contributions are accrued for. Where it may be beyond that time, a provision is set aside. As of 31 March 2023, a nil provision (2022: £nil) set aside for this purpose was in place.

As of 31 March 2023, 18 staff were members of the Company pension scheme, equating to all those eligible to be so at that point in time. As of that date, there were two employees who were not a member of the scheme due to being within their postponement period and who joined the scheme at the conclusion of their postponement period during the 2023-24 financial year.

The Company also makes contributions to the defined contribution scheme administered by Aviva on behalf of Equity, where it employs actors and stage managers who are members of the scheme. In accordance with industry conditions of service, and auto enrolment guidelines, the Company made a contribution equivalent to 5% in the 2021-22 financial year, the same as in 2020-21, where it was applicable to do so. Scheme members contributed at a rate of 3% (3% in 2020/21).

Strategic Planning and Development (including business planning)

The group operates on a three-year planning cycle, with annual review and adjustments. Strategic planning is initiated and signed off by the Board of Trustees at all stages, with input from key partners including Arts Council Wales (ACW), Welsh Government and the theatre sector, and through assessment of the wider context for growth and development. Strategic plans combine a core of financially sustainable good practice with a context of visionary new thinking, in line with the founding spirit of the group.

In spring 2023 the Company reviewed the 2022-2025 Strategic Plan in the light of developing circumstances and to ensure the Company is best placed to act upon the rapidly changing opportunities it faces, aligned with its Arts Council Wales 2024-2027 Investment Review application which was submitted on 31 March 2023. Plans are now undergoing a further review in the light of funding changes.

The resulting Strategic Plan covers the period 2023-2027, and took effect 1 April 2023 – the latest in a series of such plans that the group has put in place since its founding. The Plan includes a consideration of the group's plans, ambitions and objectives, the details of which are set out elsewhere in this report. It is an important tool for monitoring and evaluation of performance and forms a centrepiece around which other documents are set, including the group's budgets, budget scenarios and business re-modelling reports. It outlines our shift from place-making to change-making.

Policies, Plans, Supporting Strategies and Procedures

Along with the development of the 2023-2027 Strategic Plan, 2022/2023 saw the Operations Team continue a review of all NTWs' policies, plans and supporting strategies and procedures with a view to comprehensive update and identification of any gaps. The Company strives in all cases to generate resources which demonstrate best practice and can be used by other companies.

The Volunteering & Internship and Well-being Policies were created in the spring, followed by updates to the Ethical Fundraising Policy, Strategic Equalities Plan and Welsh Language Strategy, and the creation of a robust and equitable TOIL Policy and Anti-Racism Plan. The work to review and develop the more expansive high risk strategies, policies and plans also started in autumn/winter, including development of the HR Handbook, Safeguarding Handbook and Health & Safety Policy.

We have developed an audit system which better tracks necessary updates and progress made, and calibrates the frequency and urgency of this work against the regulatory, legal, obligatory and moral compliance risk associated with each.

Risk Management

NTW views risks as either threats or opportunities. Its Trustees have a duty to identify and review the risks to which the charity is exposed, and to ensure appropriate controls are in place to provide reasonable assurance against fraud, error, non-compliance and ineffectual operations and misjudged programming, as well as to maximise opportunities faced by the Company.

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A new dynamic risk management system was developed and implemented in 2022-2023. The risk register now comprises a matrix of identifiable risks (opportunities or threats) across various risk categories which relate to different areas of our operations and strategic focus (see below). Trustees annually assess our appetite for risk across these categories, and the quarterly analysis (where each risk identified by Senior Leadership Team (SLT) and Trustees is assessed for potential impact and likelihood, with the former compounded in the subsequent ranking) subsequently draws out those risks which are most significantly removed from the appetite score. These are presented within a Trustees' Risk Dashboard alongside the full risk register. The quarterly analysis takes into account the controls and mitigations that the Company has in place to deal with the risks.

The risk categories NTW assesses are:

- **Operational** (governance; financial & fundraising; compliance & legal; leadership; delivery model & principles; staff)
- **Strategic** (audiences & communications; Vision & Mission; Our Measurables; Our People; programme)

The risks identified via the quarterly risk analysis process as being of greatest disparity with Trustees' appetite (i.e., those with 1 and 2 risk status levels difference) are kept under close review by the Company's SLT as a standing item on their fortnightly meeting agenda. Relevant risk factors are updated based on latest knowledge, and appropriate means of mitigation are agreed, reviewed and monitored for completion. Risk management is now also the subject of regular reports to each meeting of the Finance Subcommittee, recently renamed the Finance, Risk & Accountability Subcommittee.

These are some of the most significant areas of risk identified during risk analysis at year-end:

- **THREAT: Financial dependency on Arts Council Wales (ACW).** There is an ongoing financial risk that NTW is over-reliant on ACW for core funding in an economic climate less favourable to corporate and individual giving fundraising than perhaps has been the case for the past 20 years, and in a post-COVID-19 operating climate where audiences remain reluctant to enter venues. Budgets are under increasing pressure from unprecedented inflation in 2022-2023 and beyond, which is having a significant impact across the Company including ticket prices and sales. The delayed 2020 ACW Investment Review process ran in early 2023, with NTWs' submission developed through contributions from across the Company, TEAM and Trustees. (NB The outcome of the ACW funding decision, and its consequences, have been referred to earlier in this report).

At a time when latest Welsh Government messaging indicates the necessity for savings to be found across public sector funding, NTW is attempting to reduce its reliance on public funding via an increased focus on optimising areas of greatest opportunity and where NTW has been strongest in recent years. The 2022-2025 Fundraising Strategy contains clear and ambitious targets to this effect, and progress is monitored quarterly by the Finance Subcommittee. The strategy is being reviewed by the new Development team, who are making significant strides in prioritising the generation of unrestricted funds to support core running costs. Risk in this area is further mitigated via a robust Reserves Policy and effective budgetary control, as well as the creation of quarterly refreshed budget scenarios and business modelling reports, and ongoing expenditure analysis aimed at minimising core running costs. See Audience numbers risk below for further mitigating tactics aimed at addressing low ticket income.

- **THREAT: Toxic operating climate.** Social media platforms like X (Twitter), Facebook, Instagram and TikTok, as well as more traditional forms like online and print news outlets, television, radio and podcasts, are platforms where NTW can tell its Company story — its Values, activity, role and impact — to different demographics. However, some of these platforms have become increasingly toxic environments. 'Courage' is central to NTWs' Values — being brave in embracing risk and vulnerability to fail as a means to move forward, and recognising that the spaces that feel hard and uncomfortable are often the moments where change happens. This need to avoid 'playing it safe' in order to deliver on its change-making vision inevitably means that NTW can position itself in contentious areas within public discourse, thereby making the Company susceptible to criticism, generally from a minority of individuals.

NTW is developing a new communications approach within 'Our Work Strategy,' which centres audiences and prioritises transparency, including a new tone of voice and website. Where needed, NTW follows best practice by using a template response plan tailored to situations as they arise. The SLT are engaged in wider stakeholder engagement, aimed at building understanding and trust amongst its peers, with a public-version of the sector-consulted Strategic Plan launched in spring 2023. The Company plans for future sector consultation cycles within its year, to include critical friends. The Executive and Trustees are conducting strategically planned meetings with Members of Senedd and key civil servants as an ongoing advocacy dimension of this stakeholder engagement work.

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- **OPPORTUNITY: Creative activity is more targeted and delivers where it is most needed.** NTW has an impressive history of delivering theatre across Wales, embedded within, co-created and originated by the diverse communities and people of our nation. The strategic shift from place-making to change-making, steered by clear outcomes, and built by and for those who will benefit most across theatre makers, creative participants and active audiences ('Key Individuals'), offers a clear opportunity for NTW to amplify its impact for Wales. Tightening our strategic planning and delivery will substantially improve the vitality of the theatre sector in Wales, driving skills and fresh employment opportunities, and attracting additional investment and media attention from outside Wales. It will also contribute to a shift in perceptions of theatre as a strong tool for delivering on social justice, education and health indicators, contributing to personal outcomes as broad as increased resilience to mental illness; social cohesion; cultural awareness and empathy; self-confidence; and physical health.

To capitalise on this opportunity, new creative activity at NTW is increasingly scrutinised against the 'Key Individual' demographic segments' needs, interests and demands, including in partner approaches, staffing appointments, audience profiling, seed commissioning, R&Ds and collaboration initiatives. The Logic Model is being introduced to maximise this approach, whilst maintaining flexibility within planning for shift, adaptation, piloting and failure in order to identify best-fit approaches. The in-development new Monitoring, Evaluation, and Reporting system - NTWs' Data Engine - will open up learning across the Company and further support tightened strategic planning. This will be exemplified in the coming year as TEAM is reimagined following the end of the current Paul Hamlyn Foundation funding cycle for TEAM. Within its in-development 'Our Work Strategy,' NTWs' new communications approach will ensure messaging is tailored to and receptive by 'Key Individual' demographic segments, ameliorating engagement by highlighting that NTW offers a safe environment to be creatively and emotionally open.

- **THREAT: Low audience numbers.** The legacy of COVID-19 restrictions and subsequent 'Cost of Living' crisis continue to be significant to theatre audience behaviours, with clear trends identified across the sector in both Wales and the wider UK. In 2022-2023, audiences remained reluctant to return to indoor events and to attend challenging and provocative theatre which was programmed before the lockdowns, preferring irreverent, uplifting content such as comedy, musicals and tribute acts. Despite deploying tactics to buffer or mitigate the impact of the virus, NTWs' spring 2022 show Petula experienced multiple outbreaks amongst cast and crew which resulted in the cancellation of shows, further limiting audience capacity. Whilst further lockdowns are unlikely, mutated strains continue to make news headlines and compound both ongoing reluctance to attend by core ticket buying demographics (over 60s) and a perceived audience need for theatre to primarily offer escapism. It also means additional costs to minimise the risk and impact of infection – e.g., cast and crew bubbles and employing understudies. Box office numbers and ticket income generation are important components of NTWs' budget and ACW revenue funding agreement.

The Audiences Team are involved early in Creative Development and programming decisions to identify audience profiles and influence content accordingly. Audience engagement forms a key element of the 2023-2027 Strategic Plan and NTW is increasingly building clearer and more innovative processes for audience engagement earlier on in the creation of its work. It is crucial that the Company's programme maintains an artistic vision which balances audience needs, interests and demands, income targets and funder expectations, as well as dialoguing with the diversity of experience and cultures that exist within Wales. Marketing and engagement campaigns are developed concurrently, and pricing strategies are linked to this work, as well as the work to develop a Wales Mid-Scale Touring Consortium (WMTC). The latter will reduce the financial risk of touring shows in Wales whilst simultaneously building shared audiences across venues and commissioning companies and developing the audience engagement and marketing skills of the sectoral workforce. See Financial dependency on ACW risk above for further mitigating tactics aimed at increasing financial resilience amid reduced ticket revenue.

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- **THREAT: Staff capacity.** NTWs' budgets are being increasingly stretched for the range of reasons covered in the risks already discussed, as well as long-term standstill revenue grant funding from ACW despite unprecedented inflation. At the same time, NTW is striving to meet strategically vital funder and societal expectations ranging across social justice, climate emergency, Welsh language, equality and diversity agendas. Continuing to offer four productions on an annual basis, deliver a full Creative Development and Collaboration programme, perform on all strategic priorities and comply with increasing reporting, regulatory and legal requirements on the current business model is now at the limits of possibility without additional – and unfundable – staffing. In these circumstances, NTW is particularly facing an imbalance of production and producing staff and capacity, with freelance expertise less readily available due to competition for such skills from the creative industries which can offer higher pay and more consistent opportunities.

NTW completed its Organisational Review in 2022 and offered two fixed-term Production team staff permanent contracts. Production budgets were deployed to offer the same production freelancer a fixed term role for multiple 2023 shows to guarantee their expertise and offer consistency and efficiency for the team. Similar options are being explored within the producing budgets to potentially fund an additional fixed-term Producing Coordinator staff member in 2023. NTW maintains strong ongoing relationships with production freelancers, and has adopted UK Theatre's 10 Principles for Safe and Inclusive Workspaces in freelancer contracts and Welcome Packs in order to offer competitive working conditions. Standard freelancer rates were increased twice in 2022-2023 and remain proportionally higher than the current agreed Equity rates of pay. Within the NTW staff team, there is an increasing emphasis on all staff collaborating at peak moments in the calendar and a new TOIL Policy was developed to support staff to better manage their working hours. Longer term, NTW will review its business model, and amongst other tactics, consider varying the scale of the four annual productions in order to deliver in a more sustainable manner.

Remuneration Policy

NTW always seeks to appoint individuals with levels of experience and skills appropriate to the post in question, in order to ensure that the Company delivers to the standards of excellence that would be expected of it as a national Company.

In setting remuneration levels for its staff, the Company takes account of the relevant market rates applicable for such requisite levels of experience and skills, whilst also being cognisant of the fact that it is a charity, and one that attracts significant levels of public and charitable funding. As such it seeks to achieve a balance between fair pay, retaining key staff to ensure the delivery of the charity's aims, the considerations of beneficiaries' needs, and the delivery of value for money in its expenditure on behalf of funders and other stakeholders.

The Company operates with a relatively small core team and assesses the necessity of all posts prior to their creation. The need for posts, and the appropriateness of their pay levels, is reviewed and assessed every time a post becomes vacant, whilst the Company also periodically benchmarks its pay scales against prevailing market rates. All new posts created, and any variations to pay levels, have to be approved by trustees, via the People & Policies Subcommittee.

NTW recognises that its staff are its primary asset in ensuring the delivery of its charitable purpose and is sensitive to broader employment issues. It pays its entire staff at Living Wage levels as a minimum. It abides by all relevant employment legislation and seeks to provide equality of opportunity and maintain workforce diversity.

The key management personnel of the organisation during the year are considered to be the Chief Executive/Artistic Director, and Executive Director/Deputy CEO. Their pay levels form part of the Staff Costs disclosure (note 14) shown on page 43 of these accounts. The role of Chief Executive/Artistic Director is the most highly paid member of staff.

FUTURE PLANS

2023-2024 will be the first year of the implementation of the 2023-2027 Strategic Plan. Throughout this report, NTW details how new processes, practices and policies, steered by the rationale of the new strategies and plans in place and in development, will action the change needed in order to deliver on the Company's Vision for theatre and for Wales. However, this is all due for reassessment in the light of funding changes.

A new approach to audiences will steer the Company forward, and better interpreting stronger analytics on Welsh audiences is crucial to the success of the years ahead. NTW is currently working with a collective of Welsh venues and theatre companies (the WMTC) on an initiative which combines a visionary **new touring model** with **game-changing investments** in audience skills, data capture and intelligence across the sector.

NTWs' four-year programme as presented in its Strategic Plan embeds space for flex, additions and shift, not just in content but also in practice as the sector learns and grows with the fast-changing world and theatre ecology. It takes the sector on a journey towards a Company-changing and ultimately **sector-changing 'new way' of working** which will see Wales competing on global stages, again not just in the theatre we collectively create but in the realisation of truly reflexive, audience and community-centred praxis. Key to this is the **lengthening of planning cycles** which is starting to fully enable audience and community participant involvement to be developed as part of the way that creative ideas emerge and grow, and the **communication of co-creation and co-ideation opportunities externally**.

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And throughout each element of this approach will be, to varying degrees of emphasis, NTWs' strategic priorities of equality, social and environmental justice and well-being, **cumulatively fused to inspire change** through theatre over the next five years.

Key to the delivery of this 'new way' are the following projects, slated for completion in 2023/2024:

- **Securing investment in phase 1 of the WMTC**, with venue agreements in place to co-commission and co-produce new shows which have Wales and beyond touring cycles built into them, with longer-term commercial viability to reinvest in Welsh theatre. Audience building and shared audience data will be central to the agreements.
- Development of **clearer communication processes** between teams leading to a new philosophy shared across the Company where all departments are part of the organic whole rather than a function to serve one another, often at the end of a process where the need for action is urgent.
- Development and delivery of initiatives to **improve well-being amongst the staff and sector**. These include the implementation of the Well-being Policy action plan, which includes tactics to address climatic and structural causes of low staff well-being in order to effect cultural causes in the longer term. The policy was developed in consultation with staff and following framing and best practice from the mental health charity Mind. Its success will be monitored through biannual well-being surveys. NTW will also develop an in-production well-being approach aimed at offering a framework for bespoke well-being risk assessments and management planning, as well as a Well-being Pledge to outline shared responsibilities for the well-being of cast, crew and the show.
- Delivery of the **Anti-Racism Plan**, which actions a zero-tolerance approach to racism, in all its forms. This work includes actively dismantling and replacing the wider structural bases upon which the Company was founded and operates which enable racism and its repeated recurrence. NTW needs to be proactively alert to new methods to tackle racism within professional cultural settings, and to challenge itself to build an organisation in which racism cannot and will not take hold.
- The **'Our Work' Strategy** which sees Audiences as the superstructure for the other three core areas of our work – Collaboration, Creative Development and Production – with digital and international as key strands throughout.
- The **Young People's Strategy** which will rationalise how NTW works with and for young people within the wider offer from across the sector, ensuring it delivers for those individuals who will benefit most from interaction with the Company – e.g. because they've been most adversely hit by the COVID-19 pandemic, face significant barriers to opportunities in both theatre and wider society and/or will benefit from the power of theatre to catalyse change.
- The **Monitoring, Evaluation & Reporting System** – Data Engine – which will enable NTW to more consistently and regularly source, analyse and share information on progress, risks and stakeholder feedback. It will more comprehensively build learning from ours and others' practice into ongoing programming and project development decision-making.
- The ongoing **Governance Development** work which will increase Trustees' sense of value, being understood and heard, affinity with NTW and integration and engagement within the Company; increase the visibility and impact of the Board across the sector, with decision-makers and with audiences; and increase the Board's effectiveness at supporting the delivery of the 2023-2027 Strategic Plan. A 3-year Governance Plan will be directed by the newly appointed Co-Chairs.

Productions slated for 2023-2024 include:

Kidstown (Summer 2023)

Led by Artists **Nigel Barrett** and **Louise Mari** with designer **Amy Pitt**, *Kidstown* is an outdoor performance installation for up to 100 children at a time, offering space to create their own worlds to play, imagine and build. On a big scale. Parents cannot enter. The only adults allowed are skilled practitioners who support children to bring their imaginations to life. *Kidstown* will tour to Newtown, the National Eisteddfod in Boduan and Ebbw Vale in summer 2023.

Circle of Fifths (Autumn 2023)

For the first time ever in NTWs' history, a show (Butetown film and theatre-marker, **Gavin Porter's** sell-out immersive theatre experience) will be re-mounted as part of our new production strategy. *Circle of Fifths* explores how music and stories can connect us in times of grief and loss - allowing us a moment of collective reflection and celebration. Following the show's initial debut in June 2022, the touring show will return in autumn 2023 including at venues such as The Riverfront, Ebbw Vale Institute, Black Park Chapel, Small World Theatre, Butetown Community Centre and more.

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Feral Monster (Spring 2024)

Feral Monster will be the pilot mid-scale work for the Wales Mid-Scale Touring Consortium which NTW is leading on with Creu Cymru to build knowledge and data on audiences across Wales. The show will be a captivating musical theatre production designed for those ages 16-30 written by **Bethan Marlow** and directed by **Izzy Rabey**. Under the musical direction of **Nicola T. Chang**, *Feral Monster* will follow the journey of Jax, a young non-binary individual, navigating adulthood, queerness, and economic challenges in North Wales. Through a blend of real-world and inner reflections, the play will undergo development in Caernarfon and Cardiff later in 2023, premiering at Sherman Theatre in 2024. A Wales-wide tour, including performances in Aberystwyth Arts Centre and Pontio, is planned for spring 2024, with aspirations for a UK-wide tour later that year. The production integrates the voices of young people from North Wales, prioritising their well-being and perspectives in its creation, and potential partnerships are currently being explored.

Creative Development projects in 2023-2024 will include:

Steven Kavuma R&D

Following on from his seed commission last year, NTW has commissioned artist **Steven Kavuma** to further develop his theatre piece exploring the Black male experience growing up in Wales. Over a week in August 2023 at Grange Pavilion, Cardiff, Steven will work with performer **Gabin Kongolo**, dramaturg **Sonia Hughes**, movement director **Mateus Daniel**, sound designer **Axel Kacoutié** and local musician **Zelo**, culminating in a relaxed sharing and conversation with NTW staff and other Black and Global Majority artists.

Jeremy Linnell R&D

The Company will engage neurodivergent and disabled artist **Jeremy Linnell** for a seed commission exploring the online radicalisation of young men through such figures as Andrew Tate and Jordan Peterson. Jeremy will spend a week in Newport with dramaturg **Duncan Hallis** and NTWs' Creative Development team figuring out the bones of the piece and experimenting with immersive game possibilities. NTW has a sharing scheduled for September 2023 with the wider team.

Unlimited Commission - Exploring Interwoven by Krystal Lowe

As part of our participation in Unlimited's UK Partner awards, NTW is working with artist **Krystal Lowe** to support her development of a piece called *Interwoven*, exploring the relationship between Black women and hair. This R&D will bring together circus, dance and text to create a multi-disciplinary piece. The Company has provided staffing support through its Creative Development Producer and production expertise from our Production team.

Dramaturg programme

Through funding from the John Ellerman Foundation, NTW will appoint a variety of dramaturgs across its projects and also more broadly within the Company as part of an ongoing commitment to develop dramaturgy in Wales. Project specific dramaturgs will work on *Circle of Fifths* and *Feral Monster* (full productions) and **Steven Kavuma's** commission. In addition, NTW will have two Associate Dramaturgs to work across its programme, including **Kaite O'Reilly** who will also advise on the aesthetics of access.

The Cost of Living Residency: Next Steps and Beyond

The Company will continue working with the 14 artists who participated in its *The Cost of Living* residency earlier this year to develop ideas for community events. Each artist will receive a bursary to go towards activity in their community, and they will be able to draw upon support and expertise from NTWs' Creative Development and Collaboration teams. From this learning, NTW are also working to create a long term Artist Development offer within NTW, based on connecting artists and communities and sharing expertise. This plan is ongoing and is being managed by the Creative Development Producer with oversight from the Director of Producing.

OG Prince of Wales

In partnership with Sherman Theatre Cardiff and National Theatre Studio, London (NT), NTW will develop a new ambitious musical written by **Seiriol Davies**, directed by **Joe Murphy** and with **Lorne Campbell** as dramaturg. This will be explored in a 2-week R&D at NT Studio, London with a cast of eight and Music Director **Leo Munby**. The aim is to tour this work to castles in Wales in 2025 with then a UK and Wales tour in 2026. There will be a sharing with 40 industry guests in August 2023, including commercial musical theatre producers and high-profile UK venues.

Collaboration activity:

Whilst TEAM awaits major grant funding for TEAM-led activity towards the 2026 slated *Festival of Change*, NTW will continue to strengthen its work across departments through stronger alignment with the Producing and Audiences teams to create an offer for the TEAM network that supports NTWs' Young Person's Strategy, Creative Development offer and sustained relationship with communities across Wales.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

Kidstown

In the summer 2023 term, NTW will employ a Creative Practitioner to work collaboratively with *Kidstown* lead Artists **Nigel Barrett** and **Louise Mari** in the co-development of creative resources for schools to allow teachers to create their very own *Kidstown* in the classroom. The intention is that this work, being developed over the autumn 2023 term, will lead directly into the ongoing development around a 2024 show *Requiem for the Children*.

Circle of Fifths

There will be three TEAM-led activities feeding into *Circle of Fifths*:

- 1 *Audio Portraits Project*
An open call-out for five young aspiring storytellers aged 16-25 years old who from each of the five locations where *Circle of Fifths* will be performed – four in Wales and one in Brixton. The young people will engage in a series of day-long workshops in Newport, Chirk, Cardigan and Pontypridd led by BAFTA-nominated film-maker **Jay Bedwani** and NTWs' TEAM Assistant. Deploying journalism, photography, documentary-making, podcasting and creative writing skills, the young people will learn how to conduct interviews around sensitive topics, with the goal of producing 'audio portraits' with a person of their choice binding themes of music, grief and memory. These portraits will be shared in the foyer spaces of the various theatres on the *Circle of Fifths* tour and will also be shared on the NTW website to help promote local interest in the show.
- 2 *Open-Mic Night, Small World Theatre, Cardigan*
Following the success of the last Open-Mic in the same venue in March 2023, NTW will develop TEAM's relationships in the area by running another event to showcase local talent and to build a local audience for *Circle of Fifths*.
- 3 *TEAM Social, Riverfront Theatre, Newport*
A number of free *Circle of Fifths* tickets and transport will be made available for TEAM members and friends of the show to come and share the opening night with NTW and the cast and crew. There will be performances from local acts including an opera singer, a Romani band and a DJ

Feral Monster

The aim of this collaboration project is to showcase the talent of young musicians across Wales and to foster and nurture the sound designers and composers of the Welsh theatre of tomorrow. TEAM will work in four of the areas *Feral Monster* will tour to, scouting local musical talent in the area and then working in partnership with local music venues and youth groups (such as Community Music Wales, MAD Swansea, Radio Platform, Oasis Music) so that the young musicians can be further supported after the tour. NTW will team up with local radio, showcasing the local young musicians and their songs (and signposting to the show). The young musicians will be offered a Zoom workshop with Lead Artists **Izzy Rabey** and **Bethan Marlow** to talk about song writing and the music industry in Wales. They will also be invited to open rehearsal days in Cardiff to get a taste of sound design and composing for theatre.

On the night of a performance:

- Pre-show; local young musicians doing 10 to 15 minute slots as a pre-show gig.
- Post-show; local DJs keep the party going, inspired by the sonic tapestry of the show.

This work will all lead to FERAL FEST: on the last night of the *Feral Monster* tour in Galeri, Caernarfon, NTW will bring together all the musicians from across the different areas of Wales to perform in a more extended gig, before and after the show.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The National Theatre of Wales (NTW) was incorporated as a Company limited by guarantee and not having a share capital on 9 September 2008. It is registered as a charity with the Charity Commission and regarded as such by HM Revenue and Customs.

Recruitment and Appointment of New Trustees

NTW was established with a core funding commitment from Arts Council of Wales and the Welsh Government. These two bodies advertised and appointed a Chair followed by eight further Trustees in 2008. Membership is open to individuals, who apply in the form required by the directors, and are approved by the directors. Membership is non-transferable.

The Company's Articles of Association state that:

A person appointed to the office of director for two consecutive terms shall, at the third Anniversary Board Meeting arising during his/her second term as a director, retire from office as a director and shall therefore be ineligible for re-election as a director for a period of two years unless the Board resolve that he/she may be eligible for re-election as a director for such further period not exceeding three years as the Board in its absolute discretion sees fit.

Where a director is re-elected for a third term pursuant to Article 2 above, he/she shall retire from office as a director by the third Anniversary Board Meeting following the passing of the resolution referred to in that Article. Any director who retires pursuant to this Article shall thereafter be ineligible for re-election as a director (for a period of three years).

As a result, having stood down and been re-elected to the Board in February 2011, the Company's original Trustees were subsequently subject to retirement in accordance with an agreed process of rotation. This occurred over a period of years, concluding in March 2016 with the retirement of the founding Chair of Trustees. This rotation approach ensured a continuity of management during the retirement process. During that process, several new Trustees were appointed, including a new Chair in December 2016. A new series of retirements and recruitments have taken place on a rotation basis from 2018-19 onwards, with a Co-Chair approach being introduced during 2023.

As of 31 March 2023, a Board of **12 Trustees was in place**. The appointment of further Trustees will occur in 2023/2024 as appropriate, taking into account the skills and experience of the individuals concerned.

Welsh Language Standards

NTW is subject to compliance with the Welsh language standards via a compliance notice relating to section 44 of the Welsh Language (Wales) Measure 2011. These standards promote and facilitate the Welsh language and ensure that it is not treated less favourably than the English language in Wales. As part of NTWs' compliance requirements, the standards appear on the Company website along with the Welsh Language Complaints Policy, the Welsh Language Standards Annual Report and the Welsh Language Strategy.

NTW was selected as one of the 18 organisations named in Regulations No. 2 to have their compliance with the Welsh language standards monitored and reviewed this year. The Company received positive feedback on its Welsh Language Strategy, which may be used as a case study example on the Welsh Language Commissioner's website. In addition to this, due to NTWs' commitment to the Welsh language, the Company's next upcoming review will be delivered in three years, rather than the standard two.

During 2022/2023, **0 complaints were received** regarding NTWs' Welsh language standards compliance.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

Organisational Structure

The Board of Trustees meets on a quarterly basis, and has established two subcommittees - a Finance Subcommittee and a People & Policies Subcommittee, which meet quarterly and biannually respectively - with appropriate matters delegated accordingly.

The day-to-day running of the Company is in the hands of a full staff team, headed by the Chief Executive/Artistic Director. A senior leadership team comprising the Chief Executive/Artistic Director, Executive Director/Deputy Chief Executive, Director of Audiences, Director of Collaboration and Director of Producing lead the Company. This team has delegated authority from the Board on matters of finance, recruitment, fundraising and artistic activity.

The Company also has a wholly-owned trading subsidiary, called NTW Productions Limited, via which the delivery of its productions is transacted. The Company pays a commissioning fee per production to the trading Company that equates to the cost of producing the show, less any Theatre Tax Relief credit that the subsidiary is entitled to claim for the production (all claims for such credits are processed via the subsidiary for reasons of accounting transparency). The trading Company is overseen via a Board of Directors that currently comprises the Company's Artistic Director, Executive Director and Director of Producing, two trustees (the Chair of the Board of Trustees and the Chair of the Finance Subcommittee), and a non-executive director.

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) (REGISTERED NUMBER: 06693227)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
06693227 (England and Wales)

Registered Charity number
1127952

Registered office
30 Castle Arcade
CARDIFF
CF10 1BW

Trustees

Chair	Clive William Jones	Resigned 24 April 2023
Co-chair	Sharon Gilburd	Co-chair appointment from 24 April 2023. Appointed as trustee 15 September 2022
Co-chair	Yvonne Connikie	Co-chair appointment from 24 April 2023. Appointed as trustee 24 April 2023
Trustees	Simon Keith Pirotte	Resigned 24 April 2023
	Sian Elin Doyle	Resigned 31 December 2023
	Raidene Carter	Resigned 9 June 2022
	Anna Arrieta	
	Steffan Donnelly	Resigned 9 June 2022
	Miguela Gonzalez	
	Robert Edge	
	Tafsila Khan	
	Stacey Ackers	Resigned 29 November 2023
	Sanjiv Vedi	Appointed 15 June 2022, resigned 31 December 2023
	Simon Stephens	Appointed 15 September 2022
	Joanne Lilford	Appointed 15 September 2022
	Stephen Dimmick	Appointed 26 June 2023

Executive team

Chief Executive/Artistic Director	Lorne Campbell
Executive Producer/Deputy CEO	Lisa Maguire (resigned April 2022)
Executive Director and Deputy CEO	Bronwen Price (appointed April 2022)

Senior Statutory Auditor

Julia Mortimer

Auditors

MHA
Statutory Auditor
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

Solicitors

Hugh James
Hodge House
114-116 St. Mary Street
CARDIFF
CF10 1DY

Bank

Lloyds Bank
31 Queen Street
CARDIFF
CF10 2AG

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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

In so far as the trustees are aware:

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

Approved by order of the Board of Trustees on 28.3.24 and signed on its behalf by:



.....
Ms Sharon Gilburd – Co-chair

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

Opinion

We have audited the financial statements of The National Theatre of Wales (Trading as National Theatre Wales) and subsidiary for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the 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.

Material uncertainty relating to going concern

We draw attention to Note 2 in the financial statements, which states the company was unsuccessful in its application to the Arts Council of Wales for core funding. This, along with other matters as set forth, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

Other information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has 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 Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

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

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

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inaccurate journals. We addressed these risks by carrying out specifically targeted procedures, which included:

- Enquiries of management, those charged with governance around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing minutes of meetings of those charged with governance;
- Evaluating the reasons for any large or unusual transactions;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations to underlying supporting documentation.

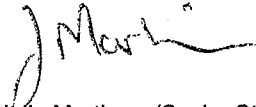
Because of the inherent limitations of an audit there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Julia Mortimer (Senior Statutory Auditor)
for and on behalf of MHA
Statutory Auditor
CARDIFF
CF23 8RS

28 March 2024

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	1,675,115	-	1,675,115	1,664,735
Charitable activities	5				
Promoting, maintaining, improving and advancing education		262,223	2,928,873	3,191,096	3,551,181
Investment income	4	2,294	2,354	4,648	113
Other income	6	366	40,296	40,662	
Total		<u>1,939,998</u>	<u>2,971,523</u>	<u>4,911,521</u>	<u>5,216,029</u>
EXPENDITURE ON					
Raising funds	8	7,202	-	7,202	851
Charitable activities	9				
Promoting, maintaining, improving and advancing education		<u>2,136,703</u>	<u>4,493,613</u>	<u>6,630,316</u>	<u>3,692,474</u>
Total		<u>2,143,905</u>	<u>4,493,613</u>	<u>6,637,518</u>	<u>3,693,325</u>
NET INCOME/(EXPENDITURE)		(203,907)	(1,522,090)	(1,725,997)	1,522,704
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>820,249</u>	<u>1,625,030</u>	<u>2,445,279</u>	<u>922,575</u>
TOTAL FUNDS CARRIED FORWARD		<u>616,342</u>	<u>102,940</u>	<u>719,282</u>	<u>2,445,279</u>

The notes form part of these financial statements

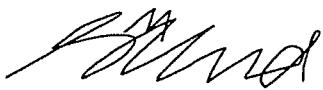
THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY (REGISTERED NUMBER: 06693227)

CONSOLIDATED AND CHARITY BALANCE SHEETS
AT 31 MARCH 2023

		Group		Charity	
	Notes	2023 £	2022 £	2023 £	2022 £
FIXED ASSETS					
Tangible assets	16	6,696	6,680	6,696	6,680
Investments	17	-	-	1	1
		<u>6,696</u>	<u>6,680</u>	<u>6,697</u>	<u>6,681</u>
CURRENT ASSETS					
Debtors: amounts falling due within one year	18	650,984	376,833	650,984	376,833
Cash at bank		<u>350,297</u>	<u>2,768,845</u>	<u>350,297</u>	<u>2,768,845</u>
		1,001,281	3,145,678	1,001,281	3,145,678
CREDITORS					
Amounts falling due within one year	19	(288,695)	(707,079)	(288,696)	(707,080)
		<u>712,586</u>	<u>2,438,599</u>	<u>712,585</u>	<u>2,438,598</u>
NET CURRENT ASSETS/(LIABILITIES)					
		<u>719,282</u>	<u>2,445,279</u>	<u>719,282</u>	<u>2,445,279</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>719,282</u>	<u>2,445,279</u>	<u>719,282</u>	<u>2,445,279</u>
NET ASSETS					
		<u>719,282</u>	<u>2,445,279</u>	<u>719,282</u>	<u>2,445,279</u>
FUNDS	21				
Unrestricted funds: (Including designated funds)		616,342	820,249	616,342	820,249
Restricted funds		<u>102,940</u>	<u>1,625,030</u>	<u>102,940</u>	<u>1,625,030</u>
NET ASSETS		<u>719,282</u>	<u>2,445,279</u>	<u>719,282</u>	<u>2,445,279</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved and authorised for issue by the Board of Trustees on 28.3.24 and were signed on its behalf by:


 Ms Sharon Gilburd - Co-Chair

The notes form part of these financial statements

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY (REGISTERED NUMBER: 06693227)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>(2,418,743)</u>	<u>1,718,801</u>
Net cash provided by (used in) operating activities		<u>(2,418,743)</u>	<u>1,718,801</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(4,902)	(4,002)
Sale of tangible fixed assets		449	342
Interest received		<u>4,648</u>	<u>113</u>
Net cash provided by (used in) investing activities		<u>195</u>	<u>(3,547)</u>
Change in cash and cash equivalents in the reporting period		<u>(2,418,548)</u>	<u>1,715,254</u>
Cash and cash equivalents at the beginning of the reporting period		<u>2,768,845</u>	<u>1,053,591</u>
Cash and cash equivalents at the end of the reporting period		<u>350,297</u>	<u>2,768,845</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

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

	2023 £	2022 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(1,725,997)	1,522,704
Adjustments for:		
Depreciation charges	4,803	5,860
Profit on disposal of fixed assets	(366)	-
Interest received	(4,648)	(113)
Theatre tax relief claim – movement in debtor	(208,751)	(147,467)
Decrease/(increase) in debtors	(65,400)	(30,375)
(Decrease)/increase in creditors	<u>(418,384)</u>	<u>368,192</u>
Net cash provided by (used in) operating activities	<u><u>(2,418,743)</u></u>	<u><u>1,718,801</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/22 £	Cash flow £	At 31/3/23 £
Net cash			
Cash at bank and in hand	2,768,845	(2,418,548)	350,297
Total	<u><u>2,768,845</u></u>	<u><u>(2,418,548)</u></u>	<u><u>350,297</u></u>

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. STATUTORY INFORMATION

These financial statements include the consolidated results of The National Theatre of Wales and its trading subsidiary NTW Productions Limited.

The National Theatre of Wales is a company limited by guarantee incorporated in Wales within the United Kingdom. The registered office is 30 Castle Arcade, Cardiff, CF10 1BW. The nature of the charitable group's and company's operations and principal activities is disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the group's functional currency, and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

There have been no material departures from Financial Reporting Standard 102.

Going concern

In March 2023, NTW sent Arts Council of Wales its Investment Review application for 3-year core revenue funding for the 2024-25 to 2026-27 period. On 27 September 2023, ACW notified NTW that it would cease to award NTW revenue funding from 1 April 2024. NTW engaged with ACW's appeal process is still in discussions with ACW and Welsh Government regarding an interim solution to the loss of its £1.6M annual grant.

NTW has since focused on two financial scenarios modelled for 2024-25, with unrestricted reserves and restricted income providing the initial source of funding until a new Business Plan is in place and being deployed. This has included the award of two six figure sum Shared Prosperity Fund grants, for activity delivery in Conwy and Cardiff during 2024-25. Whilst the trustees are fully engaged in the pivoting of the business for the future and are aware of the fundamental choices which lay ahead, the circumstances create a material uncertainty which may cast doubt about the Company's ability to continue as a going concern.

A voluntary redundancy programme has been concluded and a compulsory redundancy programme is underway. The Chief Executive/Artistic Director has announced he is stepping down and an Interim Chief Executive has been appointed.

After taking the above into account, the trustees have concluded, when considering a period of 12 months from when the financial statements are authorised for issue, the going concern basis of accounting in the preparation of these accounts is still appropriate.

Income

All income is recognised in the Statement of Financial Activities once the group has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

This includes capital grants.

Donations and legacies income

Donations and legacies income includes donations, gifts and grants that provide core funding or, are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023**

2. ACCOUNTING POLICIES - continued

Income from charitable activities

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Investment income

Investment income is recognised on a receivable basis.

Expenditure

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

Expenditure on charitable activities comprises those costs incurred by the group in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the group and include the accountancy fees and costs linked to the strategic management of the group as well as a proportion of salaries based on an approximation of time spent in this area.

Tangible fixed assets

Fixed assets are initially recorded at cost. The value below which fixed assets are not capitalised is £500.

Depreciation is calculated so as to write off the cost of an asset, less its estimate residual value over the useful economic life of the asset as follows:

Fixtures & fittings	- 25% straight line
Computer equipment	- 33% straight line

However, where assets are acquired as a result of grant funding they will be depreciated over their useful life, or the period of the grant, whichever is the shorter.

Taxation

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

Funds structure

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the group without further specified purpose and are available as general funds.

Designated funds are funds which have been specifically designated for specific future costs.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, is charged to the fund, together with a fair allocation of support and governance costs.

Investments

Investments are stated at market value at the balance sheet date.

Pension costs and post-retirement benefits

The group operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the group. The annual contributions payable are charged to the statement of financial activities incorporating the income and expenditure account.

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023**

2. ACCOUNTING POLICIES - continued

Termination payments

The charitable group recognises termination benefits as a liability and an expense only when the entity is demonstrably committed either to terminate the employment of an employee or group of employees before the normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

Employee benefits

When employees have rendered service to the group, short-term employee benefits to which employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

Financial instruments

The group 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.

Trade debtors and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

Creditors are recognised where the group 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

Provisions

The group commits to providing pensions for all core staff via the group pension scheme. Joining the scheme is subject to auto enrolment regulations. At any point in time a number of eligible employees have yet to join the scheme but when they do employer contributions are backdated to their original start date. Provision is made for the group's potential contribution in respect of these individuals in those instances where a simple accrual is not considered appropriate.

3. DONATIONS AND LEGACIES

	2023 £	2022 £
Donations	195	660
Grants	<u>1,674,920</u>	<u>1,664,075</u>
	<u>1,675,115</u>	<u>1,664,735</u>

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

	2023 £	2022 £
Arts Council of Wales - Core funding	1,648,436	1,624,075
Esmée Fairbairn Foundation	10,000	40,000
Arts Council of Wales – Cost of Living Uplift	<u>16,484</u>	<u>-</u>
	<u>1,674,920</u>	<u>1,664,075</u>

4. INVESTMENT INCOME

	2023 £	2022 £
Bank interest	<u>4,648</u>	<u>113</u>

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023**

5. INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Theatre tax relief credit	251,778	95,854
Grants	103,768	167,970
Performing and related activities	2,835,300	3,282,857
Speaker fees	250	-
National Companies Consultancy Project	-	4,500
	<u>3,191,096</u>	<u>3,551,181</u>

All income is derived from the single charity activity of 'Promoting, maintaining, improving and advancing education'.

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

	2023	2022
	£	£
Paul Hamlyn Foundation	48,973	91,370
Esmée Fairbairn Foundation	50,000	-
British Council – Go Digital	-	8,000
People's Palace Projects	-	18,600
Welsh Government – Communications Strategy	-	10,000
John Ellerman Foundation	-	40,000
Arts Council of Wales – Yma O Hyd project	500	-
Gottfried Wilhelm Leibniz Universität Hannover	4,295	-
	<u>103,768</u>	<u>167,970</u>

6. OTHER INCOME

	2023	2022
	£	£
Gain on sale of tangible fixed assets	366	-
Other income	11,946	-
Film tax relief	28,350	-
	<u>40,662</u>	<u>-</u>

7. RESULT OF PARENT CHARITABLE COMPANY

The total income of the parent charitable company was £5,552,678 and net expenditure was £1,725,997.

8. RAISING FUNDS

Raising donations and legacies

	2023	2022
	£	£
Fundraising expenditure	<u>7,202</u>	<u>851</u>

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023**

9. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9) £	Support costs (see note 10) £	Totals £
Promoting, maintaining, improving and advancing education	<u>6,039,094</u>	<u>591,222</u>	<u>6,630,316</u>

10. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023 £	2022 £
Staff costs	1,464,531	1,096,498
Creative and artistic activities	4,189,728	1,929,626
Marketing costs	369,827	127,951
Recruitment costs	<u>15,008</u>	<u>7,721</u>
	<u>6,039,094</u>	<u>3,161,796</u>

11. SUPPORT COSTS

	Staff costs £	Other costs £	Depreciation £	Governance costs £	Totals £
Promoting, maintaining, improving and advancing education	<u>336,139</u>	<u>204,958</u>	<u>4,803</u>	<u>45,322</u>	<u>591,222</u>

12. NET INCOME/(EXPENDITURE)

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

	2023 £	2022 £
Auditors' remuneration	11,671	5,820
Auditors' remuneration for non-audit work	1,658	990
Depreciation - owned assets	4,803	5,860
Surplus on disposal of fixed assets	<u>(366)</u>	<u>-</u>

**THE NATIONAL THEATRE OF WALES
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023**

13. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 or for the year ended 31 March 2022.

Trustees' expenses

During the year an amount of £1,796 (2022: £183) was paid to 6 (2022: 1) trustees in respect of travel and other expenses.

During the year the following professional fees were paid to trustees for services provided. The fees were paid at a commercial rate.

	2023 £	2022 £
Wayne Boucher	-	1,000
S Ackers	8,810	-
	<u>8,810</u>	<u>1,000</u>

In addition, during the year £25,800 of fees were paid at a commercial rate to entities over which 2 trustees had significant control (2022: £nil).

Trustees are permitted to receive compensation for professional services rendered to the charity by virtue of clause 5(5)(a)(ii) of the Memorandum of Association.

14. STAFF COSTS

	2023 £	2022 £
Employee costs during the year		
Wages and salaries	1,580,908	1,288,610
Employer's National Insurance contributions	151,934	113,920
Pension costs	67,828	57,650
	<u>1,800,670</u>	<u>1,460,180</u>

	2023	2022
Number of persons employed		
Permanent staff	21	21
Collective Cymru	15	9
Temporary production staff	6	3
	<u>42</u>	<u>33</u>

The number of employees whose emoluments, as defined for taxation purposes, amounted to a rate of over £60,000 during the year were as follows:

	2023	2022
£60,001 - £70,000	1	1
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1

All employees earning more than £60,000 were members of the company pension scheme.

Total remuneration benefits paid to key management personnel in the year was £183,977 (2022: £176,646).

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – 31 MARCH 2022

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,664,735	-	1,664,735
Charitable activities			
Promoting, maintaining, improving and advancing education	346,582	3,204,599	3,551,181
Investment income	113	-	113
Other income	-	-	-
Total	2,011,430	3,204,599	5,216,029
EXPENDITURE ON			
Raising funds	851	-	851
Charitable activities			
Promoting, maintaining, improving and advancing education	<u>1,996,634</u>	<u>1,695,840</u>	<u>3,692,474</u>
Total	1,997,485	1,695,840	3,693,325
NET INCOME/(EXPENDITURE)	13,945	1,508,759	1,522,704
Transfers between funds	-	-	-
Net movement in funds	13,945	1,508,759	1,522,704
RECONCILIATION OF FUNDS			
Total funds brought forward	806,304	116,271	922,575
TOTAL FUNDS CARRIED FORWARD	<u>820,249</u>	<u>1,625,030</u>	<u>2,445,279</u>

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023**

16. TANGIBLE FIXED ASSETS – Group and charity

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2022	33,110	57,183	90,293
Additions	-	4,902	4,902
Disposals	-	(5,121)	(5,121)
At 31 March 2023	<u>33,110</u>	<u>56,964</u>	<u>90,074</u>
DEPRECIATION			
At 1 April 2022	32,826	50,787	83,613
Charge for year	170	4,633	4,803
Eliminated on disposal	-	(5,038)	(5,038)
At 31 March 2023	<u>32,996</u>	<u>50,382</u>	<u>83,378</u>
NET BOOK VALUE			
At 31 March 2023	<u>114</u>	<u>6,582</u>	<u>6,696</u>
At 31 March 2022	<u>284</u>	<u>6,396</u>	<u>6,680</u>

17. FIXED ASSET INVESTMENTS – Charity

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

There were no investment assets outside the UK.

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

NTW Productions Limited:

Nature of business: Theatre production

Class of share:	% holding
Ordinary	100

	2023 £	2022 £
Aggregate capital and reserves	1	1

**THE NATIONAL THEATRE OF WALES
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023**

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade debtors	8,201	144,299	8,201	144,299
Other debtors	28,453	43	28,453	43
Accrued income	151,891	18,536	151,891	18,536
Theatre tax relief recoverable	403,020	194,269	-	-
VAT	23,146	-	23,146	-
Prepayments	36,273	19,686	36,273	19,686
Amounts owed by group undertakings	-	-	403,020	194,269
	<u>650,984</u>	<u>376,833</u>	<u>650,984</u>	<u>376,833</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2023 £
Trade creditors	83,698	49,528	83,698	49,528
Social security and other taxes	22,242	35,950	22,242	35,950
VAT	-	358,455	-	358,455
Other creditors	59,106	62,546	59,107	62,547
Accruals	123,649	151,627	123,649	151,627
Deferred income	-	48,973	-	48,973
	<u>288,695</u>	<u>707,079</u>	<u>288,696</u>	<u>707,080</u>

Included within deferred income above is the following:

	2023 £	2022 £
Paul Hamlyn Foundation	-	48,973
	<u>-</u>	<u>48,973</u>

The deferred income relates to income received in advance of project delivery. All amounts deferred in the year ended 31 March 2022 were released to the Statement of Financial Activities during the year.

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

20. LEASING AGREEMENTS

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

	2023	2022
	£	£
Within one year	24,228	31,122
Between one and five years	<u>13,136</u>	<u>23,500</u>
	<u>37,364</u>	<u>54,622</u>

Total operating lease payments recognised as an expense in the year was £35,329 (2022: £37,304).

THE NATIONAL THEATRE OF WALES
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

21. MOVEMENT IN FUNDS

	At 1/4/22 £	Net movement in funds £	Transfers between funds £	At 31/3/23 £
Unrestricted funds				
General fund	283,806	157,620	(276,208)	165,218
Designated fund - Fixed assets	6,680	(4,803)	4,819	6,696
Designated fund - TEAM	4,100	(366)	-	3,734
Designated fund - Marketing	60,227	(54,528)	-	5,699
Designated fund - Core resilience	7,947	(6,091)	-	1,856
Designated fund - Creative Development	26,697	(7,016)	19,596	39,277
Designated fund - Office Improvements	1,808	-	-	1,808
Designated fund - Productions	230,645	(230,645)	236,956	236,956
Designated fund - Organisational review changes	35,000	-	-	35,000
Designated fund - Creative Development posts	40,686	-	-	40,686
Designated fund - Creative Development projects	4,000	(1,500)	-	2,500
Designated fund - Springboard bursaries	32,210	(1,635)	(28,110)	2,465
Designated fund - Festival 2022 Support (Creative Associate)	33,443	(5,535)	-	27,908
Designated fund - Young People's Strategy	13,000	(9,408)	-	3,592
Designated fund - Collaboration in Productions	-	-	35,000	35,000
Designated fund - Producing support	-	-	7,947	7,947
Designated fund - Reinventing Performing Arts	40,000	(40,000)	-	-
	820,249	(203,907)	-	616,342
Restricted funds				
Paul Hamlyn Foundation	61,200	(61,200)	-	-
Esmee Fairbairn Foundation	790	(290)	-	500
National Companies Consultancy Project	7,582	(750)	-	6,832
Battersea Arts Centre - The Agency	9,874	-	-	9,874
Big Lottery Fund - Access Forum	2,330	-	-	2,330
Mametz real-time digital lesson plans	1,381	(450)	-	931
Andrew Lloyd Webber Foundation - Emerging Directors	4,000	(1,500)	-	2,500
People's Palace Projects (Far Apart UK)	12,670	(8,756)	-	3,914
Bluestone Foundation/Little Green Grant	109	-	-	109
Festival 2022 - Galwad	1,485,094	(1,461,005)	-	24,089
John Ellerman Foundation - Associate Dramaturg Programme	40,000	(22,137)	-	17,863
Esmee Fairbairn Foundation - A Fairer Future	-	31,747	-	31,747
Unboxed / Galwad SXSW support	-	2,205	-	2,205
Arts Council Wales Gwyl Grant - Yma O Hyd	-	46	-	46
	1,625,030	(1,522,090)	-	102,940
TOTAL FUNDS	<u>2,445,279</u>	<u>(1,725,997)</u>	<u>-</u>	<u>719,282</u>

THE NATIONAL THEATRE OF WALES
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

21. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,939,998	(1,782,378)	157,620
Designated fund - Fixed assets	-	(4,803)	(4,803)
Designated fund - TEAM	-	(366)	(366)
Designated fund - Marketing	-	(54,528)	(54,528)
Designated fund - Core resilience	-	(6,091)	(6,091)
Designated fund - Creative Development	-	(7,016)	(7,016)
Designated fund - Productions	-	(230,645)	(230,645)
Designated fund - Creative Development projects	-	(1,500)	(1,500)
Designated fund - Springboard bursaries	-	(1,635)	(1,635)
Designated fund - Festival 2022 Support (Creative Associate)	-	(5,535)	(5,535)
Designated fund - Young People's Strategy	-	(9,408)	(9,408)
Designated fund - Reinventing Performing Arts	-	(40,000)	(40,000)
	1,939,998	(2,143,905)	(203,907)
Restricted funds			
Paul Hamlyn Foundation	48,973	(110,173)	(61,200)
Esmee Fairbairn Foundation	-	(290)	(290)
National Companies Consultancy Project	-	(750)	(750)
Mametz real-time digital lesson plans	-	(450)	(450)
Andrew Lloyd Webber Foundation - Emerging Directors	-	(1,500)	(1,500)
People's Palace Projects (Far Apart UK)	-	(8,756)	(8,756)
Festival 2022 - Galwad	2,836,505	(4,297,510)	(1,461,005)
John Ellerman Foundation - Associate Dramaturg Programme	-	(22,137)	(22,137)
Esmee Fairbairn Foundation - A Fairer Future	50,000	(18,253)	31,747
Unboxed / Galwad SXSW support	31,250	(29,045)	2,205
Arts Council Wales Gwyl Grant - Yma O Hyd	500	(454)	46
Media Futures	4,295	(4,295)	-
	2,971,523	(4,493,613)	(1,522,090)
TOTAL FUNDS	<u>4,911,521</u>	<u>(6,637,518)</u>	<u>(1,725,997)</u>

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

21. MOVEMENT IN FUNDS – continued

Comparatives for movement in funds

	At 1/4/21 £	Net movement in funds £	Transfers between funds £	At 31/3/22 £
Unrestricted funds				
General fund	251,901	356,592	(324,687)	283,806
Designated fund - Fixed assets	8,880	(5,860)	3,660	6,680
Designated fund - TEAM	4,100	-	-	4,100
Designated fund - Marketing	40,683	(7,956)	27,500	60,227
Designated fund - Core resilience	12,947	(2,389)	(2,611)	7,947
Designated fund - Creative Development	62,195	(34,011)	(1,487)	26,697
Designated fund - Office Improvements	2,458	(650)	-	1,808
Designated fund - Productions	316,822	(264,463)	178,286	230,645
Designated fund - Organisational review changes	35,000	-	-	35,000
Designated fund - HR support	5,746	(5,746)	-	-
Designated fund - CEO support	2,750	(2,750)	-	-
Designated fund - Creative Development posts	6,822	(6,822)	40,686	40,686
Designated fund - Creative Development projects	6,000	(2,000)	-	4,000
Designated fund – Springboard bursaries	50,000	(50,000)	32,210	32,210
Designated fund – Festival 2022 Support (Creative Associate)	-	-	33,443	33,443
Designated fund – Young People's Strategy	-	-	13,000	13,000
Designated fund – Reinventing Performing Arts	-	40,000	-	40,000
	<u>806,304</u>	<u>13,945</u>	<u>-</u>	<u>820,249</u>
Restricted funds				
Paul Hamlyn Foundation	56,473	4,727	-	61,200
Esmée Fairbairn Foundation	11,322	(10,532)	-	790
Arts Council Wales - Ocean Park Creative Collaboration	1,064	(1,064)	-	-
National Companies Consultancy Project	19,863	(12,281)	-	7,582
Battersea Arts Centre - The Agency	9,874	-	-	9,874
Big Lottery Fund - Access Forum	2,330	-	-	2,330
Mametz real-time digital lesson plans	2,356	(975)	-	1,381
Andrew Lloyd Webber Foundation - Emerging Directors	6,000	(2,000)	-	4,000
People's Palace Projects (Far Apart UK)	6,880	5,790	-	12,670
Bluestone Foundation/Little Green Grant	109	-	-	109
Festival 2022 - Galwad	-	1,485,094	-	1,485,094
John Elleman Foundation – Associate Dramaturg Programme	-	40,000	-	40,000
	<u>116,271</u>	<u>1,508,759</u>	<u>-</u>	<u>1,625,030</u>
TOTAL FUNDS	<u>922,575</u>	<u>1,522,704</u>	<u>-</u>	<u>2,445,279</u>

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023**

21. MOVEMENT IN FUNDS - continued

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

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,971,430	(1,614,838)	356,592
Designated fund - Fixed assets	-	(5,860)	(5,860)
Designated fund - Marketing	-	(7,956)	(7,956)
Designated fund - Core resilience	-	(2,389)	(2,389)
Designated fund - Creative Development	-	(34,011)	(34,011)
Designated fund - Office Improvements	-	(650)	(650)
Designated fund - Productions	-	(264,463)	(264,463)
Designated fund - HR support	-	(5,746)	(5,746)
Designated fund - CEO support	-	(2,750)	(2,750)
Designated fund - Creative Development posts	-	(6,822)	(6,822)
Designated fund - Creative Development projects	-	(2,000)	(2,000)
Designated fund - Springboard bursaries	-	(50,000)	(50,000)
Designated fund – Reinventing Performing Arts	40,000	-	40,000
	2,011,430	(1,997,485)	13,945
Restricted funds			
Paul Hamlyn Foundation	91,370	(86,643)	4,727
Esmée Fairbairn Foundation	-	(10,532)	(10,532)
Arts Council Wales – Ocean Park Creative Collaboration	-	(1,064)	(1,064)
National Companies Consultancy Project	4,500	(16,781)	(12,281)
Mametz real-time digital lesson plans	-	(975)	(975)
Andrew Lloyd Webber Foundation – Emerging Directors	-	(2,000)	(2,000)
People's Palace Projects (Far Apart UK)	18,600	(12,810)	5,790
Festival 2022 – Galwad	3,042,129	(1,557,035)	1,485,094
John Ellerman Foundation – Associate Dramaturg Programme	40,000	-	40,000
British Council – Go Digital	8,000	(8,000)	-
	3,204,599	(1,695,840)	1,508,759
TOTAL FUNDS	<u>5,216,029</u>	<u>(3,693,325)</u>	<u>1,522,704</u>

Designated funds

Designated fund - Fixed Assets

The fund represents the net book value of fixed assets.

Designated fund - TEAM

The fund represents the value of core funds set aside towards the company's TEAM community engagement programme activities.

Designated fund - Marketing

The fund represents the value of funds set aside to meet website development costs.

Designated fund - Core resilience

The fund represents the value of funds set aside to finance staff and other costs associated with the development and implementation of the company's income generation and diversification strategy.

Designated fund - Creative Development

The fund represents the value of unapplied research and development and commissioning funds to be utilised in support of an enhanced programme of such projects in future years. An additional £29,668 was designated during the year to provide for costs associated with future projects.

21. MOVEMENT IN FUNDS - continued

Designated fund - Office improvements

The fund represents the value of funds set aside to support essential improvement works and other expenditure relating to the office at 30 Castle Arcade. This includes costs associated with searches for alternative accommodation.

Designated fund - Productions

This represents the value of funds set aside to supplement 'in year' funds to enable investment in future years' artistic programmes. An additional £236,956 was designated during the year to support future artistic programmes.

Designated fund - Organisational review changes

The fund represents the value of funds set aside to provide for staffing changes arising from the company's review of its organisation structure.

Designated fund - Creative Development posts

The fund represents the value of funds set aside to provide for freelance support to be engaged to oversee and administer the company's creative development activities during 2022/23 and 2023/24.

Designated fund - Creative Development projects

The fund represents the value of funds set aside to provide match funding for the Emerging Directors programme - matching the final year funding approval from the Andrew Lloyd Webber Foundation.

Designated fund - Springboard bursaries

The fund represents the value of funds set aside to support the company's Springboard Bursaries programme, introduced in 2021/22 to assist freelancers.

Designated fund - Festival 2022 Support (Creative Associate)

The fund represents the value of funds set aside to provide funding towards salary costs associated with the post of Creative Associate.

Designated fund - Young People's Strategy

The fund represents the value of funds set aside to support the costs of the work that the charity is incurring in respect of the Young People's Strategy.

Designated fund - Collaboration in Productions

This funding represents the value of funding set aside to finance collaboration and engagement initiatives alongside productions to be staged in the 2023-24 financial year.

Designated fund - Producing support

This funding represents the value of funding set aside to engage a consultant to provide strategic producing support to the Artistic Director.

Designated fund - Reinventing Performing Arts

This funding, provided by the Esmée Fairbairn Foundation aimed at helping organisations recover from the impacts of the pandemic, will be used to help NTW re-imagine its online community presence.

Designated funds in prior period

Designated fund - HR support

The fund represents the value of funds set aside to provide for costs associated with HR consultancy support. The consultant was engaged to provide support prior to the employment of the Director of Operations and these costs relate to residual tasks that assistance was being provided on.

Designated fund - CEO support

The fund represents the value of funds set aside to provide for costs associated with CEO consultancy support. The consultant was engaged to provide support prior to the employment of the Director of Operations and these costs relate to residual tasks that assistance was being provided on.

21. MOVEMENT IN FUNDS - continued

Restricted funds

The **Paul Hamlyn Foundation** supports the company's 'TEAM' programme, the role of which is to develop relationships within communities, and thereby promote National Theatre Wales and develop interest in theatre.

Esmée Fairbairn Foundation

This funding has been provided to contribute towards the company's creative development programme for artists working across Wales.

National Companies Consultancy Project

This project is a jointly funded initiative involving the eight national arts organisations in Wales, as designated by the Arts Council of Wales - the first time that they have all come together in this way. The companies taking part, other than NTW, are BBC National Orchestra of Wales, Ffilm Cymru Wales, Literature Wales, National Dance Company Wales, Theatr Genedlaethol Cymru, Wales Millennium Centre and Welsh National Opera. Each organisation is contributing to the project financially and/or in kind, and the funding is being used to pay for the services of a consultant, who has been engaged to provide the companies with advice in a number of areas. These areas include building resilience and growth in the wider arts sector; developing audience diversity and inclusivity; identifying ways in which to lead on supporting the professional development of artists; and how to increase the international profile and market opportunities for Wales. The project documents were signed in March 2017, with the work taking place throughout 2017/18 and 2018/19 and continuing into 2019/20 and beyond.

Battersea Arts Centre - The Agency

The Agency is a creative entrepreneurial programme, that seeks to use the arts to assist and encourage young people, in local disadvantaged communities, to develop their creative ideas into business opportunities. It is a partnership involving NTW, Battersea Arts Centre (BAC), Contact Theatre, People's Palace projects and FabLab Belfast, with funding provided by the Big Lottery Fund. The purpose of the partnership is to continue running an existing project in London (BAC) and Manchester (Contact) and replicate and run the programme in Wales (NTW) and Northern Ireland (FabLab).

Big Lottery Fund - Access Forum

This funding has been provided via the Big Lottery Fund's 'Awards for All' programme. Its purpose is to fund a series of Forum events being held across Wales. The Forum exists to bring together organisations, artists and individuals from across Wales to work together in removing barriers to accessing the arts faced by people with disabilities.

Mametz real-time digital lesson plans

This represents a combination of funding from two sources - the Colwinston Trust, and the Welsh Government's WW1 Activity Fund. The purpose of the funding is to enable the development of real-time, digital lesson plans related to NTW's 2014 production 'Mametz', which now forms part of the A level Drama and Theatre Studies syllabus in Wales. The aim of these plans is to provide an insight to aid both teachers and students.

Andrew Lloyd Webber Foundation - Emerging Directors

This funding contributes towards the costs of NTW's Emerging Directors Programme. This programme has the primary aim of giving talented and promising individuals the opportunity to work alongside experienced directors.

People's Palace Projects (Far Apart UK)

This funding relates to 'Far Apart but Close at Heart UK', a multi-partner research study that the company is taking part in. The study is led by People's Palace Projects (who provide the funding to NTW), in conjunction with the Unit for Social and Community Psychiatry at Queen Mary University of London. Other companies taking part in the study, which aims to explore how arts organisations in the UK are using online platforms and other means to support the mental health of young people during a global pandemic, include Battersea Arts Centre, Contact Theatre Manchester, Dirty Protest and Royal Theatre Stratford East. This project is run in parallel with a sister project in Latin America.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

21. MOVEMENT IN FUNDS - continued

Bluestone Foundation/Little Green Grant

This funding comprises two small grants. One, in the sum of £2,500, was provided by the Bluestone Foundation. The other (Little Green Grant), in the sum of £1,000, was provided by the Pembrokeshire Association of Voluntary Services. Together they were utilised to fund the design and construction of 'mission boards' related to Simple Acts - a call for social change, which was a central thread throughout all of the Go Tell The Bees activity. (Simple Acts encourages people to perform seven activities - Simple Acts - as part of their daily lives to help improve the environment and the world around us. These activities are 'plant a seed', 'learn one new thing about nature', 'take a walk', 'connect with someone new', 'consume a little less', 'be kind to your neighbour' and 'consider the stars').

Festival 2022

NTW heads up a partnership of organisations, collectively known as Collective Cymru, that came together to submit a bid to Festival 2022 (since renamed the Unboxed Festival). The organisations involved include Centre of Alternative Technology, Clwstwr, Disability Arts Cymru, Ffilm Cymru, Fran Wen and Sugar Creative, whilst community partners are CellB, Citizens Cymru, Disability Arts Cymru, Ethnic Minorities Youth Support Team (EYST) and Merthyr Tydfil Leisure Trust. During the 2020/21 financial year the company received a commissioning fee from Festival 2022 for the purposes of working up a full business case bid for a project culminating in the Autumn of 2022. Notification was received in March 2021 that the bid had been successful and work on the project (now known as 'Galwad') commenced with effect from April 2021. The project culminated in a series of events to be staged in September 2022, with the project itself coming to a conclusion by December 2022.

John Ellerman Foundation - Associate Dramaturg Programme

This funding has been provided to support NTW's dramaturgical development of new commissions and projects, and talent development initiatives.

Esmee Fairbairn Foundation - A Fairer Future

This funding has been provided to support NTW's creative development activities.

Unboxed / Galwad SXSW support

This funding was provided by Unboxed Festival to support a Galwad presence at the South by South West Conference staged in Austin, Texas in March 2023.

Arts Council of Wales Gwyl Grant - Yma O Hyd

This funding was provided to support the staging of Yma O Hyd poetry and creative workshops held in Tenby.

Media Futures

This funding was provided by Gottfried Wilhelm Leibniz Universität Hannover in relation to a joint project with Data4Change and Monnow Media Ltd called "Someone Must Have Been Telling Lies". It aimed at addressing the themes of misinformation and disinformation by working with marginalised communities in Swansea and Cardiff.

Restricted funds in prior period

Arts Council Wales - Ocean Park Creative Collaboration - This funding stream exists to help foster the development of creative partnerships between arts organisations and schools. This grant funded a collaboration between Ocean Park Academy, located in Cardiff, and NTW. The project took place between January and June 2017.

British Council - Go Digital

This funding was provided to fund a writers' development programme for Welsh and Nigerian writers, run in collaboration with Lagos Theatre Festival.

Transfers between funds

Transfers totalling £271,389 have been made between the general fund and 6 designated funds, as follows:

- Creative development: The Board has reviewed and identified £29,668 of funds to be used towards the costs of projects brought forward from 2021/22 as well as future new projects. In addition, £10,072 was transferred back to the general fund in respect of projects that are no longer proceeding or for which further expenditure is not envisaged.

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023**

21. MOVEMENT IN FUNDS - continued

Transfers between funds - continued

- Productions: The Board has reviewed and £236,956 of funds have been set aside to invest in future artistic programmes.
- Springboard bursaries: The Board has reviewed and identified £28,110 of funds no longer required to support the company's Springboard Bursaries programme, these funds have been transferred back to the general fund.
- Collaboration in Productions: The Board has reviewed and £35,000 of funds have been set aside to enable investment in collaboration initiatives to support productions in the 2023-24 programme.
- Producing support: The Board has reviewed and £7,947 of funds have been set aside to provide for senior level producing support.

A transfer of £4,819 has been made from the general fund to the designated fixed assets fund, representing the value of capitalised spend.

22. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in independently administered funds. The group also makes contributions to a defined contribution scheme administered by Aviva on behalf of Equity. The pension cost charge represents contributions paid by the group to the funds and amounted to £67,828 (2022: £57,650). Contributions outstanding at the year end amounted to £2,878 (2022: £10,508).

23. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023, that required disclosure (2022: none).

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2023 are represented by:			
Tangible fixed assets	6,696	-	6,696
Current assets	864,896	136,385	1,001,281
Current liabilities	(255,250)	(33,445)	(288,695)
Total net assets	616,342	102,940	719,282

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023**

25. SUBSIDIARY COMPANY

The charity owns the whole of the issued ordinary share capital of NTW Productions Limited, a company registered in England and Wales. The subsidiary is commissioned to produce theatrical productions on behalf of the charity. All activities have been consolidated on a line by line basis in the SOFA. The total net profit is gifted to the charity.

A summary of the results of the subsidiary is shown below:

	2023 £	2022 £
Turnover	641,157	467,938
Cost of sales	(896,710)	(615,405)
Gross profit	(255,553)	(147,467)
Administrative expenses	-	-
Loss on ordinary activities before taxation	(255,553)	(147,467)
Theatre tax relief claim	<u>255,553</u>	<u>147,467</u>
Profit for the financial year	<u>-</u>	<u>-</u>

The aggregate of the assets, liabilities and funds was:

	2023 £	2022 £
Assets	255,554	194,270
Liabilities	(255,553)	(194,269)
Funds (representing 1 ordinary share of £1)	<u>1</u>	<u>1</u>

Accounts

REGISTERED COMPANY NUMBER: 06693227 (England and Wales)
REGISTERED CHARITY NUMBER: 1127952

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 MARCH 2022
FOR**

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)**

Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)**

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FOR THE YEAR ENDED 31 MARCH 2022**

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

FINANCIAL HIGHLIGHTS

The 2021-22 financial year saw National Theatre Wales (NTW) stage its first in-person performances since the COVID-19 pandemic and the restrictions on activity that went with it, whilst the latter months of the year saw NTW's office reopen. However, even after re-opening, the office is operating at lower capacity levels than previously, which means that hybrid working arrangements are common-place for all staff. This has meant that the group's investment in a digital and flexible way of doing business has continued. The group also continues to build upon the efficacy of its business model and robustness of its financial management practices that proved so successful in seeing it through the challenges of the pandemic.

From a financial perspective, the most notable event (other than the re-commencement of production activity) was the commencement of work on *Galwad* - a project forming part of the Unboxed Festival and commissioned by Creative Wales. This is a project far bigger than anything previously undertaken by NTW - involving expenditure in excess of £6m over the 2021-22 and 2022-23 financial years. This project had a major impact on the group's finances for the year, with income of more than £3m being received in the year, and almost £1.6m of that spent by 31 March 2022. As such it has played a major part in a 155% increase on NTWs' turnover for the previous year, as well as in the achievement of its targets for income diversification. The submission of an invoice to Creative Wales for some £1.6m (more than £1.9m including VAT) close to the end of the financial year has also had a major impact on the group and Company's balance sheet, meaning both the level of ring-fenced reserves and bank balances are substantially higher than usual.

It should be noted, however, that turnover and income diversification both showed an improvement over the previous year even without *Galwad*.

One indicator where performance was particularly pleasing to note concerned the group's spend on creative and artistic activities, where levels of 82% of total expenditure was achieved. This represents a level of performance that the group has only exceeded once previously in terms of this metric since it was introduced.

Excellent financial management continues to ensure that budgets are adhered to. This has allowed the group to budget to invest some £93k of 'free' reserves as well as spending £377k of designated reserves in support of its activities in 2021-22, whilst still enabling a 'free' reserves balance of some £284k to be carried forward and a further £530k to be designated for reinvestment in 2022-23 and beyond.

The group's budgets for 2022-23 allow for the use of approximately £105k of 'free' reserves during the year, taking the projected value of such reserves at 31 March 2023 to some £179k, in line with the operational limits set out in its Reserves Policy. Alongside these the budgets also allow for the use of some £372k of designated reserves, for the specific purposes for which they have been set aside.

Theatre Tax Relief (TTR) credits of some £148k were generated in the year (although some £52k of these credits are due to be passed to a co-production partner). This takes the total income claimed from this source, over the past eight years that the scheme has been in operation, to some £932k, all of which is reinvested in current and future productions. The 2021-22 claim represents the highest generated by NTW since the 2016/17 financial year. This is partly a consequence of the productions undertaken during the year, but also a change in government policy. In October 2021, the UK Government announced an increase in rates of TTR credits with immediate effect. The rates have doubled for the period until March 2023, before tapering back to previous levels by April 2024.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

OBJECTIVES AND ACTIVITIES

National Theatre Wales was created in 2008 with the overall aim of developing and enriching English language theatre in Wales. Our charitable objects are:

To promote and assist in the advancement of the education of the public so far as this shall be charitable, and in particular, to procure the performance of and increase the understanding of the dramatic arts in all their forms, in Wales and elsewhere primarily through the medium of the English language.

Conceived as a flexible, non-building based, site-specific organisation, the Company was set up with the following key objectives:

- Offer radical and imaginative theatre choices both in the selection of plays and in production styles.
- Connect with Welsh audiences and make world-class theatre more accessible, especially to those who do not currently attend mainstream theatre.
- Introduce more and varied directorial voices.
- Facilitate a spirit of collaboration and coordination.
- Create or broker relationships between playwrights, directors, companies and theatres.
- Drive up quality and excellence.
- Raise the international profile of the best work being created in Wales.
- Focus on the identification and nurturing of talent.
- Reflect and comment upon the culture and society of Wales, past and present.

NTW has presented almost a hundred powerful productions that are nationally significant, ranging from the intimate to the epic. We have created work of lasting impact and global reputation, garnering critical acclaim for notable works such as *The Passion* (2011), *Coriolanus* (2012), *Mametz* (2014), *The Insatiable*, *Inflatable Candyfion* (2015), *City of the Unexpected* (2016), *We're Still Here* (2017), *On Bear Ridge* (2019) and *Petula* (2022).

We have established NTW as a radical and innovative national Company with a reputation for:

- Creating exciting new productions in unexpected places on a wide range of scales.
- Bringing dynamic combinations of artists together to challenge and inspire each other.
- Pioneering online initiatives grounded in a user-led digital community.
- Supporting and encouraging artists at a variety of stages in their development, open to emerging artists and new voices.
- Networking UK wide and internationally to achieve a new level of critical and artistic awareness for theatre in and from Wales.
- Expanding definitions of what theatre is and of what a national theatre can be.
- Being a truly national theatre: relevant, accessible and embedded in communities.

NTW continues to focus on the creation of new and truly innovative Welsh work, playing to its strengths in staging site-located, multi-disciplinary productions that take place across Wales and online in addition to theatre-based work.

Our Impact

Since 2008, NTW has engaged with over 324,000 live audiences and over 2.7m through online and television broadcasting engagements, as well as 70,000 community participants. The Company has helped to foster an ambitious theatre culture in Wales and helped to catalyse theatrical activities in Wales beyond its own output.

During 2021-2022, despite the ongoing impact of Covid-19, NTW engaged with over 10,000 community participants through a variety of activities. Highlights include the delivery of 38 sessions of activity to children and young people, such as the development of the *Go Tell the Bees* web app, which saw school pupils work with local theatre makers and artists to reflect on the Pembrokeshire Sea Empress disaster of 1996. Within the first 6 months of its launch, the web app attracted over 6,700 views and continues to serve as a bilingual school educational resource to increase resilience, confidence and the understanding of protecting the environment.

Alongside the delivery of 12 artist residencies, NTW delivered 75 training and workshop sessions to over 2,000 people. As a national company, NTW has the responsibility to ensure crucial topics are explored, discussed and shared throughout Wales and beyond. Company staff, participants, audiences and trustees remained engaged and involved with key conversations on social issues, through a range of events, talks and Q&A sessions. For example, TEAM Panel Chair, **Anastacia Ackers**, participated in a panel event at the 2nd International Arts & Homelessness Summit in October 2021.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

In response to the world's transition to hybrid working, the Company increased its digital presence to heighten reach and improve access to theatre and the arts. During 2021-2022, NTW received 132,000 views on our website and a total of 82,190 engagements with new video content.

2022-2023 will see the Company continue to stretch and further ensure our digital offer is parallel to our sustainability commitments. It will also continue to adhere to the standards and principles of the Theatre Greenbook.

Our Strategy

NTW's 2020-2025 Strategic Plan was developed through a wide-ranging consultation exercise with staff, our Board, and TEAM Panel members, a Theatre Makers Working Group, collaborators and stakeholders, members of our audience and other interested parties. Approved by the Board in March 2020, to take effect from 1 April, it was quickly superseded by the social distancing and other restrictions introduced in response to the COVID-19 pandemic. The Company and the whole sector faced a tumultuous and unclear working environment and it became clear through summer of 2020 that the 2020-2025 Strategic Plan would need an immediate review in consultation across the sector.

This process resulted in the realisation that a shorter-term 2022-2025 version should be created, reflecting the ongoing uncertainty and a renewed vigour to address inequality within the sector and the climate emergency, as heightened by recent global events such as the murder of **George Floyd** and **Breanna Taylor**. Initial work on the new Vision, Mission and Values inform the fully formed 2022-2025 Strategic Plan which was created during 2021-2022. This highlights a shift from place-making to change-making. The paragraphs that follow will outline the strategy.

Our Vision

Making theatre matter as a force for change. Harnessing the power of Wales' stories, people and places to collectively imagine and shape a more equal, sustainable and environmentally just world

Our Mission

We do this by connecting and collaborating with audiences, communities and theatre makers to:

- Tell the stories and amplify the lived experiences of Wales, exploring the challenges of our times to inspire change.
- Place equality, social and environmental justice and well-being at the core of what we do.
- Create essential and extraordinary experiences together that connect us locally, nationally and globally.

Our Values

Our Values are the guiding principles that underpin all our work, practices and working culture.

Connection | We pursue connection through everything we do. We believe in it as a route to shared belonging and collective identity. We convene, gather and listen. We share ideas, stories and imagine futures together.

Courage | We are bold in our ambition, brave in embracing risk and vulnerability to fail as a means to move forward. We stay focused, we recognise that the spaces that feel hard and uncomfortable are often the moments where change happens.

Authenticity | We are open and self-reflective; we challenge our own assumptions and default behaviours and encourage individuals to speak their truth. We make space for individuals to bring their true and whole selves to work with us.

Our Work

We continue to channel our activity through our three fundamentally interconnected areas of work. These feed a centralised approach to engagement that places the audience - the Welsh public - at the heart of what we do. Each area uses the unique skills and practices that exist in the art of theatre making to engage, question and listen to the experiences of the people of Wales:

- **Collaboration:** Through TEAM we continue to develop and deepen our partnerships with communities and individuals across Wales and Internationally. We seek to catalyse change by boosting the power of communities; channelling stories and experiences through a network of voices traditionally excluded from cultural activity.
 - **Creative Development:** Our Creative Development programme focuses on opening up pathways and providing support and development opportunities for remarkable theatre makers and collectives.
 - **Production:** As a theatre without walls, we are empowered by an incredible mandate to bring performance to new places and in new forms. We are committed to creating popular, accessible, meaningful theatre that connects audiences with the gamut of emotional experience, entertaining and challenging us in equal measure.
-

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

During 2021-2022, NTW started to develop supporting cross-cutting strategies for all three of these core areas of Our Work, with Engagement (Centring Audiences) at their centre. It also convened working groups to develop additional detail needed on Company approaches to certain key strategic priorities. These include:

- Strategic Equalities Plan
- Climate Emergency Strategy
- Young People's Strategy

Our Aims

In order to enact our Vision and Mission and inspire change, we will:

- **Our Ethos:** Create a reflexive culture of listening and belonging across all our work, centring audiences, communities and theatre makers to ensure their needs and perspectives actively shape our decision-making and are represented in all our activities.
- **Our Work:** Produce a world class, cohesive, bold and accessible programme of theatre making, embodied by courageous production, collaboration activity and creative development practice that catalyses and provokes change through transformational experiences.
- **Our Reach:** Build new audiences for theatre in Wales, and make theatre relevant and of deeper impact to more people, especially young people and those who experience racism, ableism and poverty.
- **Our Commitment:** Prioritise anti-discrimination and social justice across all our processes and projects, including a renewed focus on our environmental responsibilities. Building a culture of self-analysis to ensure our decision-making values every activity on its ability to contribute to building a more equal, sustainable and environmentally just Wales.
- **Our Responsibility:** Diversify our income, grow our unrestricted revenue and maximise the impact of the public's investment in the arts through the experiences and opportunities we create for audiences, communities and theatre makers.
- **Our Identity:** Explore national identity to amplify the difference and multiplicity of experiences in Wales and of being Welsh. Examining what it means to be human, here and now, to connect us with a global audience united by universal experiences.

Public Benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

NTW aims to belong to all the people of Wales, regardless of age, location, or theatre-going habits. The Company aspires to nourish and inspire all the people across Wales and to link the nation with world-class theatre making and cultural aspiration. Not being based in a building enables us and our work to be truly located in the part of Wales where we are making the work, laying roots and leaving our mark before and after the theatre event. Learning and participation is embedded into the core of all our work, and engagement with the community we are working within is key to the entire process of making and performing our work. The work we make is all new, and all inspired by the stories, people, places and dreams - past, present, future - that we encounter, explore and encourage across Wales.

Our capacity to bring people together to create, feel, imagine and be inspired by the stories of Wales, is the fundamental role we can play as its national theatre. Shifting from a founding vision of place-making to change-making, the heart of NTW remains unaltered. We hold a core belief in the power and creativity that exists in our nation's individuals and communities, waiting to be harnessed by theatre. We believe that access to this tool as an expression of experience, story, identity, empathy and shared belonging is a fundamental human right for every person in Wales

We reach beyond borders in our communication about the work, ensuring that once marginalised theatre activity and awareness is pushed onto the radar across the British Isles and internationally. We partner with a huge range of bodies and organisations to push and pull leading theatre practice in and out of Wales, providing the people and artists of Wales with an engaged and informed creative dialogue.

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Our entire operational system is set up to be open and engaged with the public. Our online presence aspires to be the leading National Theatre web resource, based on a truly interactive and conversational relationship with the public. Alongside a conventional website, which offers an extensive range of facilities and uses to the public, we run a social network site where members can speak to one another, share skills and ideas, react to the work, inform us of events, etc. It is a home for our audience in the absence of a building and a major resource of information and activity.

Our office is a shop in a high street arcade in central Cardiff. Pre- and post-pandemic, it has an open door policy and the ability for the public and theatre makers to drop in at any time. We have hot-desk space for artists to congregate, work, get online and operate alongside us, whether they are actively in production with us or not. From March 2020 until 28 February 2022 our office was shut and all staff continued to work from home in accordance with Welsh Government advice in response to the pandemic. Through 2022 and remaining mindful of Covid-19 transmission, our new Creative Development team will review and reset how the office is used by theatre makers and audiences, ensuring it remains of value and relevant in the changing operating environment.

TEAM - the network of community based artists, activists and leaders who support, challenge and advise NTW - also has hubs in both Pembrokeshire and Wrexham. Since 2018, TEAM has worked intensely in these communities through a Paul Hamlyn Foundation funded programme of empowerment, leadership, creative activism and long-term engagement.

ACHIEVEMENTS AND PERFORMANCE

NTWs' 2021 season was significantly affected by the rapidly changing range of restrictions placed on social interaction, aimed at reducing the impact of the Covid-19 pandemic. Theatre in Wales was arguably one of the worst hit artforms, with NHS Covid Passes, capacity restrictions and face masks deterring audiences from attending events and venues.

In spite of these challenges, the Company staged four productions, which all reconceived and adapted original forms and scales to ensure the work breathed life during the pandemic. NTW also ran a series of professional development opportunities which offered entry points, step changes and pathways for theatre makers, many of whom faced serious financial and well-being hardships as the pandemic lockdowns threatened their livelihoods and resilience. Collaboration and TEAM responded quickly to the challenges and ran an impressive array of activity which engaged theatre makers, creative participants and audience members both digitally and, as and when restrictions allowed, in-person.

Alongside these works, the Company initiated a rigorous redevelopment of its audience development and operational platforms and processes, with multiple large, organisationally-redefining projects in train throughout the year. These will see fruition in 2022-2023 and will support NTW to build strength and depth across its functions.

Production

Go Tell The Bees

This 45 minute film developed in partnership with the Pembrokeshire community *Go Tell The Bees* was the finale of five years of Paul Hamlyn Foundation funded Collaboration / TEAM activity there and evolved out of the pre-pandemic intention to present the work as a live production. Shot in late April 2021, it was co-created by 7 artists with 61 creative contributors and 70 musicians working across 24 locations with 400 cast members and 12 community groups including the VC Gallery, Get the Boys a Lift and St. David's Bluetits Chill Swimmers. *Go Tell The Bees* included original music by John Lawrence and Jess Ward, and animation and design by Gemma Green-Hope and Tom Frost.

The film was launched at screenings at Manorbier Castle on 7 - 9 May, with over 400 people attending over the weekend. A further 3 screenings took place outdoors at Pembroke Castle, Bubbleton Farm and Pencarnan Campsite, St. David's in September with a live introduction by Phil Okwedy and performances from groups and individuals involved in the film. Each location had a capped capacity due to the Covid-19 restrictions, and in challenging and ever changing weather conditions, we saw additional audiences of over 800 at these screenings.

Local media coverage was strong, with the screenings covered on Pure West Radio and all local newspapers, and the trailer shared at all Torch Theatre screenings in September. The film was platformed online in October and received another 700 views during this month.

"The film and the exhibition made me feel luckier than ever before to live where I live. As a family, it made us all want to go home and plant seeds. It was very special to see so many faces I knew in the film, I feel like the film belongs to us. It feels like the National Theatre of Wales have created this film and have given it as a present to the people of Manorbier and Pembrokeshire. I can't wait to watch it again."

- Audience feedback

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"So pleased we came down to see the film and all the work TEAM has led. Really a great demonstration of the power of art to mobilise and communicate"

- Peter Davies, Chair of WCVA and former Sustainable Futures Commissioner for Wales

Possible

Possible is an inventive blend of live and digital work written and performed by **Shôn Dale-Jones**, A playful, honest and heartfelt piece of storytelling, *Possible* blurred reality with a kaleidoscopic dreamscape of animation and film by **Bear Thompson**, underscored with original music performed live by **John Biddle**. It explored love, creativity and finding the courage to explore the past, in order to shape the future.

First produced as a live stream in June, it was then made available as a digital piece during the Edinburgh Fringe hosted by Pleasance Theatre. Later in the year, *Possible* toured 10 mid-scale venues in Wales reaching a live audience of over 600 people. The show contended with the introduction of NHS Covid Passes midway through the tour, ongoing public reluctance to visit indoor spaces due to resurgent infection rates, and high sickness rates amongst theatre marketing teams. Shôn appeared on the *BBC Wales Arts Show* and the production received a 4-star review in *The Guardian*.

"Perfectly judged, unabashedly authentic and vulnerably autobiographical" ★★★★★

- *The Guardian*

"*Possible* has the energy of a production full of hope"

- *Buzz Magazine*

Dat's Love & Other Stories

Captured in three parts, over three nights, **Rakie Ayola** was filmed by **Simon Clode** performing intimate readings from **Leonora Brito's** short story collection *Dat's Love*. These perceptive and spirited narratives explore life, love and family from the point of view of Black and Mixed Race women from Cardiff Docks and beyond. Rooted in the unique culture of Cardiff's Butetown, Brito's free-thinking, free-talking characters bring their own perspectives to subjects as diverse as motherhood, unemployment, nightclubs, death and **Winston Churchill**.

Rakie's readings featured original music from **Imran Khan** and illustrations by Butetown artist **Kyle Legall**. They were included as part of the BBC's Culture in Quarantine season on BBC Radio 4, in *Light's Up: Stripe by Stripe and Other Stories* hosted by Butetown comedian **Leroy Brito** and produced with BBC Cymru Wales.

FRANK

Working with Jones Collective and Plastique Fantastique, in partnership with Natural Resources Wales, *FRANK* was realised as a digital piece following adaptation from an originally developed in-situ immersive production. The film was inspired by, and created with, poet and real-life snake anti-venom factory worker, **Frank Thomas**. Contained within the sterile environment of his work, Frank struggled to make peace with the recent death of his father. Unsatisfied with his job, he revisits memories in a hope of changing his future and putting to rest a complex father-son relationship.

Filmed in the autumn, it premiered at Chapter Arts Centre, Cardiff, in February with a well-attended Q&A. The film was made available online for free via our website and AM for a month. It was well received and has the potential for future life.

"*FRANK* is good. It's very good. It's well-written and well-realised, beautifully shot, and well-acted, and manages to create eleven minutes of depth and nuance; it is honestly moving, visually strong, and like all good short films, lingers like a flash in the darkness"

- *Wales Arts Review*

Petula

Petula, NTWs' co-production with Theatr Genedlaethol Cymru and August 012, was in production in Spring 2022 and toured/was planned to tour 6 mid-scale venues in Wales through March-April. Directed by **Mathilde Lopez** and translated/adapted by **Daf James** from **Fabrice Melquiot's** extraordinary play, the show supported the re-opening of venues following the gradually reducing social distancing restrictions imposed during the Covid-19 pandemic.

A fluid multi-lingual (Welsh/English/French) work, it thematically addressed mental health and well-being, particularly in the young and the aftermath of trauma. Lead character Pwlin Evans - played by **Dewi Wykes** - struggles to deal with his ridiculous parents, step-parents, the weight of his teenage worries, gravity - so he launches himself into space in search of answers and his missing cousin Petula - played by **Kizzy Crawford**.

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A panel of 12 young campaign advisors gave feedback on the initial campaign artwork and helped develop ideas for creative content. Advanced press coverage included pieces in *The Stage* and *Whatsonstage*, *Golwg*, *Buzz*, *Cardiff Times*, *Cardiff Life*, *Barn* and both *Radio Cymru* and *Radio Wales*, with the *Observer* and *Guardian* running positive reviews. *Petula* faced ongoing audience hesitancy to return to theatres, and a series of stringent processes to minimise the risk of infection - including cast and crew bubbles - were strictly adhered to. In spite of this, audience numbers to year end hit over 1,200 and the reviews were glowing. *Petula* was nominated for the 'Best Show for Children and Young People' category in the 2022 UK Theatre Awards, and *Dewi Wykes* was nominated for 'Best Performer in a Play' in the 2022 *The Stage* Debut Awards.

A story that could be Roald Dahl or early Spielberg...this production is nothing if not unique" ★★★
- *The Stage*

"The action may be absurd but the trauma and confusion of growing up are totally realistic"
- *The Observer*

"Funny enough to make me laugh so much I started to worry about needing a new ribcage"
- *Nation.cymru*

Galwad

In March 2021 NTW learned that the consortium bid to DCMS for Festival 2022 / Unboxed was successful. Working across broadcast media, digital and live platforms, *Galwad* will be an immersive and highly ambitious transmedia endeavour. Led by NTW with partners the Centre of Alternative Technology, Clwstwr, Disability Arts Cymru, Ffilm Cymru, Frân Wen and Sugar Creative, the project also includes broadcast partners S4C and Sky Arts. Collective Cymru was established as the body tasked with development and delivery, and a team of freelancers and a tiered governing structure was assembled through the summer.

Autumn saw the project embark on a 'world-building' process (where fictional, but plausible worlds are imagined for film or gaming), with 120 participants drawn from 5 communities across Wales, community partners CellB, Citizens Cymru, Disability Arts Cymru, Ethnic Minorities Youth Support Team (EYST) and Merthyr Tydfil Leisure Trust, and from a wide range of global expertise in the climatic, technological and social conditions of the next thirty years. Functioning as an engagement process, the main purpose of world-building was to generate the imagined base of our 2052 world. Led by **Alex McDowell**, production designer of *Minority Report*, and Experimental Design Studio, the resulting digital resource drove the next phase of authorship across all platforms which continued through the Spring.

The thematic focus of *Galwad* is change, climate, community and possibility. The story will attempt to reframe feelings of despair and inertia about climate change into a space where individual and collective action and possibility can be more clearly imagined and experienced.

Creative Development

Springboard

NTWs' *Springboard* bursaries supported 10 artists from demographics that are currently underrepresented in the arts (**Steph Back**, **Idrissa Camara**, **Chris Tally Evans**, **Sara Hartel**, **Sam Hickman**, **Hanan Issa**, **Jeremy Linnell**, **Kel Matsena**, **Durre Shahwar** and **Anushiye Yarnell**), financing and developing small-scale research projects with mentoring and producing support. The projects ranged from: developing a play about the uncomfortable relationship women of colour have with the idea of nature; making a short documentary film about Black men's identity, flowers and vulnerability; starting a recurring Queer cabaret in the Sherman foyer; developing an online live and interactive solo show about dating, the management vocabulary used when talking about relationship, and love when you have panic attack; writing and workshopping a street game with young people in Barry; making three micro filmed pieces created by and with disabled artists about corruption or alcohol but not about disability, between Wales and Brasil; talking to children about darkness, fear and death with story-telling, dancing and gardening; and developing a disabled-led workshop/course to teach able theatre makers to work with disabled artists on and back-stage.

Hen Wlad Ein Plant / Land of Our Children

Supported by an Arts Council Wales Connect & Flourish grant, Natural Resources Wales (NRW), Gentle/Radical and NTW collaborated to offer and manage eight residencies to artists whose practice involve communities and/or who were interested in investigating the notions of people and place and the future of these relationships in the light of climate emergency. The eight artists (**Rebecca Smith Williams** - Taffs Well; **Lisa Heledd Jones** - Glyndyfrdwy; **Justin Teddy Cliffe** - Newport; **Lal Davies** - Gellifor; **Catriona James** - Pengam Permanent Allotments, Cardiff; **Manon Steffan Ros** - Tywyn; **Georgina Biggs** - Cardiff Bay; and **Cerian Wilshire-Davies** - Swansea) proposed hyper-local creative enquiries exploring their direct surroundings. Drawing on the Welsh tradition of 'ein milltir sgwâr' (our square mile), projects ranged from their front doors, adjacent streets or catchment areas, engaging the people who live there in a conversation about their relationship with their environment and future coexistence.

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Each artist was matched with mentors and interacted with scientists to help them explore how the hyperlocal lens brings new perspectives to the way we see and talk about the future of our communities and our natural environment. The eight resulting projects covered subjects such as: the loss of shared spaces; power, value, ownership and trust; and the connections between lived disabled experiences and unstable environmental contexts, with an eye on locating power and changing how power works. The ideas and approaches generated by these residencies were collated by NRW to inform and guide the development of the environmental policies in Wales.

Associate Director Placement

Fahadi Mukulu continued his year-long Associate Director placement, co-hosted between NTW and Common Wealth Theatre, and supported by a Weston Jerwood Creative Bursary. This placement was designed to promote entry into and skills development for young creatives and leaders from traditionally marginalised contexts. The placement was temporarily paused as Fahadi entered Higher Education. Fahadi resumed his role in Summer 2021 and in Spring 2022, and will return again in later 2022.

Am Ddrama / Play On

In February - March 2022 NTW held the first submission window for our new open playwright's submission project in partnership with Theatr Genedlaethol Cymru and Theatr Clwyd. Providing a crucial entry point to the industry for Welsh playwrights, this first phase of *Am Ddrama / Play On* acted as a pilot, aimed at learning how to most effectively run it in future years. 65 plays were submitted, read by our panel of dramaturgs, literary translators, actors, writers and activists (**Charles O'Rourke, Lowri Izzard, Mary Davies, Melangell Dolma, Yasmin Begum and Rahim El Habachi**) and given feedback. Of these plays, 8 were recommended to the partner theatres for further reading.

Am Ddrama / Play On will run with a second submission window in late 2022, with 12 theatre makers engaged as readers. All will benefit from ongoing training and mentorship to develop their own dramaturgical skills.

Lagos

A series of digital writer's workshops ran from September to December 2021, in partnership with Lagos Theatre Festival (LTF) and supported by The British Council (BC). Three early career Welsh writers and three early career Nigerian writers were reciprocally mentored by a Nigerian and a Welsh writer. The project focused on skills development and increasing reciprocal awareness of other cultures. There are plans to mount a reading of at least one Welsh and one Nigerian play at the LTF's next iteration, providing future opportunity to connect.

Commissions and R&Ds

NTW has embarked on an ambitious programme of commissioning and development which has engaged a range of Welsh artists from senior figures of international profile through to the brightest voices of an emergent generation. This programme has met and exceeded the targets set out in the 2020-2021 Strategic Equalities Plan while laying the foundations for a programme that seeks to engage with audiences across Wales and internationally over the next three years. As you might expect for a Company with NTWs' remarkable and innovative remit, these commissions and development processes encompass a broad range of starting points, lead artists, methodologies and potential outcomes.

BBC Writer in Residence

Cardiff playwright and actress **Faebian Averies** was announced as the 2020-2021 Writer in Residence on a BBC Radio Wales Arts Show Special in December 2020. She joined NTW in the Summer and worked closely with Director **Mathilde Lopez** to develop *ORION*, a full-length piece of new writing. An R&D for *ORION* with four Welsh actresses is planned for Autumn 2022, with the results staged with an invited audience.

Talent Development

With the support of the Esmée Fairbairn Foundation and the John Ellerman Foundation, the Company is planning to appoint a Creative Development Producer to work alongside the Creative Associate. These two posts will drive the strategy and delivery of Creative Development going forward.

Collaboration (TEAM)

Although originally slated to end in December 2021, the Paul Hamlyn Foundation generously extended funding for TEAM's co-creation project by one year in acknowledgement of the impact of the Covid-19 pandemic. NTW agreed with the Foundation that there would be additional focus on those groups most affected by the pandemic - young people, and those who experience racism, ableism and poverty.

Go Tell The Bees - Beyond the Film

As the culmination of five years of Collaboration / TEAM activity in Pembrokeshire, there were numerous additional activities which contributed to the *Go Tell The Bees* finale including:

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- *Exhibition:* To accompany the film, an exhibition was created by over 500 school children and 35 artists including ceramicist **Mena Evans**, Sand Palace Arts, **Lloyd the Graffiti** and poet **Kerry Steed**. Over 10 schools participated from across the county
- *App:* A project app was developed with the 51 pupils of Manorbier Primary School by artist **Natasha Bigford**, featuring stories by **Neil Bebbler** and **Phil Okwedy**
- *Learning Hive:* An online collection of knowledge, information, activity and inspiration was compiled, offering young people a space for learning and linked to Curriculum 2022
- *Audio-Poem:* Created with secondary school pupils throughout Pembrokeshire, the *Go Tell the Bees* Audio-Poem was based on a narrative developed through creative writing sessions led by local poet **Kerry Steed**

Far Apart UK

Far Apart UK approached NTW TEAM to take part in research on how the Covid-19 pandemic has impacted the ways arts organisations work with young people, and in particular how the transition to digital platforms has affected art workers and the young people they work with. Starting in January, it ran until October and brought People's Palace Projects and the Unit for Social and Community Psychiatry (Queen Mary University of London) with 5 arts organisations in the UK (including NTW). The study used mixed methods, combining artistic workshops with semi-structured interviews and artistic workshops, and employed 2 young ambassadors to spread the word about the project and act as youth champions. In June and July, NTW surveyed 30 young people about their interactions with arts organisations and the impact this has had on their mental resilience during lockdown. We then facilitated art workers to work with 10 young people over 3 days at Tŷ Pawb, Wrexham. The sessions focused on creativity throughout the pandemic and took inspiration from visual artist **Bedwyr Williams'** exhibition *Milque Toast*. Each participant recorded a piece to camera to showcase their contributions to the research.

Roundhouse Poetry Slam

The Roundhouse UK Poetry Slam is a performance competition for emerging spoken word artists under 30 years old, across the UK. This year NTW TEAM supported North Wales arts organisations Voicebox Spoken Word to encourage more spoken word artists in Wales to take part in the Slam. This project saw themed workshops that aligned with the TEAM Wrexham project, as well as supporting emerging Welsh language spoken word artists to attend heats, refine their craft and take part in a nationally recognised poetry slam.

Simple Acts Programme

In late May, NTW TEAM and Pembrokeshire mental health charity Get the Boys a Lift developed a project within Counterpoint Arts' *Simple Acts Programme*, which seeks to inspire individuals to use small, everyday actions to inspire change. A design competition was launched with 7 artists from Pembrokeshire were commissioned to design logos for hoodies based on each of the 7 Simple Acts, and they produced a short film to share their creative process - aimed at inspiring competition entrants to design their own logos.

Homelessness Project

In June NTW TEAM worked with Wrexham Council's homeless team to develop a range of activities in two hostels. A mural was created in one which was officially unveiled by the Mayor of Wrexham.

Art in the Heart of Town

Working alongside local artists and community organisations, NTW TEAM held a creative event in the community hub Yellow & Blue with individuals experiencing homelessness in Wrexham. We offered workshops, free haircuts and food. The event was attended by over 100 people.

Creu Gyda'n Gilydd/Together We Create

Creu Gyda'n Gilydd/Together We Create is an ambitious long-term project which brings arts and non-arts partners together with the communities of Penrhys and the surrounding Rhondda Cynon Taf area. It seeks to unite local stakeholders, creative practitioners, and the community to collectively explore the hopes, needs and desires in everyday life, using the arts as a tool for self-empowerment and social change. NTW were pivotal in the setup of this ambitious project. The next phase of the project will be led by the communities themselves.

TEAM Event in Narberth

In February we held a creative writing workshop for young people in year 5 and 6 with Children's Laureate **Connor Allen**. The evening event was hosted by musician and creative practitioner **Molara Awen**, with performances by **Ali Goolyad**, **Phil Okwedy** and **Connor Allen**. Live artwork was created by **Cara Gaskell**, **Anwen Walters** and **Diana Brook**.

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Mic Drop

NTW TEAM ran a performance masterclass in Wrexham covering hip hop, acting and spoken word. The session was aimed at engaging emerging artists and building our north Wales network.

Audiences

Brand & Web Development

Having completed the distilling and refinement of our articulation of Mission, Vision & Values, in November, the Company commissioned a brand specialist who supported us in taking that work into a consultative test phase, engaging stakeholders and audiences in a process focused on assessing current brand perception in relation to the newly refined identity statements. They worked with NTW to develop renewed descriptors and tone of voice and imagery guidelines as a first phase of our brand review. This work will segue into an integrated, phased web redevelopment in 2022-2023, which will extend its exploration and discovery phase with audiences and stakeholders, to a review of visual identity.

CRM: Spektrix

The Company worked closely with Spektrix on the migration of its box office data from Tessitura and conducted a period of data checking and staff training. Having conducted a series of discovery sessions with staff for the team at Spektrix to really understand how the system can best serve our needs, the Company will next turn to organisationally embedding the system.

Operations

HR and Well-being

Staff were surveyed in December regarding professional development needs and well-being, with a view to developing a 2022-2023 Training Plan and new Well-being Policy respectively. The majority of 2021-2022 saw all staff working exclusively from home aside from during the delivery of artistic activities, with hybrid home/office working initiated in February following strict Covid-19 guidelines. As experienced globally, two years of intermittent lockdowns has led to high levels of social isolation and anxiety over personal, familial and professional circumstances and futures. The Company ran a Mental Health First Aid course for staff and freelancers, and offered a range of mental health support on individual bases to support the management of this. The new Well-being Policy will provide a collectively devised action plan aimed at reducing low staff well-being long-term.

The PDR (Performance Development Review) process was updated in September and PDRs conducted with all staff through the autumn. The PDR outcomes fed into both the 2022-2023 Training Plan and the targets outlined in NTWs' 2022-2023 Revenue Funding Agreement. Further updates to the HR Handbook - NTWs' suite of HR policies - will provide a more coherent approach to HR and support the development of processes and policies to respond to any identified needs as we adapt to the new operating climate.

A Dignity & Respect Policy was developed and implemented, and Tonic Theatre ran a Dignity at Work training session for the Company in October to support its messaging and application. This was followed by NTW signing up to UK Theatre's 10 Principles for creating safe and inclusive working spaces, and another Company-wide training session by Tonic Theatre on Anti-Racism and Allyship. The Company also updated its short-listing and interview matrix to ensure candidate potential was being scored alongside experience, one of the many tactics NTW is adopting to drive organisational diversity and inclusion.

Governance

Following discussion over the functionality of the Board, and the findings from the Governance Confidence Survey and Board Skills Audit which was distributed in early 2022, NTW devised a 2022-2023 Governance Plan. It aims to:

- Increase trustees' sense of value, being understood and heard, affinity with NTW and integration and engagement within the Company;
- Increase the visibility and impact of the Board across the sector, with decision-makers and with audiences;
- Increase the Board's effectiveness at supporting the delivery of the 2022-2025 Strategic Plan and the development of the 2023 Arts Council Wales Investment Review submission.

The key actions which will be taken to achieve these aims include: several phased trustee recruitment drives focused on increasing Board diversity and leading to the appointment of the new Chair later in 2022; a refreshed Governance Induction Pack and training programme linked to NTWs' strategic priorities and governance specifically; a 3-year Governance Manifesto; direct involvement in stakeholder engagement and media work; and greater opportunity to collaborate with staff from all teams.

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Monitoring, Evaluation and Reporting

The development of the 2022-2025 Strategic Plan and the 2022-2023 Strategic Equalities Plan enabled NTW to add strategic clarity to its progress measurables and build this into the Arts Council Wales Revenue Funding Agreement. 2022-2023 will see the development of a new Monitoring, Evaluation and Reporting system which will seek, record and analyse data on a range of areas at both organisational and project scales, including: progress on targets and KPIs; learning points; risk; audience and stakeholder feedback, interests, needs and behaviours; and strategic insight. The reporting mechanism will stretch internally and externally, ensuring the right information reaches and informs the right staff and stakeholders, and allowing us to more comprehensively measure and accelerate our long-term impact.

Fundraising

The Company was successful in securing three of large grants this year:

- The **John Ellerman Foundation** awarded NTW **£120,000** over the next three years to support the dramaturgical development of new commissions, projects and talent development initiatives through the foundation of a new and diverse group of four Associate Dramaturgs; and to commission and support the development of ambitious international collaborations.
- The **Esmée Fairbairn Foundation** awarded the Company a Main Grant of **£100,000** over the next two years towards planned Talent Development work, including the appointment of two posts to drive the strategy and delivery of Creative Development going forward. NTW also secured a grant of **£40,000** in July from their Reinventing Performing Arts Fund towards the redevelopment of the NTW online community pages.

Work on relaunching Individual Giving and corporate sponsorship initiatives is pending the launch of the new NTW website.

The group developed their 2022-2025 Fundraising Strategy and 2022 Ethical Fundraising Policy during the autumn. The Development philosophy over the next three years will see a move away from the diversification of income streams and instead, optimisation of those areas of greatest opportunity and where NTW has been strongest in recent years: Trust & Foundation grants; Long-term corporate relationships; Commercial activity; and Individual Giving (large and small donations).

FINANCIAL REVIEW

The statement of financial activities for the group is shown on page 27. During the year, the group made a surplus on unrestricted funds of £13,945 (2021: £368,368). This wasn't an unexpected outcome for a year in which the Company's production activity recommenced in front of audiences, following the impact of the COVID-19 pandemic, and the group set about applying the funds that had built up during the hiatus caused by the pandemic.

As at 31 March 2022, the group's free reserves amounted to £283,806 (2021: £251,901). This figure remains above the guideline level set in the group's Reserves Policy (see later in the report). The group's budget strategy for 2022-23 currently projects the application of £105,219 of free reserves, in support of its activities, which will lead to a forecast balance of some £178,000 by the end of the financial year, which is below the target set in the Policy but in accordance with its operational limits. The restoration of the balance towards the target is a priority for the use of funds that do become available during the 2022-23 financial year.

Also included within the total for General Reserves, as shown in the balance sheet on page 28, are designated reserves of £529,763 (2021: £545,523).

The group's financial results have allowed it to designate funds at the end of the financial year for agreed purposes. These designations amount to £321,027 in total, with most of that amount being set aside to support productions, creative development and marketing (website and brand development) purposes, as well as the development of a Young People's Strategy. During 2021-22 designated funds brought into the year were applied to the value of £376,787, displaying the group's rapid re-investment of funds set aside in this manner. Such funds were applied for a number of purposes, including predominantly productions, creative development and marketing once more, with a further application of note being funds used to support the Company's *Springboard* bursaries initiative for under-represented artists. At this point, it should be noted that the group's plans for 2022-23 project further application of these funds in support of its budget strategy, with a forecast year-end balance of designated funds of approximately £137,000.

The balance of General Reserves of £6,680 (2021: £8,880) is accounted for by a fixed asset related designated fund, which matches the net book value of fixed assets in the balance sheet.

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The financial year 2021-22 saw Corporation Tax-related Theatre Tax Relief (TTR) credits continue to contribute to the group's finances. The claims are submitted via the Company's wholly-owned subsidiary, NTW Productions Limited, with this year's claim relating to the productions of *Possible* and *Petula*. This year's accounts recognise an amount of £95,854 being claimed in this regard (2021: £46,802), though the total value of the credit being claimed is £147,467, with the balance being due to Theatr Genedlaethol Cymru in accordance with Memorandum of Understanding between the two organisations relating to their co-production of *Petula*. As is always the case with TTR, the claim has yet to be submitted to, or settled by, HMRC at the time of accounts production. This means that there must still be considered an element of uncertainty in terms of the quantification of this relief.

The applications of reserves and the designations of funds referred to in this report reflect NTWs' continuing policy to prioritise reinvestment in creative activities in the use of any available reserves. The level of reserves remains an achievement in the light of the challenges of the pandemic and the funding reductions that have occurred in recent years and owes much to robust financial management - although the caveats regarding the value of TTR credits need to be considered when viewing this level of reserves.

The financial year 2021-22 saw NTW continue to receive core grant from ACW as part of the latter's commitment to funding NTW as part of its Arts Portfolio Wales group of annually funded organisations, to which it commits funding from its Welsh Government support, with the level of such funding continuing to be subject to annual confirmation. The current round of funding commitment continues to the end of 2023-24, with NTW due to make its submission for future funding as part of ACWs' Investment Review. That submission is due to be made by April 2023, with the outcome expected to be notified around September 2023. ACWs' maintenance of its funding commitments throughout the period of the pandemic, together with the underlying strength of the group's finances and its (non building-based) operating model, have been key components in emerging from the challenges faced. For 2021-22, ACW provided core support to NTW to the value of £1.624m (2020-21 £1.624m).

In 2021-22 the Company continued to be successful in obtaining other specific grant funding from a number of sources, including charitable foundations and public bodies, to finance a range of projects and initiatives. In 2021-22, such grants totalled £207,970 (2021: £179,685).

The most significant element of this funding was provided by the Paul Hamlyn Foundation (PHF), a charitable trust that has long been supportive of the Company's activities. Funding from PHF for the Company's TEAM programme amounted to £91,370 during the year (2021: £99,795). The current funding approval with PHF was due to run for a four-year period, ending December 2021, but was subsequently extended for a further year, to help the Company manage the impact of delays caused by the pandemic. The funding will now cease with effect from December 2022, albeit that the funding for 2022 is at a lower level of £65,000. This will mark the conclusion of this stage of the Company's funding relationship with PHF, a relationship that has been in place since the 2009-10 financial year and that will have seen PHF provide funding totalling some £1.067m towards the Company's Collaboration activities (via TEAM) by the time it ends. The length and harmony of the relationship is testimony to the reputation and approach of both organisations. The Company is extremely grateful to PHF for the support it has provided, drawing funding into the Welsh economy as a result, and is pleased that the organisations continue to maintain a positive relationship, with conversations continuing to be had to discuss how the relationship can be maintained in future, and in what form.

The 2021-22 financial year also saw the re-establishment of the Company's funding relationship with the Esmée Fairbairn Foundation (EFF) - another long term relationship for which NTW is extremely grateful. A relationship that on this occasion commenced during the 2011/12 financial year, and saw more than £800k of grant received over the years that followed to support NTW's creative development activities, re-emerged with the receipt of a £40k grant from EFF's Reinventing Performing Arts Fund. This funding, aimed at helping organisations recover from the impacts of the pandemic, will be used to help the Company re-imagine its online community presence. It follows a grant of £46,992 provided in the previous financial year to assist with pandemic response. In addition, before the conclusion of the 2021/22 financial year, NTW discovered that it had been successful in obtaining funding of £50k per annum from EFF, to fund creative development activities during the 2022-23 and 2023-24 financial years.

Specific project funding continued to be received in 2021-22 relating to the *Far Apart but Close at Heart* UK project funded via People's Palace Projects (2022: £18,600; 2021: £8,000). This is a multi-partner research study the Company is taking part in. It is led by People's Palace Projects, in conjunction with the Unit for Social and Community Psychiatry at Queen Mary University of London, Battersea Arts Centre, Contact Theatre Manchester, Dirty Protest and Royal Theatre Stratford East. This project is also run in parallel with a sister project in Latin America.

New funding received during the year related to grants from the John Ellerman Foundation (JEF) and British Council. The grant from JEF (2022 £40,000; 2021 £nil) is the first of a three year programme of support for NTWs' dramaturgical development of new commissions and projects and talent development initiatives. The funding from British Council (2022 £8,000; 2021 £nil) related to its Go Digital: Sub Saharan Africa/Wales programme and was used to fund a writers' development programme for Welsh and Nigerian writers, run in collaboration with Lagos Theatre Festival.

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NTW also holds residual funds from a number of previous funding approvals that are gradually being fully utilised.

In the context of ring-fenced funding, it is necessary to highlight one source of such funding that came in the form of a commissioning fee, as opposed to a grant. NTW heads up a partnership of organisations, collectively known as Collective Cymru, that came together to deliver a project known as *Galwad* as part of the Unboxed Festival. Having received fees of £99,957 in 2020-21 for the purposes of working up a full business case bid for the project, Collective Cymru was commissioned by Creative Wales and the Unboxed Festival to deliver the project, culminating in Autumn 2022. The commission involved development work taking place throughout 2021-22 and continuing into 2022-23. The total fee received in 2021-22 amounted to £3,042,128, with funding of a similar magnitude to be received in 2022-23. The financial significance of this project in the context of NTW cannot be overestimated, with the scale of the fee being larger than the group's turnover in all but one year of its existence.

Another project attracting fee income for NTW was *Hen Wlad Ein Plant*, a Natural Resources Wales (NRW) initiative, supported by an ACW Connect & Flourish grant. NTW received a fee of £4,999 (2021: £nil) to manage the project on behalf of NRW, in conjunction with Gentle/Radical, as well as £6,350 (2021: £nil) to reimburse project costs.

A final source of restricted funding received during the 2021-22 financial year was 'top up' contributions totalling £4,500 (2021: £nil) relating to the National Companies' consultancy project funds administered by NTW on behalf of the group of ACW-funded National Companies.

As at 31 March 2022, restricted funds of £1,625,030 (2021: £116,271) were being carried forward. This exceptional amount is a result of the timing of payments from Creative Wales relating to *Galwad*. At the request of Creative Wales, an invoice for some £1.607m was raised in March 2022, contributing substantially to the balance carried forward. The value of that invoice, which amounted to £1.928m including VAT, also contributed to year-end bank balances being significantly higher than usual (£2.769m at 31 March 2022, compared to £1.054m at 31 March 2021), with there being limited opportunity to spend during the three week period between invoice being raised and year-end.

It is anticipated that many existing ring-fenced reserves are likely to be fully applied by 31 March 2023, as previously approved projects move towards their planned conclusion. Budget forecasts indicate a balance of some £21,000 likely to remain.

The group continues to seek to develop its income streams through developing relationships that will encourage sponsorship and other forms of fundraising, and seeking grants from other funding bodies, in addition to increasing the level of income generated through box office receipts. Income from sources other than ACW core funding was much higher at £3,591,831, than it had been in 2020-21 (£421,312). This was due to the *Galwad* commissioning fee income. However, even when that exceptionally large item is excluded, this indicator still exhibited growth to £549,703, as the artistic programme started to recover from the impacts of the pandemic.

Diversification of funding sources, so that core funding represents 60% or less of total income, represents one of the group's strategic targets. During 2021-22 some 69% of funding was obtained from such sources, which is the best performance of this indicator in any year of the group's operation. This performance is, of course, again influenced by the presence of the *Galwad* commissioning fee income. When that fee is taken out of the calculation the percentage reduces to some 25%, which is an improvement on the 21% achieved in 2020/21, though below the 40% target that has been achieved in some previous years.

At £3.693m the group's expenditure levels have increased markedly, again thanks to *Galwad*, with expenditure having grown by some 120% over the £1.678m achieved in 2020/21 - a year when the impact of the pandemic restrictions suppressed activity levels. Exclusion of the *Galwad* spend reveals a total expenditure in other areas of £2.136m, still a growth of some 27% over 2020/21.

Within its turnover, the focus of the group's expenditure will continue to be on its production, artist development and engagement related activities. During 2021-22 expenditure on creative and artistic activities accounted for some 82% of total expenditure. This level of performance, although influenced by *Galwad*, is well above most previous years (2021: 71%) clearly demonstrating the group's commitment to investing in the art form and the sector post pandemic.

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Reserves Policy

In accordance with good corporate governance and Charity Commission guidelines, the group has always maintained a target minimum level for free reserves.

The group holds reserves for a number of reasons. They help provide short-term cash-flow to allow expenditure to be incurred ahead of income being received; they can provide contingency to help mitigate the impact of unexpected/unforeseen expenditures; they assist budget management, by allowing pressures to be dealt with, or investment in services made, whilst a longer-term solution is found; and they can help commitments to be met in the event of a cessation of funding.

In summary, the holding of reserves helps to provide liquidity, security and underwriting. It provides transparency that provides increased accountability to funders and stakeholders and gives them confidence in the financial management of an organisation. In doing so it makes a positive contribution to the reputation of the organisation in terms of it being seen to manage funds properly and prudently.

The group's current Reserves Policy was set following an evaluation process taking into account a number of factors including an assessment of three month's spend, identified areas of financial risk and the 'run off' costs that would need to be met should the group cease trading due to a loss of core funding. Following this review, the group revised its target level accordingly (from £150,000), and now operates with a target level for free reserves of £200,000, comprising a General Reserve of £150,000 and a Working Reserve of £50,000. The General Reserve is intended to be the Company's core reserve, providing a contingency in the event of any unforeseen events, and any decision on the use of this reserve rests with the trustees. The Working Reserve is intended to provide the scope to manage short term budgetary issues on a day to day basis, without having to obtain specific authorisation from trustees, and is managed by the Senior Leadership Team within these parameters.

The review of the group's Reserves Policy also encompassed a codification of the process for the management of all the group's reserves.

The group keeps its target levels, and performance against them, under regular review. The sufficiency or otherwise of reserves levels are the subject of regular reports to trustees and form an integral part of budget processes. The group is also committed to a thorough re-assessment of the target levels on a regular basis.

Within the context of its Reserves Policy, the core of the group's philosophy and priority will continue to be to re-invest any available reserves in its artistic and creative activities.

As mentioned earlier in this report, the level of free reserves as at 31 March 2022 is in excess of the group's target figure. The extent to which the target is exceeded is considered reasonable and within the group's financial parameters, with the application of reserves approved as part of the 2022-23 budget strategy bringing their level below the target level, but within operational parameters.

Pension

The Company has in place a group personal pension scheme, on a defined contribution basis, administered by Royal London (formerly Scottish Life). The Company makes agreed employer contributions to the scheme, on a monthly basis.

These were at a rate equivalent to 5% of gross salary throughout the 2021-22 as they were in 2020-21.

With the Company having reached its staging date for pension auto enrolment as at 1 April 2017, all staff are eligible to join the scheme in accordance with the regulations applying to auto enrolment. From that date, all eligible staff have been automatically enrolled into the Company scheme, following an initial period of postponement that accords with the regulations. They do have the opportunity to subsequently opt out if they wish, and similarly to opt to join the scheme sooner if they meet the statutory criteria. They also have the option of requesting to join if they don't meet the statutory criteria but wish to be part of the scheme.

Company employer contribution rates remain at 5% following the introduction of auto enrolment. Initially employee rates remained discretionary, as the employer contribution exceeded (2017-18) the minimum combined level (2%) required by The Pensions Regulator, whilst in 2018-19 it equated with the regulatory minimum level (which was being increased on a phased basis). However, as from 1 April 2019, the Pensions Regulator's minimum requirement increased to 8% which has meant that, with effect from that date, employees are now required to make a minimum 3% contribution.

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During 2021-22 contributions were made in respect of all eligible staff joining the scheme. Where staff have yet to join the scheme, it has been the Company's practice to set aside a provision to fund such costs when they do become due. With the introduction of auto enrolment such instances have become minimal, potentially occurring only where either the financial year end falls within the midst of an employee's postponement period or the employee's circumstances fall outside of the criteria for auto enrolment. Where the individual's status is likely to be determined within a twelve-month period from the balance sheet date backdated contributions are accrued for. Where it may be beyond that time, a provision is set aside. As at 31 March 2022 a nil provision (2021: £nil) set aside for this purpose was in place.

As at 31 March 2022, 32 staff were members of the Company pension scheme, equating to all those eligible to be so at that point in time. As of that date, there were eight employees who were not a member of the scheme due to being within their postponement period and who joined the scheme at the conclusion of their postponement during the 2022-23 financial year.

The Company also makes contributions to the defined contribution scheme administered by Aviva on behalf of Equity, where it employs actors and stage managers who are members of the scheme. In accordance with industry conditions of service, and auto enrolment guidelines, the Company made a contribution equivalent to 5% in the 2021-22 financial year, the same as in 2020-21, where it was applicable to do so. Scheme members contributed at a rate of 3% (3% in 2020/21).

Strategic Planning and Development (including business planning)

The group operates on a three-year planning cycle, with annual review and adjustments. Strategic planning is initiated and signed off by the Board of Trustees at all stages, with input from key partners including Arts Council Wales (ACW), Welsh Government and the theatre sector, and through assessment of the wider context for growth and development. Strategic plans combine a core of financially sustainable good practice with a context of visionary new thinking, in line with the founding spirit of the group.

NTW has in place a fully adopted Strategic Plan covering the period 2020-2025 - the latest in a series of such plans that the group has put in place since its founding. The Plan includes a consideration of the group's plans, ambitions and objectives, the details of which are set out elsewhere in this report. It is an important tool for monitoring and evaluation of performance and forms a centrepiece around which other documents are set, including the group's budgets. As explained earlier in this report, the group reviewed the Strategic Plan in the light of developing circumstances, and concluded that a shorter-term 2022-2025 version should be created to respond to the dramatically altered operating climate we now face. That Plan was developed during 2021-2022 financial year, and takes effect from April 2022. It outlines our shift from place-making to change-making.

Policies, Plans, Supporting Strategies and Procedures

Along with the development of the 2022-2025 Strategic Plan, 2021 saw the Operations Team start a review of all NTW policies, plans and supporting strategies and procedures with a view to comprehensive update and identification of any gaps. The Company strives in all cases to generate resources which demonstrate best practice and can be used by other companies. The 2022-2025 Fundraising Strategy and 2022 Ethical Fundraising Policy were created in the autumn, followed by updates to the Sickness Absence Policy. Work will continue through 2022-23 focusing first on the highest risk strategies, policies and plans. We will also develop an audit system which better tracks necessary updates, progress made and compliance.

Risk Management

The trustees have a duty to identify and review the risks to which the charity is exposed, and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

A risk assessment and risk management policy has been developed by the group. The policy comprises a matrix of identifiable risks, which are ranked according to their assessed probability and potential impact. This assessment takes into account the controls and mitigations that the group has in place to deal with the risks.

The policy analyses potential risks into five main areas, sub-divided into further categories. These are:

- External (public relations; political and environmental)
- Operational (staffing and human resources; financial; technological; building)
- Artistic and Production
- Governance
- Legal and Compliance (litigation; health and safety; compliance)

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The areas of the group's operation identified as being of higher risk, via the risk assessment process, are kept under close review by the Company's Senior Leadership Team. Relevant risk factors are identified and appropriate means of mitigation put in place, where it is possible to do so. Risk management is also the subject of regular reports to each meeting of the People & Policies Subcommittee.

NTWs' risk management system will be developed within the Monitoring, Evaluation & Reporting project slated for 2022-2023. This will see a comprehensive Risk Register which is calibrated against the trustees' latest appetite for risk. The nature, responsibility for and regularity of updates to the register will relate to both the implicit and residual of each risk's rating, as well as the proximity this analysis lies from the relevant appetite rating trustees have determined.

Risk analysis to year-end identified that the most significant areas of risk relate to artistic programming and staff capacity, income generation and audiences; the organisational restructure; the ongoing impact of the COVID-19 pandemic; and over-reliance on ACW funding.

Artistic Programming & Staff Capacity

The award of funding towards *Galwad*, as part of the Unboxed Festival, has seen Collective Cymru take on the development and delivery of a major project in scale and ambition. Whilst NTW is engaged in Collective Cymru's governing structures only, a number of staff have been seconded to work on the project. The Company has been operating both backfill and direct recruitment arrangements - all fully funded by Collective Cymru - in order to mitigate against the possibility of this impacting on its core activities. Any additional costs incurred by NTW in delivering these support arrangements are also being funded by recharge to *Galwad*.

The governance arrangements of the project ensure oversight on the project. NTWs' Artistic Director/CEO is a member of *Galwad*'s Creative Executive, which is answerable to a Project Committee, which is chaired by an NTW trustee. The Chair of the Project Committee reports to NTWs' Chair of Trustees on a monthly basis, and the progress of the project is a standing item on the agenda of all NTW Board meetings and of the Finance Subcommittee. The Company's Executive Producer/Deputy CEO attends the Project Committee meetings, and other Senior Leadership Team members attend other subcommittee meetings e.g. Legacy and Young Company. The NTW Board also continues to scrutinise its own programme to quickly identify and act upon timescale, quality and ambition slippage.

Income Generation & Audiences

The legacy of the COVID-19 restrictions, including the introduction and the withdrawal of COVID passes and increased safety concerns about mutations, continue to be significant and ongoing threats to the non-achievement of box office and fundraising targets, both of which are important components of the budget and of NTW delivering on its remit.

The Audiences Team is involved early in programming discussions to ensure that strong marketing and engagement campaigns are delivered. These are subsequently evaluated for success with learning applied to the next show in development. The Audiences Team is also involved in discussion on pricing strategy. Audience engagement forms a key element of the 2022-2025 Strategic Plan moving forward, and NTW intends to build in clearer and more innovative processes for audience engagement earlier on in the creation of its work. It is crucial that the Company's programme of work maintains an artistic vision which balances audience satisfaction, income targets and funder expectations. Likewise that it reflects the diversity of experience and cultures that exist within Wales.

Focusing on other risk mitigation tactics, the recently developed 2022-2025 Fundraising Strategy provides greater focus than in previous years. It moves away from the diversification of income streams and instead optimising those areas of greatest opportunity and where NTW has been strongest in recent years: Trust & Foundation grants; Long-term corporate relationships; Commercial activity; and Individual Giving (large and small donations). The pandemic has changed the landscape for fundraising and it is vital that the Company's plans reflect that.

Organisational Restructure

2021-2022 saw a relatively high staff turnover which was echoed across the economy as the employment market opened up following the reduction of COVID-19 social restrictions and impact of Brexit. For NTW, this was compounded by the formation of the new Senior Leadership Team in 2020-2021 following the first phase of the organisational restructure. The Executive Producer/Deputy CEO is set to leave NTW in April 2022, and the proposed second restructure, which was agreed by trustees after staff consultation, will see the creation of Executive Director/Deputy CEO and Director of Producing roles, and the redundancy of the Director of Operations role as a result.

The loss of experience and knowledge, and the appointment of new individuals inevitably creates periods of turbulence at a point when working practices will remain hybrid and planning is still being affected by uncertainty about our operating climate. There is a risk that multiple layers of change creates internal instability and a lack of a sense of collective endeavour.

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Staff are being monitored on their well-being and the causes of low staff morale. This has informed a new Well-being Policy, which itself is framed on Mind Cymru advice. The policy outlines various proposed actions which can be taken to generate a more unified working culture which is future-focused and stable. These include developing a 'Working Culture Code', more effective collaborative working and management development. After trustee review, the policy will be shared with staff who will actively select which actions will be taken, suggest anything else which has yet to be considered, and take collective responsibility for its delivery. Exit Interviews are now standard practice for all staff who leave, with key points and resulting proposed actions discussed by the Senior Leadership Team.

COVID-19 pandemic

The COVID-19 pandemic, and medical, environmental, societal and economic emergencies, are circumstances that are largely outside of the control of the group. What the group can do is make sure that it takes all reasonable precautions to avoid such incidents and ensure that its systems and processes are set up to deal with their consequences, including operating a robust financial management strategy.

The ways in which NTW is navigating the challenges of the current pandemic with regards creative activity are detailed throughout this report. Internally, with staff health & safety in mind, a regular cycle of reviewing and issuing advice (e.g. home-working, social distancing) and equipment (e.g. masks, hand sanitizer, lateral flow tests) to staff, as well as thinning out the office furniture, capped capacity, entry rota and adapted event risk assessments, is helping to minimise infection and therefore disruption to the group. This provides confidence that the group is able to weather future risks of similar magnitude.

Financial

From a financial viewpoint, there is an ongoing risk that NTW is over-reliant on ACW for core funding in an economic climate less favourable to corporate fundraising than perhaps has been the case for the past 20 years. The delayed 2020 ACW Investment Review process will run in early 2023, with the implementation of the new funding decisions effective from 1 April 2024. Budgets are under increasing pressure from unprecedented inflation forecasts for 2022-2023, which will have an impact across the group.

The earlier Income Generation & Audience risk outlined in this report details the group's efforts to reduce its reliance on public funding via an increased focus on optimising areas of greatest opportunity and where NTW has been strongest in recent years. The 2022-2025 Fundraising Strategy contains clear and ambitious targets to this effect, and progress is monitored quarterly by the Finance Subcommittee. Risk in this area is further mitigated via a robust Reserves Policy and effective budgetary control, as well as the implementation of quarterly refreshed budget modelling scenarios and an imminent Expenditure Analysis aimed at reducing core running costs.

Impact of the COVID-19 Pandemic

The Covid-19 pandemic and associated lockdowns and social distancing restrictions, continued to significantly affect the group's activities and operations in 2021-2022. Specific details, including how the group managed and mitigated these impacts, are featured throughout this report.

Financially, the impact is difficult to quantify since the diverse programme NTW runs means that no two years operating or artistic costs are the same. No staff were furloughed during 2021-2022, and programming was - in contrast to 2020-2021 - alert to the uncertainties of live audiences so activity in the first two quarters was largely digital and/or outdoors, thereby minimising the opportunity for box office income considerably but balanced within original budgets. Nevertheless, the range of unexpected and expected financial implications are broad and include: thinning out office furniture and storing it so the capacity of the premises complied with social distancing guidelines; purchasing lateral flow tests and masks for staff and theatre makers to maintain bubbles for the *Possible* tour and *Petula*; increased recruitment advertising costs as theatre makers and staff moved out of the arts and into less affected sectors; reduced staff and trustee expenses due to ongoing remote-working; and reduced office running costs due to closure. Covid-19 reactive support from Trusts & Foundations (see 'Fundraising' in this report, and the additional year for TEAM activity provided by the Paul Hamlyn Foundation) supported NTWs' income generation during the year. An ongoing commitment by ACW - NTWs' main funder - to continue to offer the revenue funding rates from 2020-2021 provided stability and meant that the Company was able to continue to not apply for additional emergency funding.

Combined with regular budget re-forecasting, close trustee oversight, the approach adopted to the pandemic in 2020-2021, and the healthy cash flow and reserves position, this all meant that NTW remained financially secure and stable enough to not be under any immediate threat due to the operating climate it faced in 2021/2022. NTW continues to monitor its financial circumstances in the light of changing circumstances and has started to produce longer-term budget modelling to quantify and qualify the impact of specific scenarios on the group.

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Beyond finances, the ongoing effects of the pandemic are manifold and intersectional. At the heart of these challenges for NTW as a Company and for the wider sector are the following key areas:

- Audience - Confidence, economic impact and changes in behaviour. The Company continues to operate in a period of huge uncertainty over audiences, which makes forecasting very challenging. As an industry, NTW can no longer predict behaviour in a way it could a year ago and this uncertainty looks to continue in the foreseeable future. Through partnership and consortium working described below under 'Future Plans', the Company is making steps to address this.
- Partnership building and instability - A huge amount of NTWs' model for the creation and dissemination of work relies on partnership. Both inside and outside of the cultural sector, the ability of organisations to financially invest in projects, and their ability to commit to medium to long-term planning cycles has been greatly affected. This exerts pressures on the Company's ability to form economically effective partnerships, to fundraise in a timely fashion and ultimately to extend the reach and impact of work. This is a complex intersectional challenge that increases the pressure of work on teams.
- Well-being - As an organisation and as a sector, NTW is not alone in dealing with huge well-being challenges internally and externally. Staff teams are individually and collectively subject to enormous and unpredictable pressures that in turn affect Company operation, planning and partnership working. Some of these effects are easily identifiable and addressable but most are both more subtle and profound.

Remuneration Policy

NTW always seeks to appoint individuals with levels of experience and skills appropriate to the post in question, in order to ensure that the Company delivers to the standards of excellence that would be expected of it as a national Company.

In setting remuneration levels for its staff, the Company takes account of the relevant market rates applicable for such requisite levels of experience and skills, whilst also being cognisant of the fact that it is a charity, and one that attracts significant levels of public and charitable funding. As such it seeks to achieve a balance between fair pay, retaining key staff to ensure the delivery of the charity's aims, the considerations of beneficiaries' needs, and the delivery of value for money in its expenditure on behalf of funders and other stakeholders.

The Company operates with a relatively small core team and assesses the necessity of all posts prior to their creation. The need for posts, and the appropriateness of their pay levels, is reviewed and assessed every time a post becomes vacant, whilst the Company also periodically benchmarks its pay scales against prevailing market rates. All new posts created, and any variations to pay levels, have to be approved by trustees, via the People & Policies Subcommittee.

NTW recognises that its staff are its primary asset in ensuring the delivery of its charitable purpose and is sensitive to broader employment issues. It pays its entire staff at Living Wage levels as a minimum. It abides by all relevant employment legislation and seeks to provide equality of opportunity and maintain workforce diversity.

The key management personnel of the organisation during the year are considered to be the Chief Executive/Artistic Director, and Executive Producer/Deputy CEO. Their pay levels form part of the Staff Costs disclosure (note 14) shown on page 36 of these accounts. The role of Chief Executive/Artistic Director is the most highly paid member of staff.

FUTURE PLANS

2022-2023 will be the first year of the implementation of the 2022-2025 Strategic Plan. Throughout this report, NTW details how new processes, practices and policies, steered by the rationale of the new strategies and plans in place and in development, will action the change needed in order to deliver on the Company's Vision for theatre and for Wales. A new approach to audiences will steer the Company forward, and better interpreting stronger analytics on Welsh audiences is crucial to the success of the years ahead. NTW is currently working with a collective of Welsh venues and theatre companies on a 5-year programme which combines a visionary **new touring model** with **career-changing investments** in emerging Welsh talent from the breadth of our society and full, meaningful, long-term **audience and community participant input** throughout the creative process.

The 5-year programme embeds space for flex, additions and shift, not just in content but also in practice as the sector learns and grows with the fast-changing world and theatre ecology. It takes the sector on a journey towards a Company- and ultimately **sector-changing 'new way' of working** which will see Wales competing on global stages, again not just in the theatre we collectively create but in the realisation of truly reflexive, audience and community-centred praxis. And throughout each element of this approach will be, to varying degrees of emphasis, NTWs' strategic priorities of equality, social and environmental justice and well-being, **cumulatively fused to inspire change** through theatre through the next five years.

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Key to the delivery of this 'new way' are the following projects, slated for completion this year:

- **Lengthening of planning cycles** to enable audience and community participant involvement to be developed as part of the way that creative ideas emerge and grow.
- **Venue agreements** in place to co-commission and co-produce new shows which have Wales and beyond touring cycles built into them, with longer-term commercial viability to reinvest in Welsh theatre. Audience building and shared audience data will be central to the agreements.
- Development of **clearer communication processes** between teams leading to a new philosophy shared across the Company where all departments are part of the organic whole rather than a function to serve one another, often at the end of a process where the need for action is urgent.
- The **'Our Work' Strategy** which sees Audiences as the superstructure for the other three core areas of our work: Collaboration, Creative Development and Production, with digital and international as key strands throughout.
- The **Young People's Strategy** which will rationalise how NTW works with and for young people within the wider offer from across the sector, ensuring it delivers for those individuals who will benefit most from interaction with the Company – e.g. because they've been most adversely hit by the COVID-19 pandemic, face significant barriers to opportunities in both theatre and wider society and/or will benefit from the power of theatre to catalyse change.
- The **new NTW brand and website** which will project its new Values, Vision and Mission and support the projects outlined above to integrate audiences across our work.
- The **Well-being Policy** which is aimed at a long-term culture shift across the Company and enabling staff to flourish and reach their full potential in the time they spend at NTW.
- The **Monitoring, Evaluation & Reporting System** which will enable NTW to more consistently and regularly source, analyse and share information on progress, risks and stakeholder feedback. It will more comprehensively build learning from ours and others' practice into ongoing programming and project development decision-making.
- The **appointment of new roles and supporting expertise** as a completion of the organisational restructure. This includes the Director of Producing, Creative Development Producer and Operations & Social Impact Manager. Experienced external freelancers will offer mentorship to key staff and support in the implementation of this new approach.
- The ongoing **Governance Development** work which will increase trustees' sense of value, being understood and heard, affinity with NTW and integration and engagement within the Company; increase the visibility and impact of the Board across the sector, with decision-makers and with audiences; and increase the Board's effectiveness at supporting the delivery of the 2022-2025 Strategic Plan and the development of the ACW Investment Review submission. This includes the appointment of at least 5 new trustees and a new Chair.

Productions slated for 2022-2023 include:

Circle of Fifths (Spring 2022)

A celebration of life through death led by film and theatre maker **Gavin Porter**. A collective of artists will offer a live documentary performance, told through real life stories, rooted in tradition, music and memory.

Kidstown (Summer 2022)

The first incarnation of three years of children-only arenas for kids to play - like the circus coming to town but no adults are allowed. Artists Nigel Barrett and Louise Mari will run a prototype of the idea which will tour Wales in 2023-2024 and flourish into a staged performance in 2024-2025.

Galwad (Autumn 2022)

The full realisation of the DCMS funded Festival 2022 / Unboxed transmedia project with content across multiple media and digital platforms, broadcast on S4C and Sky Arts, and a live immersive end of week performance in Blaenau Ffestiniog.

A Proper Ordinary Miracle (Winter 2022)

A theatrical journey around Wrexham, shining a light on the politics of place, space and the systems we all play a part in. This show represents the culmination of four years of TEAM working in Wrexham, with the community choosing the themes of home and homelessness as the focus for all co-created initiatives which formed a part of this project.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

Welsh Radical (Spring 2023)

Welsh Radical will connect the history of Welsh radicalism, protest and direct political action to the local, national and global challenges facing us. Part performance, part provocation, part primer, this will be a political arts event across three acts combining work, action and music from a range of emerging and established Welsh artist and activists.

Creative Development projects will include:

Fly the Flag (Summer 2022)

A collaboration between arts organisations and human rights charities which will invite young people to co-create work with leading theatre makers which celebrates and reminds us of the human rights we all share.

Springboard (Winter 2022 / Spring 2023)

The second incarnation of our *Springboard* bursaries which will support more artists who are currently underrepresented in the arts to develop small-scale research projects with mentoring and producing support.

Collaboration (TEAM) activity will include:

TEAM Wrexham

A bespoke programme of activities linked to the theme of home and homelessness will accompany and contribute to the 2022 TEAM Wrexham show *A Proper Ordinary Miracle* (Winter 2022).

Far Apart, But Close at Heart

Far Apart, But Close at Heart will continue in 2022-2023 with an event in Tŷ Pawb, Wrexham to share the positive impact creative engagement has made to local young people throughout the Covid-19 lockdowns.

The Dons

Over 6 weeks, NTW will work with Pembrokeshire boxing coach **Mark Davies** of Tenby Sharks Boxing Club, local Pupil Referral Units and film-maker **Wayne Boucher** to support young people excluded from mainstream education to increase their mental resilience and fitness through boxing, documentary making and collective endeavour.

Dylan Thomas Day

An event will be held in Solva, Pembrokeshire celebrating the life and work of Dylan Thomas, with poetry and storytelling performances from artists including **Phil Okwedy**, **Claire Ferguson-Walker** and **Angharad Tudor**.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The National Theatre of Wales (NTW) was incorporated as a Company limited by guarantee and not having a share capital on 9 September 2008. It is registered as a charity with the Charity Commission and regarded as such by HM Revenue and Customs.

Recruitment and Appointment of New Trustees

NTW was established with a core funding commitment from Arts Council of Wales and the Welsh Government. These two bodies advertised and appointed a Chair followed by eight further trustees in 2008. Membership is open to individuals, who apply in the form required by the directors, and are approved by the directors. Membership is non-transferable.

The Company's Articles of Association state that:

A person appointed to the office of director for two consecutive terms shall, at the third Anniversary Board Meeting arising during his/her second term as a director, retire from office as a director and shall therefore be ineligible for re-election as a director for a period of two years unless the Board resolve that he/she may be eligible for re-election as a director for such further period not exceeding three years as the Board in its absolute discretion sees fit.

Where a director is re-elected for a third term pursuant to Article 2 above, he/she shall retire from office as a director by the third Anniversary Board Meeting following the passing of the resolution referred to in that Article. Any director who retires pursuant to this Article shall thereafter be ineligible for re-election as a director (for a period of three years).

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

As a result, having stood down and been re-elected to the Board in February 2011, the Company's original trustees were subsequently subject to retirement in accordance with an agreed process of rotation. This occurred over a period of years, concluding in March 2016 with the retirement of the founding Chair of Trustees. This rotation approach ensured a continuity of management during the retirement process. During that process several new trustees were appointed, including a new Chair in December 2016. A new series of retirements and recruitments have taken place on a rotation basis from 2018-19 onwards. As at 31 March 2022 a Board of 11 trustees was in place. The appointment of further trustees may occur as appropriate, taking into account the skills and experience of the individuals concerned.

Welsh Language Standards

NTW is subject to compliance with the Welsh language standards via a compliance notice relating to section 44 of the Welsh Language (Wales) Measure 2011. These standards promote and facilitate the Welsh language and ensure that it is not treated less favourably than the English language in Wales. As part of NTWs' compliance requirements, the standards appear on the Company website along with the Welsh Language Complaints Policy, the Welsh Language Standards Annual Report and the Welsh Language Strategy.

During 2021-2022, 0 complaints were received regarding NTWs' Welsh language standards compliance.

Organisational Structure

The Board of Trustees meets on a quarterly basis, and has established two subcommittees - a Finance Subcommittee and a People & Policies Subcommittee, which both also meet quarterly - with appropriate matters delegated accordingly.

The day-to-day running of the Company is in the hands of a full staff team, headed by the Chief Executive/Artistic Director. A senior leadership team comprising the Artistic Director, Executive Director/Deputy Chief Executive, Director of Audiences, Director of Collaboration and Director of Producing lead the Company. This team has delegated authority from the Board on matters of finance, recruitment, fundraising and artistic activity.

The Company also has a wholly-owned trading subsidiary, called NTW Productions Limited, via which the delivery of its productions is transacted. The Company pays a commissioning fee per production to the trading Company that equates to the cost of producing the show, less any Theatre Tax Relief credit that the subsidiary is entitled to claim for the production (all claims for such credits are processed via the subsidiary for reasons of accounting transparency). The trading Company is overseen via a Board of Directors that currently comprises the Company's Artistic Director, Executive Director and Director of Producing, two trustees (the Chair of the Board of Trustees and the Chair of the Finance Sub Committee), and a non-executive director.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
06693227 (England and Wales)

Registered Charity number
1127952

Registered office
30 Castle Arcade
CARDIFF
CF10 1BW

Trustees

Chair	Clive William Jones	
Trustees	Simon Keith Pirotte	
	Roger Michael Awan-Scully	Resigned 23 September 2021
	Bedwyr Elias Williams	Resigned 17 March 2022
	Sian Elin Doyle	
	Keith Power	Resigned 31 December 2021
	Raidene Carter	Resigned 9 June 2022
	Wayne Boucher	Resigned 17 March 2022
	Anna Arrieta	
	Steffan Donnelly	Resigned 9 June 2022
	Miguela Gonzalez	Appointed 31 December 2021
	Robert Edge	Appointed 17 March 2022
	Tafsila Khan	Appointed 17 March 2022
	Stacey Ackers	Appointed 17 March 2022
	Sanjiv Vedi	Appointed 15 June 2022
	Simon Stephens	Appointed 15 September 2022
	Joanne Lilford	Appointed 15 September 2022
	Sharon Gilburd	Appointed 15 September 2022

Executive team

Chief Executive/Artistic Director	Lorne Campbell
Executive Producer/Deputy CEO	Lisa Maguire

Senior Statutory Auditor

Julia Mortimer

Auditors

Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Solicitors

Hugh James
Hodge House
114-116 St. Mary Street
CARDIFF
CF10 1DY

Bank

HSBC
56 Queen Street
CARDIFF
CF10 2PX

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

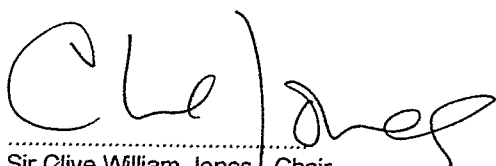
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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

In so far as the trustees are aware:

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

Approved by order of the Board of Trustees on 18 January 2023 and signed on its behalf by:


.....
Sir Clive William Jones - Chair

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)**

Opinion

We have audited the financial statements of The National Theatre of Wales (Trading as National Theatre Wales) and subsidiary for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the 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

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

In auditing the financial statements, we have concluded that the directors' 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 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern in exceptional or unforeseen circumstances.

Other information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has 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 Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)**

- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

Based on our understanding of both the company and industry, we identified the principal risks of non-compliance with laws and regulations, including those related to UK tax legislation and considered the extent to which any non-compliance might have on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and ensured that all those involved in the audit undergo regular update training, including on how to identify or recognise fraud and non-compliance with laws and regulations.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risk related to posting inaccurate journals. We addressed these risks by carrying out specifically targeted procedures, which included:

- discussions with management, including consideration of any known or suspected instances of non-compliance with laws and regulations and/or fraud;
- reading minutes of meetings of those charged with governance;
- considering the appropriateness of journal entries and other adjustments;
- evaluating the reasons for any large or unusual transactions;
- reviewing disclosures in the financial statements to underlying supporting documentation

As outlined above, reasonable assurance is a high level of assurance, but is not a guarantee that a material misstatement may always be detected. The extent to which our procedures are capable of detecting material misstatements or irregularities, including fraud, is therefore subject to the inherent limitations of an audit. There is therefore, an unavoidable risk that a material misstatement may not come to light, in particular, where non-compliance with laws and regulations are remote from events and transactions reflected in the financial statements or where fraud or errors arise due to intentional misrepresentation, forgery, concealment, management override and/or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)**

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Julia Mortimer (Senior Statutory Auditor)
for and on behalf of Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

29 January 2023

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	1,664,735	-	1,664,735	1,712,487
Charitable activities	5				
Promoting, maintaining, improving and advancing education		346,582	3,204,599	3,551,181	332,641
Investment income	4	113	-	113	259
Total		<u>2,011,430</u>	<u>3,204,599</u>	<u>5,216,029</u>	<u>2,045,387</u>
EXPENDITURE ON					
Raising funds	7	851	-	851	771
Charitable activities	8				
Promoting, maintaining, improving and advancing education		<u>1,996,634</u>	<u>1,695,840</u>	<u>3,692,474</u>	<u>1,677,649</u>
Total		<u>1,997,485</u>	<u>1,695,840</u>	<u>3,693,325</u>	<u>1,678,420</u>
NET INCOME/(EXPENDITURE)		13,945	1,508,759	1,522,704	366,967
Transfers between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		13,945	1,508,759	1,522,704	366,967
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>806,304</u>	<u>116,271</u>	<u>922,575</u>	<u>555,608</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>820,249</u></u>	<u><u>1,625,030</u></u>	<u><u>2,445,279</u></u>	<u><u>922,575</u></u>

The notes form part of these financial statements

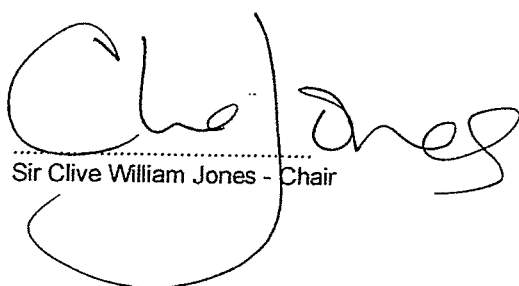
THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) (REGISTERED NUMBER: 06693227)

CONSOLIDATED AND CHARITY BALANCE SHEETS
AT 31 MARCH 2022

		Group		Charity	
	Notes	2022 £	2021 £	2022 £	2021 £
FIXED ASSETS					
Tangible assets	16	6,680	8,880	6,680	8,880
Investments	17	-	-	1	1
		<u>6,680</u>	<u>8,880</u>	<u>6,681</u>	<u>8,881</u>
CURRENT ASSETS					
Debtors: amounts falling due within one year	18	376,833	198,991	376,883	198,991
Cash at bank		<u>2,768,845</u>	<u>1,053,591</u>	<u>2,768,845</u>	<u>1,053,591</u>
		3,145,678	1,252,582	3,145,678	1,252,582
CREDITORS					
Amounts falling due within one year	19	(707,079)	(338,887)	(707,080)	(338,888)
		<u></u>	<u></u>	<u></u>	<u></u>
NET CURRENT ASSETS/(LIABILITIES)		<u>2,438,599</u>	<u>913,695</u>	<u>2,438,598</u>	<u>913,694</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,445,279</u>	<u>922,575</u>	<u>2,445,279</u>	<u>922,575</u>
NET ASSETS		<u>2,445,279</u>	<u>922,575</u>	<u>2,445,279</u>	<u>922,575</u>
FUNDS	21				
Unrestricted funds: (Including designated funds)		820,249	806,304	820,249	806,304
Restricted funds		<u>1,625,030</u>	<u>116,271</u>	<u>1,625,030</u>	<u>116,271</u>
NET ASSETS		<u>2,445,279</u>	<u>922,575</u>	<u>2,445,279</u>	<u>922,575</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved and authorised for issue by the Board of Trustees on 18 January 2023 and were signed on its behalf by:


Sir Clive William Jones - Chair

The notes form part of these financial statements

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) (REGISTERED NUMBER: 06693227)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>1,718,801</u>	<u>662,377</u>
Net cash provided by (used in) operating activities		<u>1,718,801</u>	<u>662,377</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(4,002)	(1,349)
Sale of tangible fixed assets		342	-
Interest received		<u>113</u>	<u>259</u>
Net cash provided by (used in) investing activities		<u>(3,547)</u>	<u>(1,090)</u>
Change in cash and cash equivalents in the reporting period		1,715,254	661,287
Cash and cash equivalents at the beginning of the reporting period		<u>1,053,591</u>	<u>392,304</u>
Cash and cash equivalents at the end of the reporting period		<u>2,768,845</u>	<u>1,053,591</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

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

	2022 £	2021 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	1,522,704	366,967
Adjustments for:		
Depreciation charges	5,860	6,513
Interest received	(113)	(259)
Theatre tax relief claim – movement in debtor	(147,467)	52,707
Decrease/(increase) in debtors	(30,375)	147,675
(Decrease)/increase in creditors	<u>368,192</u>	<u>88,774</u>
Net cash provided by (used in) operating activities	<u>1,718,801</u>	<u>662,377</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/21 £	Cash flow £	At 31/3/22 £
Net cash			
Cash at bank and in hand	1,053,591	1,715,254	2,768,845
	<u>1,053,591</u>	<u>1,715,254</u>	<u>2,768,845</u>
Total	<u>1,053,591</u>	<u>1,715,254</u>	<u>2,768,845</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. STATUTORY INFORMATION

These financial statements include the consolidated results of The National Theatre of Wales and its trading subsidiary NTW Productions Limited.

The National Theatre of Wales is a company limited by guarantee incorporated in Wales within the United Kingdom. The registered office is 30 Castle Arcade, Cardiff, CF10 1BW. The nature of the charitable group's and company's operations and principal activities is disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the group's functional currency, and rounded to the nearest pound

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

There have been no material departures from Financial Reporting Standard 102.

Going concern

The trustees are satisfied that despite the Coronavirus pandemic, it is appropriate for the group's financial statements to be prepared on a going concern basis. The trustees have taken steps to minimise the effect on the company and will continue to do so. In the circumstances they have concluded that no adjustments are required to the financial statements at this time.

Income

All income is recognised in the Statement of Financial Activities once the group has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

This includes capital grants.

Donations and legacies income

Donations and legacies income includes donations, gifts and grants that provide core funding or, are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Investment income

Investment income is recognised on a receivable basis.

Other income

Other income is recognised on a receivable basis.

2. ACCOUNTING POLICIES - continued

Expenditure

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

Expenditure on charitable activities comprises those costs incurred by the group in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the group and include the accountancy fees and costs linked to the strategic management of the group as well as a proportion of salaries based on an approximation of time spent in this area.

Tangible fixed assets

Fixed assets are initially recorded at cost. The value below which fixed assets are not capitalised is £500.

Depreciation is calculated so as to write off the cost of an asset, less its estimate residual value over the useful economic life of the asset as follows:

Fixtures & fittings	- 25% straight line
Computer equipment	- 33% straight line

However, where assets are acquired as a result of grant funding they will be depreciated over their useful life, or the period of the grant, whichever is the shorter.

Taxation

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

Funds structure

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the group without further specified purpose and are available as general funds.

Designated funds are funds which have been specifically designated for specific future costs.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, is charged to the fund, together with a fair allocation of support and governance costs.

Investments

Investments are stated at market value at the balance sheet date

Pension costs and post-retirement benefits

The group operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the group. The annual contributions payable are charged to the statement of financial activities incorporating the income and expenditure account.

Termination payments

The charitable group recognises termination benefits as a liability and an expense only when the entity is demonstrably committed either to terminate the employment of an employee or group of employees before the normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

Employee benefits

When employees have rendered service to the group, short-term employee benefits to which employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES - continued

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Financial instruments

The group 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.

Trade debtors and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

Creditors are recognised where the group 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

Provisions

The group commits to providing pensions for all core staff via the group pension scheme. Joining the scheme is subject to auto enrolment regulations. At any point in time a number of eligible employees have yet to join the scheme but when they do employer contributions are backdated to their original start date. Provision is made for the group's potential contribution in respect of these individuals in those instances where a simple accrual is not considered appropriate.

3. DONATIONS AND LEGACIES

	2022 £	2021 £
Donations	660	17,313
Grants	<u>1,664,075</u>	<u>1,695,174</u>
	<u>1,664,735</u>	<u>1,712,487</u>

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

	2022 £	2021 £
Arts Council of Wales - Core funding	1,624,075	1,624,075
Esmée Fairbairn Foundation	40,000	46,992
Welsh Government Coronavirus Job Retention Scheme	-	14,107
Cardiff Council Business Rates Relief	-	10,000
	<u>1,664,075</u>	<u>1,695,174</u>

4. INVESTMENT INCOME

	2022 £	2021 £
Bank interest	<u>113</u>	<u>259</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2022 £	2021 £
Theatre tax relief credit	95,854	46,802
Grants	167,970	179,685
Performing and related activities	3,282,857	105,554
Speaker fees	-	600
National Companies Consultancy Project	<u>4,500</u>	-
	<u>3,551,181</u>	<u>332,641</u>

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022**

5. INCOME FROM CHARITABLE ACTIVITIES - continued

All income is derived from the single charity activity of 'Promoting, maintaining, improving and advancing education'.

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

	2022	2021
	£	£
Paul Hamlyn Foundation	91,370	99,795
British Council – Go Digital	8,000	-
Battersea Arts Centre - The Agency	-	49,520
Andrew Lloyd Webber Foundation	-	6,000
Theatre Granit - Creative Europe	-	12,870
The Bluestone Foundation	-	2,500
Pembrokeshire Association of Voluntary Services	-	1,000
People's Palace Projects	18,600	8,000
Welsh Government – Communications Strategy	10,000	-
John Ellerman Foundation	40,000	-
	<u>167,970</u>	<u>179,685</u>

6. RESULT OF PARENT CHARITABLE COMPANY

The total income of the parent charitable company was £5,735,703 and net income was £1,522,704.

7. RAISING FUNDS

Raising donations and legacies

	2022	2021
	£	£
Fundraising expenditure	<u>851</u>	<u>771</u>

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9) £	Support costs (see note 10) £	Totals £
Promoting, maintaining, improving and advancing education	<u>3,161,796</u>	<u>530,678</u>	<u>3,692,474</u>

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022 £	2021 £
Staff costs	1,096,498	748,488
Creative and artistic activities	1,929,626	470,429
Marketing costs	127,951	62,355
Recruitment costs	<u>7,721</u>	<u>8,064</u>
	<u>3,161,796</u>	<u>1,289,336</u>

10. SUPPORT COSTS

	Staff costs £	Other costs £	Depreciation £	Governance costs £	Totals £
Promoting, maintaining, improving and advancing education	<u>363,682</u>	<u>110,738</u>	<u>5,860</u>	<u>50,398</u>	<u>530,678</u>

11. NET INCOME/(EXPENDITURE)

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

	2022 £	2021 £
Auditors' remuneration	5,820	5,902
Auditors' remuneration for non-audit work	990	1,350
Depreciation - owned assets	<u>5,860</u>	<u>6,513</u>

12. GRANTS PAYABLE

	2022 £	2021 £
Promoting, maintaining, improving and advancing education	<u>-</u>	<u>13,500</u>

The total grants paid to individuals during the year was as follows:

	2022 £	2021 £
General	<u>-</u>	<u>13,500</u>

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

13. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 or for the year ended 31 March 2021.

Trustees' expenses

During the year an amount of £183 (2021: £Nil) was paid to 1 (2021: 0) trustees in respect of travel and other expenses.

During the year the following professional fees were paid to trustees for services provided. The fees were paid at a commercial rate.

	2022 £	2021 £
Wayne Boucher	<u>1,000</u>	<u>2,319</u>
	<u>1,000</u>	<u>2,319</u>

Trustees are permitted to receive compensation for professional services rendered to the charity by virtue of clause 5(5)(a)(ii) of the Memorandum of Association.

14. STAFF COSTS

	2022 £	2021 £
Employee costs during the year		
Wages and salaries	1,288,610	827,582
Employer's National Insurance contributions	113,920	71,202
Pension costs	<u>57,650</u>	<u>35,010</u>
	<u>1,460,180</u>	<u>933,794</u>

	2022	2021
Number of persons employed		
Permanent staff	30	22
Temporary production staff	<u>3</u>	<u>1</u>
	<u>33</u>	<u>23</u>

The number of employees whose emoluments, as defined for taxation purposes, amounted to a rate of over £60,000 during the year were as follows:

	2022	2021
£60,001 - £70,000	1	1
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1

All employees earning more than £60,000 were members of the company pension scheme.

Total remuneration benefits paid to key management personnel in the year was £176,646 (2021: £180,022).

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – 31 MARCH 2021

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,712,437	50	1,712,487
Charitable activities			
Promoting, maintaining, improving and advancing education	52,999	279,642	332,641
Investment income	259	-	259
Other income	-	-	-
Total	1,765,695	279,692	2,045,387
 EXPENDITURE ON			
Raising funds	771	-	771
Charitable activities			
Promoting, maintaining, improving and advancing education	1,372,267	305,382	1,677,649
Total	1,373,078	305,382	1,678,420
 NET INCOME/(EXPENDITURE)	392,657	(25,690)	366,967
Transfers between funds	(24,289)	24,289	-
Net movement in funds	368,368	(1,401)	366,967
 RECONCILIATION OF FUNDS			
Total funds brought forward	437,936	117,672	555,608
 TOTAL FUNDS CARRIED FORWARD	806,304	116,271	922,575

THE NATIONAL THEATRE OF WALES
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

16. TANGIBLE FIXED ASSETS – Group and charity

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2021	33,110	54,721	87,831
Additions	-	4,002	4,002
Disposals	-	(1,540)	(1,540)
At 31 March 2022	<u>33,110</u>	<u>57,183</u>	<u>90,293</u>
DEPRECIATION			
At 1 April 2021	32,107	46,844	78,951
Charge for year	719	5,141	5,860
Eliminated on disposal	-	(1,198)	(1,198)
At 31 March 2022	<u>32,826</u>	<u>50,787</u>	<u>83,613</u>
NET BOOK VALUE			
At 31 March 2022	<u>284</u>	<u>6,396</u>	<u>6,680</u>
At 31 March 2021	<u>1,003</u>	<u>7,877</u>	<u>8,880</u>

17. FIXED ASSET INVESTMENTS – Charity

	Shares in group undertakings £
MARKET VALUE	
At 1 April 2021 and 31 March 2022	<u>1</u>
NET BOOK VALUE	
At 31 March 2022	<u>1</u>
At 31 March 2021	<u>1</u>

There were no investment assets outside the UK.

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

NTW Productions Limited:

Nature of business: Theatre production

Class of share:	%
Ordinary	holding 100

THE NATIONAL THEATRE OF WALES
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade debtors	144,299	930	144,299	930
Other debtors	43	-	43	-
Accrued income	18,536	10,107	18,536	10,107
Theatre tax relief recoverable	194,269	46,802	-	-
Prepayments	19,686	141,152	19,686	141,152
Amounts owed by group undertakings	-	-	194,269	46,802
	<u>376,833</u>	<u>198,991</u>	<u>376,833</u>	<u>198,991</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade creditors	49,528	61,027	49,528	61,027
Social security and other taxes	35,950	16,991	35,950	16,991
VAT	358,455	19,560	358,455	19,560
Other creditors	62,546	5,579	62,547	5,580
Accruals	151,627	57,235	151,627	57,235
Deferred income	<u>48,973</u>	<u>178,495</u>	<u>48,973</u>	<u>178,495</u>
	<u>707,079</u>	<u>338,887</u>	<u>707,080</u>	<u>338,888</u>

Included within deferred income above is the following:

	2022 £	2021 £
Paul Hamlyn Foundation	48,973	75,342
Festival 2022	-	92,153
Natural Resources Wales	-	3,000
British Council – Go Digital	-	8,000
	<u>48,973</u>	<u>178,495</u>

The deferred income relates to income received in advance of project delivery. All amounts deferred in the year ended 31 March 2021 were released to the Statement of Financial Activities during the year. All amounts deferred in the year ended 31 March 2022 are new sources of income.

THE NATIONAL THEATRE OF WALES
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

20. LEASING AGREEMENTS

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

	2022	2021
	£	£
Within one year	31,122	18,466
Between one and five years	<u>23,500</u>	<u>14,384</u>
	<u>54,622</u>	<u>32,850</u>

Total operating lease payments recognised as an expense in the year was £37,304 (2021: £39,804).

THE NATIONAL THEATRE OF WALES
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

21. MOVEMENT IN FUNDS

	At 1/4/21 £	Net movement in funds £	Transfers between funds £	At 31/3/22 £
Unrestricted funds				
General fund	251,901	356,592	(324,687)	283,806
Designated fund - Fixed assets	8,880	(5,860)	3,660	6,680
Designated fund - TEAM	4,100	-	-	4,100
Designated fund - Marketing	40,683	(7,956)	27,500	60,227
Designated fund - Core resilience	12,947	(2,389)	(2,611)	7,947
Designated fund - Creative Development	62,195	(34,011)	(1,487)	26,697
Designated fund - Office Improvements	2,458	(650)	-	1,808
Designated fund - Productions	316,822	(264,463)	178,286	230,645
Designated fund - Organisational review changes	35,000	-	-	35,000
Designated fund - HR support	5,746	(5,746)	-	-
Designated fund - CEO support	2,750	(2,750)	-	-
Designated fund - Creative Development posts	6,822	(6,822)	40,686	40,686
Designated fund - Creative Development projects	6,000	(2,000)	-	4,000
Designated fund – Springboard bursaries	50,000	(50,000)	32,210	32,210
Designated fund – Festival 2022 Support (Creative Associate)	-	-	33,443	33,443
Designated fund – Young People's Strategy	-	-	13,000	13,000
Designated fund – Reinventing Performing Arts	-	40,000	-	40,000
	806,304	13,945	-	820,249
Restricted funds				
Paul Hamlyn Foundation	56,473	4,727	-	61,200
Esmée Fairbairn Foundation	11,322	(10,532)	-	790
Arts Council Wales - Ocean Park Creative Collaboration	1,064	(1,064)	-	-
National Companies Consultancy Project	19,863	(12,281)	-	7,582
Battersea Arts Centre - The Agency	9,874	-	-	9,874
Big Lottery Fund - Access Forum	2,330	-	-	2,330
Mametz real-time digital lesson plans	2,356	(975)	-	1,381
Andrew Lloyd Webber Foundation - Emerging Directors	6,000	(2,000)	-	4,000
People's Palace Projects (Far Apart UK)	6,880	5,790	-	12,670
Bluestone Foundation/Little Green Grant	109	-	-	109
Festival 2022 - Galwad	-	1,485,094	-	1,485,094
John Ellerman Foundation – Associate Dramaturg Programme	-	40,000	-	40,000
	116,271	1,508,759	-	1,625,030
TOTAL FUNDS	<u>922,575</u>	<u>1,522,704</u>	<u>-</u>	<u>2,445,279</u>

THE NATIONAL THEATRE OF WALES
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

21. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,971,430	(1,614,838)	356,592
Designated fund - Fixed assets	-	(5,860)	(5,860)
Designated fund - Marketing	-	(7,956)	(7,956)
Designated fund - Core resilience	-	(2,389)	(2,389)
Designated fund - Creative Development	-	(34,011)	(34,011)
Designated fund - Office Improvements	-	(650)	(650)
Designated fund - Productions	-	(264,463)	(264,463)
Designated fund - HR support	-	(5,746)	(5,746)
Designated fund - CEO support	-	(2,750)	(2,750)
Designated fund - Creative Development posts	-	(6,822)	(6,822)
Designated fund - Creative Development projects	-	(2,000)	(2,000)
Designated fund - Springboard bursaries	-	(50,000)	(50,000)
Designated fund – Reinventing Performing Arts	40,000	-	40,000
	2,011,430	(1,997,485)	13,945
Restricted funds			
Paul Hamlyn Foundation	91,370	(86,643)	4,727
Esmée Fairbairn Foundation	-	(10,532)	(10,532)
Arts Council Wales – Ocean Park Creative Collaboration	-	(1,064)	(1,064)
National Companies Consultancy Project	4,500	(16,781)	(12,281)
Mametz real-time digital lesson plans	-	(975)	(975)
Andrew Lloyd Webber Foundation – Emerging Directors	-	(2,000)	(2,000)
People's Palace Projects (Far Apart UK)	18,600	(12,810)	5,790
Festival 2022 – Galwad	3,042,129	(1,557,035)	1,485,094
John Ellerman Foundation – Associate Dramaturg Programme	40,000	-	40,000
British Council – Go Digital	8,000	(8,000)	-
	3,204,599	(1,695,840)	1,508,759
TOTAL FUNDS	<u>5,216,029</u>	<u>(3,693,325)</u>	<u>1,522,704</u>

THE NATIONAL THEATRE OF WALES
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

21. MOVEMENT IN FUNDS – continued

Comparatives for movement in funds

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
Unrestricted funds				
General fund	345,110	446,561	(539,770)	251,901
Designated fund - Fixed assets	14,044	(6,513)	1,349	8,880
Designated fund – TEAM	4,100	-	-	4,100
Designated fund – Marketing	6,150	(6,150)	40,683	40,683
Designated fund - Core resilience	7,947	-	5,000	12,947
Designated fund - Creative Development	58,127	(41,241)	45,309	62,195
Designated fund - Office Improvements	2,458	-	-	2,458
Designated fund - Productions	-	-	316,822	316,822
Designated fund - Organisational review changes	-	-	35,000	35,000
Designated fund - HR support	-	-	5,746	5,746
Designated fund - CEO support	-	-	2,750	2,750
Designated fund - Creative Development posts	-	-	6,822	6,822
Designated fund - Creative Development projects	-	-	6,000	6,000
Designated fund - Springboard bursaries	-	-	50,000	50,000
	437,936	392,657	(24,289)	806,304
Restricted funds				
Paul Hamlyn Foundation	31,209	25,264	-	56,473
Esmée Fairbairn Foundation	50,163	(38,841)	-	11,322
Arts Council Wales - Ocean Park Creative Collaboration	1,064	-	-	1,064
National Companies Consultancy Project	22,663	(2,800)	-	(19,863)
Battersea Arts Centre - The Agency	6,257	3,617	-	9,874
Big Lottery Fund - Access Forum	2,330	-	-	2,330
Mametz real-time digital lesson plans	2,781	(425)	-	2,356
EU Creative Europe	305	(24,594)	24,289	-
Andrew Lloyd Webber Foundation - Emerging Directors	900	5,100	-	6,000
People's Palace Projects (Far Apart UK)	-	6,880	-	6,880
Bluestone Foundation/Little Green Grant	-	109	-	109
	117,672	(25,690)	24,289	116,271
TOTAL FUNDS	<u>555,608</u>	<u>366,967</u>	<u>-</u>	<u>922,575</u>

THE NATIONAL THEATRE OF WALES
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

21. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,765,695	(1,319,134)	446,561
Designated fund - Fixed assets	-	(6,513)	(6,513)
Designated fund - Marketing	-	(6,150)	(6,150)
Designated fund - Creative Development	-	(41,241)	(41,241)
	<u>1,765,695</u>	<u>(1,373,038)</u>	<u>392,657</u>
Restricted funds			
Paul Hamlyn Foundation	99,794	(74,530)	25,264
Esmée Fairbairn Foundation	-	(38,841)	(38,841)
National Companies Consultancy Project	-	(2,800)	(2,800)
Battersea Arts Centre - The Agency	49,570	(45,953)	3,617
Mametz real-time digital lesson plans	-	(425)	(425)
EU Creative Europe	12,871	(37,465)	(24,594)
Andrew Lloyd Webber Foundation - Emerging Directors	6,000	(900)	5,100
People's Palace Projects (Far Apart UK)	8,000	(1,120)	6,880
Bluestone Foundation/Little Green Grant Festival 2022	3,500	(3,391)	109
	<u>99,957</u>	<u>(99,957)</u>	<u>-</u>
	<u>279,692</u>	<u>(305,382)</u>	<u>(25,690)</u>
TOTAL FUNDS	<u><u>2,045,387</u></u>	<u><u>(1,678,420)</u></u>	<u><u>366,967</u></u>

Designated funds

Designated fund - Fixed Assets

The fund represents the net book value of fixed assets.

Designated fund - TEAM

The fund represents the value of core funds set aside towards the company's TEAM community engagement programme activities.

Designated fund – Marketing

The fund represents the value of funds set aside to meet website development costs. An additional £27,500 was designated in the current year to provide for website replacement and brand development and impact campaign costs.

Designated fund - Core resilience

The fund represents the value of funds set aside to finance staff and other costs associated with the development and implementation of the company's income generation and diversification strategy.

Designated fund - Creative Development

The fund represents the value of unapplied research and development and commissioning funds to be utilised in support of an enhanced programme of such projects in future years. An additional £56,207 was designated during the year to provide for costs associated with future projects.

Designated fund - Office improvements

The fund represents the value of funds set aside to support essential improvement works and other expenditure relating to the office at 30 Castle Arcade. This includes costs associated with searches for alternative accommodation.

21. MOVEMENT IN FUNDS - continued

Designated fund - Productions

This represents the value of funds set aside to supplement 'in year' funds to enable investment in future years' artistic programmes. An additional £153,286 was designated during the year to support future artistic programmes.

Designated fund - Organisational review changes

The fund represents the value of funds set aside to provide for staffing changes arising from the company's review of its organisation structure.

Designated fund - HR support

The fund represents the value of funds set aside to provide for costs associated with HR consultancy support. The consultant was engaged to provide support prior to the employment of the Director of Operations and these costs relate to residual tasks that assistance was being provided on.

Designated fund - CEO support

The fund represents the value of funds set aside to provide for costs associated with CEO consultancy support. The consultant was engaged to provide support prior to the employment of the Director of Operations and these costs relate to residual tasks that assistance was being provided on.

Designated fund - Creative Development posts

The fund represents the value of funds set aside to provide for freelance support to be engaged to oversee and administer the company's creative development activities during 2021/22 and 2022/23. An additional £40,686 was designated during the year to provide for third year funding of the post of Creative Development Producer.

Designated fund - Creative Development projects

The fund represents the value of funds set aside to provide match funding for the Emerging Directors programme - matching the final year funding approval from the Andrew Lloyd Webber Foundation.

Designated fund - Springboard bursaries

The fund represents the value of funds set aside to support the company's Springboard Bursaries programme, which was introduced in 2021/22 to assist freelancers. During the year, an additional £32,210 was designated to support the programme in 2022/23.

Designated fund – Festival 2022 – Galwad

The fund represents the value of funds set aside during the year to provide funding towards salary costs associated with the post of Creative Associate.

Designated fund – Young People's Strategy

The fund represents the value of funds set aside during the year to support the costs of the work that the charity is incurring in respect of the Young People's Strategy. £10,000 towards a consultation event being staged in October 2022 and £3,000 towards an educational resources pilot in Wrexham.

Designated fund – Reinventing Performing Arts

This funding, provided by the Esmée Fairbairn Foundation aimed at helping organisations recover from the impacts of the pandemic, will be used to help NTW re-imagine its online community presence.

21. **MOVEMENT IN FUNDS - continued**

Restricted funds

The **Paul Hamlyn Foundation** supports the company's 'TEAM' programme, the role of which is to develop relationships within communities, and thereby promote National Theatre Wales and develop interest in theatre.

Esmée Fairbairn Foundation

This funding has been provided to contribute towards the company's creative development programme for artists working across Wales.

Arts Council Wales - Ocean Park Creative Collaboration - This funding stream exists to help foster the development of creative partnerships between arts organisations and schools. This grant funded a collaboration between Ocean Park Academy, located in Cardiff, and NTW. The project took place between January and June 2017.

National Companies Consultancy Project

This project is a jointly funded initiative involving the eight national arts organisations in Wales, as designated by the Arts Council of Wales - the first time that they have all come together in this way. The companies taking part, other than NTW, are BBC National Orchestra of Wales, Ffilm Cymru Wales, Literature Wales, National Dance Company Wales, Theatr Genedlaethol Cymru, Wales Millennium Centre and Welsh National Opera. Each organisation is contributing to the project financially and/or in kind, and the funding is being used to pay for the services of a consultant, who has been engaged to provide the companies with advice in a number of areas. These areas include building resilience and growth in the wider arts sector; developing audience diversity and inclusivity; identifying ways in which to lead on supporting the professional development of artists; and how to increase the international profile and market opportunities for Wales. The project documents were signed in March 2017, with the work taking place throughout 2017/18 and 2018/19 and continuing into 2019/20 and beyond.

Battersea Arts Centre - The Agency

The Agency is a creative entrepreneurial programme, that seeks to use the arts to assist and encourage young people, in local disadvantaged communities, to develop their creative ideas into business opportunities. It is a partnership involving NTW, Battersea Arts Centre (BAC), Contact Theatre, People's Palace projects and FabLab Belfast, with funding provided by the Big Lottery Fund. The purpose of the partnership is to continue running an existing project in London (BAC) and Manchester (Contact) and replicate and run the programme in Wales (NTW) and Northern Ireland (FabLab).

Big Lottery Fund - Access Forum

This funding has been provided via the Big Lottery Fund's 'Awards for All' programme. Its purpose is to fund a series of Forum events being held across Wales. The Forum exists to bring together organisations, artists and individuals from across Wales to work together in removing barriers to accessing the arts faced by people with disabilities.

Mametz real-time digital lesson plans

This represents a combination of funding from two sources - the Colwinston Trust, and the Welsh Government's WW1 Activity Fund. The purpose of the funding is to enable the development of real-time, digital lesson plans related to NTW's 2014 production 'Mametz', which now forms part of the A level Drama and Theatre Studies syllabus in Wales. The aim of these plans is to provide an insight to aid both teachers and students.

Andrew Lloyd Webber Foundation - Emerging Directors

This funding contributes towards the costs of NTW's Emerging Directors Programme. This programme has the primary aim of giving talented and promising individuals the opportunity to work alongside experienced directors.

21. MOVEMENT IN FUNDS - continued

People's Palace Projects (Far Apart UK)

This funding relates to 'Far Apart but Close at Heart UK', a multi-partner research study that the company is taking part in. The study is led by People's Palace Projects (who provide the funding to NTW), in conjunction with the Unit for Social and Community Psychiatry at Queen Mary University of London. Other companies taking part in the study, which aims to explore how arts organisations in the UK are using online platforms and other means to support the mental health of young people during a global pandemic, include Battersea Arts Centre, Contact Theatre Manchester, Dirty Protest and Royal Theatre Stratford East. This project is run in parallel with a sister project in Latin America.

Bluestone Foundation/Little Green Grant

This funding comprises two small grants. One, in the sum of £2,500, was provided by the Bluestone Foundation. The other (Little Green Grant), in the sum of £1,000, was provided by the Pembrokeshire Association of Voluntary Services. Together they were utilised to fund the design and construction of 'mission boards' related to Simple Acts - a call for social change, which was a central thread throughout all of the Go Tell The Bees activity. (Simple Acts encourages people to perform seven activities - Simple Acts - as part of their daily lives to help improve the environment and the world around us. These activities are 'plant a seed', 'learn one new thing about nature', 'take a walk', 'connect with someone new', 'consume a little less', 'be kind to your neighbour' and 'consider the stars').

Festival 2022 - Galwad

NTW heads up a partnership of organisations, collectively known as Collective Cymru, that came together to submit a bid to Festival 2022 (since renamed the Unboxed Festival). The organisations involved include Centre of Alternative Technology, Clwstwr, Disability Arts Cymru, Ffilm Cymru, Frân Wen and Sugar Creative, whilst community partners are CellB, Citizens Cymru, Disability Arts Cymru, Ethnic Minorities Youth Support Team (EYST) and Merthyr Tydfil Leisure Trust. During the 2020/21 financial year the company received a commissioning fee from Festival 2022 for the purposes of working up a full business case bid for a project culminating in the Autumn of 2022. Notification was received in March 2021 that the bid had been successful and work on the project (now known as 'Galwad') commenced with effect from April 2021. The project will culminate in a series of events to be staged in September 2022, with the project itself coming to a conclusion by December 2022.

John Ellerman Foundation – Associate Dramaturg Programme

This funding has been provided to support NTW's dramaturgical development of new commissions and projects, and talent development initiatives.

British Council – Go Digital

This funding was provided to fund a writers' development programme for Welsh and Nigerian writers, run in collaboration with Lagos Theatre Festival.

Restricted funds in prior period

EU Creative Europe

This project took place over three years and was developed in association with partner organisations in France (Theatre Granit Scene National de Belfort), Portugal (Dupla Cena) and Romania (Asociatia Colectiv A), with the French partner being the project lead. The project incorporated a series of workshops and laboratories that aim to provide an opportunity for artists to gain an insight into live arts and transmedia creation. The project concluded during the 2020/21 financial year, with just the final audit and settlements remaining, which will take place during 2021/22.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

21. MOVEMENT IN FUNDS - continued

Transfers between funds

Transfers totalling £321,027 have been made between the general fund and 9 designated funds, as follows:

- Marketing: The Board has reviewed and identified an additional £27,500 of funds to be held for website replacement and brand development and impact campaign costs.
- Core Resilience: The Board has reviewed and £2,611 of funds have been identified as no longer being required and has therefore been transferred back to general funds.
- Creative development: The Board has reviewed and identified £56,207 of funds to be used towards the costs of future projects. However, £32,210 was then transferred from this fund to the Springboard Bursaries fund and £25,000 was transferred from this fund to the Productions fund to support the Kids Town project. The Board also identified funds of £485 that were no longer required and has therefore been transferred back to general funds.
- Productions: The Board has reviewed and £153,286 of funds have been set aside to invest in future artistic programmes. It was also agreed that an additional £25,000 would be transferred from the Creative Development core fund.
- Creative Development posts: The Board has reviewed and identified £40,686 of funds to provide for freelance support to be engaged to oversee and administer the company's creative development activities during 2022/23.
- Springboard bursaries: The Board has reviewed and £32,210 of funds have been set aside to support the company's Springboard Bursaries programme.
- Festival 2022 Support: The Board has reviewed and £33,443 of funds have been set aside to support the salary costs associated with the post of Creative Associate.
- Young People's Strategy: The Board has reviewed and £13,000 of funds have been set aside to provide funding towards the costs of the work that the charity is incurring in respect of the Young People's Strategy.

A transfer of £3,660 has been made from the general fund to the designated fixed assets fund, representing the value of capitalised spend and disposals.

22. PENSION COMMITMENTS

The group operates two defined contribution pension schemes. The assets of the schemes are held separately from those of the group in independently administered funds. The pension cost charge represents contributions paid by the group to the funds and amounted to £57,650 (2021: £35,010). Contributions outstanding at the year end amounted to £10,508 (2021: £5,087).

23. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2022, that required disclosure (2021: none).

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2022 are represented by:			
Tangible fixed assets	6,680	-	6,680
Current assets	1,436,982	1,708,696	3,145,678
Current liabilities	(623,413)	(83,666)	(707,079)
Total net assets	820,249	1,625,030	2,445,279

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

25. SUBSIDIARY COMPANY

The charity owns the whole of the issued ordinary share capital of NTW Productions Limited, a company registered in England and Wales. The subsidiary is commissioned to produce theatrical productions on behalf of the charity. All activities have been consolidated on a line by line basis in the SOFA. The total net profit is gifted to the charity.

A summary of the results of the subsidiary is shown below:

	2022	2021
	£	£
Turnover	467,938	340,342
Cost of sales	(615,405)	(387,144)
Gross profit	(147,467)	(46,802)
Administrative expenses	-	-
Loss on ordinary activities before taxation	(147,467)	(46,802)
Theatre tax relief claim	147,467	46,802
Profit for the financial year	-	-

The aggregate of the assets, liabilities and funds was:

	2022	2021
	£	£
Assets	194,270	46,803
Liabilities	(194,269)	(46,802)
Funds (representing 1 ordinary share of £1)	1	1

Accounts

REGISTERED COMPANY NUMBER: 06693227 (England and Wales)
REGISTERED CHARITY NUMBER: 1127952

REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 MARCH 2021
FOR

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY

Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

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FOR THE YEAR ENDED 31 MARCH 2021**

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

FINANCIAL HIGHLIGHTS

The most notable event of 2020/21, that impacted the company's finances, was obviously the COVID-19 pandemic and the restrictions on activity that went with it. The remainder of this report provides detailed information, across various sections, of the ways in which the company's activities, and its finances, were impacted. Productions were deferred and, in some cases, eventually reimaged. Turnover was down some £261k on the previous year, reflecting a situation where production income was almost £230k down on original budgets due to the deferment of shows, whilst fundraising income and theatre tax relief credits were also down on what had at one time been expected. Some additional funding was obtained and overhead cost savings made. Some staff appointments were delayed. Financial and other support was provided to the freelance community and the wider theatrical sector.

The period since the original lockdown, and introduction of social distancing restrictions, in March 2020, has undoubtedly been the most challenging that anyone in the sector currently has experienced. Aside from the direct financial consequences, it has forced everyone, National Theatre Wales (NTW) included, to rethink the way they do things and how they go about their business and encouraged innovative thought.

The closure of NTW's office, since March 2020, has challenged its processes, procedures and systems. Remote working has become the norm, hybrid working is likely to become commonplace. The company's investment, over many years, in a digital and flexible way of doing business has enabled it to successfully withstand the challenges. It is encouraging that, when severely tested, they have proved their worth.

The period of the pandemic has also provided financial challenges. That the company has also successfully met these challenges has confirmed the efficacy of its business model and the robustness of its financial management practices.

A word of gratitude is also due to the company's funders, who have remained steadfast, yet flexible, throughout the period in question. In particular, the commitment of Arts Council of Wales (ACW), NTW's main funder, in maintaining its core funding commitment, is much appreciated and has been a key component of being able to meet the challenges.

In spite of the challenges of the pandemic, excellent financial management continues to ensure that budgets are adhered to. This has allowed the company to invest some £93k of 'free' reserves and £47k of designated reserves in support of its activities in 2020/21, whilst still enabling a 'free' reserves balance of some £252k to be carried forward and a further £514k to be designated for reinvestment in 2021/22 and beyond.

The company's budgets for 2021/22 allow for the use of approximately £93k of 'free' reserves during the year, taking the projected value of such reserves at 31 March 2022 to some £159,000, in line with the operational limits set out in its Reserves Policy. Alongside these the budgets also allow for the use of some £458k of designated reserves, for the specific purposes for which they have been set aside.

NTW generated income of some £421k from sources other than its ACW core grant, a decrease of some £279k or 40% on the level achieved in the previous year - evidencing the impact of the pandemic on income generation. In pursuit of the company's ambitions to further diversify its income generation, this represented a proportion of 21% of total income (compared to 30% previously).

The company continues to apply the majority of its expenditure directly on its creative and artistic activities. In 2020/21, this amounted to some £1,219m or some 73% of its total expenditure.

Theatre Tax Relief (TTR) credits of some £47k were generated in the year. This takes the total income generated from this source over the past seven years to some £784k, all of which is reinvested in current and future productions.

The 2021/22 financial year is scheduled to see a return to a full year of production activity - initially in a filmic form and then via a return to live performance. It also sees the beginning of the company's involvement in the 'Galwad' project, as part of the 'Unboxed' festival - a project that attracts some £5m of funding over the period to December 2022. In an important post balance sheet date development, the UK Government has also announced an increase in rates of TTR credits - doubling with effect from October 2021 until March 2023, before tapering back to previous levels by April 2024. Taken together, these factors are expected to contribute to a positive impact on the company's financial performance measures.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Objectives and core values

National Theatre Wales (NTW) was created in 2008 with the overall goal of developing and enriching English language theatre in Wales, and in doing so promote and assist in the advancement of the education of the public so far as this shall be charitable. Conceived as a flexible, non-building based organisation, the company was set up with the following key aims:

- Offer radical and imaginative theatre choices both in the selection of plays and in production styles
- Connect with Welsh audiences and make world-class theatre more accessible, especially to those who do not currently attend mainstream theatre.
- Introduce more and varied directorial voices.
- Facilitate a spirit of collaboration and coordination.
- Create or broker relationships between playwrights, directors, companies and theatres.
- Drive up quality and excellence.
- Raise the international profile of the best work being created in Wales.
- Focus on the identification and nurturing of talent.
- Reflect and comment upon the culture and society of Wales, past and present.

Since our inception in 2009, NTW has presented almost a hundred powerful productions that are nationally significant, ranging from the intimate to the epic. We have created work of lasting impact and global reputation, garnering critical acclaim for notable works such as *The Passion* (2011), *Coriolanus* (2012), *Mametz* (2014), *The Insatiable*, *Inflatable Candydion* (2015), *City of the Unexpected* (2016), *We're Still Here* (2017) and most recently *On Bear Ridge* (2019).

We have established National Theatre Wales as a radical and innovative national company with a reputation for:

- Creating exciting new productions in unexpected places on a wide range of scales.
- Bringing dynamic combinations of artists together to challenge and inspire each other.
- Pioneering online initiatives grounded in a user-led digital community.
- Supporting and encouraging artists at a variety of stages in their development, open to emerging artists and new voices.
- Networking UK wide and internationally to achieve a new level of critical and artistic awareness for theatre in and from Wales.
- Expanding definitions of what theatre is and of what a national theatre can be.
- Being a truly national theatre: relevant, accessible and embedded in communities.

We continue to focus on the creation of new Welsh work of the highest quality, playing to our strengths in staging site-located, multi-disciplinary productions that take place across Wales and online in addition to theatre-based work.

Our impact

In our first decade, we engaged with 314,000 live audiences and over 2.5m through online and television broadcasting engagements, as well as almost 60,000 community participants. We have helped to foster an ambitious theatre culture in Wales and helped to catalyse theatrical activities in Wales beyond our own output.

An impact review by Wavehill demonstrates that NTW has made a significant positive impact on:

- Communities in which it has staged productions.
"*...taking high-quality theatre across the country and into some of the most deprived parts of Wales. There is also some evidence of sustained participation in areas wherein ... NTW has worked closely with local communities to reflect their stories and identities in theatre*".
- The Welsh economy.
"*...including on those communities in which productions have been staged. NTW has also had an impact in drawing over £2.1m into Wales from external sources, including prestigious and unprecedented support from Esmée Fairbairn and Paul Hamlyn Foundation funding. Along with the rest of the creative industries cluster, NTW has had a positive impact in promoting Wales throughout the UK and beyond*".
- The theatre sector in Wales
"*... with its best work gaining recognition as being of the absolute highest quality. It has helped to develop theatre practitioners who have gone on to success elsewhere, both within the UK and internationally contributed to the development of a strong theatrical community in Wales, sparking innovation and collaboration beyond the work that it directly stages*".

Our previous Strategic Plan covered the period 2016-2019 and aimed to build on the strength of the work we had undertaken to date, whilst articulating our offer to artists, audiences and the nation of Wales clearly and transparently and setting the direction for our future development.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Objectives and core values

We completed the development of a new Strategic Plan, covering the five-year period from 2020 to 2025. In developing the Plan, the company engaged upon a wide-ranging consultation exercise with staff, our Board, and TEAM Panel members, a Theatre Makers Working Group, collaborators and stakeholders, members of our audience and other interested parties. The Plan was approved by the Board in March 2020. Within days of its approval, the social distancing and other restrictions introduced in response to the COVID-19 pandemic placed the company and the whole sector into a completely new environment, the implications of which (short and longer term) are still being assimilated and considered. The company is undertaking this work both internally and externally, as part of sector-wide conversations. This has resulted in the company reviewing the Strategic Plan in the light of developing circumstances, and concluding that a shorter-term 2022-2025 version should be created. This Plan will reflect the ongoing uncertainty and a renewed vigour to address inequality within the sector and the climate emergency, as heightened by recent global events such as the murder of George Floyd. Initial work on the new Vision, Mission and Values has commenced and will inform the fully formed strategy being created during 2021/2022. This will highlight a shift from place-making to change-making, where we harness the power of Wales' stories, people and places to collectively imagine and shape a more equal, sustainable and environmentally just Wales. The paragraphs that follow will outline the strategy as it's currently developed.

Our Vision

Making theatre matter as a force for change. Harnessing the power of Wales' stories, people and places to collectively imagine and shape a more equal, sustainable and environmentally just world.

Our Mission

We do this by connecting and collaborating with audiences, communities and theatre makers to:

- Tell the stories and amplify the lived experiences of Wales, exploring the challenges of our times to inspire change.
- Place equality, social and environmental justice and well-being at the core of what we do.
- Create essential and extraordinary experiences together that connect us locally, nationally and globally.

Our Values

Our values are our guiding principles that underpin all our work and the detail of our Plan.

- **Connection** | We pursue connection through everything we do. We believe in it as a route to shared belonging and collective identity. We convene, gather and listen. We share ideas, stories and imagine futures together.
- **Courage** | We are bold in our ambition, brave in embracing risk and vulnerability to fail as a means to move forward. We stay focused, we recognise that the spaces that feel hard and uncomfortable are often the moments where change happens.
- **Authenticity** | We are open and self-reflective; we challenge our own assumptions and default behaviours and encourage individuals to speak their truth. We make space for individuals to bring their true and whole selves to work with us.

Our Work

We continue to channel our activity through our three fundamentally interconnected areas of work. Each plays a vital part working with and connecting communities, theatre makers and audiences:

- **Collaboration:** Through TEAM we continue to develop and deepen our partnerships with communities and individuals across Wales and Internationally. We seek to catalyse change by boosting the power of communities; channelling stories and experiences through a network of voices traditionally excluded from cultural activity.
- **Creative Development:** Our Creative Development programme focuses on opening up pathways and providing support and development opportunities for remarkable theatre makers and collectives.
- **Production:** As a theatre without walls, we are empowered by an incredible mandate to bring performance to new places and in new forms. We are committed to creating popular, accessible, meaningful theatre that connects audiences with the gamut of emotional experience, entertaining and challenging us in equal measure.

During 2021/22, we will develop supporting cross-cutting strategies for all three of these core areas of Our Work.

Our Aims

In order to enact our Vision and Mission and inspire change, we will:

- **Our Ethos:** Create a reflexive culture of listening and belonging across all our work, centring audiences, communities and theatre makers to ensure their needs and perspectives actively shape our decision-making and are represented in all our activities.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Objectives and core values

- **Our Work:** Produce a world class, cohesive, bold and accessible programme of theatre making, embodied by courageous production, collaboration activity and creative development practice that catalyses and provokes change through transformational experiences.
- **Our Reach:** Build new audiences for theatre in Wales, and make theatre relevant and of deeper impact to more people, especially young people and those who experience racism, ableism and poverty.
- **Our Commitment:** Prioritise anti-discrimination and social justice across all our processes and projects, including a renewed focus on our environmental responsibilities. Building a culture of self-analysis to ensure our decision-making values every activity on its ability to contribute to building a more equal, sustainable and environmentally just Wales.
- **Our Responsibility:** Diversify our income, grow our unrestricted revenue and maximise the impact of the public's investment in the arts through the experiences and opportunities we create for audiences, communities and theatre makers.
- **Our Identity:** Explore national identity to amplify the difference and multiplicity of experiences in Wales and of being Welsh. Examining what it means to be human, here and now, to connect us with a global audience united by universal experiences.

Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

NTW aims to belong to all the people of Wales, regardless of age, location, or theatre-going habits. The company aspires to nourish and inspire all the people across Wales and to link the nation with world-class theatre making and cultural aspiration. Not being based in a building enables us and our work to be truly located in the part of Wales where we are making the work, laying roots and leaving our mark before and after the theatre event. Learning and participation is embedded into the core of all our work, and engagement with the community we are working within is key to the entire process of making and performing our work. The work we make is all new, and all inspired by the stories, people, places and dreams - past, present, future - that we encounter, explore and encourage across Wales.

Our capacity to bring people together; to create, to feel, to imagine and be inspired by the stories of Wales is the fundamental role we can play as its national theatre. Shifting from a founding vision of placemaking to changemaking, the heart of NTW remains unaltered: we hold a core belief in the power and creativity that exists in our nation's individuals and communities, waiting to be harnessed by theatre. We believe that access to this tool as an expression of experience, story, identity, empathy and shared belonging is a fundamental human right for every person in Wales

We reach beyond the borders in our communication about the work, ensuring that once marginalised theatre activity and awareness is pushed onto the radar across the British Isles and internationally. We partner with a huge range of bodies and organisations to push and pull leading theatre practice in and out of Wales, providing the people and artists of Wales with an engaged and informed creative dialogue.

Our entire operational system is set up to be open and engaged with the public. Our online presence aspires to be the leading National Theatre web resource, based on a truly interactive and conversational relationship with the public. Alongside a conventional website, which offers an extensive range of facilities and uses to the public, we run a social network site where members can speak to one another, share skills and ideas, react to the work, inform us of events, etc. It is a home for our audience in the absence of a building and a major resource of information and activity.

Our office is a shop in a high street arcade in central Cardiff. In usual times it has an open door policy and the ability for the public to drop in at any time. We have hot-desk space for artists to congregate, work, get online and operate alongside us, whether they are actively in production with us or not. However, at the moment our office is shut to the public and all staff are continuing to work from home in accordance with Welsh Government advice in response to the pandemic.

With support from Paul Hamlyn Foundation (PHF), NTW has established a TEAM ambassador programme. It is led by the Director of Collaboration, supported by roles of TEAM Manager and TEAM Administrative Assistant, as well as freelance TEAM Associate roles based respectively in Pembrokeshire and North East Wales.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES
ACHIEVEMENTS AND PERFORMANCE

NTW's 2020 season was due to celebrate 10 remarkable years of developing extraordinary theatre and enabling theatre makers in Wales to realise their ambitions. The season placed theatre makers who had grown with the company centre-stage, celebrating a decade of NTW's commitment to supporting and championing theatre makers from early career talent to established creatives. The first task of incoming Artistic Director Lorne Campbell upon arrival, however, was to support the company through the challenge of the Coronavirus and a reworking of its imminent plans.

During 2020/21 the live performance sector in Wales and the UK has faced crisis owing to the Covid-19 pandemic, a series of lockdowns and the ongoing presence of restrictions on our day to day lives, including gathering together in places such as theatres, that we would never previously have imagined possible.

Despite the challenges that presented themselves we were thrilled to be able to proceed with one of our year 10 productions as planned:

Cardiff 1919: Riots Redrawn by Kyle Legall had always been conceived as an online work and, whilst the creative process was affected by social distancing, the project was launched successfully. It has proved to be an evocative digital experience, combining spoken text and illustration to conjure up the atmosphere, people and places involved in a shocking moment of racial conflict and violence on the streets of Cardiff. This unique collaboration has attracted significant media coverage and been viewed by over 2,000 unique visitors.

'It is a stunning synthesis of years of hard work, research and creative practice by Legall and the team at National Theatre Wales.' Yasmin Begum, Planet Magazine

Other productions were temporarily paused before being reimaged across different platforms for 2021/22 (*Go Tell the Bees and Frank*) and beyond (*Balloon Girl*).

In addition, the company embarked upon a number of new productions.

In the early weeks of lockdown we moved rapidly to create a new programme of digital work, *Network*. It was our feeling that, despite the crowded digital landscape, it was vital for us, as a National Company, to continue to provide the opportunity and impetus to create and perform, championing theatre-making during the lockdown, albeit through a different medium. *Network Play Readings*, in collaboration with Sherman Theatre, enabled Welsh directors, actors, and designers, with full support and funding to deliver readings, while providing a platform to share homegrown work alongside contemporary classic titles, some of which were yet to be performed in Wales. *Network Digital Commissions* in partnership with Theatr Genedlaethol Cymru provided an open call opportunity for new commissions to make Live Theatre in digital spaces - theatre that helped audiences, communities and theatre-makers to come together despite being kept apart.

Network attracted an audience of over 7,000 people from Wales and beyond. It was successful in meeting our desired aim to provide immediate creative employment by recruiting five stage managers for a total of 30 weeks work and two technicians for a total of 15.5 weeks work, providing 22 performers with 90 days of work, and hiring 36 creatives for a total of 265 days.

In February 2021 we undertook a live audio project, with Rakie Ayola reading from *Dat's Love & Other Stories*, Leonora Brito's perceptive and spirited short stories about life, love and family from the point of view of Black and Mixed Race women from Cardiff Docks and beyond. Directed by Lorne Campbell and captured live in three parts, over three nights, these intimate readings featured original music from Imran Khan and illustrations by Butetown artist Kyle Legall, also captured live from his studio in the Bay. We worked with BBC Radio 4, Culture in Quarantine season to generate a radio edit - titled *Stripe by Stripe* - which was accessed by over 12,500 listeners via BBC Sounds alone. We also released a video version via AM and other platforms.

Following an initial open call and selection, as one of the 30 teams to engage in a three month R & D phase, February 2021 saw NTW act as the lead partner in a pitch to Festival UK* 22. Festival UK*22 (now known as UNBOXED: Creativity in the UK) is a collective of ten large-scale public engagement projects designed to showcase the UK's creativity to the world. Working across STEAM sectors in Wales, Collective Cymru's bid will use the Well-being of Future Generations (Wales) Act 2015 as the inspiration for an ambitious production that will encompass world-building, inclusive co-design, immersive mobile technology and TV Drama. Futures thinking in science, and live performance will collide to produce an experimental and inspiring form of transmedia storytelling in September 2022.

REPORT OF THE TRUSTEES
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OBJECTIVES AND ACTIVITIES
ACHIEVEMENTS AND PERFORMANCE

Collaboration (TEAM)

('Supporting a local, national and international movement to act as a catalyst for change in the arts')

Go Tell The Bees

Co-Creators Naomi Chiffi, Almir Koldzic, Gavin Porter and Julia Thomas continued to connect with the local community - despite the lockdown - via online films and activities for families to undertake at home. An incredible online Procession took place in June 2020 and was viewed by over 2,800 unique users.

Sea Empress 25

Sea Empress 25 is a film made by Gavin Porter, in partnership with Pembroke based Postcards and Podcasts, to mark the 25th Anniversary of the Sea Empress oil spill disaster. Following a call out, the film contained interviews with 16 people from Pembrokeshire including fishermen, surfers, journalists and an ex-MP, who all witnessed the disaster first hand.

The Learning Hive

We launched our Learning Hive - a bank of learning resources connected with *Go Tell the Bees*, aimed at Key Stage 2 and 3, in collaboration with Counterpoint Arts (a leading national organisation in the field of arts, migration and cultural change).

Wrexham

During lockdown our work with the homeless community in Wrexham continued. Our Connection Callout encouraged people to connect with the homeless through letters, stories and art.

The Agency Rapid Response

The Agency, working with people aged 15-25 in the Butetown, Grangetown and Riverside areas of Cardiff, was reimagined in a socially distanced way where a group of dancers created a series of 'pop up' performances called 'The Sunset Show', which took place across Grangetown. The *Worlds on Waters* group from the previous year created a book of their work.

Creative Development

('Developing confident and innovative artistic talent in Wales')

BBC/NTW Wales Writer in Residence

Rhiannon Boyle was selected as the 2020 Wales Writer in Residence from a competitive open call, spending a six-month residency at both BBC Wales and National Theatre Wales, where she developed a new play with financial and creative support from the staff team and the company's networks.

Weston Jerwood Creative Bursary

Llanrumney-based artist and organiser Fahadi Mukulu joined NTW in early February 2021 to begin a year-long Associate Director placement co-hosted with Common Wealth Theatre as a Weston Jerwood Creative Bursary.

Supporting freelance theatre makers

During 2020/21 a cross-departmental staff group met weekly to discuss long-term structures we could put in place to better support and be sensitive to the needs of our extended community of freelancers. They also worked in consultation to create a more dynamic Strategic Equalities Plan, prioritising theatre makers with lived experience of racism and ableism. In addition we sponsored Angharad Lee to be a representative on the UK wide Freelance Task Force and undertook the following activity:

Time = Money bursaries

In July 2020, with support from the Esmée Fairbairn Foundation we created the *Time = Money* bursaries, to support artists and workers in the performing arts in Wales from communities that are more at risk of dropping out of the industry due to the impacts of the pandemic. Our open call attracted 96 applications. A cross-section of NTW staff shortlisted the applications, followed by an independent panel which decided to award 14 bursaries of £2,500 each. The artists selected were: Connor Allen, Kathryn Ashill, Stephanie Back, Nerida Bradley, Luke Hereford, Jacob Hughes, Jane Lalljee, Krystal S. Lowe, Bevin Magama, Sarah Louise Madden, Kel Matsena, Francois Pandolfo, Mehdi Razi, and Angharad Tudor.

Gratitude grants

In December 2020, as a response to the sudden loss of work for many in our freelance sector, we created gratitude grants for theatre makers. We identified 39 freelancers who we had worked with at least twice in the past three years and might have reasonably expected to work with us again during the initial period that theatres were closed. The grants were offered to 39 people, of whom 27 freelancers were paid one-off grants of £500, whilst 12 people opted to 'pay forward' the support and this money was rolled over into a training bursary.

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FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES
ACHIEVEMENTS AND PERFORMANCE

Training Bursary

We identified that theatre makers might benefit from upskilling or completing extra training in order to stay in the industry post COVID-19. After an open call for applications, nine people were awarded bursaries of between £200 - £1000 to pursue training that would make them feel more secure as arts professionals after the pandemic. The bursaries were awarded in March 2021 and the training was completed by the end of 2021.

Free training for freelancers

As well as the training bursaries, we ran free training sessions online for freelancers in March 2021. These sessions were delivered by freelancers we work with and our own core staff. Building a website, delivered over two online sessions for 17 participants, Finance for freelancers, was delivered in one online session for 10 participants and the NSPCC Introduction to Safeguarding, accredited training through the NSPCC website, was made available to 20 participants.

Support for acting graduates

Early career actors had their training curtailed by Coronavirus. Many set to graduate missed out on final productions and showcases; invaluable opportunities to connect with the industry. In response, we led the Welsh sector in reaching out to graduating actors who are Welsh or training in Wales. We invited them to introduce themselves, one on one, to cultural leaders, creatives and theatrical agents from across the nation. We scheduled over 100 general meetings for graduates from Royal Welsh College of Music and Drama, Trinity Saint David's and Atrium, and for Welsh actors studying all over the UK. The following companies joined us, and conversations resulted directly in three offers of employment and two of representation; Theatr Genedlaethol Cymru, Torch Theatre, Arad Goch, Frân Wen, Sherman Theatre, The Other Room, Emptage Hallett, Regan Management, Shelley Norton Management and Theatr Clwyd.

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FINANCIAL REVIEW

The statement of financial activities for the company is shown on page 23. During the year, the group made a surplus on unrestricted funds of £368,368 (2020: deficit £323,544). This wasn't an unexpected outcome for a year in which most of the company's production activity was deferred due to the impact of the COVID-19 pandemic (some £133k was spent directly on productions during the year, as opposed to some £647k originally budgeted). The closure of the office, in accordance with Welsh Government advice for staff to work from home, saw savings made on office overhead costs, whilst travel restrictions in operation during the year meant that expenditure on staff expenses was also below budget. However, aside from these savings and deferrals in expenditure, the pandemic also saw a significant impact on the group's ability to generate income. Originally budgeted production income of some £226k, from box office receipts and partner contributions, failed to materialise, due to the deferment of the shows in question, whilst donations income of some £17k was achieved, against an original budget of £50k, and TTR credits, at some £47k, were also down on the originally budgeted figure of £83k due to the deferment of the productions in question. Staff turnover also contributed towards expenditure savings during the year.

As at 31 March 2021, the company's free reserves amounted to £251,901 (2020 £345,110). This figure remains above the guideline level set in the group's Reserves Policy (see later in the report). The group's budget strategy for 2021/22 currently projects the application of £92,632 of free reserves, in support of its activities, which will lead to a forecast balance of some £159,000 by the end of the financial year, which is below the target set in the Policy but in accordance with its operational limits. The restoration of the balance towards the target will be a priority for the use of funds that do become available during the 2021/22 financial year.

Also included within the total for General Reserves, as shown in the balance sheet on page 24, are designated reserves of £545,523 (2020: £78,782).

The group's financial results have allowed it to designate funds at the end of the financial year for agreed purposes. These designations amount to £514,132 in total, with most of that amount being set aside to support productions, creative development and marketing (website/CRM development) purposes, as well as the introduction of Springboard Bursaries and the implementation of organisational staffing review changes. During 2020/21 designated funds brought into the year were applied for the purposes of creative development and marketing. At this point, it should be noted that the group's plans for 2021/22 project further application of these funds in support of its budget strategy, with a forecast year-end balance of designated funds of approximately £174,000.

The balance of General Reserves of £8,880 (2020: £14,044) is accounted for by a fixed asset related designated fund, which matches the net book value of fixed assets in the balance sheet.

The financial year 2020/21 saw Corporation Tax-related Theatre Tax Relief credits continue to contribute to the group's finances. The claims are submitted via the company's wholly-owned subsidiary, NTW Productions Limited, and as mentioned earlier there was one production claimed for - 'Hail Cremation!'. That any TTR income was generated at all was because a claim was due to be submitted for the production of 'Hail Cremation!' that was abandoned in March 2020, at the time of the original lockdown and imposition of social distancing restrictions. (The claim had originally been deferred in the hope that a restaging may be able to take place during the 2020/21 financial year, but this did not prove possible). This year's accounts recognise an amount of £46,802 being claimed in this regard (2020: £91,937). As is always the case with TTR, the claim has yet to be submitted to, or settled by, HMRC at the time of accounts production. This means that there must still be considered an element of uncertainty in terms of the quantification of this relief.

The applications of reserves and the designations of funds referred to in this report reflect NTW's continuing policy to prioritise reinvestment in creative activities in the use of any available reserves. The level of reserves remains an achievement in the light of the challenges of the pandemic and the funding reductions that have occurred in recent years and owes much to robust financial management - although the caveats regarding the value of TTR credits need to be considered when viewing this level of reserves.

The financial year 2020/21 saw NTW continue to receive core grant from ACW as part of the latter's commitment to funding NTW as part of its core portfolio group of annually funded organisations, to which it commits funding from its Welsh Government support, with the level of such funding continuing to be subject to annual confirmation. The current round of funding commitment was due to come to an end in 2020/21, with NTW due to make its submission for future funding as part of ACW's Investment Review. However, the impact of the pandemic has caused ACW to postpone its review and, as a result, existing portfolio commitments have continued. At this point, the company would like to put on record its appreciation of the approach adopted by ACW in maintaining its funding commitments throughout the pandemic. This, together with the underlying strength of the group's finances, and its (non building-based) operating model, have helped ensure that NTW has been able to meet the financial challenges of the pandemic without recourse to emergency funding. For 2020/21, ACW provided core support to NTW to the value of £1.624m (2019/20 £1.606m).

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Although the group did not apply for any emergency funding, it was in receipt of certain unrestricted grants and other relief that related to the pandemic. Most significant of these was an award of £46,992 received from the Esmée Fairbairn Foundation (EFF). This funding was offered at the discretion of EFF Trustees, with similar offers being made to all other organisations within its grant portfolio. The funding was utilised by NTW to provide support to the freelance sector, in the form of Time=Money bursaries. Support was also received from Cardiff Council in response to the pandemic. Initially this took the form of a business rates holiday on the company's property at 30 Castle Arcade, and was followed by a subsequent Business Rates Relief grant of £10,000 - both forms of support being made in accordance with the Welsh Government's COVID-19 Support for Business. With regard to the funding made available by the UK Government, through its Job Retention Scheme, the company reclaimed £14,107 in furlough support from HMRC, which related to two individuals furloughed for a period of months from June 2020.

In 2020/21 the company continued to be successful in obtaining ring-fenced grant funding from a number of sources, including charitable foundations and public bodies, to finance a range of projects and initiatives. In 2020/21, such grants totalled £179,685 (2020: £331,535). The drop in funding from this source during 2020/21 particularly reflects the EFF funding of Creative Development Framework activities coming to an end at the conclusion of the previous financial year (though some residual funds continue to be held, in a ring-fenced reserve, and spent accordingly). The deferment of productions from the 2020/21 financial year also caused funding from this source to be lower than had been previously projected.

The most significant element of this funding was provided by PHF, an organisation that has long been supportive of the company's activities. Funding from PHF for the company's TEAM programme amounted to £99,795 during the year (2020: £100,206). The current funding approval with PHF was due to run for a four-year period, ending December 2021, but has subsequently been extended for a further year, to help the company manage the impact of delays caused by the pandemic. The funding will now cease with effect from December 2022, albeit that the funding for 2022 is at a lower level of £65,000.

The company is extremely grateful to both PHF and EFF for the support that they have provided for its activities over the majority of the last decade. By the time that the current PHF funding approval comes to an end, in December 2022, PHF will have provided more than £1m of funding to NTW, whilst that received from EFF currently amounts to some £814k. The extent of the funding received from these prestigious sources is an indication of the positive relationship and reputation that the company continues to maintain with both, drawing funding into the Welsh economy as a result. Conversations continue to be had with both PHF and EFF to discuss how those relationships can be maintained in future, and in what form.

Specific project funding was continued to be received from the Andrew Lloyd Webber Foundation (the final year of a three year approval) towards the costs of the company's Emerging Directors program, to the value of £6,000 (2020: £6,000). New project funding was obtained associated with 'Go Tell the Bees', in the form of a grant of £2,500 from the Bluestone Foundation and £1,000 from Pembrokeshire Association of Voluntary Services, both relating to the Simple Acts call for social change that formed part of that project.. There was no income received from either of these sources in 2019/20.

Funding linked to partnership working on the company's part included that received via Battersea Arts Centre (2021 £49,520; 2020 £63,333) in respect of The Agency project (the company's partnership with Battersea Arts Centre (BAC), Contact Theatre, People's Palace projects and FabLab Belfast, funded by the Big Lottery Fund. Initially approved for a three-year period from September 2017, this project was also extended, to December 2020, with associated funding provided. Some residual funds continue to be held, in a ring-fenced reserve, for follow-up activities associated with this project and will be spent accordingly.

A further source of partnership funding related to the Creative Europe project (2021 £12,870; 2020 £4,629). This project was funded by the European Union, over a three-year period to 2020, with a French partner (Theatre Granit Scene National de Belfort) being the lead organization and other partners coming from Portugal and Romania. At the conclusion of the 2020/21 financial year only the final audit and financial settlements remained to be completed.

A new source of partnership funding relates to the 'Far Apart but Close at Heart UK' project funded via People's Palace Projects (2021 £8,000; 2020 £nil). This is a multi-partner research study the company is taking part in. It is led by People's Palace Projects, in conjunction with the Unit for Social and Community Psychiatry at Queen Mary University of London, Battersea Arts Centre, Contact Theatre Manchester, Dirty Protest and Royal Theatre Stratford East. This project is also run in parallel with a sister project in Latin America.

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In the context of ring-fenced funding, it is appropriate to mention one source of such funding that came in the form of a commissioning fee, as opposed to a grant. NTW heads up a partnership of organisations, collectively known as Collective Cymru, that came together to submit a bid to Festival 2022 (since renamed the Unboxed Festival). The organisations involved include Centre of Alternative Technology, Clwstwr, Disability Arts Cymru, Ffilm Cymru, Frân Wen and Sugar Creative, whilst community partners are CellB, Citizens Cymru, Disability Arts Cymru, Ethnic Minorities Youth Support Team (EYST) and Merthyr Tydfil Leisure Trust. During the 2020/21 financial year the company received fees of £99,957 (2020 £nil) from Festival 2022 for the purposes of working up a full business case bid for a project culminating in the Autumn of 2022. Notification was received in March 2021 that the bid had been successful and work on the project (now known as 'Galwad') commenced with effect from April 2021. The project will culminate in a series of events to be staged in September 2022, with the project itself coming to a conclusion by December 2022. This project will be supported by commissioning fee funding of some £5m - provided initially by Festival 2022 and then Creative Wales.

As at 31 March 2021, restricted funds of £116,271 (2020 £117,672) were being carried forward. It is anticipated that many existing ring-fenced reserves are likely to be fully applied by 31 March 2022, as previously approved projects move towards their planned conclusion. Budget forecasts indicate a balance of some £46,000 likely to remain, mostly associated with the continuing PHF project, as well as the National Companies' consultancy project.

(With all projections contained in this report, the caveat must be applied that any reintroduction of COVID-19 related restrictions would likely delay the completion of some projects and result in higher balances of funding being carried forward).

The group continues to seek to develop its income streams through developing relationships that will encourage sponsorship and other forms of fundraising, and seeking grants from other funding bodies, in addition to increasing the level of income generated through box office receipts. Income from sources other than ACW core funding was lower at £421,312, than it had been in 2019/20 (£699,969). With the reduction in production activity during the year, due to the restrictions of the pandemic, this reduction is unsurprising and has impacted several income sources including box office receipts, grants and contributions from co-production partners. It has also impacted the value of Theatre Tax Relief credits, such funding being markedly influenced by the nature of the artistic programme undertaken in a particular year.

Diversification of funding sources, so that core funding represents 60% or less of total income, represents one of the group's strategic targets. During 2020/21 some 21% of funding was obtained from such sources. This is a reduction on the 30% achieved in 2019/20 and lower than levels in excess of 40% that had been achieved in some previous years. The performance of this measure is another that can be markedly influenced by the nature of the programme undertaken and, consequently, fluctuate from year to year. As such, it is another area where the production deferrals brought about by the pandemic have had a major influence.

At £1.678m the group's expenditure levels decreased significantly, by some 36%, in 2020/21, when compared to the previous year. Again, this is illustrative of the impact of the pandemic restrictions on activity levels.

Within its turnover, the focus of the Company's expenditure will continue to be on its production, artist development and engagement related activities - with expenditure on creative and artistic activities currently accounting for some 73% of total expenditure. In spite of the impacts of the pandemic the company has succeeded in maintaining previous performance levels in this regard (2020 71%; 2015 to 2020 average 73%).

As activity levels recover during the 2021/22, and new funding streams come into being, each of the above metrics are projected to improve in the coming financial year.

Reserves policy

In accordance with good corporate governance and Charity Commission guidelines, the company has always maintained a target minimum level for free reserves.

The company holds reserves for a number of reasons. They help provide short-term cash-flow to allow expenditure to be incurred ahead of income being received; they can provide contingency to help mitigate the impact of unexpected/unforeseen expenditures; they assist budget management, by allowing pressures to be dealt with, or investment in services made, whilst a longer-term solution is found; and they can help commitments to be met in the event of a cessation of funding.

In summary, the holding of reserves helps to provide liquidity, security and underwriting. It provides a transparency that provides increased accountability to funders and stakeholders and gives them confidence in the financial management of an organisation. In doing so it makes a positive contribution to the reputation of the organisation in terms of it being seen to manage funds properly and prudently.

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The company's current Reserves Policy was set following an evaluation process taking into account a number of factors including an assessment of three month's spend, identified areas of financial risk and the 'run off' costs that would need to be met should the company cease trading due to a loss of core funding. Following this review, the company revised its target level accordingly (from £150,000), and now operates with a target level for free reserves of £200,000, comprised of a General Reserve of £150,000 and a Working Reserve of £50,000. The General Reserve is intended to be the company's core reserve, providing a contingency in the event of any unforeseen events, and any decision on the use of this reserve rests with the Trustees. The Working Reserve is intended to provide the scope to manage short term budgetary issues on a day to day basis, without having to obtain specific authorisation from Trustees, and is managed by the Senior Leadership Team within these parameters.

The review of the company's Reserves Policy also encompassed a codification of the process for the management of all the company's reserves.

The company keeps its target levels, and performance against them, under regular review. The sufficiency or otherwise of reserves levels are the subject of regular reports to Trustees and form an integral part of budget processes. The company is also committed to a thorough re-assessment of the target levels on a regular basis.

Within the context of its Reserves Policy, the core of the company's philosophy and priority will continue to be to re-invest any available reserves in its artistic and creative activities.

As mentioned earlier in this report, the level of free reserves as at 31 March 2021 is in excess of the company's target figure. The extent to which the target is exceeded is considered reasonable and within the company's financial parameters, with the application of reserves approved as part of the 2021/22 budget strategy bringing their level below the target level, but within operational parameters.

Pension

The company has in place a group personal pension scheme, on a defined contribution basis, administered by Royal London (formerly Scottish Life). The company makes agreed employer contributions to the scheme, on a monthly basis. These were at a rate equivalent to 5% of gross salary throughout the 2020/21 as they were in 2019/20.

With the company having reached its staging date for pension auto enrolment as at 1 April 2017, all staff are eligible to join the scheme in accordance with the regulations applying to auto enrolment. From that date, all eligible staff have been automatically enrolled into the company scheme, following an initial period of postponement that accords with the regulations. They do have the opportunity to subsequently opt out if they wish, and similarly to opt to join the scheme sooner if they meet the statutory criteria. They also have the option of requesting to join if they don't meet the statutory criteria but wish to be part of the scheme.

Company employer contribution rates remained at 5% following the introduction of auto enrolment. Initially employee rates remained discretionary, as the employer contribution exceeded (2017/18) the minimum combined level (2%) required by The Pensions Regulator, whilst in 2018/19 it equated with the regulatory minimum level (which was being increased on a phased basis). However, as from 1 April 2019, the Pensions Regulator's minimum requirement increased to 8% which has meant that, with effect from that date, employees are now required to make a minimum 3% contribution.

During 2020/21 contributions were made in respect of all eligible staff joining the scheme. Where staff have yet to join the scheme, it has been the company's practice to set aside a provision to fund such costs when they do become due. With the introduction of auto enrolment such instances have become minimal, potentially occurring only where either the financial year end falls within the midst of an employee's postponement period or the employee's circumstances fall outside of the criteria for auto enrolment. Where the individual's status is likely to be determined within a twelve-month period from the balance sheet date backdated contributions are accrued for. Where it may be beyond that time, a provision is set aside. As at 31 March 2021 a nil provision (2019: £668) set aside for this purpose was in place.

As at 31 March 2021, 19 staff were members of the company pension scheme, equating to all those eligible to be so at that point in time. As of that date, there were no current employees who were not a member of the scheme. The company also makes contributions to the defined contribution scheme administered by Aviva on behalf of Equity, where it employs actors and stage managers who are members of the scheme. In accordance with industry conditions of service, and auto enrolment guidelines, the company made a contribution equivalent to 5% in the 2020/21 financial year, the same as in 2019/20, where it was applicable to do so. Scheme members contributed at a rate of 3% (3% in 2019/20).

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Business Planning

The company operates on a three-year planning cycle, with annual review and adjustments. Business Planning is initiated and signed off by the Board of Trustees at all stages, with input from key partners including ACW, Welsh Government and the theatre sector, and through assessment of the wider context for growth and development. Business plans combine a core of financially sustainable good practice with a context of visionary new thinking, in line with the founding spirit of the company.

Policies and Procedures

A series of company policies and procedures have been developed, and NTW will strive in all cases to produce policies and procedures which demonstrate best practice and can be used as a resource by other companies.

Strategic Development

The company has in place a fully adopted Strategic Plan covering the period 2020-2025 - the latest in a series of such plans that the company has put in place since its founding. The Plan includes a consideration of the company's plans, ambitions and objectives, the details of which are set out elsewhere in this report. The plan is an important tool for monitoring and evaluation of performance and forms a centrepiece around which other documents are set, including the company's budgets. As explained earlier in this report, the company has reviewed the Strategic Plan in the light of developing circumstances, and concluded that a shorter-term 2022-2025 version should be created to reflect the changed times. That Plan is being actively developed during the 2021/22 financial year, with a view to taking effect from April 2022.

Risk Management

The trustees have a duty to identify and review the risks to which the charity is exposed, and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

A risk assessment and risk management policy has been developed by the company. The policy comprises a matrix of identifiable risks, which are ranked according to their assessed probability and potential impact. This assessment takes into account the controls and mitigations that the company has in place to deal with the risks.

The policy analyses potential risks into five main areas, sub-divided into further categories. These are:

- External (public relations; political and environmental)
- Operational (staffing and human resources; financial; technological; building)
- Artistic and Production
- Governance
- Legal and Compliance (litigation; health and safety; compliance)

The areas of the company's operation identified as being of higher risk, via the risk assessment process, are kept under close review by the company's Senior Leadership Team. Relevant risk factors are identified and appropriate means of mitigation put in place, where it is possible to do so. Risk management is also the subject of regular reports to each meeting of the People and Policies Sub Committee.

The most recent risk analysis does not identify any areas of assessed high risk. The most significant areas of risk identified within the analysis relate to staff capacity, income generation, artistic programming and the recurrence of medical emergencies such as COVID.

In terms of staff capacity, the company is currently leading the Collective Cymru group of organisations that is delivering the 'Galwad' project as part of the Unboxed festival. This is a significant project, with a budget of some £5m spread over the next two financial years. The scale of such a project contains a danger that core company staff will be drawn away from their usual activities to support it, to the detriment of the company's core activities. The company has put in place both backfill and direct recruitment arrangements in order to mitigate against this possibility. Wherever possible, individuals have been recruited directly to the project, whilst where the specific expertise of certain NTW staff is required to deliver the project, secondment arrangements have been put in place and staff time backfilled. Any additional costs incurred by NTW in delivering these support arrangements have been funded by recharge to the project budget. The governance arrangements of the project also ensure oversight on the part of the project. NTW's Artistic Director is a member of the project's Creative Executive, which is answerable to a Project Committee, which is chaired by an NTW Trustee. The Chair of the Project Committee reports to NTW's Chair of Trustees on a monthly basis, and the progress of the project is a standing item on the agenda of all NTW Board meetings and of the Finance Sub Committee. The company's Executive Producer also attends the Project Committee meetings.

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With regard to income generation, the risks identified related to the non-achievement of box office and fundraising targets, both of which are important components of the budget. The Audiences Department are involved early in programming discussions to ensure that strong marketing and engagement campaigns are delivered. These are subsequently evaluated for success with learning applied to the next show in development. The Audiences Department are also involved in discussion on pricing strategy and have recently engaged in an audience consultation process, in conjunction with partner organisations. Audience engagement also forms a key element of the company's Strategic Plan moving forward. With regard to fundraising the production of a Development Strategy, for existing and new income streams, is a key target for the next 12 months. The pandemic has changed the landscape for fundraising and it is vital that the company's plans reflect that.

On the question of artistic programming, it is crucial that the company's programme of work maintains an artistic vision which balances audience satisfaction, income targets and funder expectations. Likewise that it reflects the diversity of experience and cultures that exist within Wales. Such approaches are at the heart of the Strategic Plan that is under development.

The recurrence of medical emergencies such as COVID is a circumstance that is very much outside of the control of the company. What the company can do is make sure that it takes all reasonable precautions to avoid such incidents and make sure that its systems and processes are set up to deal with their consequences. The way in which it has navigated its way through the challenges of the current pandemic, which are set out in more detail elsewhere in this report, provides confidence that it is able to do so. Within this strategy, the provision of advice to staff on avoiding/minimising infection and the ability to ensure effective remote working are key elements, as is a robust financial management strategy.

From a financial viewpoint, the company has been in a position of relative strength with risk levels considered low. Two potential areas of financial risk are alluded to elsewhere in this report, with appropriate mitigations being in place for both. One is the reliance on ACW for core funding, and this report explains the company's efforts to reduce this via an increased diversification of income sources, not to mention mitigating any risk via a robust Reserves Policy and effective budgetary control. The other is the significance of Theatre Tax Relief credits following their introduction, and the uncertainties that exist until the settlement of claims, which can often be a significant time after a production has taken place (particularly those early in the financial year). The company's approach to reserves management helps mitigate the cash flow delays inherent in this process, whilst the Head of Finance leads on processes to ensure the integrity and accuracy of claims submitted (this includes making use of financial and legal advisors and industry bodies' advice where appropriate, as well as reference to HMRC guidance, and the implementation of a robust and consistent methodology).

From an operational perspective, the company's staffing situation remained fluid in 2020/21. Several fixed term and temporary contracts came to an end during the year, whilst the restrictions of the pandemic meant that some recruitment and appointment processes were undertaken later than had been previously planned. However, as the company has moved into the 2021/22 financial year this position has stabilised significantly. Most vacant positions are now filled with appointments on permanent contracts, whilst the Senior Leadership Team is also now at full strength following the appointment of a Director of Operations in May 2021.

During the last twelve months, the company has continued to comply with the legislative requirements of the General Data Protection Regulations (GDPR) and Welsh Language Standards Regulations and implemented processes to manage and ensure compliance with these regulations. It has also identified a need for further support in terms of Welsh Language Standards and has engaged a consultancy on a temporary basis to provide associated advice and guidance and review compliance.

COVID-19 Pandemic

The pandemic has obviously been the most significant event affecting the company's activities during the 2020/21 financial year, along with the consequences and implications of the lockdowns and social distancing restrictions that have been put in place by both the UK Government and Welsh Government to deal with it.

The remainder of this report makes a number of references to the impact of the pandemic on NTW, whether that be in terms of deferment of productions, reductions in income, savings on overheads or delays in appointments and the effect that these have had on the company's key metrics. This section will instead try to summarise the nature of the company's response to the pandemic and its challenges.

When the initial cessation of theatrical performances, and subsequent lockdown, occurred, in March 2020, the first action that the company took was the immediate cancellation of the production of 'Hail Cremation!', one week before it was due to open.

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FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

The next action was an immediate review of the company's finances in the changed circumstances. This was conducted by the Head of Finance, in consultation with the Senior Leadership Team, and the results conveyed to the members of the Finance Sub Committee. A revised budget was quickly drafted to reflect operational decisions that were being made in response to the pandemic. This included the deferral of some productions, a decision to put in place a series of digital commissions and play readings and the closure of the company's office (with all staff moving to work from home - a situation which continues to this day). This revised budget was swiftly approved by the Finance Sub Committee, and subsequently confirmed by the Board. Budgets have continued to be kept under close review, and revised where necessary, ever since - both through the remainder of 2020/21 and into the 2021/22 financial year.

The review assessed that the company's finances were secure and stable enough not to be under any immediate threat due to the consequences of the restrictions. Healthy cash flow and reserves positions, a consequence of many years of prudent financial management, together with the company's business model, in terms of a flexible approach to programming, and absence of fixed asset maintenance costs associated with the management of a venue, proved to be of benefit in this regard.

In a new environment of remote working, with all staff working from home, the company's investment, over many years, in digital systems and record keeping and a mobile workforce proved extremely beneficial as well.

Once initial decisions had been taken, the company engaged in a dialogue with its major funders - most notably ACW, as its main funder. ACW agreed to continue to honour its core grant commitments, in accordance with agreed timescales, which then meant that NTW would not need to seek recourse to emergency funding - allowing ACW to concentrate its resources on those in greater need. This support from ACW was hugely beneficial to NTW in enabling it to plan ahead with a degree of certainty, thanks to a major element of its income stream being secure. Conversations were also held with other major funders, most particularly PHF and EFF. Both were hugely supportive and made available additional funding, to extend the timescales of the projects they were supporting to make up for delays caused by the pandemic. BAC also did likewise, whilst other funders offered greater flexibility over the timescales for the use of funding already provided. NTW expresses its appreciation and gratitude for the support of all of these organisations during the period in question, as well as to Cardiff Council, which provided specific COVID-related business support.

As detailed elsewhere in this report, the company took the opportunity of the interruption to its production programme to innovate in terms of its digital presence. In the summer of 2020 we created a new programme of digital work, Network, whilst 2021 sees our first monetised live-streamed production, Possible. We have also taken the opportunity to reconsider our Strategic Plan in the light of the changed and challenging circumstances (details of which can be found earlier in this report).

It became clear early in the pandemic that many of those working in the sector were experiencing financial hardship as a result of the loss of work with theatres closed, especially the freelance community. As a result, the company determined to use its position, and access to funding, to support such individuals as far as it was able. As well as providing work opportunities, via the Network programme of work, it also provided direct financial support in the form of grants and bursaries, as well as directly funding training support for such individuals. More than £56k was contributed directly via such funding in 2020/21, as well as the 'in kind' commitment of staff time to administer the support. We have also budgeted a further commitment of £60k to provide similar support in 2021/22, via the Springboard Bursaries initiative, again supported by appropriate staff time.

Aside from the financial consequences of the pandemic, the company has also engaged in a number of cross-sector initiatives. These have ranged from lobbying for increased financial support for the sector and its workforce, through investigations into a new ways of delivering theatre in a post-COVID world to contributing to a number of unfolding conversations and actions driven by the Black Lives Matters movement, We Shall Not Be Removed and support for campaigns on behalf the freelance workforce. We also provided £6k in financial contributions to various networks and task forces in 2020/21.

Remuneration Policy

The company always seeks to appoint individuals with levels of experience and skills appropriate to the post in question, in order to ensure that the company delivers to the standards of excellence that would be expected of it as a national company.

In setting remuneration levels for its staff, the company takes account of the relevant market rates applicable for such requisite levels of experience and skills, whilst also being cognisant of the fact that it is a charity, and one that attracts significant levels of public and charitable funding. As such it seeks to achieve a balance between fair pay, retaining key staff to ensure the delivery of the charity's aims, the considerations of beneficiaries' needs, and the delivery of value for money in its expenditure on behalf of funders and other stakeholders.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

The company operates with a relatively small core team and assesses the necessity of all posts prior to their creation. The need for posts, and the appropriateness of their pay levels, is reviewed and assessed every time a post becomes vacant, whilst the company also periodically benchmarks its pay scales against prevailing market rates. All new posts created, and any variations to pay levels, have to be approved by Trustees, via the People and Policies Sub Committee and the Board itself.

NTW recognises that its staff are its primary asset in ensuring the delivery of its charitable purpose and is sensitive to broader employment issues. It pays its entire staff at living wage levels as a minimum. It abides by all relevant employment legislation and seeks to provide equality of opportunity and maintain workforce diversity.

The key management personnel of the organisation are considered to be the Chief Executive/ Artistic Director, and Executive Producer/Deputy CEO. Their pay levels form part of the Staff Costs disclosure (note 15) shown on page 32 of these accounts. The role of Chief Executive/ Artistic Director is the most highly paid member of staff.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

FUTURE PLANS

The coming year sees the completion of our NTW TEAM production *Go Tell the Bees* with a final film, reflecting the community connection of the past four years, co-created by Naomi Chiffi, Di Ford and Sita Thomas. Following socially distanced screenings across the summer and September in four Pembrokeshire locations, the film will be made available online via our own platforms. Further legacy events will then take place throughout 2021/22.

In addition, we will also be undertaking our first monetised live-streamed production at the Riverfront in Newport. Created and performed initially in June 2021 by lead artist Shôn Dale-Jones, this intimate piece of multimedia storytelling will then tour to venues across Wales in November 2021.

Finally, *Frank* has been reimagined by the Jones Collective and co-creators Jesse Britton, Buddug James Jones, Sam Jones and Frank Thomas, as a short film. Working in partnership with Natural Resource Wales and Plastique Fantastique the majority of the shoot will be undertaken and the edit will be completed in the Autumn of 2021. The film will be made available online in early 2022.

Further work in development for 2022 includes our bi-lingual co-production *Petula*, co-produced with Theatr Genedlaethol Cymru and August 012. *Petula* will tour in Wales at the mid-scale in March and April 2022. Now titled *Galwad*, the Collective Cymru project (forming part of the Unboxed festival) will be developing across art forms and across the nation ahead of the culminating broadcast, app and live event in September 2022.

As we turn our energies towards a programme of work for 2023 and beyond that will be informed by the vision outlined in our new strategic plan, along with the goals of our Strategic Equalities plan and our ambition to connect with the widest of audiences, our work in commissioning and developing theatre makers takes on ever greater significance. We are thrilled to already be working to develop potential projects with the following lead artists; Connor Allen, Faebian Averies, Kath Chandler, Seiriol Davies, Menna Elfyn, Daf James & Ben Lewis, Angharad Lee, Kyle Lima, Hannah McPake, Bethan Marlowe, Nige Barrett & Louise Mari, Tina Pasotra, Gavin Porter and Ed Thomas. We look forward to expanding this list further, with a view to a stronger invitation to D/deaf, disabled and neuro-diverse artists in particular.

Collaboration (TEAM)

(Supporting a local, national and international movement to act as a catalyst for change in the arts)

After securing an additional year's funding from the Paul Hamlyn Foundation, the current programme will continue until the end of 2022. With a focus on co-creation and cultural democracy this is our most ambitious project to date culminating in two NTW productions in Pembrokeshire (*Go Tell the Bees*) and Wrexham.

Wrexham

Developing the theme of homelessness, a subject chosen by the people of Wrexham, we will continue to work closely with our Wrexham TEAM Panel members, the wider north Wales creative community and our partner organisations to deliver our production in 2022.

Far Apart

Far Apart but Close at Heart UK is a research study overseen by Queen Mary University London. The study aims to explore how arts organisations in the UK support the mental wellbeing of young people during a global pandemic. The partners are Contact Theatre, Battersea Arts Centre and Theatre Royal Stratford East and it is run in parallel with a sister project in Latin America.

Creative Development

(Developing confident and innovative artistic talent in Wales)

Springboard Bursaries

Following the success of *Time = Money*, we have further evolved our Covid-19 response open bursary offer into *Springboard*. During 2021/22 NTW will be supporting 10 diverse artists with varied practice (Steph Back, Idrissa Camara, Chris Tally Evans, Sara Hartel, Sam Hickman, Hanan Issa, Jeremy Linnell, Kel Matsena, Durre Shahwar and Anushiye Yarnell). We will provide financing to help the artists with the development of small pertinent research projects as well as with mentoring and producing support.

Connect & Flourish grants

Natural Resources Wales (NRW) have secured an ACW Connect & Flourish grant to deliver a programme of hyperlocal artist residencies looking at environmental thinking and sustainable approaches to making work, in partnership with NTW and Gentle/Radical. *Hen wlad ein plant / Land of our children* directly builds on learning and relationships from previous creative development projects *Egin* and *Located Residencies*, and forms part of NRW's new Vision 2050 strategic plan. NTW will be running an open call for a diverse and multi-disciplinary group of pan-Wales artists in March/April, who will spend the summer developing relationships in their local areas and working with a group of seven mentors.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

FUTURE PLANS

Also secured through ACW's Connect and Flourish grant the *Future Archives: Heritage Seeds* project supports the formation of a Butetown arts collective 'Scribla' and the development of a close partnership with HEC: The Heritage & Cultural Exchange. The collective aim is to activate and add to the archive, re-imagining ways of presenting the archive that tells the story of Butetown/Tiger Bay and immigration to Wales. This is a partnership led by Art Shell with Glamorgan Archives, Wales Millennium Centre and Radio Cardiff.

BBC/NTW Wales Writer in Residence

Cardiff playwright and actress Faebian Averies was announced as the 2020/21 Writer in Residence on a BBC Radio Wales Arts Show Special on Sunday 6th December 2020, in a programme which featured performed extracts of the shortlisted writers' work and contributions from Lorne Campbell and Rakie Ayola. She has started her residency with BBC Wales and has been in conversation with NTW staff, and will be joining NTW to develop new work in the summer.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The National Theatre of Wales (NTW) was incorporated as a company limited by guarantee and not having a share capital on 9 September 2008. It is registered as a charity with the Charity Commission and regarded as such by HM Revenue and Customs.

Recruitment and appointment of new trustees

NTW was established in late 2007 with a core funding commitment from Arts Council of Wales and the Welsh Government. These two bodies advertised and appointed a Chair followed by eight further trustees in 2008. Membership is open to individuals, who apply in the form required by the directors, and are approved by the directors. Membership is non-transferable.

The company's Articles of Association state that:

A person appointed to the office of director for two consecutive terms shall, at the third Anniversary Board Meeting arising during his/her second term as a director, retire from office as a director and shall therefore be ineligible for re-election as a director for a period of two years unless the Board resolve that he/she may be eligible for re-election as a director for such further period not exceeding three years as the Board in its absolute discretion sees fit.

Where a director is re-elected for a third term pursuant to Article 2 above, he/she shall retire from office as a director by the third Anniversary Board Meeting following the passing of the resolution referred to in that Article. Any director who retires pursuant to this Article shall thereafter be ineligible for re-election as a director (for a period of three years).

As a result, having stood down and been re-elected to the Board in February 2011, the company's original trustees were subsequently subject to retirement in accordance with an agreed process of rotation. This occurred over a period of years, concluding in March 2016 with the retirement of the founding Chair of Trustees. This rotation approach ensured a continuity of management during the retirement process. During that process several new Trustees were appointed, including a new Chair in December 2016. A new series of retirements commenced in 2018/19, and a rotation process is again being adopted. As at 31 March 2021 a Board of ten Trustees was in place. The appointment of further Trustees, subject to a maximum of twelve at any one time, may occur as appropriate, taking into account the skills and experience of the individuals concerned.

Organisational structure

The Board of Trustees meets on a quarterly basis, and has established two sub-committees - a Finance Sub Committee and a People and Policies Sub Committee, which both also meet quarterly - with appropriate matters delegated accordingly.

The day-to-day running of the company is in the hands of a full staff team, headed by the Chief Executive/Artistic Director. A senior leadership team comprising the Artistic Director, Executive Producer/Deputy Chief Executive and Director of Audiences led the company during the year. with the newly-appointed Director of Operations supplementing their number with effect from May 2021. This team has delegated authority from the Board on matters of finance, recruitment, fundraising and artistic activity.

This company also has a wholly-owned trading subsidiary, called NTW Productions Limited, via which the delivery of its productions is transacted. The company pays a commissioning fee per production to the trading company that equates to the cost of producing the show, less any Theatre Tax Relief credit that the subsidiary is entitled to claim for the production. (All claims for such credits are processed via the subsidiary for reasons of accounting transparency). The trading company is overseen via a Board of Directors that currently comprises the company's Artistic Director and its Executive Producer, two Trustees (the Chair of the Board of Trustees and the Chair of the Finance Sub Committee), and a non-executive director.

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) (REGISTERED NUMBER: 06693227)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
06693227 (England and Wales)

Registered Charity number
1127952

Registered office
30 Castle Arcade
CARDIFF
CF10 1BW

Trustees

Chair	Clive William Jones	
Trustees	Bethan Cousins	Resigned 11 March 2021
	Simon Keith Pirotte	
	Roger Michael Awan-Scully	Resigned 23 September 2021
	Bedwyr Elias Williams	
	Sian Elin Doyle	
	Keith Power	
	Raidene Carter	
	Wayne Boucher	
	Anna Arrieta	Appointed 11 March 2021
	Steffan Donnelly	Appointed 11 March 2021

Executive team

Chief Executive/Artistic Director	Lorne Campbell
Executive Producer/Deputy CEO	Lisa Maguire

Senior Statutory Auditor

Julia Mortimer

Auditors

Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Solicitors

Hugh James
Hodge House
114-116 St. Mary Street
CARDIFF
CF10 1DY

Bank

HSBC
56 Queen Street
CARDIFF
CF10 2PX

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) (REGISTERED NUMBER: 06693227)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

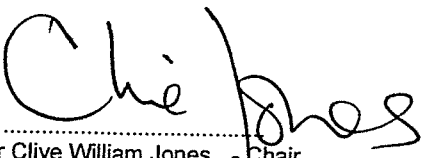
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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

In so far as the trustees are aware:

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

Approved by order of the Board of Trustees on 15 December 2021 and signed on its behalf by:


Sir Clive William Jones - Chair

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

Opinion

We have audited the financial statements of The National Theatre of Wales (Trading as National Theatre Wales) and subsidiary for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the 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

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

In auditing the financial statements, we have concluded that the directors' 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 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern in exceptional or unforeseen circumstances.

Other information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has 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 Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

Based on our understanding of both the company and industry, we identified the principal risks of non-compliance with laws and regulations, including those related to UK tax legislation and considered the extent to which any non-compliance might have on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and ensured that all those involved in the audit undergo regular update training, including on how to identify or recognise fraud and non-compliance with laws and regulations.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risk related to posting inaccurate journals. We addressed these risks by carrying out specifically targeted procedures, which included:

- discussions with management, including consideration of any known or suspected instances of non-compliance with laws and regulations and/or fraud;
- reading minutes of meetings of those charged with governance;
- the appropriateness of journal entries and other adjustments;
- evaluating the reasons for any large or unusual transactions;
- reviewing disclosures in the financial statements to underlying supporting documentation

As outlined above, reasonable assurance is a high level of assurance, but is not a guarantee that a material misstatement may always be detected. The extent to which our procedures are capable of detecting material misstatements or irregularities, including fraud, is therefore subject to the inherent limitations of an audit. There is therefore, an unavoidable risk that a material misstatement may not come to light, in particular, where non-compliance with laws and regulations are remote from events and transactions reflected in the financial statements or where fraud or errors arise due to intentional misrepresentation, forgery, concealment, management override and/or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Julia Mortimer (Senior Statutory Auditor)
for and on behalf of Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Date: 22 December 2021

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	1,712,437	50	1,712,487	1,613,106
Charitable activities	5				
Promoting, maintaining, improving and advancing education		52,999	279,642	332,641	681,816
Investment income	4	259	-	259	1,312
Other income	7	-	-	-	10,140
Total		1,765,695	279,692	2,045,387	2,306,374
EXPENDITURE ON					
Raising funds	8	771	-	771	19,955
Charitable activities	9				
Promoting, maintaining, improving and advancing education		<u>1,372,267</u>	<u>305,382</u>	<u>1,677,649</u>	<u>2,604,530</u>
Total		<u>1,373,038</u>	<u>305,382</u>	<u>1,678,420</u>	<u>2,624,485</u>
NET INCOME/(EXPENDITURE)		392,657	(25,690)	366,967	(318,111)
Transfers between funds		<u>(24,289)</u>	<u>24,289</u>	<u>-</u>	<u>-</u>
Net movement in funds		368,368	(1,401)	366,967	(318,111)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>437,936</u>	<u>117,672</u>	<u>555,608</u>	<u>873,719</u>
TOTAL FUNDS CARRIED FORWARD		<u>806,304</u>	<u>116,271</u>	<u>922,575</u>	<u>555,608</u>

The notes form part of these financial statements

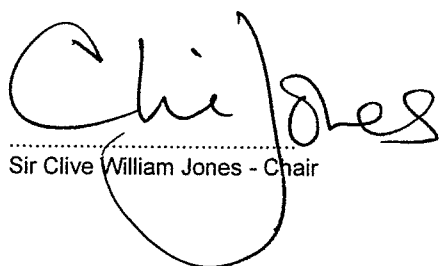
THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY (REGISTERED NUMBER: 06693227)

CONSOLIDATED AND CHARITY BALANCE SHEETS
AT 31 MARCH 2021

		Group		Charity	
	Notes	2021 £	2020 £	2021 £	2020 £
FIXED ASSETS					
Tangible assets	17	8,880	14,044	8,880	14,044
Investments	18	-	-	1	1
		8,880	14,044	8,881	14,045
CURRENT ASSETS					
Debtors: amounts falling due within one year	19	198,991	399,373	198,991	399,373
Cash at bank		<u>1,053,591</u>	<u>392,304</u>	<u>1,053,591</u>	<u>392,304</u>
		1,252,582	791,677	1,252,582	791,677
CREDITORS					
Amounts falling due within one year	20	(338,887)	(249,445)	(338,888)	(249,446)
		<u>913,695</u>	<u>542,232</u>	<u>913,694</u>	<u>542,231</u>
NET CURRENT ASSETS/(LIABILITIES)					
		922,575	556,276	922,575	556,276
TOTAL ASSETS LESS CURRENT LIABILITIES					
PROVISION FOR LIABILITIES	22	-	(668)	-	(668)
		<u>922,575</u>	<u>555,608</u>	<u>922,575</u>	<u>555,608</u>
NET ASSETS					
		<u>922,575</u>	<u>555,608</u>	<u>922,575</u>	<u>555,608</u>
FUNDS	23				
Unrestricted funds: (Including designated funds)		806,304	437,936	806,304	437,936
Restricted funds		<u>116,271</u>	<u>117,672</u>	<u>116,271</u>	<u>117,672</u>
NET ASSETS		<u>922,575</u>	<u>555,608</u>	<u>922,575</u>	<u>555,608</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved and authorised for issue by the Board of Trustees on 15/12/2021 and were signed on its behalf by:


Sir Clive William Jones - Chair

The notes form part of these financial statements

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY (REGISTERED NUMBER: 06693227)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>662,377</u>	<u>(507,501)</u>
Net cash provided by (used in) operating activities		<u>662,377</u>	<u>(507,501)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(1,349)	(16,428)
Sale of tangible fixed assets		-	14,189
Interest received		<u>259</u>	<u>1,312</u>
Net cash provided by (used in) investing activities		<u>(1,090)</u>	<u>(927)</u>
Change in cash and cash equivalents in the reporting period		661,287	(508,428)
Cash and cash equivalents at the beginning of the reporting period		<u>392,304</u>	<u>900,732</u>
Cash and cash equivalents at the end of the reporting period		<u>1,053,591</u>	<u>392,304</u>

The notes form part of these financial statements

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY (REGISTERED NUMBER: 06693227)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

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

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	366,967	(318,111)
Adjustments for:		
Depreciation charges	6,513	7,326
Profit on disposal of fixed assets	-	(10,140)
Interest received	(259)	(1,312)
Theatre tax relief claim – movement in debtor	52,707	32,065
Decrease/(increase) in debtors	147,675	(210,058)
(Decrease)/increase in creditors	88,774	(7,271)
Net cash provided by (used in) operating activities	<u>662,377</u>	<u>(507,501)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/20 £	Cash flow £	At 31/3/21 £
Net cash			
Cash at bank and in hand	392,304	661,287	1,053,591
Total	<u>392,304</u>	<u>661,287</u>	<u>1,053,591</u>

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. STATUTORY INFORMATION

These financial statements include the consolidated results of The National Theatre of Wales and its trading subsidiary NTW Productions Limited.

The National Theatre of Wales is a company limited by guarantee incorporated in Wales within the United Kingdom. The registered office is 30 Castle Arcade, Cardiff, CF10 1BW. The nature of the charitable group's and company's operations and principal activities is disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the group's functional currency, and rounded to the nearest pound

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

There have been no material departures from Financial Reporting Standard 102.

Going concern

The directors are satisfied that despite the Coronavirus pandemic, it is appropriate for the group's financial statements to be prepared on a going concern basis. The directors have taken steps to minimise the effect on the company and will continue to do so. In the circumstances they have concluded that no adjustments are required to the financial statements at this time.

Income

All income is recognised in the Statement of Financial Activities once the group has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

This includes capital grants.

Donations and legacies income

Donations and legacies income includes donations, gifts and grants that provide core funding or, are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Investment income

Investment income is recognised on a receivable basis.

Other income

Other income is recognised on a receivable basis.

2. ACCOUNTING POLICIES - continued

Expenditure

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

Expenditure on charitable activities comprises those costs incurred by the group in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the group and include the accountancy fees and costs linked to the strategic management of the group as well as a proportion of salaries based on an approximation of time spent in this area.

Tangible fixed assets

Fixed assets are initially recorded at cost. The value below which fixed assets are not capitalised is £500.

Depreciation is calculated so as to write off the cost of an asset, less its estimate residual value over the useful economic life of the asset as follows:

Fixtures & fittings	- 25% straight line
Computer equipment	- 33% straight line

However, where assets are acquired as a result of grant funding they will be depreciated over their useful life, or the period of the grant, whichever is the shorter.

Taxation

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

Funds structure

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the group without further specified purpose and are available as general funds.

Designated funds are funds which have been specifically designated for specific future costs.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, is charged to the fund, together with a fair allocation of support and governance costs.

Investments

Investments are stated at market value at the balance sheet date

Pension costs and post-retirement benefits

The group operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the group. The annual contributions payable are charged to the statement of financial activities incorporating the income and expenditure account.

Termination payments

The charitable group recognises termination benefits as a liability and an expense only when the entity is demonstrably committed either to terminate the employment of an employee or group of employees before the normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

Employee benefits

When employees have rendered service to the group, short-term employee benefits to which employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

2. ACCOUNTING POLICIES - continued

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Financial instruments

The group 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.

Trade debtors and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

Creditors are recognised where the group 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

Provisions

The group commits to providing pensions for all core staff via the group pension scheme. Joining the scheme is subject to auto enrolment regulations. At any point in time a number of eligible employees have yet to join the scheme but when they do employer contributions are backdated to their original start date. Provision is made for the group's potential contribution in respect of these individuals in those instances where a simple accrual is not considered appropriate.

3. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	17,313	6,701
Grants	<u>1,695,174</u>	<u>1,606,405</u>
	<u>1,712,487</u>	<u>1,613,106</u>

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

	2021	2020
	£	£
Arts Council of Wales - Core funding	1,624,075	1,606,405
Esmée Fairbairn Foundation	46,992	-
Welsh Government Coronavirus Job Retention Scheme	14,107	-
Cardiff Council Business Rates Relief	<u>10,000</u>	<u>-</u>
	<u>1,695,174</u>	<u>1,606,405</u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Bank interest	<u>259</u>	<u>1,312</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Theatre tax relief credit	46,802	99,509
Grants	179,685	331,535
Performing and related activities	105,554	249,265
Speaker fees	<u>600</u>	<u>1,507</u>
	<u>332,641</u>	<u>681,816</u>

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021**

5. INCOME FROM CHARITABLE ACTIVITIES - continued

All income is derived from the single charity activity of 'Promoting, maintaining, improving and advancing education'.

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

	2021	2020
	£	£
Paul Hamlyn Foundation	99,795	100,206
Esmée Fairbairn Foundation	-	93,984
Battersea Arts Centre - The Agency	49,520	63,333
Andrew Lloyd Webber Foundation	6,000	6,000
Theatre Granit - Creative Europe	12,870	4,629
British Council - repurposing of income Egin	-	4,792
Arts Council Wales - Organisational Structure Review	-	6,064
Arts Council Wales - For All I Care Edinburgh	-	15,000
National Trust - Egin	-	5,000
Goethe Institute	-	4,477
Mackintosh Foundation	-	3,000
Snowdonia National Park Authority - Egin	-	4,000
Ashley Family Foundation	-	5,600
Carne Trust	-	3,000
British Council - Cotton Fingers Edinburgh	-	5,000
Natural Resources Wales - Egin	-	4,950
Tipping Point - Egin	-	2,500
The Bluestone Foundation	2,500	-
Pembrokeshire Association of Voluntary Services	1,000	-
People's Palace Projects	8,000	-
	<u>179,685</u>	<u>331,535</u>

6. RESULT OF PARENT CHARITABLE COMPANY

The total income of the parent charitable company was £2,385,729 and net income was £366,967.

7. OTHER INCOME

	2021	2020
	£	£
Gain on sale of tangible fixed assets	-	10,140

8. RAISING FUNDS

Raising donations and legacies

	2021	2020
	£	£
Fundraising expenditure	<u>771</u>	<u>19,955</u>

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

9. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9) £	Grant funding of activities (see note 10) £	Support costs (see note 11) £	Totals £
Promoting, maintaining, improving and advancing education	<u>1,289,336</u>	<u>13,500</u>	<u>374,813</u>	<u>1,677,649</u>

10. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	748,488	896,302
Creative and artistic activities	470,429	965,512
Marketing costs	62,355	178,194
Recruitment costs	<u>8,064</u>	<u>28,375</u>
	<u>1,289,336</u>	<u>2,068,383</u>

11. SUPPORT COSTS

	Staff costs £	Other costs £	Depreciation £	Governance costs £	Totals £
Promoting, maintaining, improving and advancing education	<u>185,306</u>	<u>126,178</u>	<u>6,513</u>	<u>56,816</u>	<u>374,813</u>

12. NET INCOME/(EXPENDITURE)

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

	2021 £	2020 £
Auditors' remuneration	5,902	4,716
Auditors' remuneration for non-audit work	1,350	1,419
Depreciation - owned assets	6,513	7,326
Surplus on disposal of fixed assets	<u>-</u>	<u>(10,140)</u>

13. GRANTS PAYABLE

	2021 £	2020 £
Promoting, maintaining, improving and advancing education	<u>13,500</u>	<u>-</u>

The total grants paid to individuals during the year was as follows:

	2021 £	2020 £
General	<u>13,500</u>	<u>-</u>

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

14. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 or for the year ended 31 March 2020.

Trustees' expenses

During the year an amount of £nil (2020: £1,797) was paid to nil (2020: 6) trustees in respect of travel and other expenses.

During the year the following professional fees were paid to trustees for services provided. The fees were paid at a commercial rate.

	2021 £	2020 £
Pete Rogers	-	400
Wayne Boucher	2,319	-
	<u>2,319</u>	<u>400</u>

Trustees are permitted to receive compensation for professional services rendered to the charity by virtue of clause 5(5)(a)(ii) of the Memorandum of Association.

15. STAFF COSTS

	2021 £	2020 £
Employee costs during the year		
Wages and salaries	827,582	1,031,116
Employer's National Insurance contributions	71,202	70,909
Pension costs	<u>35,010</u>	<u>39,902</u>
	<u>933,794</u>	<u>1,141,927</u>

	2021	2020
Number of persons employed		
Permanent staff	22	25
Temporary production staff	<u>1</u>	<u>7</u>
	<u>23</u>	<u>32</u>

The number of employees whose emoluments, as defined for taxation purposes, amounted to a rate of over £60,000 during the year were as follows:

	2021	2020
£60,001 - £70,000	1	2
£70,001 - £80,000	-	-
£80,001 - £90,000	1	-

The Artistic Director post was vacant for some three months during the 2019/20 financial year.

All employees earning more than £60,000 were members of the company pension scheme.

Total remuneration benefits paid to key management personnel in the year was £180,022 (2020: £183,887).

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

16. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – 31 MARCH 2020

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,613,106	-	1,613,106
Charitable activities			
Promoting, maintaining, improving and advancing education	350,031	331,785	681,816
Investment income	1,312	-	1,312
Other income	<u>10,140</u>	<u>-</u>	<u>10,140</u>
Total	1,974,589	331,785	2,306,374
 EXPENDITURE ON			
Raising funds	19,955	-	19,955
Charitable activities			
Promoting, maintaining, improving and advancing education	<u>2,272,477</u>	<u>332,053</u>	<u>2,604,530</u>
Total	2,292,432	332,053	2,624,485
 NET INCOME/(EXPENDITURE)	(317,843)	(268)	(318,111)
Transfers between funds	<u>(5,701)</u>	<u>5,701</u>	<u>-</u>
Net movement in funds	(323,544)	5,433	(318,111)
 RECONCILIATION OF FUNDS			
Total funds brought forward	761,480	112,239	873,719
 TOTAL FUNDS CARRIED FORWARD	<u>437,936</u>	<u>117,672</u>	<u>555,608</u>

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

17. TANGIBLE FIXED ASSETS – Group and charity

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2020	33,110	53,372	86,482
Additions	-	1,349	1,349
At 31 March 2021	<u>33,110</u>	<u>54,721</u>	<u>87,831</u>
DEPRECIATION			
At 1 April 2020	31,372	41,066	72,438
Charge for year	735	5,778	6,513
At 31 March 2021	<u>32,107</u>	<u>46,844</u>	<u>78,951</u>
NET BOOK VALUE			
At 31 March 2021	<u>1,003</u>	<u>7,877</u>	<u>8,880</u>
At 31 March 2020	<u>1,738</u>	<u>12,306</u>	<u>14,044</u>

18. FIXED ASSET INVESTMENTS - Charity

	Shares in group undertakings £
MARKET VALUE	
At 1 April 2020 and 31 March 2021	<u>1</u>
NET BOOK VALUE	
At 31 March 2021	<u>1</u>
At 31 March 2020	<u>1</u>

There were no investment assets outside the UK.

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

NTW Productions Limited:
Nature of business: Theatre production

Class of share:	%
Ordinary	holding 100

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade debtors	930	190,914	930	190,914
Other debtors	-	3,745	-	3,745
Accrued income	10,107	48,614	10,107	48,614
Theatre tax relief recoverable	46,802	91,937	-	-
VAT recoverable	-	5,442	-	5,442
Prepayments	141,152	58,721	141,152	58,721
Amounts owed by group undertakings	-	-	46,802	91,937
	<u>198,991</u>	<u>399,373</u>	<u>198,991</u>	<u>399,373</u>

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade creditors	61,027	154,752	61,027	154,752
Social security and other taxes	16,991	21,676	16,991	21,676
VAT	19,560	-	19,560	-
Other creditors	5,579	5,821	5,580	5,822
Accruals	57,235	33,346	57,235	33,346
Deferred income	<u>178,495</u>	<u>33,850</u>	<u>178,495</u>	<u>33,850</u>
	<u>338,887</u>	<u>249,445</u>	<u>338,888</u>	<u>249,446</u>

Included within deferred income above is the following:

	2021 £	2020 £
Paul Hamlyn Foundation	75,342	-
Battersea Arts Council - The Agency	-	33,850
Festival 2022	92,153	-
Natural Resources Wales	3,000	-
British Council – Go Digital	<u>8,000</u>	<u>-</u>
	<u>178,495</u>	<u>33,850</u>

The deferred income relates to income received in advance of project delivery. All amounts deferred in the year ended 31 March 2020 were released to the Statement of Financial Activities during the year. All amounts deferred in the year ended 31 March 2021 are new sources of income.

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

21. LEASING AGREEMENTS

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

	2021	2020
	£	£
Within one year	18,466	39,328
Between one and five years	<u>14,384</u>	<u>32,612</u>
	<u>32,850</u>	<u>71,940</u>

Total operating lease payments recognised as an expense in the year was £39,804 (2020: £39,807).

22. PROVISIONS FOR LIABILITIES

	2021	2020
	£	£
Pension provision	<u>-</u>	<u>668</u>

During the year, the movement on the pension provision of £668 was credited to the Statement of Financial Activities.

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

23. MOVEMENT IN FUNDS

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
Unrestricted funds				
General fund	345,110	446,561	(539,770)	251,901
Designated fund - Fixed assets	14,044	(6,513)	1,349	8,880
Designated fund - TEAM	4,100	-	-	4,100
Designated fund - Marketing	6,150	(6,150)	40,683	40,683
Designated fund - Core resilience	7,947	-	5,000	12,947
Designated fund - Creative Development	58,127	(41,241)	45,309	62,195
Designated fund - Office Improvements	2,458	-	-	2,458
Designated fund - Productions	-	-	316,822	316,822
Designated fund - Organisational review changes	-	-	35,000	35,000
Designated fund - HR support	-	-	5,746	5,746
Designated fund - CEO support	-	-	2,750	2,750
Designated fund - Creative Development posts	-	-	6,822	6,822
Designated fund - Creative Development projects	-	-	6,000	6,000
Designated fund - Springboard bursaries	-	-	50,000	50,000
	<u>437,936</u>	<u>392,657</u>	<u>(24,289)</u>	<u>806,304</u>
Restricted funds				
Paul Hamlyn Foundation	31,209	25,264	-	56,473
Esmée Fairbairn Foundation	50,163	(38,841)	-	11,322
Arts Council Wales - Ocean Park Creative Collaboration	1,064	-	-	1,064
National Companies Consultancy Project	22,663	(2,800)	-	19,863
Battersea Arts Centre - The Agency	6,257	3,617	-	9,874
Big Lottery Fund - Access Forum	2,330	-	-	2,330
Mametz real-time digital lesson plans	2,781	(425)	-	2,356
EU Creative Europe	305	(24,594)	24,289	-
Andrew Lloyd Webber Foundation - Emerging Directors	900	5,100	-	6,000
People's Palace Projects (Far Apart UK)	-	6,880	-	6,880
Bluestone Foundation/Little Green Grant	-	109	-	109
	<u>117,672</u>	<u>(25,690)</u>	<u>24,289</u>	<u>116,271</u>
TOTAL FUNDS	<u>555,608</u>	<u>366,967</u>	<u>-</u>	<u>922,575</u>

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

23. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,765,695	(1,319,134)	446,561
Designated fund - Fixed assets	-	(6,513)	(6,513)
Designated fund - Marketing	-	(6,150)	(6,150)
Designated fund - Creative Development	-	(41,241)	(41,241)
	1,765,695	(1,373,038)	392,657
Restricted funds			
Paul Hamlyn Foundation	99,794	(74,530)	25,264
Esmée Fairbairn Foundation	-	(38,841)	(38,841)
National Companies Consultancy Project	-	(2,800)	(2,800)
Battersea Arts Centre - The Agency	49,570	(45,953)	3,617
Mametz real-time digital lesson plans	-	(425)	(425)
EU Creative Europe	12,871	(37,465)	(24,594)
Andrew Lloyd Webber Foundation - Emerging Directors	6,000	(900)	5,100
People's Palace Projects (Far Apart UK)	8,000	(1,120)	6,880
Bluestone Foundation/Little Green Grant Festival 2022	3,500	(3,391)	109
	99,957	(99,957)	-
	279,692	(305,382)	(25,690)
TOTAL FUNDS	2,045,387	(1,678,420)	366,967

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

23. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/19 £	Net movement in funds £	Transfers between funds £	At 31/3/20 £
Unrestricted funds				
General fund	335,313	70,587	(60,790)	345,110
Designated fund - Fixed assets	8,991	(7,326)	12,379	14,044
Designated fund - TEAM	6,100	-	(2,000)	4,100
Designated fund - Marketing	5,500	(5,500)	6,150	6,150
Designated fund - Production and creative development	289,864	(289,864)	-	-
Designated fund - Core resilience	15,782	(7,835)	-	7,947
Designated Fund - Casting	8,581	(8,581)	-	-
Designated Fund - Creative Development	42,019	(23,789)	39,897	58,127
Designated Fund - Office Improvements	4,030	(1,572)	-	2,458
Designated fund - Strategic planning	8,800	(8,800)	-	-
Designated fund - Audience development	16,500	(15,163)	(1,337)	-
Designated fund - Artistic Director recruitment	20,000	(20,000)	-	-
	761,480	(317,843)	(5,701)	437,936
Restricted funds				
Paul Hamlyn Foundation	20,024	9,035	2,150	31,209
Esmée Fairbairn Foundation	38,059	12,104	-	50,163
Jerwood Charitable Foundation	10,582	(10,582)	-	-
Arts Council Wales - Ocean Park Creative Collaboration	1,064	-	-	1,064
National Companies Consultancy Project	29,518	(6,855)	-	22,663
Arts Council Wales - Resilience Programme	1,174	(1,174)	-	-
Battersea Arts Centre - The Agency	-	6,257	-	6,257
Big Lottery Fund - Access Forum	6,512	(4,182)	-	2,330
Mametz real-time digital lesson plans	5,071	(2,290)	-	2,781
EU Creative Europe	235	(3,481)	3,551	305
Andrew Lloyd Webber Foundation - Emerging Directors	-	900	-	900
	112,239	(268)	5,701	117,672
TOTAL FUNDS	<u>873,719</u>	<u>(318,111)</u>	<u>-</u>	<u>555,608</u>

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23. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,974,589	(1,904,002)	70,587
Designated fund - Fixed assets	-	(7,326)	(7,326)
Designated fund - Marketing	-	(5,500)	(5,500)
Designated fund - Production and creative development	-	(289,864)	(289,864)
Designated fund - Core resilience	-	(7,835)	(7,835)
Designated Fund - Casting	-	(8,581)	(8,581)
Designated Fund - Creative Development	-	(23,789)	(23,789)
Designated Fund - Office Improvements	-	(1,572)	(1,572)
Designated fund - Strategic planning	-	(8,800)	(8,800)
Designated fund - Audience development	-	(15,163)	(15,163)
Designated fund - Artistic Director recruitment	-	(20,000)	(20,000)
	1,974,589	(2,292,432)	(317,843)
Restricted funds			
Paul Hamlyn Foundation	100,206	(91,171)	9,035
Esmée Fairbairn Foundation	93,984	(81,880)	12,104
Jerwood Charitable Foundation	-	(10,582)	(10,582)
National Companies Consultancy Project	-	(6,855)	(6,855)
Battersea Arts Centre - The Agency	63,583	(57,326)	6,257
Big Lottery Fund - Access Forum	-	(4,182)	(4,182)
Mametz real-time digital lesson plans	-	(2,290)	(2,290)
EU Creative Europe	4,629	(8,110)	(3,481)
Andrew Lloyd Webber Foundation - Emerging Directors	6,000	(5,100)	900
Carne Trust - Emerging Directors	3,000	(3,000)	-
Arts Council of Wales - Organisational Structure Review	6,064	(6,064)	-
British Council - support for Welsh companies in Edinburgh	5,000	(5,000)	-
Egin Camp	26,842	(26,842)	-
Mackintosh Foundation - Emerging Directors	3,000	(3,000)	-
Goethe Institute - Dramaturgs project	4,477	(4,477)	-
Arts Council Wales - For All I Care in Edinburgh	15,000	(15,000)	-
Arts Council Wales - Resilience Programme	-	(1,174)	(1,174)
	331,785	(332,053)	(268)
TOTAL FUNDS	<u>2,306,374</u>	<u>(2,624,485)</u>	<u>(318,111)</u>

Designated funds

Designated fund - Fixed Assets

The fund represents the net book value of fixed assets.

Designated fund - TEAM

The fund represents the value of core funds set aside towards the company's TEAM community engagement programme activities.

Designated fund - Marketing

The fund represents the value of funds set aside to meet website development costs. An additional £40,683 was designated in the current year to provide for website and CRM system replacement and development costs.

Designated fund - Core resilience

The fund represents the value of funds set aside to finance staff and other costs associated with the development and implementation of the company's income generation and diversification strategy. An additional £5,000 was designated in the year to provide for residual consultancy costs provided to the Development Team during recent maternity leave absences.

23. MOVEMENT IN FUNDS - continued

Designated fund - Creative Development

The fund represents the value of unapplied research and development and commissioning funds to be utilised in support of an enhanced programme of such projects in future years. An additional £45,309 was designated during the year to provide for costs associated with projects brought forward from 2019/20 as well as future projects.

Designated fund - Office improvements

The fund represents the value of funds set aside to support essential improvement works and other expenditure relating to the office at 30 Castle Arcade. This includes costs associated with searches for alternative accommodation.

Designated fund - Productions

This represents the value of funds set aside to supplement 'in year' funds to enable investment in future years' artistic programmes.

Designated fund - Organisational review changes

The fund represents the value of funds set aside to provide for staffing changes arising from the company's review of its organisation structure.

Designated fund - HR support

The fund represents the value of funds set aside to provide for costs associated with HR consultancy support. The consultant was engaged to provide support prior to the employment of the Director of Operations and these costs relate to residual tasks that assistance was being provided on.

Designated fund - CEO support

The fund represents the value of funds set aside to provide for costs associated with CEO consultancy support. The consultant was engaged to provide support prior to the employment of the Director of Operations and these costs relate to residual tasks that assistance was being provided on.

Designated fund - Creative Development posts

The fund represents the value of funds set aside to provide for freelance support to be engaged to oversee and administer the company's creative development activities during 2021/22 and 2022/23.

Designated fund - Creative Development projects

The fund represents the value of funds set aside to provide match funding for the Emerging Directors programme - matching the final year funding approval from the Andrew Lloyd Webber Foundation.

Designated fund - Springboard bursaries

The fund represents the value of funds set aside to support the company's Springboard Bursaries programme, being introduced in 2021/22 to assist freelancers.

Designated funds in prior period

Designated fund - Casting

The fund represents the value of funds set aside to meet future additional costs relating to the creation of a Casting Associate post which has brought the casting process in-house as part of a two year pilot project.

Designated fund - Strategic Planning

This fund represents the value of funds set aside to meet the costs of the remaining consultancy fees payable in respect of the company's current strategic planning review.

Designated fund - Audience Development

This fund represents the value of funds set aside to meet consultancy costs associated with the development of the company's audience development strategy

Designated fund - Artistic Director recruitment

This fund represents the value of funds set aside to meet all costs associated with the recruitment of a new Artistic Director. This includes fees, advertising costs and interview expenses.

Designated fund - Production and Creative Development

The fund represents the value of funds set aside to cover the costs of the future artistic programme.

23. MOVEMENT IN FUNDS - continued

Restricted funds

The Paul Hamlyn Foundation supports the company's 'TEAM' programme, the role of which is to develop relationships within communities, and thereby promote National Theatre Wales and develop interest in theatre.

Esmée Fairbairn Foundation

This funding has been provided to contribute towards the company's creative development programme for artists working across Wales.

Arts Council Wales - Ocean Park Creative Collaboration - This funding stream exists to help foster the development of creative partnerships between arts organisations and schools. This grant funded a collaboration between Ocean Park Academy, located in Cardiff, and NTW. The project took place between January and June 2017.

National Companies Consultancy Project

This project is a jointly funded initiative involving the eight national arts organisations in Wales, as designated by the Arts Council of Wales - the first time that they have all come together in this way. The companies taking part, other than NTW, are BBC National Orchestra of Wales, Ffilm Cymru Wales, Literature Wales, National Dance Company Wales, Theatr Genedlaethol Cymru, Wales Millennium Centre and Welsh National Opera. Each organisation is contributing to the project financially and/or in kind, and the funding is being used to pay for the services of a consultant, who has been engaged to provide the companies with advice in a number of areas. These areas include building resilience and growth in the wider arts sector; developing audience diversity and inclusivity; identifying ways in which to lead on supporting the professional development of artists; and how to increase the international profile and market opportunities for Wales. The project documents were signed in March 2017, with the work taking place throughout 2017/18 and 2018/19 and continuing into 2019/20 and beyond.

Battersea Arts Centre - The Agency

The Agency is a creative entrepreneurial programme, that seeks to use the arts to assist and encourage young people, in local disadvantaged communities, to develop their creative ideas into business opportunities. It is a partnership involving NTW, Battersea Arts Centre (BAC), Contact Theatre, People's Palace projects and FabLab Belfast, with funding provided by the Big Lottery Fund. The purpose of the partnership is to continue running an existing project in London (BAC) and Manchester (Contact) and replicate and run the programme in Wales (NTW) and Northern Ireland (FabLab).

Big Lottery Fund - Access Forum

This funding has been provided via the Big Lottery Fund's 'Awards for All' programme. Its purpose is to fund a series of Forum events being held across Wales. The Forum exists to bring together organisations, artists and individuals from across Wales to work together in removing barriers to accessing the arts faced by people with disabilities.

Mametx real-time digital lesson plans

This represents a combination of funding from two sources - the Colwinston Trust, and the Welsh Government's WW1 Activity Fund. The purpose of the funding is to enable the development of real-time, digital lesson plans related to NTW's 2014 production 'Mametx', which now forms part of the A level Drama and Theatre Studies syllabus in Wales. The aim of these plans is to provide an insight to aid both teachers and students.

EU Creative Europe

This project took place over three years and was developed in association with partner organisations in France (Theatre Granit Scene National de Belfort), Portugal (Dupla Cena) and Romania (Asociatia Colectiv A), with the French partner being the project lead. The project incorporated a series of workshops and laboratories that aim to provide an opportunity for artists to gain an insight into live arts and transmedia creation. The project concluded during the 2020/21 financial year, with just the final audit and settlements remaining, which will take place during 2021/22.

Andrew Lloyd Webber Foundation - Emerging Directors

This funding contributes towards the costs of NTW's Emerging Directors Programme. This programme has the primary aim of giving talented and promising individuals the opportunity to work alongside experienced directors.

23. MOVEMENT IN FUNDS - continued

People's Palace Projects (Far Apart UK)

This funding relates to 'Far Apart but Close at Heart UK', a multi-partner research study that the company is taking part in. The study is led by People's Palace Projects (who provide the funding to NTW), in conjunction with the Unit for Social and Community Psychiatry at Queen Mary University of London. Other companies taking part in the study, which aims to explore how arts organisations in the UK are using online platforms and other means to support the mental health of young people during a global pandemic, include Battersea Arts Centre, Contact Theatre Manchester, Dirty Protest and Royal Theatre Stratford East. This project is run in parallel with a sister project in Latin America.

Bluestone Foundation/Little Green Grant

This funding comprises two small grants. One, in the sum of £2,500, was provided by the Bluestone Foundation. The other (Little Green Grant), in the sum of £1,000, was provided by the Pembrokeshire Association of Voluntary Services. Together they were utilised to fund the design and construction of 'mission boards' related to Simple Acts - a call for social change, which was a central thread throughout all of the Go Tell The Bees activity. (Simple Acts encourages people to perform seven activities - Simple Acts - as part of their daily lives to help improve the environment and the world around us. These activities are 'plant a seed', 'learn one new thing about nature', 'take a walk', 'connect with someone new', 'consume a little less', 'be kind to your neighbour' and 'consider the stars').

Festival 2022

NTW heads up a partnership of organisations, collectively known as Collective Cymru, that came together to submit a bid to Festival 2022 (since renamed the Unboxed Festival). The organisations involved include Centre of Alternative Technology, Clwstwr, Disability Arts Cymru, Ffilm Cymru, Frân Wen and Sugar Creative, whilst community partners are CellB, Citizens Cymru, Disability Arts Cymru, Ethnic Minorities Youth Support Team (EYST) and Merthyr Tydfil Leisure Trust. During the 2020/21 financial year the company received a commissioning fee from Festival 2022 for the purposes of working up a full business case bid for a project culminating in the Autumn of 2022. Notification was received in March 2021 that the bid had been successful and work on the project (now known as 'Galwad') commenced with effect from April 2021. The project will culminate in a series of events to be staged in September 2022, with the project itself coming to a conclusion by December 2022.

Restricted funds in prior period

The Jerwood Charitable Foundation previously supported the company's development of an online artist collaboration space and now supports its programme of Located Residencies and Emerging Producer bursaries.

Arts Council Wales - Resilience Programme

This funding was provided to finance the services of a professional advisor/mentor and associated costs to generate a five to ten year income diversification and stakeholder engagement strategic plan.

Carne Trust - Emerging Directors

This funding contributes towards the costs of NTW's Emerging Directors Programme. This programme has the primary aim of giving talented and promising individuals the opportunity to work alongside experienced directors.

Arts Council Wales - Organisational Structure Review

This purpose of this funding was to contribute towards the costs of engaging consultants to review, and make recommendations upon, the company's organisational staffing structure.

British Council - support for Welsh companies in Edinburgh

The funding was provided to enable NTW to arrange, and provide, marketing support for two independent Welsh theatre companies taking part in the 2019 Edinburgh Festival.

Egin Camp

The purpose of this funding was to support the staging of Egin Camp, an artist residency summer camp staged in July 2019. Bringing together Welsh and international artists it responded to the challenge of climate change. The project was funded by contributions from Natural Resources Wales, National Trust, Snowdonia National Park Authority, British Council, Ashley Family Foundation and Julie's Bicycle, as well as NTW.

Mackintosh Foundation - Emerging Directors

This funding contributes towards the costs of NTW's Emerging Directors Programme. This programme has the primary aim of giving talented and promising individuals the opportunity to work alongside experienced directors.

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23. MOVEMENT IN FUNDS - continued

Goethe Institute - Dramaturgs project

This purpose of this funding was to support the staging of a dramaturgs event, held in Cardiff in October 2019, which brought together practitioners from Wales and Germany to enable them to exchange experiences.

Arts Council Wales - For All I Care in Edinburgh

This funding was provided in support of the company's staging of the production 'For All I Care' as part of the 2019 Edinburgh Festival.

Transfers between funds

Transfers totalling £514,131 have been made between the general fund and 10 designated funds, as follows:

- Marketing: The Board has reviewed and identified an additional £40,683 of funds to be held for website and CRM system replacement and development costs.
- Core Resilience: The Board has reviewed and £5,000 of funds have been set aside to provide for residual consultancy costs provided to the Development Team during recent maternity leave absences.
- Creative development: The Board has reviewed and identified £45,309 of funds to be used towards the costs of projects brought forward from 2020/21 as well as future new projects.
- Productions: The Board has reviewed and £316,822 of funds have been set aside to invest in future artistic programmes.
- Organisational review changes: The Board has reviewed and identified £35,000 of funds to provide for staffing changes arising from the company's review of its organisation structure.
- HR support: The Board has reviewed and £5,746 of funds have been set aside to provide for costs associated with HR consultancy support.
- CEO support: The Board has reviewed and £2,750 of funds have been set aside to provide for costs associated with CEO consultancy support.
- Creative Development posts: The Board has reviewed and identified £6,822 of funds to provide for freelance support to be engaged to oversee and administer the company's creative development activities during 2021/22 and 2022/23.
- Creative Development projects: The Board has reviewed and £6,000 of funds have been set aside to provide match funding for the Emerging Directors programme.
- Springboard bursaries: The Board has reviewed and identified £6,822 of funds to support to fund the company's Springboard Bursaries programme.

A transfer of £1,349 has been made from the general fund to the designated fixed assets fund, representing the value of capitalised spend.

A transfer of £24,289 was made between the general fund and the EU Creative Europe restricted fund to represent the match funding contribution by National Theatre Wales to the project.

24. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in independently administered funds. The pension cost charge represents contributions paid by the group to the fund and amounted to £35,010 (2020: £39,902). Contributions outstanding at the year end amounted to £5,087 (2020: £3,874).

25. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021, that required disclosure (2020: none).

26. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2021 are represented by:			
Tangible fixed assets	8,880	-	8,880
Current assets	940,622	311,960	1,252,582
Current liabilities	(143,198)	(195,689)	(338,887)
Provision for liabilities	-	-	-
Total net assets	806,304	116,271	922,575

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27. SUBSIDIARY COMPANY

The charity owns the whole of the issued ordinary share capital of NTW Productions Limited, a company registered in England and Wales. The subsidiary is commissioned to produce theatrical productions on behalf of the charity. All activities have been consolidated on a line by line basis in the SOFA. The total net profit is gifted to the charity.

A summary of the results of the subsidiary is shown below:

	2021 £	2020 £
Turnover	340,342	558,524
Cost of sales	(387,144)	(650,461)
Gross profit	(46,802)	(91,937)
Administrative expenses	-	-
Loss on ordinary activities before taxation	(46,802)	(91,937)
Theatre tax relief claim	46,802	91,937
Profit for the financial year	-	-

The aggregate of the assets, liabilities and funds was:

	2021 £	2020 £
Assets	46,803	91,938
Liabilities	(46,802)	(91,937)
Funds (representing 1 ordinary share of £1)	1	1