

**REPORT OF THE TRUSTEES AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021  
FOR  
MEMORIAL HALL AND THEATRE**

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Graham Paul Limited  
(Statutory Auditor)  
Court House  
Court Road  
Bridgend  
CF31 1BE

**MEMORIAL HALL AND THEATRE**

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FOR THE YEAR ENDED 31 MARCH 2021**

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## **MEMORIAL HALL AND THEATRE**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021**

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The Trustees are pleased to present their report with the financial statements of the charity for the year ended 31 March 2021. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

Located in central Barry near the Waterfront Development, the Memorial Hall and Theatre trades as the Memo Arts Centre (MAC). The Charity manages 108,900 square feet of premises, made up of the prominent Main building, the Cenotaph (Heritage asset registered with CADW) and a private 120-space car park contained within the surrounding land bordering the premises.

The Memorial Hall and Theatre objectives for public benefit as set out in the CIO governing scheme are:

1) the provision and maintenance of a public hall, Hall of Memories and Cenotaph, as a memorial to the residents of Barry who have given their lives for their country and for the provision of facilities for the recreational, educational, cultural, artistic or other leisure occupations in the interests of the social welfare of the inhabitants of Barry and the surrounding area including, if the Trustees so determine, the provision and maintenance of a theatre.

2) subject to certain clauses, the land must be retained by the Trustees for use for the object of the charity.

##### **Public benefit**

MAC is the Vale's largest mixed arts cultural hub with 4k cinema and a much-loved local focus of pride. The centre provides enjoyable and accessible cultural opportunities that contribute to our communities' cultural wellbeing, by connecting with audiences through our programme in English, Welsh, and multi-cultural languages, to promote the widest understanding of culture and diversity.

MAC promotes innovative, cultural activities that help make arts and culture an important and meaningful part of people's lives and contribute to their wellbeing. MAC exists for the benefit of people from all ages and backgrounds to experience and enjoy our diverse programme, ensuring it serves as an intrinsic part of the areas cultural landscape. Pre-covid (2019-20) footfall was more than 100,000 visitors per year.

MAC's primary purpose is to make people's lives better - providing opportunity for people and communities to experience, enjoy and be inspired together by culture to improve overall community wellbeing.

The strategies employed to achieve this purpose include:

- Promote, commission, and present live entertainment, performance, Cinema, and live streaming events
- Support the education of the public through the performing arts
- Produce professional participatory wellbeing, learning and outreach activities and residency projects
- Programming that generates greater diversity, inclusion, equality, and supports economic disadvantage
- Provide greater access, opportunities to remove barriers for people working or participating with us
- Hire facilities available to all sections of the community without distinction for the presentation of community performance and projects, alongside corporate and private activities

Our objectives for this financial year, and associated activities, were considered in line with the Charity Commission's guidance Public Benefit: Running a Charity (PB2).



## **MEMORIAL HALL AND THEATRE**

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#### **ACHIEVEMENT AND PERFORMANCE**

##### **The Covid-19 Pandemic**

The pandemic challenges and necessary UK and Wales governmental actions needed to control the spread of coronavirus, unquestionably resulted in unprecedented impacts for MAC. Between March 2020 and June 2020 most of MAC's activities and operations came to a complete standstill. This period of escalating measures was supported by MAC's risk register and a rapidly evolving set of actions to protect the safety of our workforce and the health of the organisation. As the year progressed, MAC adjusted, and developed new ways to engage, support and play a key role in community resilience. In June 2020 we opened the Venue safely to essential NHS Blood donation sessions, these also contributed to critical key worker training sessions that supported our Covid safe working risk assessments, and permitted venue re-opening procedures.

During the ongoing lockdown periods MAC collaborated with freelance artists by providing mentoring and in-kind spaces and resources, and with stakeholders, partners, and communities to develop virtual and outdoor experiences through theatre, creative and participatory opportunities. It is widely acknowledged that the UK's arts and cultural sector has been one of the areas worst affected by the coronavirus pandemic, due to the significant decline in revenues caused by the immediate cancellation of scheduled events, the closure of venues, and the subsequent impact on their related supply chains and employment opportunities. Like many theatres our in-venue event activity, along with the hospitality services remained impacted for the whole of the reporting year and into 2021-22 where control-measure restrictions remained in place.

##### **Resilience**

During 2020-2021 MAC was supported by the UK Government's Job Retention Scheme (JRS) and Welsh Government Cultural and Economic Recovery programmes that have allowed it to navigate the most challenging periods. Due to the technological and behavioural long-term uncertainties and where operations were clearly changing significantly accelerated by the pandemic, the impact on the workforce was mitigated so far as possible, but redundancies were made in July 2020 prior to the JRS extension notifications being known. Unrestricted reserves were utilised where necessary but also protected as a measure to support the on-going uncertainty over the key income generating areas of the business. Trustees are proud of the way the charity has responded to the pandemic, finding new ways to positively benefit our community ensuring a focus on the beneficiaries that needed us most. Despite the challenges, during this year non-furloughed MAC staff were able to carry-out stabilisation fundraising and audience engagement work, along with funded building refurbishments and repurposing work to help MAC emerge from the related pandemic challenges in a positive way. Maintenance work and re-opening preparations were undertaken to ensure that visitors were able to engage with us in the safest way possible as soon as we were able to welcome them back.

##### **Partnership**

At the core of MAC's values is to work collaboratively in partnership with others, from across all sectors, so we can achieve greater social impact and benefit for our customers, staff, and stakeholders. During this most challenging of years wider partnership working has helped us adapt to new ways of working to deliver our funding obligations and generate new paths to working in new partnerships in innovative ways to respond impactfully to the needs of our communities. Our partnership core funding with Barry Town Council enabled MAC staff to continue to deliver virtual and social distanced projects that supported wellbeing and tackled social isolation by providing participatory activity during the strictest periods of lockdown and travel restrictions. Trustees would note the substantial part that Barry Town Council's funding partnership has had over the years and particularly in 2020-21 in enabling MAC to achieve shared outcomes.

Trustees acknowledge the extraordinary Resilience and Cultural Recovery funding awarded by the Arts Council of Wales and its other funders during and beyond the reporting period. MAC looks forward to working with these partners to extend MAC's reach and continue to benefit its community further. MAC continued to support the Vale of Glamorgan Council's place making project Barry Making Waves by working with our volunteers to deliver digital projects and to deliver Barry's first Photomarathon in 2020. MAC is represented on the Barry Place Board with other partners who collectively help shape the promotion and positive development for Barry. MAC welcomed the support and open dialogue with Welsh Government, Arts Council of Wales, Film Hub Wales, Ffilm Cymru, Creu Cymru, WCVA and GVS.



## MEMORIAL HALL AND THEATRE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

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#### **Impact**

MAC's years of learning and ongoing development have supported us through the exceptional pandemic challenges and together with a renewed emphasis on safety and good governance, the experience gained has proven to be a catalyst for change and influenced our approach to the risks of returning to business as usual. MAC has spent valuable time exploring new programming, income generation paths to create wider benefits and greater community partnership engagement to further strengthen the charity's sustainability. This work is helping us shape funding strategies for the successful delivery of new projects that matters to local people, and communities who live and visit Barry. We reviewed our organisations approaches to improving diversity awareness, and ways to widen engagement with audiences, which identified new training and CPD opportunities and resources to improve and support our organisational change to benefit how we work with freelancers artists and encourage new partnerships. Our future planning incorporates new strategies and is continuing to shape the development of new aspirational cultural experiences for positive social impact, from wellbeing and health to inclusion, education, and regeneration.

#### **Outcomes and key achievements during the 2020-21 financial year:**

MAC developed open and honest conversations to explore change with freelance artists and people from outside our organisation to explore ways to support our communities. MAC worked with new freelance artists including Black or NBPOC artists, to explore identity, and to bring relevant experience, skill sharing and learning to create new opportunities and projects to strengthen the diversity of our work and help us support more people with protected characteristics to create agency and equity for a diverse range of voices. This work continues to inform how we will contribute to greater diversity, inclusion, equality, and support economic disadvantage, by providing greater access and new opportunities to remove barriers for people working or participating with us. MAC staff undertook refurbishment work to re-purpose previously tenanted spaces, that has enabled us to develop new activities including internal weekly creative pre-school play workshops called Starlings, that have been accredited by the VOGCC Children services, and now offer new hire opportunities for smaller hire events, these now include weekly choir and wellbeing sessions. Whilst live in venue performances not permitted for the whole financial year, MAC turned to alternative ways of entertaining, educating, and filling the missing shared spaces that theatres traditionally offer. MAC diversified its programming by offering valuable virtual /digital activity alongside new creative participation activity and developed wider outdoor programmes like -Theatr lolo's family performances of 'Hoof' in our Carpark.

**Digital and participation Community Outreach work** enabled us to continue engaging with customers throughout the closure, ventured into online shows for the first time, offering a range of performances. MAC developed home crafts & school home learning projects that could be streamed digitally to people at home to encourage those social distancing or self-isolating at home to be more creative, take up a new activity or share an existing interest with others in the same situation. The outputs of this project were shared on MAC's website, social media platforms, broadcast on Facebook, featuring a curated programme of interviews with participants and community organisations, viewed by thousands of people through our regular digital newsletters.

**Space Between our Thoughts** - we commissioned dance and film artists to provide accessible movement wellbeing digital participation workshops for individuals living in our community to share their stories through healing, movement, and a collection of creative work. The project proved a successful vehicle in raising spirits and supporting those at risk of isolation.

**Stitching the Community Together** - we commissioned artist Josie Nicholson to deliver virtually our community quilting project focused on a pride of Place through a series of virtual workshop and toolkits

**PhotoBARRYthon** - In October 2020 MAC hosted Barry's first ever Photomathon - participants images were collected from key points across Barry, with the winning photograph entries shared on the Barry Making Waves and Memo websites.

**Cinema re-opening Trial** - MAC received ACW capital funding to install restriction and safety re-opening Covid signage, hygiene, and equipment throughout the venue, to support our re-opening potential.

## MEMORIAL HALL AND THEATRE

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In October 2020 we held a successful Cinema trial event by inviting an audience to test all our Covid safety systems, and during the event collect audience surveys to evaluate current and ongoing audience engagement considerations before launching the cinema reopening.

**MAC Christmas Book Appeal** - In December 2020 MAC raised funding to enable 100 Children's Christmas books to be distributed to children care providers across Barry

**Virtual book club** - In January 2020 MAC's creative team set-up a new popular monthly book club that has been a successful ongoing project.

**Virtual Cinema** January 2021 MAC developed a new virtual cinema programme with Modern Film, YourScreen, Munro Films, Bulldog Distribution

**Streamed Live Theatre** - MAC worked with local arts organisations Flossy and Boo: Bramble and Warren: to present The Emporium of Delight 25 - 28 Feb 2021 (public) and Taking Flight Theatre Company: First Three Drops 22-23 Nov 2020 (Schools & Public)

During the pandemic MAC installed large light boxes on the outside of the building to promote positive messages and venue projects, additionally, the outside of the venue and Cenotaph was lit in lights of various colours throughout the year to commemorate and celebrate different charitable causes, and to mark Remembrance Sunday and the poppy appeal. These digital performances, and virtual participatory events encouraged and supported ongoing arts engagement

#### **Sustainability**

MAC demonstrated its ongoing commitment to switching to more sustainable energy sources by installing LED lighting throughout the venue and replacing some traditional lamps on stage with efficient LED lighting. ACW capital enabled us to replace traditional taps with sensor taps to conserve water throughout our facilities. All disposable bar or café ware is now sourced from recyclable or biodegradable products. Climate Change now features alongside equalities & diversity as an overarching principle in all that we do.

#### **Good Governance and Sustainability**

Trustees have maintained a keen focus on establishing robust governance arrangements for MAC. This, coupled with the efforts of staff, has resulted in safeguarding the charity's resilience and supported the financial impacts under the exceptional circumstances in the year.



## MEMORIAL HALL AND THEATRE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

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#### FINANCIAL REVIEW

##### Review of transactions and financial position

Total income for the year was £359,492 (2020 £599,175). The main source of income is donations and grants received which amounted to £328,237 (2020 £224,147). While theatre, hires, bar and investment income from rental of part of the property totalled £31,255 (2020 £375,028).

The Memo continued to pursue its objects and the charity's financial position is stable. The charity's strategies going forward are to secure capital investments to make improvements to the facilities that will build additional capacity to increase its arts and cinema activity levels, increase hiring potential of our facilities, and develop improvements to increase the generation of hospitality income to support our future sustainability.

The Trust holds a 2019-2022 revenue core grant agreement with Barry Town Council to support our programme over the agreement term. The 2019-22 grant agreement has been under review by the Council due to the delivery of activity caused by the Covid-19 restrictions. During the review BTC withheld the payment of grants since 31.12.20, which has meant that Qtr 4 2020-21 and Qtr 1-2-3-4 2021-2022, totalling £187,500 have not been released to the Trust. During 2020-21 both parties engaged in mediation to resolve the release of grants without a resolution. The 2019-2022 funding agreement will end on 31.03.22, and as a condition of the funding agreement the Council's role as custodian trustee will cease on 31.03.2022. BTC have advised the Trust that they may apply for an annual revenue grant for their consideration. The Trustees review their annual budgets to identify areas where change or greater investment to facilitate long-term sustainability can be achieved and have established new fundraising strategies to generate new funds and extend the diversification of its funding partnerships to support sustainability and business development.

The charity generated £nil (2020 £20,563) with £nil for services for the rental of part of its property on Gladstone Road as Barry Town Council terminated their tenancy in December 2019. During 2020, the Trust refurbished this part of the building, these smaller spaces are now incorporated into the main building and are used to facilitate a broad range of charitable activities and events

The amount of total expenditure for the year was £364,106 (2020 £621,222) including depreciation charge of £71,208 (2020 £54,451) on fixed assets.

Total net expenditure and net movement in funds amounts to £4,614 (2020 £22,047). This includes £29,685 restricted deficit balance overall and an unrestricted surplus of £25,071.

Efficiency savings have been identified and implemented to create operational effectiveness and sustainability across all departments.

##### Summary of reserves

At the year-end unrestricted reserves were £3,301,632 (2020 £3,276,561) and restricted reserves amounted to £149,350 (2020 £179,035).

Most of the un-restricted reserve is represented by the building value.

##### Reserves policy

Trustees recognise the importance of maintaining reserves to enable ongoing investment in the charity and to cover any downturn in market conditions or unplanned emergency costs in the event of adverse unforeseen circumstances. MAC has adopted a reserves policy to identify, plan and maintain five months trading expenditure, and reserves to support the maintenance of essential services, and costs reflected in the risks of unplanned closure, spending commitments and potential liabilities.



## **MEMORIAL HALL AND THEATRE**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021**

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#### **FINANCIAL REVIEW**

##### **Going concern**

Since March 2020, Trustees have closely monitored ongoing Covid-19 impacts and mitigations needed to manage the ongoing uncertainties. To provide contingency against unfavourable trading climates, and to support MAC in the event of further unplanned closures, the Board of Trustees have agreed to target a level of financial reserves to support potential ongoing challenges being faced resulting from the coronavirus pandemic. The level of charity reserves is set towards managing trading liabilities for five months, the risks of redundancies, repaying liabilities for key business areas, and has designated the £50k bounce-back loan be used to invest in venue refurbishments or match-fund capital schemes that support the charity's objectives and its long-term sustainability. Revenue streams slowly restarted and supported by project funding are looking stable in the short to medium term. Uncertainty remains over future Covid impacts, in evaluating the going concern risks, the Trust has undertaken a comprehensive evaluation of its activities to support the 2022-2023 cashflow forecast to determine ongoing sustainability capacity. The Trust reviews its risk register and monitors its business and fundraising strategies to ensure a diverse range of income streams, and revenue and capital grants from broader funding partners is secured to support its operation, and future resilience sustainability.

#### **FUTURE PLANS**

Over 2020-21 key successful funding applications have been achieved, and work has been undertaken with Richard Newton Associates, a contracted professional fundraising organisation, to help MAC develop its fundraising strategies and potential for securing significant applications to support its development ambitions. During 2021-23 Trustees are focused on developing further successful core revenue funding applications to re-focus and strengthen income generation streams to mitigate against the changing operating environment brought about by the pandemic. MAC will continue to broaden its fundraising work to secure wider funding diversity by broadening our working partnerships. The Trustees will continue to monitor and developed a range of measures to ensure future sustainability. MAC's future sustainability development is committed to achieving additional core revenue, and capital funding to install a second cinema screen, improve professional staging resources and improve the audience's visitor experience. Development funding will fundamentally contribute to increased capacity, greater community participation engagement and subsequent higher trading yields. Supporting wellbeing and increasing volunteer opportunities with MAC remains a central pillar of our future development strategies, this will support productivity and increase services that will create a gateway for connecting people with the arts both in our venue and through other projects across Barry and the Vale of Glamorgan. MAC seeks not only to ensure equality of opportunity, but also to sustain a long-term strategy to develop a greater understanding of the diversity of people with whom we live and to strengthen our programme, we want to enhance our visitors' experience and enable staff to maximise their potential. MAC has developed a series of new projects within the Arts Council of Wales Create scheme that will provide new participatory opportunities working in partnership with a free-lance artists and organisations to promote a diverse range of community focused meaningful activities for all. Going forward MAC will continue to collaborate with its partners to build flexible business models and produce work that will galvanise public support. The Trustees will review and adapt its strategies to support MAC to further develop its role as an important sustainable and creative hub that produces, promotes, and champions cultural opportunities for the recovery and wellbeing of the diverse community region we serve.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The Memo Arts Centre (Memorial Hall Theatre) was formed as a charitable trust in 1932, the Charity Commission authorised the charity Trustees a modernised governing scheme in 2006, 2007 and 2012. In January 2014 the Charity Commission registered the Memorial Hall Theatre (Trading as Memo Arts Centre) as a new Charitable Incorporated Organisation (Registered CIO: 1155291). The Trust commenced trading under the CIO in May 2015 having taken over the assets, liabilities, and activities of the predecessor charity. The charity operates from its head office in Gladstone Road, Barry and has no subsidiary charities, no active subsidiary fundraising and operational companies and no associate companies.

##### **Recruitment and appointment of new trustees**

Board recruitment remains essential to ensure that we have an effective, diverse, knowledgeable, and committed team of Trustees in place to support MAC's sustainability.



## MEMORIAL HALL AND THEATRE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

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#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Organisational structure

The Venue's General Manager is the charity's chief executive officer, who is employed by and reports to the Board. The Board delegates the artistic, operational, and business decisions to the General Manager, who in turn delegates responsibility to senior staff to administrate its affairs, provide services and generate income.

The General Manager and Finance Administrator provide regular financial and management reports to the board and its sub committees. The Trustees set, manage, and review annual budgets, carry out risk assessments and appraisals, against its management reports. The staff management structure consists of four departments reporting to the General Manager - these departments are responsible for delivering the needs of the operation of the Venue and assist in the implementation of corporate policy, strategy, and marketing.

##### Induction and training of new trustees

New Trustees are provided with full inductions and information packs that include a copy of the governing scheme, a copy of the charity's latest annual report and statement of accounts and documents produced by the charity commission outlining the responsibilities of being a Trustee. The charity's board ordinary meetings are held each quarter with sub-committee meetings in the months. The board of Trustees are unpaid.

##### Related parties

The Barry Town Council is a related party as a custodian Trustee as a condition of the 2019-2022 Funding Agreement. The Council will cease to be the trust's custodian Trustee on 31.03.2022 in line with the end of the funding agreement.

##### Risk management

The Trustees monitor their risk register to consider the financial risks associated with the income and expenditure streams and the balance sheet items and sets appropriate budgets to the resources reasonably expected to be available. The budgets and longer-term business strategy allow time and resources for the fundamental restructuring in the event of a major downturn or loss of any significant revenue generation.

The Trustees proactively manage the risks associated with loss of income and constantly review and consider risks and where required implement a range of contingency plans that serve in the place of reserves.

##### Principal Risks and Challenges

We are committed to sustaining a confident and skilled organisation and providing the best possible creative environment in which to develop our work at MAC, in our community and, increasingly, online. Our planning acknowledges the importance of investing in high-quality artistic delivery, people, and infrastructure to bring the best work to the widest audience. We regularly monitor risks to enable the successful delivery of our artistic programme and use a range of self-assessment tools, external evaluation, and peer review to help us ensure our own high standards, supporting excellence whilst ensuring the widest possible participation and engagement. The Board has reviewed and assessed the risks to which we may be exposed. A risk register identifies those risks and assigns specific actions and responsibilities for mitigating them. The risk management process is ongoing and is regularly updated by the General Manager and Internal Finance Accountant and reviewed by the Board. The Board maintains a watchful eye on financial, reputational, and operational risks, efficiency, streamlining operations, processes, and practices, to achieve the best and fairest use of our financial and human resources. The business planning activities are enabling the Senior Management and Board to make informed decisions while understanding the risks and opportunities for the organisation and how this might affect MAC's future plans. Following the closure of the building to the public in March 2020, due to the COVID-19 pandemic, the Board has been meeting on a more frequent basis to take an overview on the effectiveness of all internal controls, including financial, operational and compliance controls and risk management systems. The internal systems are designed to meet the charity's particular needs and the risks to which we are exposed, to manage those risks and to provide reasonable assurance that mitigation plans are realistic and likely to be effective going forward. The Board oversees budgetary controls, recommends steps to ensure financial viability of the organisation, monitoring the receipt of income for both revenue and capital expenditure.

## **MEMORIAL HALL AND THEATRE**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021**

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#### **REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**  
1155291

**Principal address**  
7 Gladstone Road  
Barry  
Vale of Glamorgan  
CF62 8NA

#### **Trustees**

Ms L Thomas (appointed 30.6.20)  
Ms A Forte - BEM  
Mr M Trickey (appointed 20.9.21)  
Dr J Salisbury  
Mr R W Thomas  
Ms K Ghazi-Torbati (appointed 22.7.20)  
Mr M G Walmsley

#### **Auditors**

Graham Paul Limited  
(Statutory Auditor)  
Court House  
Court Road  
Bridgend  
CF31 1BE

#### **Senior Management**

**CEO - General Manager** - Ms K Long

#### **Custodial Trustee**

Barry Town Council - expires 31.3.22.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees 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).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



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Approved by order of the board of trustees on 27 January 2022 and signed on its behalf by:

Mr M G Walmsley - Trustee

A handwritten signature in black ink, appearing to read 'M.G. Walmsley', followed by a long diagonal stroke and a period.

## REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF MEMORIAL HALL AND THEATRE

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### Opinion

We have audited the financial statements of Memorial Hall and Theatre (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, 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 Charities Act 2011.

### 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

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

### Other information

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

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

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

### Matters on which we are required to report by exception

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

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

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF MEMORIAL HALL AND THEATRE**

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### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

The audit was planned on the basis that the testing undertaken, and procedures carried out would have a reasonable expectation of detecting any instances of irregularity including fraud. The plan involved assessing the risk of the financial statements containing misstatements taking into account various factors such as the control systems in place, the standard of record keeping, and an assessment of the influence and role of the stakeholders involved. The audit plan was followed and benefited from the audit team's knowledge of the client. They considered how fraud may occur and where the financial statements may be susceptible to error. The influence of Covid-19 was also considered.

Suitable transaction sample testing was made on the high-risk areas of the financial statements. Enquiries were made of the trustees and key management for information and explanations as required during the course of the audit and any contentious areas appropriately challenged to ensure that sufficient audit evidence was obtained.

The procedures and testing undertaken as a result of our risk assessment were deemed sufficient to identify material errors for which adjustment was then made in the financial statements. There is, however, no guarantee that all errors, including those related to fraud, would be identified as part of the audit.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

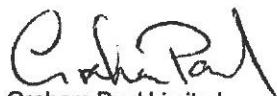


**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
MEMORIAL HALL AND THEATRE**

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**Use of our report**

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



Graham Paul Limited  
(Statutory Auditor)  
Court House  
Court Road  
Bridgend  
CF31 1BE

27 January 2022

# MEMORIAL HALL AND THEATRE

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	297,406	30,831	328,237	224,147
<b>Charitable activities</b>	4				
Income from theatre and centre		14,154	-	14,154	278,570
Operation of bar & cafe		-	-	-	68,215
Other income		-	-	-	7,680
Investment income	3	-	-	-	20,563
Other income		17,101	-	17,101	-
<b>Total</b>		<b>328,661</b>	<b>30,831</b>	<b>359,492</b>	<b>599,175</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	5				
Income from theatre and centre		293,997	61,652	355,649	564,505
Operation of bar & cafe		907	-	907	50,417
Other		7,550	-	7,550	6,300
<b>Total</b>		<b>302,454</b>	<b>61,652</b>	<b>364,106</b>	<b>621,222</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>26,207</b>	<b>(30,821)</b>	<b>(4,614)</b>	<b>(22,047)</b>
<b>Transfers between funds</b>	19	<b>(1,136)</b>	<b>1,136</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>25,071</b>	<b>(29,685)</b>	<b>(4,614)</b>	<b>(22,047)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>3,276,561</b>	<b>179,035</b>	<b>3,455,596</b>	<b>3,477,643</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>3,301,632</b>	<b>149,350</b>	<b>3,450,982</b>	<b>3,455,596</b>

The notes form part of these financial statements

# MEMORIAL HALL AND THEATRE

## STATEMENT OF FINANCIAL POSITION 31 MARCH 2021

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	11	3,169,184	149,350	3,318,534	2,615,357
Investment property	12	-	-	-	766,900
		<u>3,169,184</u>	<u>149,350</u>	<u>3,318,534</u>	<u>3,382,257</u>
<b>CURRENT ASSETS</b>					
Stocks	13	2,631	-	2,631	2,620
Debtors	14	43,580	-	43,580	49,990
Cash at bank and in hand		200,036	-	200,036	96,908
		<u>246,247</u>	<u>-</u>	<u>246,247</u>	<u>149,518</u>
<b>CREDITORS</b>					
Amounts falling due within one year	15	(67,966)	-	(67,966)	(75,175)
<b>NET CURRENT ASSETS</b>		<u>178,281</u>	<u>-</u>	<u>178,281</u>	<u>74,343</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,347,465</u>	<u>149,350</u>	<u>3,496,815</u>	<u>3,456,600</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	16	(45,833)	-	(45,833)	(1,004)
<b>NET ASSETS</b>		<u>3,301,632</u>	<u>149,350</u>	<u>3,450,982</u>	<u>3,455,596</u>
<b>FUNDS</b>	19				
Unrestricted funds				3,301,632	3,276,561
Restricted funds				149,350	179,035
<b>TOTAL FUNDS</b>				<u>3,450,982</u>	<u>3,455,596</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 27 January 2022 and were signed on its behalf by:

Mr M G Walmsley - Trustee



Mr R W Thomas - Trustee



The notes form part of these financial statements



**MEMORIAL HALL AND THEATRE****STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	67,982	21,499
Interest paid		(312)	(294)
Interest element of hire purchase payments paid		(742)	(2,596)
Finance costs paid		(3,302)	(6,958)
Net cash provided by operating activities		<u>63,626</u>	<u>11,651</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(7,499)	(12,936)
Sale of tangible fixed assets		13	-
Net cash used in investing activities		<u>(7,486)</u>	<u>(12,936)</u>
<b>Cash flows from financing activities</b>			
New loans in year		50,000	-
Capital repayments in year		(3,012)	3,012
Net cash provided by financing activities		<u>46,988</u>	<u>3,012</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>103,128</u>	<u>1,727</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>96,908</u>	<u>95,181</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>200,036</u></u>	<u><u>96,908</u></u>

The notes form part of these financial statements

# MEMORIAL HALL AND THEATRE

## NOTES TO THE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

### 1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
<b>Net expenditure for the reporting period (as per the Statement of Financial Activities)</b>	(4,614)	(22,047)
<b>Adjustments for:</b>		
Depreciation charges	71,209	54,451
Interest paid	312	294
Interest element of hire purchase and finance lease rental payments	742	2,596
Finance costs	3,302	6,958
(Increase)/decrease in stocks	(11)	2,236
Decrease/(increase) in debtors	6,410	(21,425)
Decrease in creditors	(9,368)	(1,564)
<b>Net cash provided by operations</b>	<b>67,982</b>	<b>21,499</b>

### 2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
<b>Net cash</b>			
Cash at bank and in hand	96,908	103,128	200,036
	<u>96,908</u>	<u>103,128</u>	<u>200,036</u>
<b>Debt</b>			
Finance leases	(3,012)	3,012	-
Debts falling due within 1 year	-	(4,167)	(4,167)
Debts falling due after 1 year	-	(45,833)	(45,833)
	<u>(3,012)</u>	<u>(46,988)</u>	<u>(50,000)</u>
<b>Total</b>	<b>93,896</b>	<b>56,140</b>	<b>150,036</b>

The notes form part of these financial statements



**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charity, 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 Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 7 Gladstone Road, Barry, Vale of Glamorgan CF62 8NA.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Going Concern**

Since March 2020, Trustees have closely monitored ongoing Covid-19 impacts and mitigations needed to manage the ongoing uncertainties. To provide contingency against unfavourable trading climates, and to support MAC in the event of further unplanned closures, the Board of Trustees have agreed to target a level of financial reserves to support potential ongoing challenges being faced resulting from the coronavirus pandemic. The level of charity reserves is set towards managing trading liabilities for five months, the risks of redundancies, repaying liabilities for key business areas, and has designated the £50k bounce-back loan be used to invest in venue refurbishments or match-fund capital schemes that support the charity's objectives and its long-term sustainability. Revenue streams slowly restarted and supported by project funding are looking stable in the short to medium term. Uncertainty remains over future Covid impacts, in evaluating the going concern risks, the trust has undertaken a comprehensive evaluation of its activities to support the 2022-2023 cashflow forecast to determine ongoing sustainability capacity. The trust reviews its risk register and monitors its business and fundraising strategies to ensure a diverse range of income streams, and revenue and capital grants from broader funding partners is secured to support its operation, and future resilience sustainability.

The trustees are of the view that the Trust is a going concern and the financial statements are prepared on this basis.

**Critical accounting judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Significant judgements**

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- Support costs are allocated based on the nature of the expenditure. In this and the prior year this only relates to governance costs regarding the audit of the financial statements. All other expenditure is judged to be direct charitable.

**Key sources of estimation uncertainty**

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

## MEMORIAL HALL AND THEATRE

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

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#### 1. ACCOUNTING POLICIES - continued

##### **Critical accounting judgements and key sources of estimation uncertainty**

- Depreciation is based on the estimated useful lives and residual value of the fixed assets.

##### **Income**

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

- Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the charity but the criteria for recognition have not been met, the legacy is treated as a contingent asset and disclosed if material. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

- Donated services and facilities are included at the value to the charity, being the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.

- Investment income is included when receivable.

- Income from charitable trading activity is accounted for when earned.

- Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

##### **Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates;

- Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.

- Charitable expenditure comprises those costs incurred by the charity 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.

- Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, as set out in the notes to the accounts.

##### **Tangible fixed assets**

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

Freehold property	- 2% on cost
Plant and machinery	- 15% on cost
Fixtures and fittings	- 15% on cost



## MEMORIAL HALL AND THEATRE

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

#### 1. ACCOUNTING POLICIES - continued

##### Stocks

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

##### Taxation

The charity is exempt from tax on its charitable activities.

##### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purposes of the charity. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market values.

Designated funds are unrestricted funds earmarked by the trustees for specific purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

##### Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

##### Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### 2. DONATIONS AND LEGACIES

	2021 £	2020 £
Donations	367	4,264
Grants	327,870	219,883
	<u>328,237</u>	<u>224,147</u>

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

	2021 £	2020 £
Barry Town Council	112,500	150,000
Chapter Cardiff Film Hub	9,850	10,436
Barry Town Council - Toilets	22,800	18,600
Ffilm Cymru	-	3,786
Film Hub Midlands	-	4,000
Surf the Wave	-	2,267
Vale Stronger Communities	-	23,484
Project grants	-	7,310
Arts Council of Wales	136,220	-
Vale of Glamorgan Council - Covid rates relief	45,000	-
Barry Town Council - Covid Recovery Grant	1,500	-
	<u>327,870</u>	<u>219,883</u>



# MEMORIAL HALL AND THEATRE

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

### 3. INVESTMENT INCOME

	2021 £	2020 £
Investment income	-	20,563

### 4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021 £	2020 £
Income from theatre & centre	Income from theatre and centre	8,701	278,570
Other income	Income from theatre and centre	5,453	-
Operation of bar & cafe	Operation of bar & cafe	-	68,215
Other income	Other income	-	7,680
		14,154	354,465

### 5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £
Income from theatre and centre	355,649
Operation of bar & cafe	907
	356,556

### 6. SUPPORT COSTS

	Governance costs £
Other resources expended	7,550

### 7. AUDITORS' REMUNERATION

	2021 £	2020 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	7,550	6,300

### 8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

#### Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

**MEMORIAL HALL AND THEATRE****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021****9. STAFF COSTS**

	2021 £	2020 £
Wages and salaries	144,930	200,601
Social security costs	6,588	10,692
Other pension costs	2,406	3,885
	<u>153,924</u>	<u>215,178</u>

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

	2021 8	2020 8
Management & Administration	2	9
Bar & other	<u>10</u>	<u>17</u>

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

The average head count of employees during the year was 10 (2020 - 17). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No. 8	2020 No. 8
Number of staff	<u>8</u>	<u>8</u>

No employee received employee benefits of more than £60,000 during the year (2020 - nil).

**Key Management Personnel**

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £47,321 (2020 £49,579).

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	161,574	62,573	224,147
<b>Charitable activities</b>			
Income from theatre and centre	278,570	-	278,570
Operation of bar & cafe	68,215	-	68,215
Other income	7,680	-	7,680
Investment income	20,563	-	20,563
<b>Total</b>	<u>536,602</u>	<u>62,573</u>	<u>599,175</u>

**EXPENDITURE ON**

# MEMORIAL HALL AND THEATRE

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

### 10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
<b>Charitable activities</b>			
Income from theatre and centre	495,998	68,507	564,505
Operation of bar & cafe	50,417	-	50,417
Other	6,300	-	6,300
<b>Total</b>	<b>552,715</b>	<b>68,507</b>	<b>621,222</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>(16,113)</b>	<b>(5,934)</b>	<b>(22,047)</b>
<b>Transfers between funds</b>	<b>2,307</b>	<b>(2,307)</b>	<b>-</b>
<b>Net movement in funds</b>	<b>(13,806)</b>	<b>(8,241)</b>	<b>(22,047)</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<b>3,290,367</b>	<b>187,276</b>	<b>3,477,643</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>3,276,561</b>	<b>179,035</b>	<b>3,455,596</b>

### 11. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 April 2020	2,661,520	199,722	4,448	2,865,690
Additions	-	4,019	3,480	7,499
Disposals	-	(14)	-	(14)
Reclassification	766,900	-	-	766,900
At 31 March 2021	3,428,420	203,727	7,928	3,640,075
<b>DEPRECIATION</b>				
At 1 April 2020	108,726	138,621	2,986	250,333
Charge for year	38,818	31,202	1,189	71,209
Eliminated on disposal	-	(1)	-	(1)
At 31 March 2021	147,544	169,822	4,175	321,541
<b>NET BOOK VALUE</b>				
At 31 March 2021	3,280,876	33,905	3,753	3,318,534
At 31 March 2020	2,552,794	61,101	1,462	2,615,357

Included in cost or valuation of land and buildings is freehold land of £1,487,500 which is not depreciated.



## MEMORIAL HALL AND THEATRE

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

#### 11. TANGIBLE FIXED ASSETS - continued

During the year Barry Town Council ceased to rent part of the premises at Gladstone Road which it occupied. This part of the premises was treated as being of mixed use purpose during the period of this occupancy, included as investment property and valued at fair value of £766,900 as at 31st March 2020. Since the end of the tenancy this part of the property has been refurbished and reintegrated into the mainstream activities of the charity. It has therefore been re-classified in these accounts at deemed cost of £766,900 as freehold land & buildings.

#### 12. INVESTMENT PROPERTY

	£
<b>FAIR VALUE</b>	
At 1 April 2020	766,900
Reclassification	(766,900)
	<u>-</u>
At 31 March 2021	<u>-</u>
<b>NET BOOK VALUE</b>	
At 31 March 2021	<u>-</u>
At 31 March 2020	<u>766,900</u>

#### 13. STOCKS

	2021	2020
	£	£
Stocks	<u>2,631</u>	<u>2,620</u>

#### 14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	18,636	37,808
Other debtors	-	4,218
VAT	4,169	2,627
Prepayments	20,775	5,337
	<u>43,580</u>	<u>49,990</u>

# MEMORIAL HALL AND THEATRE

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

### 15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Bank loans and overdrafts (see note 17)	4,167	-
Hire purchase (see note 18)	-	2,008
Trade creditors	7,369	33,906
Taxation and social security	1,846	2,745
Other creditors	54,584	36,516
	<u>67,966</u>	<u>75,175</u>

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

	2021 £	2020 £
Bank loans (see note 17)	45,833	-
Hire purchase (see note 18)	-	1,004
	<u>45,833</u>	<u>1,004</u>

### 17. LOANS

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year on demand:		
Bank loans	<u>4,167</u>	<u>-</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>5,000</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>15,000</u>	<u>-</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	25,833	-

### 18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2021 £	2020 £
Net obligations repayable:		
Within one year	-	2,008
Between one and five years	-	1,004
	<u>-</u>	<u>3,012</u>

# MEMORIAL HALL AND THEATRE

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

### 18. LEASING AGREEMENTS - continued

	Non-cancellable operating leases	
	2021	2020
	£	£
Within one year	1,198	1,634
Between one and five years	1,598	2,796
	<u>2,796</u>	<u>4,430</u>

Lease payments recognised as an expense in the period was £1,634.

### 19. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
<b>Unrestricted funds</b>				
General fund	3,276,561	26,207	(1,136)	3,301,632
<b>Restricted funds</b>				
Arts Council of Wales	34,967	(16,378)	-	18,589
Vale of Glamorgan Council	11,905	(7,142)	-	4,763
Barry Town Council	56,550	(1,225)	-	55,325
Barry Town Council	72,613	(1,940)	-	70,673
Vale Stronger Communities	3,000	(4,136)	1,136	-
	<u>179,035</u>	<u>(30,821)</u>	<u>1,136</u>	<u>149,350</u>
<b>TOTAL FUNDS</b>	<u>3,455,596</u>	<u>(4,614)</u>	<u>-</u>	<u>3,450,982</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	328,661	(302,454)	26,207
<b>Restricted funds</b>			
Arts Council of Wales	8,031	(24,409)	(16,378)
Vale of Glamorgan Council	-	(7,142)	(7,142)
Barry Town Council	-	(1,225)	(1,225)
Barry Town Council	22,800	(24,740)	(1,940)
Vale Stronger Communities	-	(4,136)	(4,136)
	<u>30,831</u>	<u>(61,652)</u>	<u>(30,821)</u>
<b>TOTAL FUNDS</b>	<u>359,492</u>	<u>(364,106)</u>	<u>(4,614)</u>



# MEMORIAL HALL AND THEATRE

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

### 19. MOVEMENT IN FUNDS - continued

#### Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
<b>Unrestricted funds</b>				
General fund	3,290,367	(16,113)	2,307	3,276,561
<b>Restricted funds</b>				
Arts Council of Wales	51,345	(16,378)	-	34,967
Vale of Glamorgan Council	19,047	(7,142)	-	11,905
Barry Town Council	57,775	(1,225)	-	56,550
Barry Town Council	55,322	17,291	-	72,613
Ffilm Cymru	3,787	(3,787)	-	-
Vale Stronger Communities	-	5,307	(2,307)	3,000
	187,276	(5,934)	(2,307)	179,035
<b>TOTAL FUNDS</b>	<b>3,477,643</b>	<b>(22,047)</b>	<b>-</b>	<b>3,455,596</b>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	536,602	(552,715)	(16,113)
<b>Restricted funds</b>			
Arts Council of Wales	-	(16,378)	(16,378)
Vale of Glamorgan Council	-	(7,142)	(7,142)
Barry Town Council	-	(1,225)	(1,225)
Chapter Cardiff Film Hub	10,436	(10,436)	-
Barry Town Council	18,600	(1,309)	17,291
Ffilm Cymru	3,786	(7,573)	(3,787)
Film Hub Midlands	4,000	(4,000)	-
Surf the Wave	2,267	(2,267)	-
Vale Stronger Communities	23,484	(18,177)	5,307
	62,573	(68,507)	(5,934)
<b>TOTAL FUNDS</b>	<b>599,175</b>	<b>(621,222)</b>	<b>(22,047)</b>

# MEMORIAL HALL AND THEATRE

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

### 19. MOVEMENT IN FUNDS - continued

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

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
<b>Unrestricted funds</b>				
General fund	3,290,367	10,094	1,171	3,301,632
<b>Restricted funds</b>				
Arts Council of Wales	51,345	(32,756)	-	18,589
Vale of Glamorgan Council	19,047	(14,284)	-	4,763
Barry Town Council	57,775	(2,450)	-	55,325
Barry Town Council	55,322	15,351	-	70,673
Ffilm Cymru	3,787	(3,787)	-	-
Vale Stronger Communities	-	1,171	(1,171)	-
	<u>187,276</u>	<u>(36,755)</u>	<u>(1,171)</u>	<u>149,350</u>
<b>TOTAL FUNDS</b>	<u>3,477,643</u>	<u>(26,661)</u>	<u>-</u>	<u>3,450,982</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	865,263	(855,169)	10,094
<b>Restricted funds</b>			
Arts Council of Wales	8,031	(40,787)	(32,756)
Vale of Glamorgan Council	-	(14,284)	(14,284)
Barry Town Council	-	(2,450)	(2,450)
Chapter Cardiff Film Hub	10,436	(10,436)	-
Barry Town Council	41,400	(26,049)	15,351
Ffilm Cymru	3,786	(7,573)	(3,787)
Ffilm Hub Midlands	4,000	(4,000)	-
Surf the Wave	2,267	(2,267)	-
Vale Stronger Communities	23,484	(22,313)	1,171
	<u>93,404</u>	<u>(130,159)</u>	<u>(36,755)</u>
<b>TOTAL FUNDS</b>	<u>958,667</u>	<u>(985,328)</u>	<u>(26,661)</u>

The Arts Council Wales and Vale of Glamorgan grants were received towards the installation of the digital cinema equipment. The fund balance will be reduced annually by the depreciation charge on the equipment.

The Barry Town Council grant was received towards a loyalty card scheme 2017/18. A capital grant was received towards roof repairs in 2016/17, this balance will reduce annually by the depreciation charge on the equipment.

## MEMORIAL HALL AND THEATRE

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

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#### 19. MOVEMENT IN FUNDS - continued

They have also provided £97,000 as part of a 3 year capital grant project to refurbish the toilets in the centre. This project was completed in the year.

Chapter Cardiff have provided a grant as part of Film Hub Wales towards audience development funding for Vale Venues.

Further information regarding these projects can be seen in the Trustees Report.

#### 20. RELATED PARTY DISCLOSURES

The Barry Town Council is a related party as a funder of the charity, and during the term of the April 2019 - 31 March 2022 Funding Agreement, the custodian Trustee. The Barry Town Council will cease to be the Trust's custodian Trustee on 31st March 2022, in line with the end of the funding agreement.

The Memorial Hall and Theatre receives rental and services income from the Barry Town council for the rental of the Gladstone Road Offices owned by the Trust. The rental and services income is £5,256 (2020 £20,563) including service charges.

Barry Town Council used to receive benefit from the free facility provision dates in the MAC diary during the April 2019 - March 22 funding agreement term. This included one date per annum for the delivery of the Royal British Legion Armistice event and service. The Trust wishes to maintain and support this provision for the benefit of the Royal British Legion (Barry Branch).

As part of its grant agreement between the Memorial Hall and Theatre and the Barry Town Council, the Council receives free use valued at £nil (2020 £7,500) of the Memorial Hall and Theatre facilities (not services) for its prestigious annual public events, these include the Mayor Making Service, Mayor's Ball, and Civic Service.

Barry Town Council are the Trust's principle funder. The charity acknowledges the generous grant support it receives from the Barry Town Council in the period from 1 April 2020 to 31 March 2021. The Council provided an unrestricted grant of £112,500 (2020 £150,000). It also provided a Covid-19 relief grant of £1,500

In addition, Barry Town Council also provided a capital grant this year of £22,800 (2020 £18,600) towards the refurbishment of some of the toilets in the building. This is part of a 3 year project.

#### 21. GOING CONCERN

Since March 2020, Trustees have closely monitored ongoing Covid-19 impacts and mitigations needed to manage the ongoing uncertainties. To provide contingency against unfavourable trading climates, and to support MAC in the event of further unplanned closures, the Board of Trustees have agreed to target a level of financial reserves to support potential ongoing challenges being faced resulting from the coronavirus pandemic. The level of charity reserves is set towards managing trading liabilities for five months, the risks of redundancies, repaying liabilities for key business areas, and has designated the £50k bounce-back loan be used to invest in venue refurbishments or match-fund capital schemes that support the charity's objectives and its long-term sustainability. Revenue streams slowly restarted and supported by project funding are looking stable in the short to medium term. Uncertainty remains over future Covid impacts, in evaluating the going concern risks, the trust has undertaken a comprehensive evaluation of its activities to support the 2022-2023 cashflow forecast to determine ongoing sustainability capacity. The trust reviews its risk register and monitors its business and fundraising strategies to ensure a diverse range of income streams, and revenue and capital grants from broader funding partners is secured to support its operation, and future resilience sustainability.

The trustees are of the view that the Trust is a going concern and the financial statements are prepared on this basis.