

Company Registration Number: 08658085
Charity Registration Number: 1156472

TAUNTON THEATRE ASSOCIATION LIMITED
(A Company limited by Guarantee)
REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

TAUNTON THEATRE ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Company Number: 08658085

CONTENTS

	Page
Company and Charity Information	2
Report of the Trustees	3-12
Trustees' Responsibilities Statement	12-13
Auditor's Report	14-16
Consolidated Statement of Financial Activities	17
Consolidated Balance Sheet and Company Balance Sheet	18-19
Consolidated Statement of Cashflows	20
Notes to the Financial Statements	21-33

TAUNTON THEATRE ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Company Number: 08658085

COMPANY AND CHARITY INFORMATION

Directors and Trustees	Mr. S Berg	
	Ms C Bernhardt de Lane	(Appointed 20 November 2023)
	Mrs V J Berry ^{1,2,3}	(Chair, known as Val Hammond)
	Mr C Cook	
	Mrs V Dawson ²	
	Mr E F Gaines	
	Mr B Lee ¹	(Resigned 16 January 2023)
	Mr P B Phillips ³	(Resigned 21 November 2022)
	Mr R W Rowles ¹	(Appointed 1 February 2023)
	Mr A G Samuel	(Appointed 23 October 2023)
	Mr M R Watts	(Resigned 31 August 2023)
	¹	Member of Finance Committee
	²	Member of Development and Fundraising Committee
³	Director of TTA Trading Ltd	
Company number	08658085	
Charity number	1156472	
Key Management Personnel		
Executive Director	Mrs V S Hobbs	(Appointed 1 October 2022)
	Mrs A Bere (Chief Executive)	(Resigned 22 July 2022)
Registered office	The Brewhouse Theatre and Arts Centre Coal Orchard Taunton TA1 1JL	
Website:	www.tauntonbrewhouse.co.uk	
Professional Advisers:		
Auditors	A C Mole Chartered Accountants & Statutory Auditors Stafford House Blackbrook Park Avenue Taunton, Somerset TA1 2PX	
Bankers	National Westminster Bank Plc 26-35 Fore Street Taunton Somerset TA1 1JQ	
Legal Advisors	Foot Anstey LLP Senate Court Southernhay Gardens Exeter EX1 1NT	

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report with financial statements of the charity for the year ending 31 March 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act and Charity Commission purposes.

This year, the first following the major impact of the Corona-19 epidemic when the charity was closed for periods or operating with social distancing restrictions, was a period of recovery and continued challenge. We were grateful for financial assistance to ensure our survival. The work and experience of this year is included under Review of the Year, Page 6. The following Administrative Information refers to our standing procedures and practices.

REFERENCE AND ADMINISTRATIVE INFORMATION: Constitution and Structure

Taunton Theatre Association Ltd is a registered Charity, No. 1156472, and a Company limited by guarantee and not having a share capital. Taunton Theatre Association Ltd was incorporated on 20 August 2013 under the Companies Act 2006, Registration No. 08658085. Membership is by invitation from the Board of Trustees and Directors. Upon dissolution of the Company, members guarantee to pay the sum of £10 each. The trustees and directors and principal advisers of the charity and company are listed on Page 2.

Taunton Theatre Association Ltd operates from the Brewhouse Theatre and Arts Centre in Taunton. Although all contracts and other legal documents are as Taunton Theatre Association Ltd, its public face is as Taunton Brewhouse. The building is leased from Somerset Council, the new Unitary Authority for Somerset which absorbed the responsibilities of the former Somerset West and Taunton Council on 1 April 2023.

GOVERNANCE AND MANAGEMENT: Governing document and body

The charity's governing documents are its Memorandum and Articles of Association. The governing body of the charity is the Board of Trustees who are also the directors of the company.

Recruitment and training of trustees

New trustees are sought by advertisement with responses reviewed having regard to the overall skill mix required by the Board. Candidates are invited and appointed by the whole Board of Trustees. Induction includes interviews with existing Board members and the Executive Director and senior staff as appropriate. A new trustee may be appointed to the Board at any time during the year. The appointment is confirmed at the Annual General Meeting.

Organisational Management

The Board is legally responsible for the overall management of the charity and meets quarterly with other meetings as necessary. It currently comprises six independent trustees who are also Members of the charity. Two non-voting observers nominated by the Local Authority attend meeting as representatives of the owners of the site, Somerset Council. One-third of trustees submit themselves for re-election each year.

An Executive Director, is appointed by the Trustees with responsibility for leadership and management of the charity and attends Board Meetings as senior Officer. To facilitate effective operations, the Executive Director has delegated authority within terms of delegation approved by the Trustees, for operational matters including finance, employment, business development and planning. The Executive Director has oversight of the overall artistic direction of the company which is developed together with the Artistic Programmes Manager.

Standing Committees of the Board meet with appropriate officers at intervals throughout the year. In addition, other committees may be formed from time to time to address issues. Regular meetings of the Board are augmented by an away-day on an annual basis or as necessary.

Lead trustees advise on specific matters, e.g., finance, fundraising, legal matters. Public benefit and risks are discussed by the Board following reports by senior staff.

Pay policy

The Board of trustees and directors consider the salary of the Executive Director who is charged with directing and controlling, running, and operating the charity on a day-to-day basis. The trustees set guidelines for the pay of the senior management team. Pay is reviewed annually to ensure people are rewarded to reflect performance and market rates whilst being mindful of the charity's responsibility to consider its own financial position.

All trustees give of their time freely and receive no remuneration for their Board responsibilities. If contracted to provide a specific service in the work of the Charity, e.g., as a theatre professional, they are paid the appropriate fee.

Related Parties

The Charity's wholly owned subsidiary, TTA Trading Ltd, operates the Brewhouse bar, kiosks, sales of merchandise and art works and the hire of all facilities when not required for the core purpose. It also manages the contract for the provision of the on-site refreshment facilities. Any profits from these activities are transferred to Taunton Theatre Association Ltd by means of a charitable donation. TTA Trading Ltd also pays a service charge to the Charity to cover costs associated with TTA Trading overheads and operating costs. The charity and its subsidiary together comprise The Group.

Risk Management Process

The Board of Trustees is responsible for the management of risks faced by Taunton Theatre Association Ltd. The Trustees are assisted by the Executive Director and Senior Team in identifying, assessing, and controlling these risks.

Risks in 2022-23 were categorised under People, Finance, Security, Building Works/ Redevelopment, Artistic Programme, Leadership, Governance, Operations, Public Relations, Business Continuity and Regulatory Matters and are assessed for likelihood and impact with mitigating actions.

Business Plans are approved by the Trustees and performance against plans is reported in Heads of Department quarterly reports. Additionally, Somerset Council Observers attend TTA Board Meetings to keep updated as (Landlord and Grant Funder) on TTA's situation and performance.

OBJECTS AND AIMS

Charity objects

Taunton Theatre Association's formal objective is:

- The advancement of education for the public benefit through the promotion and encouragement of the performing arts, the creative arts, and the visual arts by such means as the directors shall think fit, with reference to (but without limitation) the County of Somerset.

Aims and intended impact

Based on our 5-year strategic plan 2021-2026 our operational vision, mission and values stand alongside our rebranding as Taunton Brewhouse.

Our Vision

We imagine a future where people and communities are liberated through artistic expression, becoming connected and considered equal. Our vision is that in the future, people from all over the world will fondly remember TAUNTON BREWHOUSE.

Our Mission

Since 1977, TAUNTON BREWHOUSE has existed to welcome people locally and globally, to enjoy and participate in a liberating programme of bold and brilliant artistic and creative experiences that inspire and transform our individual and shared experience of the world.

Our Values

Our four values are at the heart of all that we do. These values are seen and felt through the spirit and attitude of our people, programme, and creative community building confidence in Taunton Brewhouse as an inspiring and generous place to visit and work.

- **Welcoming** – we value open hearts, open minds, and welcome all to Taunton Brewhouse
- **Bold** – We value bold artists and bold ideas, inspiring locally and globally

- **Collaborative** – we believe meaningful collaboration can change the world; we work together to create, play and learn
- **Resilient** – We are committed to remaining Taunton's enduring centre for creative excellence.

How we achieve our purpose

The purpose of Taunton Theatre Association is achieved through holding the lease for Taunton Brewhouse and offering at and from that base for the benefit of the public:

- Programme of high-quality, diverse live performance
- Delivering a learning and participation programme for all ages
- Offering Youth Theatre to build and foster artistic talent
- Producing an annual Christmas musical in the main house
- Screening regular and event cinema
- Curating and presenting visual arts and crafts exhibitions
- Contributing activities for Brewhouse specific and other Taunton festivals
- Supporting artists, particularly those in the SouthWest to research and develop new work.

Our people

Senior team: Our former Chief Executive, Amy Bere, led the Brewhouse team to end of July 2022 when she left to pursue a career in education. We thank her for her contributions to the Charity. During the interregnum before a new appointment was made, the Senior Management Team worked together to lead the Brewhouse under the guidance of the Chair and Trustees. Following an open search, Vickie Hobbs, formerly Head of Finance, was appointed as Executive Director in October 2022.

There were other changes within the senior team as the Communications and Marketing Manager and Creative Engagement Manager both resigned in the early months of the year leading to changes in roles and responsibilities. Following in-year recruitment, our Senior Management Team in addition to the Executive Director now comprises: Artistic Programmes Manager, Technical and Facilities Manager, and Marketing Manager.

Employees: Our core employed team report to the managers identified above. They include Management Accountant, Youth and Programme Coordinator, Theatre Technicians, Front of House Supervisor, Hospitality Co-ordinator, Box Office and Marketing staff, and Duty Managers. They perform at a high level whilst also giving guidance and training to our volunteers. The employed team volunteer outside their paid area of expertise, expressing our strong belief in volunteering. We value enormously their work in full and part-time roles.

Our volunteers: Our team of c100 volunteers provide vital support for our work. Volunteers contribute by taking part in Front of House, Bar, Marketing and Technical/Back-stage and help also with repairs and redecoration and often act as our ambassadors. We are immensely grateful to them.

Our facilities:

The theatre buildings date from 1977 with later additions and are attached to an 18th century house. We benefit from being able to use these facilities which are now owned by Somerset Council for the benefit of the community. Because of the unique character of the building, a commercial value is difficult to define although it represents a real contribution to public support for the arts in Taunton.

PUBLIC BENEFIT

Our public benefit offers education, inclusion, and wellbeing through the provision of cultural and arts engagement for all ages.

Our beneficiaries

Following the restrictions of the COVID years, this has been a year for rebuilding our programme and the confidence of our audiences. We have also sought to engage new and existing groups, for example, Ukrainians now living in the community, building our offer for young people, as well as aiming to connect with populations moving into the area.

TAUNTON THEATRE ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Company Number: 08658085

Our results indicate that although we are not yet back to pre-pandemic levels of operation or attendance, this year saw a marked increase in both and we are confident that full recovery is within sight.

YEAR	2019-20		2020-21		2021-22		2022-23	
EVENT	Events	Attendance	Events	Attendance	Events	Attendance	Events	Attendance
Live Performances (MA & Studio)	183	41,116	8	413	191	28,009	224	38,359
Cinema Live Transmissions	54	7,423	29	1,097	5	185	26	2,441
Cinema Screenings	74	6,345	28	588	52	2,393	101	9,043
Creative Engagement	730	8,205	396	3,268	420	2,546	493	3,432
Exhibitions	9	2,300	4	2,098	3	c1,000	9	3,093
Hire events/classes							109	3,793
Other/2020 Digital			10	N/K				
Total	1,050	65,389	475	7,464	671	34,133	962	60,161

Notes:

Years 2020-21 and 2021-22 were impacted significantly by COVID with the theatre closed for periods. Exhibition attendance is estimated based on people viewing when the theatre was open.

The opportunity to benefit

We aim to keep prices at affordable levels and offer further benefits through our Friends Scheme. In normal years and where performing companies permit, we offer reduced price or multi-tickets to increase access. We work with schools and colleges to bring young people to the arts either by attending shows or by bringing their own work to the theatre. Our 'Mini Friend' (age 2-15) and 'Young Friend' (age 16-25) offer reduced fee Membership and benefits to encourage participation at these ages. We offer a Christmas show with BSL interpretation, audio described and relaxed performances and aim to adapt productions on request to make them fully accessible.

Attendance at exhibitions is free to all as is participation in activities at festivals throughout the year.

People also benefit from attending arts activities at Taunton Brewhouse organised by those who hire our facilities when not required for our own programmes and events. The numbers of those participating in this way are included in our list of beneficiaries for the first time this year.

REVIEW OF THE YEAR 2022-23

The year represents the initial steps in building recovery following the COVID years. A challenging year in many ways, it saw the return of performing companies including many with contracts for work that could not be delivered earlier. However, it was also a time for rebuilding audience confidence in returning to enclosed spaces. Therefore, although the programme offered was as broad as in earlier times, ticket sales were lower in the earlier part of the year creating an imbalance between cost of programming and income. As the year progressed, costs continued to rise adding to the pressure on our financial situation. Whilst we had been prudently managing staff costs by reorganising, matters came to a head in late autumn, when it became evident that the business would be at risk without further assistance. We are extremely grateful for the funds then granted to us by Somerset West and Taunton Council with the support of the incoming Somerset Council.

Performance

As always, live performance is at the heart of our programme. It includes drama, music, dance, family shows and comedy, although in the early months of the new year there were fewer touring comedy shows. This changed as the year progressed with well-known comedians including Maisie Adams and Alphonse Moore and, through BrewHaHa, a platform for emerging performers which attracted younger audiences. The ever-popular stars from 'Strictly' Giovanni Pernice, Ian Waite and Vincent Simone brought dance whilst music from Bournemouth Symphony Orchestra, through pop and rock, and folk was strongly represented with Steeleye Span, Ruby Turner, Seth Lakeman amongst many others. Raynor Wynne, performing Saltlines, with Gigspanner in a prose and music collaboration was a highlight for many. Insightful and interesting talks came from Gyles Brandreth and Brian Blessed, whilst Dame Judi Dench interviewed by Julian Fellowes and raising funds for Arts Taunton sold out within minutes of its release. Richard Jones, the mindreading military magician was also much enjoyed. Globe on Tour again brought accessible Shakespeare, whilst our performances of Twelfth Night in the

grounds of Taunton Castle also sold very well. As ever, very interesting drama featured in our studio theatre with a performance, Rose, about and played by a disabled actor, was inspiring, as was the post show discussion in which our diverse audience contributed movingly. As always, our family and children's shows were popular with Dinosaur World Live engaging the young audience so that they left saying: 'I love the theatre', surely what we are all about.

Our Christmas show, 'The Little Prince' was an imaginative retelling of the famous story by Antoine de Saint-Exupéry, using circus skills to bring the tale to life. As always, our community ensemble worked hard to acquire new skills to play a full role in the production, and outreach activities meant that the school parties came with good knowledge of the book. Unfortunately, performances were interrupted by COVID and cast sickness which meant that, financially, this was a difficult period for all.

We are proud that our programme continued to feature community produced work: Sleeping Beauty (Wayfarers Pantomime Society), Gypsy, The Musical (Taunton Amateur Operatic Society and Pride and Prejudice (Taunton Thespians) – all evidencing the wealth of local talent.

Cinema and Event Cinema

Our curated cinema started slowly as audiences recovered and grew through the year watching new and classic films as well as performances transmitted from other venues including the National Theatre and Royal Opera House, along with music and dance from Andre Rieu from around the world. It was particularly pleasing to see our venture, 'Movie Mondays' grow from a monthly through to a weekly offering, now with an option to stay for a light lunch. We continue to appreciate the assistance of our Cinema Advisers, Eddie Gaines and Andy Childs, in building area of our programming.

Exhibitions

Exhibitions included those by a single artist: Pennie Elphic – 'Talking to myself'; Helen Barff – 'I wrap my fear around myself', both curated by our valued adviser, Freeny Yianni of Close Ltd. Another, commissioned by the Brewhouse from Richard Thomlinson, an artist and creative technologist and entitled 'Through the looking glass' was an interactive video installation allowing visitors to fast-forward through billions of years of life on earth whilst also reflecting on how our action impacts on the planet.

Other exhibitions showed collection of work from Taunton Live and Pride with Go Create, work from the clients of ARC, Taunton Association for the Homeless, 'We the People', from students from Bridgwater and Taunton College, the Kings College Student Exhibition and 'The Knickerline' supporting a show from Blue Bird Productions.

All exhibitions are free to view and often have talks or other events associated with them.

Creative Engagement: Learn

In a challenging year, we continued to offer a broad programme of arts-based activities for people of all ages. Dance remained strong with offerings in ballet, contemporary, street and flamenco. Painters continued to develop their skills with specific offerings in discrete techniques and genres. There was a broad programme of craft work, some season specific and others more generic – visible mending for knitwear perhaps being both creative and a sign of the times. Calligraphy and 'write every day' continued. Of most significance was the development of our youth programme with workshops, youth musical theatre and the young theatre company. This has led to our young ambassadors who are making an excellent contribution to life in the theatre.

Artist Development

Funding challenges made it difficult to continue to grow this strand of our work although we continue to assist SouthWest performing companies by making free space available for research and development work. We also continued to work with The Pleasure Dome Theatre Company who will produce our Christmas Show in 2023. We continued to present new and emerging work in our Studio. We intend that this should grow and flourish.

Audience Development and Access

The year saw steady growth in overall audience numbers, although not yet at pre-COVID level. Attendance for live transmissions has still to recover, most probably due to the lack of new work being produced during the pandemic which resulted in fewer opportunities to attend. Similarly, our engagement activities are still recovering both in terms of the number of events and participants.

We continue to work hard to grow our community of Friends and seek to bring into the theatre many of the new arrivals to our town, both to new housing areas and to those fleeing conflict in Ukraine and elsewhere.

Development Funding

Our primary funder during this period was our local authority, Somerset West and Taunton Council. They provided a regular grant through the year and granted a further sum in February 2023.

We won smaller funds during the year to assist with infrastructure projects, notably monies from the Somerset Growth Accelerator Fund for our Café Project, and a grant from Somerset Community Foundation to help provide 'Warm Spaces' in winter 2022-3.

We were able to combine funds from Charities Aid Foundation and from St James Place Foundation to purchase audio description equipment. This was used for The Little Prince but provides ongoing benefit for visitors to the theatre. We also received funds from Theatre Trust and the Meikle family for critical renovation work in our studio theatre although the work itself was not carried out until 2023-4.

Our subsidiary company also donated a small sum from its work in 2021-22, an achievement given that the theatre was closed for much of that year.

Other funds very much appreciated were contributed by numerous donors giving sums on a regular or one-off basis, sometimes anonymously. Some of these funds enabled support for our Learn programme so truly giving back to our community.

Business and individuals supported us in other ways, choosing to advertise in our brochures, providing services or choosing to hire our facilities. They make an invaluable contribution in this way.

Our Development Committee supported the staff team to raise the funds we need to reinvest in our premises as well as in our work.

The charity has not used professional fundraisers or commercial participators. There were no complaints regarding fundraising. The trustees confirm that their fundraising is compliant with the recognised standards of fundraising.

Investment in the facilities

This year saw considerable disruption to our external environment. Work on the adjacent Coal Orchard development continued with noisy and dusty work making it difficult for visitors to access the building or to park nearby. We worked closely with Somerset West and Taunton Council to minimise the impact and they, in turn assisted us, working on our building when necessary. In particular they assisted with replacing a large window wall into our Tech Office which was subject to external damage. The Council also carried out repairs inside the building on areas of the roof. An electrical installation safety check led to significant work carried out by the Council resulting in theatre electrics are safer and more suited to our use.

The Council team carried out remedial work in the basement of the listed house which forms the oldest part of our site. Air circulation improved and fire detection was installed into that area. On the ground floor above this space, a new floor was installed which, along with redecoration and new electrics has greatly improved the attractiveness and usability of Westward Room. At the same time the internal facilities team carried out a renovation project in the kitchen to support our hospitality activities.

A new server was acquired for the main auditorium to allow many of the films we screen to be sent over the internet leading to cost savings in couriers and handling.

Our internal facilities team organised backups and support to ensure business continuity and carried out the necessary testing regimes. They also introduced an internal news feed to keep all staff updated.

FINANCIAL REVIEW

The theatre continued to experience financial challenges arising out of the Covid challenges of earlier years. In addition, work on the adjacent building site was subject to repeated delays. This created a noisy, dusty environment and resulted in a pronounced lack in footfall. Despite determined efforts to mitigate this situation, it impacted on the theatre's ability to earn which was already challenged by a reluctance in the early part of the year by some sections of the public to congregate in closed spaces. At the same time, performing companies increased their fees putting more pressure on venues which could not yet play to full houses.

Mitigating strategies included using different pricing policies whilst still maintaining access for all, extensive work on cost management, reorganising to reduce staff costs where possible, along with applications for grant funds and sponsorship.

Whilst we won grants for small infrastructure projects, in the highly competitive climate for major sums, we were unsuccessful in achieving funding from Arts Council England either for National Portfolio Status or project grants. The latter further impacted on funding for our Christmas show. Matters came to head in October 2022 when it became apparent that without further action, our status as a going concern would be at risk.

Having taken all the cost saving measures available to us, we consulted Somerset West and Taunton Council who, after discussions, made an additional grant in February 2023, allowing the charity to operate and set about restoring our working reserve. This action was also supported by Somerset Council, who, at year end took over as our Landlord and main funding provider. We are immensely grateful for the support of SWTC and of Somerset Council at this difficult time.

The financial reports demonstrate that the additional investment, along with careful financial management, enabled the charity to make a small surplus for the year, overturning the loss of the previous year, and ensured that the trustees and management could plan the way forward.

RISKS

Our risks policy is managed by Senior Management with Board oversight as set out in our Risk Management Process on page 4 of this report.

Highest rated risks at the start of the year were:

- Risk that the latent effects of COVID would continue. We aimed to mitigate by rebuilding a strong and inviting programme whilst also rebuilding audience confidence in returning to enclosed spaces.
- Risk resulting from continuing delays to the adjacent Coal Orchard development – noisy, dirty work which made accessing the theatre very difficult. This was largely out of our control and the project fell seriously behind schedule, then stopped when the Developer went into Administration. Work was taken forward by Somerset West and Taunton Council and the site was eventually opened in November 2022. A year later the new shops are still unoccupied.
- Risk arising from operational change of our landlord and major funder from Somerset West and Taunton to the new unitary authority, Somerset Council. A shadow authority was in place for the whole of 2022-23 with the new Somerset Council taking full responsibility after our year-end in April 2023. Councillors and officers from the former Somerset West and Taunton Council and the shadow Somerset Council worked hard to mitigate the effects of this change. However, uncertainty about plans and financing obviously increased pressure on the charity.
- Risk to the health and well-being of our staff: The Covid years saw an increase in health problems amongst staff and an increase in staff turnover. New flexible conditions were introduced where possible. Nevertheless, there were senior staff changes in the year creating pressure, uncertainty and loss of corporate memory.
- Risk that financial earnings directly from sale of tickets and from support activities including hospitality would not achieve our targets. In the event, income took time to grow and sickness, including Covid, impacted on our ability to earn fully from our Christmas show.
- Risk that our bids for grants and external funds would not be successful or sufficient. This risk proved real as despite making bids, none were won from ACE in this critical year.

The Risk Register was updated after the year-end and, after mitigating actions, high risks remained with regard to dependency on earning sufficient income and/or in the loss or reduction in funding from Somerset Council.

RESERVES POLICY

Taunton Theatre Association Ltd maintains reserves to underpin the financial stability of the charity and mitigate financial risk. The intent of the Reserves Policy is to replenish released reserves and to maintain the reserve balance of £200,000 in unrestricted reserves plus £50,000 for designated at projects with £50,000 for capital expenditure and a restricted reserve balance as dictated by grant conditions. As at 31 March 2023, the total reserves for the Group were £121,464 and for the Charity £104,219, of which unrestricted reserves were £82,617 and £65,372 respectively.

Free reserves therefore fell short of the policy. Work is ongoing to rebuild the reserves through careful management of resources. Meanwhile, strict financial management ensures that the charity operates in line with its earned income,

Although within the accounting processes, advanced ticket sales and reserves are recorded separately, they are currently banked together in a Bank Savings Account with movement between advance ticket sales and the current account on a monthly basis as events take place.

POST BALANCE SHEET EVENTS

After year-end, in April 2023, Somerset Council formally became the landlord and main funder of Taunton Brewhouse, maintaining two representatives on the TTA Board. Other Council staff remained in situ and relations have continued as previously. At the same time Taunton Town Council was established with whom effective day-to-day relations have been established, including running some events with their support.

The trustees believe that there is a strong case for grant funding to enable current growth following COVID to continue. Supporting the provision of art and culture brings much needed economic benefit to the community, both directly and through employment associated with theatre production. It is also a significant contributor to health and well-being of the community, relieving stress and mental health, reducing isolation, and providing creative outlets for talents which can lead to productive careers and even assist in avoiding disruptive behaviour amongst a minority. Nevertheless, due to Somerset Council's own financial challenges, the trustees were advised in November 2023 that the grant for 2024-25 would be reduced by 10%. The Council has announced the possible sale of its property assets but as the holder of a long-term lease, the Trustees are of the opinion that this offers no immediate material impact on the Charity.

Support for the theatre is evidenced by the growing attendance and participation at events such that the first quarter of 2023-24 saw an increase over the same quarter in 2022-23 of over 67%. Similarly, volunteers increasingly come forward to participate and support in all the different areas of activity.

The charity looks forward to a return to regular full houses and will continue to make a case for support.

GOING CONCERN

The financial statements have been prepared on a going concern basis, which assumes the charity and group will continue in operation for a period of at least twelve months from the date of authorisation of the financial statements and have sufficient funds to pay debts as and when they fall due.

In October 2022, whilst finalising the report for 2021-22, and as reported last year, the Auditor brought to the Board's attention that without remedial action the charity would be at risk of not being a going concern. As previously outlined, this resulted in an additional grant of £100,000 being made in March 2023 which enabled the charity to meet its liabilities and plan its cashflow. This one-off revenue grant is included within income in these financial statements. Without this grant the charity and the group would have incurred a loss in the current financial year.

In April 2023 it was decided to allocate £50,000 as a reserve whilst still aiming to rebuild this sum in line with the reserves policy as income recovered. To date, this reserve has been maintained with monies moving between reserve and current accounts as necessary and subject to the approval of trustees who have met and reviewed finances monthly.

Forecasts prepared following the announcement of a 10% reduction in Somerset Council grant for 2024-25 indicate that the Group will make a small deficit of round £6,000 in the year ending March 2024, and a modest surplus of around £23,000 in the following year.

Achieving these forecasts is reliant on a number of key assumptions which include the ability to:

- receive Somerset Council grant income at the level now indicated
- continue to increase revenue from visitor numbers
- increase revenue and profitability in the subsidiary company, TTA Trading
- generate profits from the annual Christmas shows.

Results since the year end are in line with these forecasts. However, alongside reduced funding, the ability to increase visitor numbers and spend continue to be affected by the cost-of-living crisis. The ability to grow these is key to the Theatre's recovery.

The impact of the pandemic in earlier years, and the losses incurred in these periods, have significantly eroded financial reserves, such that the charity and Group may not have sufficient financial reserves to act as a buffer should any of these assumptions not be in line with those forecast.

As a result, there is a material uncertainty that may cast doubt on the ability of the charity and the group to continue as a going concern.

Notwithstanding the above, the Trustees are confident that the forecasts are robust and achievable and that it is appropriate to prepare the accounts on a going concern basis. With careful attention to results and monthly reviews by the Finance Committee and Board, finances are recovering with a plan for achievable growth. It is the view of the Trustees that this approach allows the charity to function as a going concern.

FUTURE PLANS:

Our priority for the coming year, is to maintain an enhanced business focus for our operation. Concurrently, we will focus our fundraising and development strategy on increasing our financial resilience given changes in the economic climate and in local government.

Equally, we aim to maintain and grow the artistic and creative engagement programmes so that we exceed the target number of beneficiaries of our services, reaching out to ensure all feel welcome and included. Work carried out to improve the Studio in the first quarter of 2023-24 has increased the versatility and attractiveness of this space. We already see more events as well as participation activities taking place here which will assist the achievement of this goal.

Similarly, work carried out last year in renovating our kitchen facilities and Westward Room will enable the Charity to develop and grow its hospitality offer, making a good financial return as well as providing a welcoming and comfortable space for all. In particular, we will review and rebuild our daytime food and beverage offer in the light of current conditions. For example, initiatives such as Movie Monday have demonstrated an appetite for culture linked with the opportunity for social gathering and we will explore how this can be extended.

We will continue to support our young people's programmes and other activities so that we continue to ensure and enhance an inclusive offer for all young people.

Funding permitting, we will continue to support the development of SouthWest Artists.

We will also continue to seek funds to refurbish and redecorate further areas of our facilities. Plans are underway for a major initiative as part of the 50th anniversary of the opening of Taunton Brewhouse which takes place in 2027.

We will continue our work to develop and deepen relationships with actual and potential funders and sponsors as well as audience members to ensure the long-term future of the Taunton Brewhouse.

We will continue to strengthen our communications and audience development plans through improved and varied communications across our catchment areas and we will continue to seek partners and collaborators more widely and especially in the SouthWest.

In these and other ways we plan to steer back to the aims and ambitions of the pre-Covid strategy developed for 2021-26. Our priority now is to achieve the income growth originally envisaged which looks achievable as financial results for 2022-23 are on track and newly approved financial plans for the following years continue to mirror those in the strategic plan. However, we envisage changes in the way we achieve and maintain this income. This will be through growth in activities and participation although at a more measured pace than set out in the original plan.

Cross-cutting themes within our plan speak to global needs: the Climate Emergency, ongoing social injustices that perpetuate division in our society and the need for strong, engaged and fulfilled intergenerational communications. We will engage with these issues and explore ways to embed learning and evaluation to measure our progress within our civic role as an arts organisation, always mindful of the need to reflect the 10-year strategy for Arts as published by Arts Council England in January 2020. In the longer term, we aim to position Taunton Brewhouse as a regional venue, rooted in place with a national reputation for artistic excellence.

INDEMNITY PROVISION FOR TRUSTEES/DIRECTORS

Charity Trustees Insurance is in place for the benefit of all trustees/directors of the company.

AUDITOR

Our Auditor, A C Mole, initially appointed in March 2018 have carried out the Audit this year. After an open tender in summer 2023, A C Mole were reappointed. A formal resolution to confirm appointment as Auditors for 2023-24 will be proposed at the Annual General Meeting.

Statement of disclosure of information to auditor

The Trustees, who were in office at the date of approval of these accounts, have confirmed that, as far as they are aware, there is no relevant audit information of which the Charitable Company's Auditor is unaware and that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant information and to establish that the Auditor is aware of that information.

THANKS

We thank Vickie Hobbs, who took up her post as Executive Director in October 2022, having succeeded Amy Bere who was Chief Executive from March to July 2022. Vickie has worked extremely hard to bring a financial and business perspective to our arts organisation and has developed the roles of those supporting her.

We thank our Brewhouse Team: managers, staff and volunteers, and our specialist advisers who work with us to deliver a rich and exciting programme of cultural offers for our community. We are proud of their achievements, especially in these challenging times.

We thank our funders, sponsors, donors, friends and participants for their support, encouragement, and enthusiasm throughout the year. Without this vital support, we would not exist.

Finally, I thank my colleagues on the Board for their continuing work, support, and enthusiasm for our work which is so much appreciated.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

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

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

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

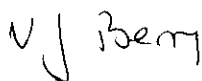
In so far as the trustees are aware:

- 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 information and to establish that the examiner is aware of that information.

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

The financial statements, which incorporate the Report of the Trustees and Trustees Responsibility Statement are approved by the board in their meeting on (23 October 2023) and signed on its behalf

by:



Valerie J Berry (Val Hammond)
Chair

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TAUNTON THEATRE ASSOCIATION LIMITED

Opinion

We have audited the financial statements of Taunton Theatre Association Limited (the parent charitable company") and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Statement of Cashflows 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, 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 the parent charitable company's affairs as at 31 March 2023 and the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Auditor's 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 related to going concern

We draw attention to note 1 in the financial statements which indicates that the charity and group is reliant on achieving an improvement in visitor numbers and revenue in future years in order to return to generating a surplus and that financial reserves may not be sufficient for the charity and group to continue to operate if these improvements are not achieved.

As stated in note 1 these events or conditions, along with other matters set out in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the charity and group's ability to continue as a going concern.

Our opinion is not modified in this matter.

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TAUNTON THEATRE ASSOCIATION LIMITED

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 20084 require us to report to you if, in our opinion:

- adequate and proper 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
- we have not received all the information and explanations we require for our audit.

Responsibilities of the trustees

As explained more fully in the statement of trustees' responsibilities, the trustees 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 they 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.

Auditor's responsibilities for the audit of the financial statements

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Identifying and assessing potential risks of material misstatement due to irregularities

We considered the following when identifying and assessing risks of material misstatement due to irregularities, including fraud and non-compliance with laws and regulations:

- the legal and regulatory framework in which the charitable company operates
- the sector in which the charitable company operates
- the control environment and controls established to mitigate such risks
- the results of our enquiries of management about their identification and assessment of risks of irregularities
- discussions with the audit engagement team about where fraud might occur
- the incentives for fraud.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TAUNTON THEATRE ASSOCIATION LIMITED

Laws and regulations which are considered to be significant to the charitable company include those relating to the requirements of financial reporting framework FRS102, the Companies Act 2006, the Charities Act 2011, UK tax legislation, employment law and health and safety. In addition, we consider other laws and regulation which may not directly impact the financial statements but may impact on the operation of the charitable company.

As a result of these procedures we concluded, in accordance with International Auditing Standards, that a risk in relation to the potential for management override of controls existed.

Audit responses to risks identified

We undertook audit procedures to respond to the risks identified, and designed our audit testing to respond to these risks. The additional procedures we undertook included the following:

- gaining an understanding of the charitable company's procedures for ensuring compliance with laws and regulations
- testing the appropriateness of journal entries and other adjustments
- considering whether accounting estimates were indicative of potential bias
- considering whether any transactions arose outside the normal course of business
- making enquiries of management
- corroborating our enquiries through review of Board Minutes and correspondence.

We also communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indicators of fraud or non-compliance with laws and regulations throughout 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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's 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.



A C Mole
Chartered Accountants and Statutory Auditors
Stafford House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

A C Mole is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

24th November 2023.

TAUNTON THEATRE ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Company Number: 08658085

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including Consolidated Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Funds	Restricted Funds	Total Funds 2023	Unrestricted Funds	Restricted Funds	Total Funds 2022
		£	£	£	£	£	£
Income							
Donations		24,044	10,000	34,044	13,262	-	13,262
Charitable Activities							
Grants	2	233,000	35,400	268,400	159,500	119,398	278,898
Ticket Sales							
Performance Revenue		686,027	-	686,027	483,393	-	483,393
Cinema Revenue		85,103	-	85,103	25,141	-	25,141
Learning and Participation		32,130	-	32,130	26,037	-	26,037
Other Trading Activities	3	134,530	-	134,530	74,742	-	74,742
Investment Income		912	-	912	127	-	127
Other income	4	48,130	-	48,130	51,282	-	51,282
Total Income		1,243,876	45,400	1,289,276	833,484	119,398	952,882
Expenditure							
Charitable Activities	5	1,175,441	6,646	1,182,087	858,051	276,899	1,134,950
Cost of Other Trading Activities		105,539	-	105,539	58,277	-	58,277
Total Expenditure		1,280,980	6,646	1,287,626	916,328	276,899	1,193,227
Net Income/(Expenditure)		(37,104)	38,754	1,650	(82,844)	(157,501)	(240,345)
Net Movement in Funds		(37,104)	38,754	1,650	(82,844)	(157,501)	(240,345)
Total Funds Brought Forward		119,814	-	119,814	200,658	159,501	360,159
Transfer		(93)	93	-	2,000	(2,000)	-
Total Funds Carried Forward		82,617	38,847	121,464	119,814	-	119,814

The statement of financial activities includes all gains and losses in the year.
The notes on pages 21 to 33 form part of these financial statements.

TAUNTON THEATRE ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Company Number: 08658085

CONSOLIDATED AND CHARITY BALANCE SHEET AS AT 31 MARCH 2023

		2023		2022	
	Notes	Group £	Charity £	Group £	Charity £
Fixed Assets					
Tangible Assets	9	32,518	31,559	14,434	12,989
Investments	10	-	1	-	1
		<hr/>	<hr/>	<hr/>	<hr/>
		32,518	31,560	14,434	12,990
Current Assets					
Stocks		2,465	-	4,273	-
Debtors	11	72,935	66,553	114,247	108,965
Cash at bank and in hand		387,618	375,804	286,381	276,852
		<hr/>	<hr/>	<hr/>	<hr/>
		463,018	442,357	404,901	385,817
Creditors:					
Amounts falling due within one year	12	(374,072)	(369,698)	(299,521)	(289,888)
		<hr/>	<hr/>	<hr/>	<hr/>
Net Current Assets		88,946	72,659	105,380	95,929
		<hr/>	<hr/>	<hr/>	<hr/>
Net Assets		121,464	104,219	119,814	108,919
		<hr/>	<hr/>	<hr/>	<hr/>
The Funds of the Charity					
Unrestricted funds	13	82,617	65,372	119,814	108,919
Restricted funds	13	38,847	38,847	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total Charity Funds		121,464	104,219	119,814	108,919
		<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 21 to 33 form part of these financial statements.

BALANCE SHEETS AS AT 31 MARCH 2023 (continued)

The trustees acknowledge their responsibilities for:

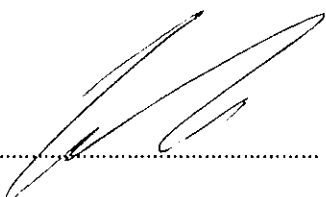
- (a) ensuring that the group and company keep accounting records which comply with Section 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the group and company as at the end of each financial year and of the group's profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company and group.

These accounts have been prepared in accordance with the provisions of part 15 of the Companies Act 2006 relating to the small companies' regime.

Approved by the Trustees and Directors and signed on its behalf by:-

Signed: V J Berry

NAME: VALERIE JUNE BERRY

Signed: 

NAME: CHRISTINE COX

Date: 24/11/23.

TAUNTON THEATRE ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Company Number: 08658085

STATEMENTS OF CASHFLOWS AS AT 31 MARCH 2023

		2023		2022	
	Notes	Group £	Charity £	Group £	Charity £
Cashflows from operating activities					
Net cash provided by operating activities	19	125,689	123,404	(226,495)	(229,881)
Cashflows from investing activities					
Purchase of tangible fixed assets		(25,364)	(25,364)	(10,670)	(9,835)
Interest received		912	912	127	127
Net cash (used in)/generated by investing activities		(24,452)	(24,452)	(10,543)	(9,708)
Net increase in cash and cash equivalents		101,237	98,952	(237,038)	(239,589)
Cash and cash equivalents at beginning of year		286,381	276,852	523,419	516,441
Cash and cash equivalents at end of year		387,618	375,804	286,381	276,852

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are as follows:

1.1 Company Information

The charitable company is incorporated in England and Wales under registration number 08658085 and is registered with the Charity Commission under charity number 1156472. The registered office is The Brewhouse Theatre and Arts Centre, Coal Orchard, Taunton, Somerset, TA1 1JL. It is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited £10 per member. As at 31 March 2023 there were 18 members.

1.2 Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statements 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) (issued October 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Taunton Theatre Association Limited meets the definition of a public entity under FRS 102.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless stated otherwise within these notes.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

1.3 Going Concern

The financial statements have been prepared on a going concern basis, which assumes the charity and group will continue in operation for a period of at least twelve months from the date of authorisation of the financial statements and have sufficient funds to pay debts as and when they fall due.

In October 2022, whilst finalising the report for 2021-22, and as reported last year, the Auditor brought to the Board's attention that without remedial action the charity would be at risk of not being a going concern. As previously outlined, this resulted in an additional grant of £100,000 being made in March 2023 which enabled the charity to meet its liabilities and plan its cashflow. This one-off revenue grant is included within income in these financial statements. Without this grant the charity and the group would have incurred a loss in the current financial year.

In April 2023 it was decided to allocate £50,000 as a reserve whilst still aiming to rebuild this sum in line with the reserves policy as income recovered. To date, this reserve has been maintained with monies moving between reserve and current accounts as necessary and subject to the approval of trustees who have met and reviewed finances monthly.

Forecasts prepared following the announcement of a 10% reduction in Somerset Council grant for 2024-25 indicate that the Group will make a small deficit of round £6,000 in the year ending March 2024, and a modest surplus of around £23,000 in the following year.

Achieving these forecasts is reliant on a number of key assumptions which include the ability to:

- receive Somerset Council grant income at the level now indicated
- continue to increase revenue from visitor numbers
- increase revenue and profitability in the subsidiary company, TTA Trading
- generate profits from the annual Christmas shows.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies (continued)

1.3 Going concern (continued)

Results since the year end are in line with these forecasts. However, alongside reduced funding, the ability to increase visitor numbers and spend continue to be affected by the cost-of-living crisis. The ability to grow these is key to the Theatre's recovery.

The impact of the pandemic in earlier years, and the losses incurred in these periods, have significantly eroded financial reserves, such that the charity and Group may not have sufficient financial reserves to act as a buffer should any of these assumptions not be in line with those forecast.

As a result, there is a material uncertainty that may cast doubt on the ability of the charity and the group to continue as a going concern.

Notwithstanding the above, the Trustees are confident that the forecasts are robust and achievable and that it is appropriate to prepare the accounts on a going concern basis. With careful attention to results and monthly reviews by the Finance Committee and Board, finances are recovering with a plan for achievable growth. It is the view of the Trustees that this approach allows the charity to function as a going concern.

1.4 Basis of Consolidation

These financial statements consolidate the results of the Charity and its wholly owned subsidiary, TTA Trading Limited, on a line by line basis. The "Group" heading within the balance sheet refers to the consolidated accounts of Taunton Theatre Association Limited and TTA Trading Limited. All intra-group transactions are eliminated on consolidation.

In the parent company financial statements the investment in the trading subsidiary is accounted for at cost less impairment.

A separate Statement of Financial Activities or income and expenditure account, for the Charity itself has not been presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006. The deficit in the year for the charity was £4,700 (2022: deficit £243,773). Note 10 gives details of the results of the subsidiary undertaking for the year to 31 March 2023.

1.5 Fund Accounting

Unrestricted income funds are available for the general purpose of the charity at the discretion of the trustees, in furtherance of the general objectives of the charity, and which have not been designated for other purposes.

Designated income funds are unrestricted funds earmarked by the trustees for particular reason or activity.

Restricted income funds are only available for specific purposes designated by the donor or through the terms of an appeal or a specific object of the charity.

1.6 Cash and Cash Equivalents

Cash and cash equivalents include cash and short term highly liquid investments that are readily convertible to a known amount of cash and subject to an insignificant risk of change in value.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies (continued)

1.7 Financial Instruments

The charity and group only has financial assets and liabilities that qualify as basic financial instruments including bank balances, cash, debtors and creditors. Basic financial instruments are therefore recognised at transaction price and subsequently amortised cost.

1.8 Tangible Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. The costs of minor additions, items under £1,000 are not capitalised. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the costs, less estimated residual value of each asset evenly over its expected useful life, as follows:-

Sound and lighting equipment	20% on cost
Tools and equipment	20% on cost
IT equipment	25% on cost
Café equipment	20% on cost

1.9 Stocks

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

1.10 Taxation

The company is a registered charity and is therefore not liable to corporation tax or capital gains tax to the extent that its income and gains are applicable to charitable purposes only. Value added taxation is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities

1.11 Pension costs

The group and charity make contributions to defined contribution pension schemes on behalf of employees. The assets of these schemes are held separately from the group in independently administered schemes. The amount included in the statement of financial activities represents the contributions payable to the schemes in respect of the accounting period.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies (continued)

1.12 Income

All income is included in the SOFA when the Charity and Group is legally entitled to the income, it is probable the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income.

Income from donations and gifts are recognised in the year in which they are receivable.

Income from grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Where grant income is received in advance of conditions being met which are outside of the charity's control, income is deferred within creditors: grants received in advance until grant conditions are met. Where the charity has entitlement to funds but these have not yet been received, income is recognised within debtors: accrued grant income.

Income from grants which relate to the Government's Coronavirus Job Retention Scheme are included within other income, in the period in which the charity becomes entitled to the income.

Income from ticket sales is recognised when the charity has entitlement to the funds. Where ticket sales income relates to future performances income is deferred within Creditors: Ticket sales received in advance.

Investment income is recognised when receivable.

1.13 Expenditure and Irrecoverable VAT

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing to that expenditure, it is probable that settlement will be required and the obligation can be measured reliably.

All expenditure is recognised on the accruals basis.

Costs of other trading activities includes expenditure incurred in generating the trading subsidiary funds.

Expenditure on charitable activities comprises 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 costs of an indirect nature necessary to support them.

1.14 Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The trustees are of the opinion that there are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1.15 Volunteered Services

The charity benefits greatly from the involvement and support of its many volunteers. In accordance with FRS102 and the Charities SORP (FRS102) the economic contribution of general volunteers is not recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

2. Income from Charitable Activities – Grants

	Unrestricted £	Restricted £	Total 2023 £	Unrestricted £	Restricted £	Total 2022 £
Somerset West and Taunton Council	132,000	-	132,000	132,000	-	132,000
Somerset West and Taunton Council – additional one off revenue grant	100,000	-	100,000	-	-	-
Arts Council	-	-	-	-	96,878	96,878
Somerset Community Foundation	1,000	-	1,000	-	-	-
Somerset County Council	-	24,900	24,900	-	-	-
Audio Equipment Grants	-	5,500	5,500	-	-	-
Covid-19 SWT Grants	-	-	-	27,500	-	27,500
Here and Now	-	-	-	-	2,000	2,000
Access to Work	-	-	-	-	20,520	20,520
Theatres Trust	-	5,000	5,000	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	233,000	35,400	268,400	159,500	119,398	278,898
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

3. Income from Other Trading Activities

	Unrestricted £	Restricted £	Total 2023 £	Unrestricted £	Restricted £	Total 2022 £
TTA Trading Limited	129,039	-	129,039	74,676	-	74,676
Business Sponsorship	5,425	-	5,425	-	-	-
Fundraising	66	-	66	66	-	66
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	134,530	-	134,530	74,742	-	74,742
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

4. Other income

Theatre Tax Credit	37,579	-	37,579	35,589	-	-
Sundry income	223	-	223	77	-	-
Advertising VAT repayments	9,128	-	9,128	-	-	-
Insurance claim	1,200	-	1,200	13,974	-	-
JRS	-	-	-	1,642	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	48,130	-	48,130	51,282	-	51,282
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

TAUNTON THEATRE ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Company Number: 08658085

NOTES TO THE FINANCIAL STATEMENTS

5. Expenditure on Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Theatre costs						
Artists' Payments	525,854	-	525,854	344,030	114,401	458,431
Sound & Lighting						
Consumables	591	-	591	593	-	593
Cinema Film Rental	39,674	-	39,674	13,348	-	13,348
Cinema & Equipment						
Repairs	10,574	-	10,574	3,426	11,665	15,091
Depreciation on Sound & Lighting Equipment	4,030	367	4,397	3,772	-	3,772
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	580,723	367	581,090	365,169	126,066	491,235
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Premises Costs						
Business Rates	2,586	-	2,586	1,319	-	1,319
Water Rates	623	-	623	(1,158)	-	(1,158)
Insurance	5,808	-	5,808	4,893	465	5,358
Light & Heat	24,639	-	24,639	27,222	1,692	28,914
Repairs & Maintenance	6,660	5,127	11,787	12,081	1,683	13,764
Fire & Security	2,371	-	2,371	2,815	480	3,295
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	42,687	5,127	47,814	47,172	4,320	51,492
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Staff Costs						
Wages & Salaries	371,046	-	371,046	299,024	67,985	367,009
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Publicity & Marketing						
Publicity & Marketing	61,190	-	61,190	56,071	17,131	73,202
Social Media	9,530	-	9,530	3,572	1,770	5,342
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	70,720	-	70,720	59,643	18,901	78,544
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

5. Expenditure on Charitable Activities (Continued)

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Support Costs						
Recruitment & HR	-	-	-	1,302	-	1,302
Training	630	-	630	1,813	9,324	11,137
Travel & Subsistence	2,187	-	2,187	924	228	1,152
Health & Safety	2,304	-	2,304	1,275	15	1,290
Licences	24,655	-	24,655	20,095	-	20,095
Printing, Postage & Stationery	1,771	-	1,771	2,197	-	2,197
Legal & Professional Fees	10,659	-	10,659	19,478	-	19,478
Audit & Accountancy	17,599	-	17,599	8,005	-	8,005
Bank & Credit Card Charges	1,012	-	1,012	761	-	761
Ticketing Charges	45,719	-	45,719	28,438	50,060	78,498
Sundry Expenses	1,426	-	1,426	777	-	777
Depreciation of Equipment	1,245	1,152	2,397	1,478	-	1,478
Bad debt	1,058	-	1,058	500	-	500
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	110,265	1,152	111,417	87,043	59,627	146,670
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
 Total Charitable Activities Expenditure	 1,175,441	 6,646	 1,182,087	 858,051	 276,899	 1,134,950
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

6. Staff Costs

	2023	2022
	£	£
Salaries & Wages	341,449	337,080
Social Security Costs	22,684	22,989
Pension Contributions	6,913	6,940
	<hr/>	<hr/>
	371,046	367,009
	<hr/>	<hr/>

No employee earned £60,000 per annum or more (2022: none).

The average number of persons (excluding trustees) employed during the year was 21 (2022: 18).

The key management personnel of the group comprise those of the charity and those of its wholly owned subsidiary TTA Trading Ltd. The key management personnel is identified as the chief executive, marketing and communications manager, technical and facility manager, artistic programmer, head of finance and administration, front of house manager and learning and participation manager. The total employee benefits, inclusive of pension and social security costs of key management personnel of the charity and group were £156,042 (2022: £210,119).

7. Trustee Remuneration and Related Party Transactions

The Trustees who are all directors received no remuneration during the year. No expenses have been reimbursed to directors during the year (2022: £nil).

The former Trustee Nick White, who resigned on 26 April 2021, is also the artistic director of the Wassail Theatre Company. During the 2020/21 year Taunton Theatre Association and the Wassail Theatre Company had a partnership agreement to produce Whispering Willows as part of the Future Arts Councils Here and Now project. Taunton Theatre Association received grant income of £10,000 of which £9,000 was paid over to the Wassail Theatre Company. During the 2021/22 year £1,300 of expenditure was recognised in relation to Wassail Theatre Company for Youth Theatre Company. The final instalment was paid after 31 March 2022.

The Charity's wholly owned subsidiary, TTA trading, operates the Brewhouse bar, kiosks, sales of merchandise and art works and the hire of all facilities not required for core purpose. Profits from these activities are transferred to Taunton Theatre Association Ltd by means of a charitable donation. TTA Trading also pay a service charge to the Charity to cover costs associated with TTA trading overheads and operating costs.

The Trustee Eddie Caines is a Film Programme Consultant. During the year £3,277 (2022: £1,705) was invoiced for Cinema Programming by his consultancy business.

8. Taxation

As a charity, Taunton Theatre Association Limited is exempt from tax on income and gains falling within section 505 of the Income and Corporation Taxes Act 1988 and section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that these are applied to its charitable objects.

NOTES TO THE FINANCIAL STATEMENTS

9. Tangible Fixed Assets – Charity and Group

	Sound & Lighting £	IT Equipment £	Tools & Other Equipment £	Cafe Equipment £	Total £
Cost					
At 1 April 2022	94,480	14,649	17,348	-	126,477
Additions	5,498	-	-	19,866	25,364
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	99,978	14,649	17,348	19,866	151,841
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 1 April 2022	83,074	14,649	14,320	-	112,043
Charge for Year	4,397	-	1,731	1,152	7,280
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	87,471	14,649	16,051	1,152	119,323
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Book Value					
At 31 March 2023	12,507	-	1,297	18,714	32,518
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	11,406	-	3,028	-	14,434
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Included within tools and equipment of group fixed assets are assets with a net book value of £959 (2022: £1,445) which are held in the trading subsidiary.

10. Investments

	Total 2023 £	Charity Total 2022 £
TTA Trading Limited		
Ordinary shares of £1 each	1	1
	<hr/>	<hr/>

TTA Trading Ltd (Company no 09011008) was incorporated on 25 April 2014 as a wholly owned trading subsidiary of Taunton Theatre Association Limited. The parent charity holds 100% of the issued share capital and 100% of the voting rights of the subsidiary trading company.

The principal activities of the company was that of a theatre bar and café. The trading subsidiary gift aids its taxable profits to Taunton Theatre Association Limited. The Registered Office is The Brewhouse Theatre and Arts Centre, Coal Orchard, Taunton, Somerset, TA1 1JZ.

TAUNTON THEATRE ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Company Number: 08658085

NOTES TO THE FINANCIAL STATEMENTS

10. **Investments (Continued)**

The results of TTA Trading Limited were as follows:-

	2023	2022
	£	£
Turnover	129,039	74,676
Costs of sales	(61,747)	(28,486)
Gross profit	67,292	46,190
Administrative expenses	(58,192)	(42,762)
Operating profit	9,100	3,428
Gift aid to Taunton Theatre Association Limited	2,749	-
The assets and liabilities were:-		
Fixed assets	959	1,445
Current assets	21,350	19,179
Current liabilities	(5,064)	(9,729)
Total assets less current liabilities	17,245	10,895
Called up share capital	1	1
Retained earnings	17,244	10,894
	17,245	10,895

11. **Debtors**

	2023		2022	
	Group	Charity	Group	Charity
	£	£	£	£
Trade Debtors	14,459	11,416	48,453	46,824
Prepayments	2,557	2,557	1,234	825
Accrued Income	17,000	17,000	20,520	20,520
Other Debtors	38,919	35,580	44,040	40,701
	72,935	66,553	114,247	108,870

NOTES TO THE FINANCIAL STATEMENTS

12. Creditors: Amounts falling due within one year

	2023		2022	
	Group	Charity	Group	Charity
	£	£	£	£
Trade Creditors	26,606	25,547	51,975	44,530
Taxation & Social Security	8,215	8,215	8,679	8,679
Accruals	62,991	62,854	63,267	61,903
Ticket sales received in advance	273,082	273,082	141,776	141,776
Grant income received in advance	-	-	33,000	33,000
VAT	3,178	-	824	-
	<hr/>	<hr/>	<hr/>	<hr/>
	374,072	369,698	299,521	289,888
	<hr/>	<hr/>	<hr/>	<hr/>

13. Statement of Funds – Group and Charity

	At 1 April					At 31
	2022	Income	Expenditure	Tax	Transfer	March
	£	£	£	£	£	2023
						£
Unrestricted funds						
General	119,814	1,243,876	(1,280,980)	-	(93)	82,617
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds						
Café Project	-	24,900	(6,279)	-	93	18,714
Studio Seating	-	10,000	-	-	-	10,000
Studio flooring/lighting	-	5,000	-	-	-	5,000
Audio Equipment	-	5,500	(367)	-	-	5,133
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	45,400	(6,646)	-	93	38,847
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Sufficient resources are held in an appropriate form to enable the above funds to be applied in accordance with their designated purpose.

Other restricted income funds are for specific artistic productions and activities undertaken by the company.

The Café Project was funded by a grant from Somerset County Council to redevelop the Theatre's Café. The balance on this fund will reduce as the capital expenditure is depreciated.

The Studio Seating Fund consists of a donation received specifically towards the new seating in the studio and related adjustments to the room.

The Studio flooring/lighting fund is a grant from the Theatres Trust towards repairing the Studio floor and improving the lighting rig.

The Audio equipment fund consist of donations received for Audio description equipment increasing accessibility of the theatre. The donations are fully spent and the balance on the fund will reduce as the capital expenditure is depreciated.

NOTES TO THE FINANCIAL STATEMENTS

14. Analysis of Net Assets Between Funds – Group

	Unrestricted	Restricted	2023 Total	Unrestricted	Restricted	2022 Total
	£	£	£	£	£	£
Fixed Assets	8,671	23,847	32,518	14,434	-	14,434
Net Current Assets	73,946	15,000	88,946	105,380	-	105,380
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	82,617	38,847	121,464	119,814	-	119,814
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

15. Capital Commitments

At 31 March 2023 the charity had no capital commitments (2022: Nil).

16. Called up Share Capital

The company is limited by guarantee and as such has no issued share capital.

17. Auditors/Independent Examiner's Remuneration

	<u>Charity</u>		<u>Subsidiary</u>		<u>Total</u>	
	2023	2022	2023	2022	2023	2022
	£	£	£	£	£	£
Audit	12,043	4,045	-	-	7,080	4,045
Independent examiner	-	(96)	-	-	-	(96)
Accounting services	4,884	3,288	760	610	5,490	3,898
Corporation tax	672	768	-	-	840	768
Other services	-	5,640	-	-	30	5,640
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	17,599	13,645	760	610	18,359	14,255
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

18. Lease Commitments

Minimum lease payment of the group all due as follows:

	2023 £	2022 £
Within one year	2,445	2,095
Between one and five years	2,704	3,591
	<hr/>	<hr/>
	5,149	5,686
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

19. Reconciliation of Net Movements in Funds to Net Cashflows from Operating Activities

	2023		2022	
	Group £	Charity £	Group £	Charity £
Net Movement in Funds (as per statement of financial activities)	1,650	(4,700)	(240,345)	(243,771)
Adjustments for:-				
Investment Income	(912)	(912)	(127)	(127)
Depreciation	7,280	6,794	5,657	5,250
Movements in Working Capital:-				
Decrease/(Increase) in Stock	1,808	-	(2,461)	-
Decrease/(Increase) in Debtors	41,312	42,412	(91,731)	(80,719)
Increase in Creditors	74,551	79,810	102,512	89,486
Cash Provided/(Used in) by Operating Activities	125,689	123,404	(226,495)	(229,881)

20. Prior Year Statement of Funds – Group and Charity

	At 1 April 2021 £	Income £	Expenditure £	Transfer £	31 March 2022 £
Unrestricted funds					
General	200,658	833,484	(916,328)	2,000	119,814
Restricted funds					
Garfield Weston Culture Fund	136,250	-	(136,250)	-	-
Arts Council	22,251	-	(22,251)	-	-
Arts Council – Cultural Recovery Fund	-	96,878	(96,878)	-	-
Future Arts	1,000	-	(1,000)	-	-
Here and Now	-	2,000	-	(2,000)	-
Access to Work	-	20,520	(20,520)	-	-
	159,501	119,398	(276,899)	(2,000)	-