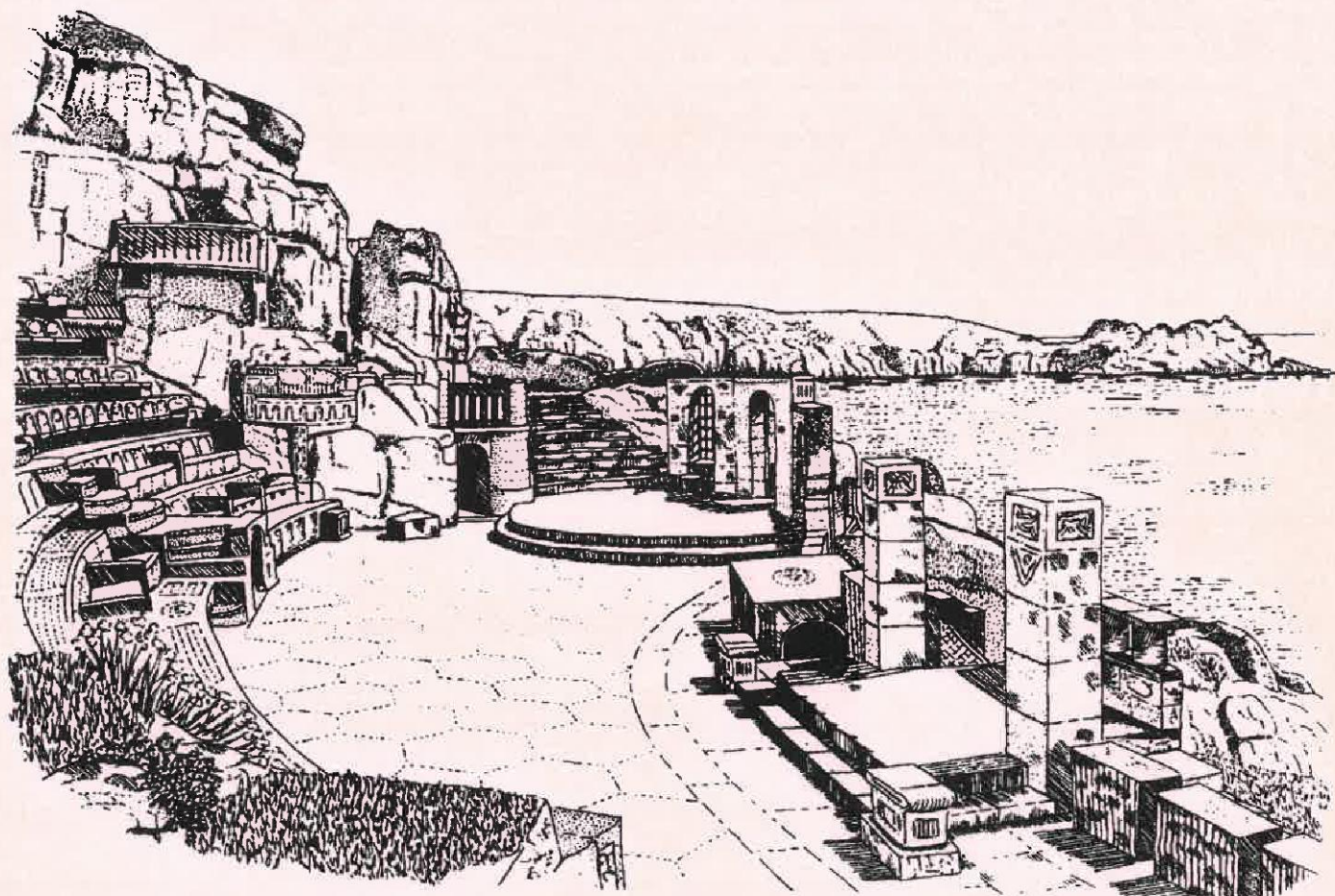


The Minack Theatre Trust CIO
(Registered Charity Number 1166799)



Trustees' Report and Financial Statements
31 December 2020

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TRUSTEES' REPORT

For the year to 31 December 2020

The trustees are pleased to present their report together with the audited consolidated financial statements of The Minack Theatre Trust CIO ("the Minack") for the year to 31 December 2020 and can confirm that the latter comply with the requirements of the Charities SORP 2015.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)."

References in these financial statements to "the charity" include The Minack Theatre Trust CIO or its predecessor The Minack Theatre Trust (charity number 271483), depending on the context.

Reference and Administrative Details

Registered name	The Minack Theatre Trust CIO
Charity registration number	1166799

Trustees

The Trustees at 31st December 2020	Mr C. J. F. Sinclair Mr M. A. Conboye Mr M. J. Iles Mr J. M. Sinclair Mrs E. R. Smith
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There are no committees or subcommittees of the Trustees.

Officers

Secretary	Mr J. M. Sinclair
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Senior Management Team

Executive Director	Miss Z. M. Curnow
Theatre Manager	Mr P. M. Jackson
Associate Director	Mr J. Brolly
Visitor Experience Manager	Ms L. R. Manning
Business Support Manager	Miss M. K. Hall

The principal and operating address of the charity: The Minack Theatre,
Porthcurno, Penzance, Cornwall TR19 6JU.
www.minack.com

Bankers

Lloyds Bank plc,
PO Box 8, Market House,
Penzance,
Cornwall TR18 2TN.

Cazenove Capital Management,
1 London Wall Place,
London Wall
London EC2Y 5AU.

Auditors

RRL LLP
Peat House,
Newham Road,
Truro,
Cornwall TR1 2DP.

Solicitors

Tozers
Broadwalk House,
Southernhay West,
Exeter,
Devon EX1 1UA

Structure, Governance and Management

Governing instrument

The charity, which is a Charitable Incorporated Organisation, is governed by its Constitution dated 27 April 2016.

Recruitment and induction of trustees

Following a skills audit, trustees are sought whose skills, knowledge and experience are relevant to the administration of the charity and complement the skills of the existing trustees.

New trustees must be appointed by resolution at a properly convened meeting of the charity trustees. Trustees on appointment are given:

1. A copy of the Charity Commission's publication "The Essential Trustee: What you need to know".
2. A copy of the charity's current constitution.
3. A copy of the charity's latest Trustees' Annual Report and statement of accounts.
4. A copy of the minutes of recent meetings.

They are then given a tour of the Minack and meet the senior management team.

Organisation

The trustees formulate policy. The Secretary is responsible for the administration of the charity. Operational control is delegated to the Executive Director. The rest of the senior management team report to her.

Related parties

The Minack Theatre Limited (Company Registration Number 03833428) is a wholly owned trading subsidiary of The Minack Theatre Trust CIO. See Notes 3 and 11 to the financial statements for a synopsis of its results.

Risk Management

The trustees have assessed the major risks to which the Minack is currently exposed, in particular those relating to its finances and its operations (including health and safety) and they are satisfied that systems are in place to monitor and mitigate the charity's exposure to such risks. They are also satisfied that a robust procedure is in place for identifying and evaluating the risks associated with new areas of activity.

The risk management action plan is reviewed in February each year. The most significant risks following the 2020 review are:

1. The ongoing impact of government restrictions due to the Covid-19 pandemic.
2. The potential effect of a long-term decline in visitor numbers.
3. Maintaining adequate quality control on the productions staged.
4. The risk of accidents due to the hazardous nature of the site.
5. Loss or corruption of IT data.
6. Investment of cash reserves.

Heritage Asset

The trustees consider that the open-air theatre is a 'heritage asset' as described in FRS102. The theatre itself was built during the 1930s by Rowena Cade, the founder. Since the Minack Theatre Trust was originally founded in 1976, repairs have been carried out.

In the opinion of the trustees, reliable information on historic cost or valuation is not available for the theatre. This is due to the lack of information available concerning purchase and building cost and the lack of comparable market values given the uniqueness and location of the theatre itself. Additionally, any valuation would involve costs that are likely to be excessive and unproductive.

The theatre itself is therefore not reported as an asset on the balance sheet, other than recent improvements to the theatre which are reported at cost.

Objectives & Activities

Charitable objects

The formal objects of the Minack Theatre Trust CIO are “to educate the public in the dramatic and operatic arts and to further the development of public appreciation and taste in those arts”.

These formal objects translate into three core objectives, which are to:

1. **Engage** the public through creative performance and the living and visual arts embodied in the Minack Theatre.
2. **Enhance** people’s lives through the shared experience of live performance and of visiting the Minack Theatre.
3. **Inspire** people by the remarkable story of Rowena Cade, and young people especially through active participation in creative activities.

The trustees are granted wide powers to achieve these objects, which are set out in the Constitution. Inter alia these relate to:

1. Borrowing money
2. Buying, leasing or hiring property
3. Selling leasing or otherwise disposing of property
4. Employing and remunerating staff
5. Depositing or investing funds

Aims and intended impact

The aims of the charity are to:

- a. Attract a wide cross section of the public, including children, to experience live theatre.
- b. Arrange appropriate programmes for the intended audiences to watch.
- c. Invite creative freelancers, performers and producers to the Minack that are capable of staging productions to a high standard.
- d. Provide opportunities for the public, and particularly Cornish children and young people, to learn and develop any skill associated with live theatre performances.
- e. Provide good quality modern facilities for the audiences and the performing companies that are also well suited to the open-air site located within an Area of Outstanding Natural Beauty.
- f. Inform the public, through the Exhibition Centre, website and social media about Rowena Cade, how she created the Minack and how her work is being carried forward today.
- g. Generate and retain sufficient funds to achieve the aims outlined above in a sustainable manner.

Objectives for the year

The objectives for the year were to continue working towards achievement of the charity's aims as set out above.

Strategies to achieve the year's objectives

1. A season of productions and educational activity was agreed.
2. Its promotion and that of the Exhibition Centre were arranged.
3. A programme of capital expenditure was approved and carried through.
4. Phased budgets were set to monitor achievement month by month.

Principal activities of the year

The principal activities of the charity are usually to:

- a) Put on a season of plays and music events, and a programme of storytelling performances in the school holidays.
- b) Provide a comprehensive education programme offering opportunities for local school children, the wider local community and visitors to Cornwall to learn and develop skills associated with the performing arts and theatre in particular.

Theatre revenue usually comes from renting the theatre to successive production companies, ticket sales for the Minack's own productions, booking charges and subscriptions from Friends.

Visitors pay for admission to the site where, in the Exhibition Centre, they learn how Rowena Cade, the founder of the charity, came to build her remarkable theatre and how her work is being carried forward today.

A café and takeaway outlets provide catering for all visitors and souvenirs were sold through a subsidiary limited company which covenants any profits back to the charity.

The principal activities of the charity were significantly affected from 21 March 2020 when the Minack and all other entertainment venues were ordered by the Government to close due to the Covid-19 pandemic. The Minack was closed from 22 March to 1 July and again for much of November. From July to October many of the usual principal activities happened, but with significantly reduced visitor numbers in order to maintain the stipulated 'social distance' between household groups of 1m+.

Auditors

A resolution to re-appoint RRL LLP as auditors will be proposed at the next trustees' meeting.

Review of Achievements & Public Benefit for 2020

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

The trustees are committed to taking their responsibility to visitors, the local community and other stakeholders seriously.

The Minack has been run by a charity since 1976, developing without support from the public purse except for one £30,000 grant in 1998 towards the building of the Visitor Centre. During 2020, it has received funds to pay furloughed staff under the Coronavirus Job Retention Scheme and a £27,000 support grant from Cornwall Council.

104,342 visitors came to the Minack in 2020 which was just 34.2% of the record 305,356 visitors seen in 2019. Situated outdoors, the Minack was one of the first theatres in the UK to reopen after the lockdown and was one of the most prolific theatres in the country in terms of number of performances staged after lockdown. This was recognised by the naming of Zoë Curnow, the Minack's Executive Director, as one of the most influential and inspiring people working in British theatre in 2020 as part of The Stage 100 list published in January 2021.

Despite the serious impact of the Covid-19 pandemic, the achievements and public benefits that the Minack provided in 2020 include:

I. The Minack enables a wide cross-section of the public, including children, to experience live theatre.

- a. In 2020, despite being closed from late March to July, the Minack presented 181 live performances, including 51 specifically aimed at children and young people (2019: 225). The programme is on page 43.
- b. Artistic highlights of 2020 included the first visit to the Minack by Penzance-based Bash Street Theatre with their hilarious silent movie-style production of *The Strongman* inspired by Charlie Chaplin. After a successful remount of the 2019 Minack production of *Stones in his Pockets*, the theatre welcomed prolific producer David Pugh who restaged his touring production of *Willy Russell's Educating Rita* for the Minack stage. This production received many reviews including one in the New York Times.

The Minack was also delighted to welcome several other new professional companies including the Birmingham Stage Company with their brilliant stage adaptation of the Horrible Histories franchise, *Barmy Britain*. It was also a delight to work with many of Cornwall's finest freelancers including David Mynne, Ben Kernow and Bec Applebee, plus a host of outstanding musicians in the 'Minack Musical Mondays' season.

- c. 41,157 members of the public attended a performance at the Minack during the year (2019: 119,444). The season as a whole achieved an 83% occupancy (2019: 73.8%) with programming over four months from July to early November, plus eleven performances in December. The capacity for events was reduced from 710 to 270 in order to distance adequately each audience group from each other. Four performances were cancelled (2019: six) with fewer than 1,000 tickets being refunded (2019: 4,800).
- d. The Minack attracts a non-traditional theatre audience to performances. Visitors

analysis shows that 80% of those attending performances in 2020 came to the Minack as part of their holiday experience (2019: 73%).

- e. The Minack is recognised by customers as a positive cultural experience. The Minack maintained a five-star rating on Trip Advisor throughout 2020 with 84% judging their experience “Excellent” and a further 12% “Very Good”. The average score out of 5 for audiences in response to how much they enjoyed their visit was 4.86.
- f. Ticket pricing for live events (excluding storytelling) in 2020 differed significantly from the past, given the smaller audience capacity: average yield was £20.61, up from £11.93 in 2019.

2. The Minack provides opportunities for the public, particularly Cornish children and young people, to learn and develop skills associated with live theatre performances.

- a. The Minack’s robust education programme (titled ‘Taking Part’), offers a variety of projects for Cornish people and visitors. 1,090 local children performed on the stage through the limited part of 2020 as part of a school visit (2019: over 3,000). This work will be built back up once schools are open and able to take children on trips.
- b. The professional development academies in acting and musical theatre ran throughout 2020, using zoom when getting together in person was not possible. Prior to the March lockdown, 28 additional young people were meeting regularly to prepare a VE day celebration concert which was sadly cancelled.
- c. Over 120 young people attended auditions for forthcoming Minack productions involving young people.
- d. For the second consecutive year the Education Team went out on the road to support Shakespeare week across Cornwall. They visited 18 schools introducing over 500 children to Shakespeare’s work.
- e. The Education Team worked in partnership with Music and Dance Education (MADE) and delivered 10 workshops with early years groups from schools in the Helston/Lizard area of Cornwall as part of the ‘A Child’s Eye View’ project.
- f. 21 Cornish school children in the rural parishes west of Penzance are currently working on Arts Awards with members of the Education Team. 14 have gained their ‘Discover’ awards and 2 have gained ‘Explore’.
- g. The engagement project working with Trelya to support young people on Treneere Estate in Penzance is slowly progressing with about 12 young people regularly attending weekly sessions when this is feasible in line with Covid-19 guidance.
- h. All education projects delivered at the Minack are free for participants and funded from net income.

3. The Minack strives to create the best possible experience for visitors and performing companies.

The Minack implements an annual programme of improvements to the physical site and

buildings, to enhance the visitor experience and promote inclusivity and wellbeing.

- a. Following the recruitment of a new Head of Gardens and Grounds, a programme of refurbishment of the gardens began during the three-month lockdown. Visitors and audience members were asked to score the gardens in the 2020 survey - the average score was 4.8 out of 5. Another new project was the offer of garden tours led by the Head of Gardens and Grounds. 21 tours were run giving 193 visitors a detailed horticultural tour of the areas of planting.
- b. In early 2020, a virtual reality display was completed to enable the physically disadvantaged and elderly to experience the magic of being on the Minack stage without having to manage steep flights of steps. This was well received by visitors in the weeks before the lockdown in March.
- c. In 2018, the indoor facilities were extended to include an indoor rehearsal room, improving comfort and facilities for performers and backstage staff. As well as extensive use for educational projects, in 2019 and 2020 this room was also made available when practical for use by local theatre companies and freelance practitioners to support their work.
- d. The Minack strives to develop accessibility of performances to the aurally and visually impaired. All performances in 2020 ran in a relaxed way with the audience being free to move around. There was no demand for audio-described performances in 2020, but development of provision for the aurally and visually impaired remains a priority.
- e. In 2021 the Retail & Catering strategy had to be adapted to meet the social distancing guidance and ensure staff were protected from the risks associated with Covid-19. Despite the Café being closed, the spend per head across the takeaway outlets in 2020 exceeded that across all catering in 2019.

4. The Minack uses the legacy of Rowena Cade to inspire others through her remarkable story.

Rowena Cade, the woman who created the Minack, is a figure of inspiration to many people. By telling her story and spreading awareness of her achievement, the Minack seeks to inspire others through her example.

- a. 7% of Trip Advisor reviewers mention Rowena's story as an important takeaway from their visit to the Minack, many of them specifically referring to her as inspirational. 9% of 2020 survey respondents who commented said that they would like more information about the history of the theatre and how it was created.
- b. Visitors were entertained three times a week after the July reopening by local actor Mark Harandon telling stories of Rowena building the Minack from the point of view of Billy Rawlings, 'Builder's Mate' and Rowena's gardener.

5. The Minack seeks to be an economically and environmentally sustainable business and to make a positive contribution to the regional economy.

- a. Despite the lockdown and lower numbers in 2020, the Minack still made a direct annual contribution to the Cornish economy of over £1.1m. It attracted 104,342 visitors, and the 2020 visitor survey indicates that at least 82,000 of these would have

visited as part of their holiday in Cornwall, staying locally and spending at other businesses on their way to and from the theatre.

- b. The Minack is one of the area's biggest employers with a total wage and salary bill of £875,309 in 2020 (2019: £860,576). Despite redundancies due to the lockdowns and reduced visitor numbers, the Minack employed more than 25 people year-round and 65 people during the height of the performing season. Staff were paid at least 40p above the National Living Wage and were offered flexible working. Over 85% of staff live in the rural area to the west of Penzance.
- c. Visiting performers spend significant sums on accommodation and living costs. One recent theatre company brought more than 300 additional people to the area for a week and rented 120 self-catering units, thereby contributing at least £150,000 to the economy west of Penzance.
- d. Wherever possible, the Minack sources goods and services from within Cornwall. Over the last twenty years, using Cornish companies, it has completed building projects costing more than £2,000,000.
- e. The Minack actively supports Cornish professional theatre companies, several of which perform at the Minack each season, thereby bringing them to bigger audiences and generating significant income. Freelance practitioners are engaged on Minack productions and the education programme.
- f. During 2019 and 2020, the Minack worked with Tevi to review all aspects of the operation in order to minimise waste and be more efficient with use of resources. One outcome of this is that the Minack is aspiring to be plastic free, particularly in the Retail & Catering strategy.
- g. The Minack provides an electric charge point for customers to recharge their electric vehicles for free.
- h. With very little public transport, almost all visitors arrive by car contributing to the severe, seasonal traffic congestion on the now inadequate approach roads. The Executive Director is working as part of the Porthcurno Coastal Community Team to address these issues. The Minack is also investing its own funds and staff resource to explore ways of minimising the adverse environmental impact of visitors on access to Porthcurno.

Financial review and results for the year

- a. The trustees do not believe that any material difference that may exist between the book values and actual values of assets has any material effect on the ongoing activities of the CIO.
- b. The detailed results are set out on pages 24 to 42 and show the net movement in funds for the year was a deficit of £296,487 (surpluses in 2019: £136,144, 2018: £75,434, 2017: £361,981).
- c. Income from the theatre was £269,018 against £565,460 in 2019 (see note 2 on page 32). Expenditure on Minack productions decreased from £233,364 in 2019 to £85,241 in 2020. Apportioning a share of the overhead cost of operating the theatre and visitor centre, on the basis of the % of visitors who watch a performance, shows the net cost of the theatre programme was £239,790 (2019: £84,668).
- d. The education programme cost £37,778 in direct costs (2019: £81,123), however there were an additional £32,862 in wages and salaries attributable to this programme (2019: £35,564) and £1,836 of overhead costs. The total cost of education therefore was £72,076 (2019: £121,420).
- e. Visitor admissions which totalled £366,799 (2019: £742,379) included £204,072 (2019: £197,048) paid by way of donations which were equivalent to our admission prices and on which the charity was able to reclaim tax back of £51,018 (2019: £49,262) under the Gift Aid Scheme. Apportioning a share of the overhead cost of operating the theatre and visitor centre, on the basis of the % who just visit rather than to see a performance, shows a net cost from visitors of £326,671 (2019: net income of £220,731).
- f. During 2020, £143,890 (2019: £222,990, 2018: £251,819, 2017: £170,350) was spent on repairs and £69,724 (2019: £127,682, 2018: £448,076, 2017: £420,542) on capital items.

Expenditure on projects costing more than £5,000:

- Continued upgrade of theatre lighting to LED fittings: £9,837
- Completion of virtual reality project: £7,672
- Creation of a new viewing platform and steps at garden entrance: £33,862

- g. The charity's wholly-owned subsidiary The Minack Theatre Limited generated a net income of £15,819 (2019: £57,771, 2018: £61,931, 2017: £65,777) on trade through its retail shop. The company made a loss of £298. Previous years' profits on ordinary activities were covenanted back to the charity (2019: £19,051, 2018: £24,235, 2017: £29,585).
- h. The trustees confirm the availability of assets to fulfil the obligations of the charity without recourse to borrowing.

Since the end of the financial year, another lockdown has been put in place and the Minack is closed. Whereas this will have an effect on the financial performance of the charity in 2021,

the trustees believe that the Minack's reserves and cash are sufficient such that this lockdown does not present a going concern risk.

As the deficit was due to a significant reduction in visitor numbers, the £300,000 reserve for this purpose was utilised through the year and then reinstated at the year end from the general reserve.

- i. Voluntary income totalled £58,271 (2019: £48,833). This heading covers the income from the "Friends" subscriptions of £23,644 (2019: £34,115) and donations of £34,627 (2019: £14,718). Donations increased in 2020 as many of those who had purchased theatre tickets in advance of the Covid-19 lockdown generously donated all or part of the cost of their tickets rather than taking a refund.
- j. The trustees thank all the many donors who have helped the Minack over the years. Without the funds raised in that way, we would be able to do considerably less to improve the Minack.
- k. The Minack benefited from two forms of government support that the charity was eligible to receive in the exceptional circumstances arising from the Covid-19 pandemic. £27,000 was received as a Covid-19 business grant (linked to the rateable value of the site) and £234,722 was received from the Coronavirus Job Retention Scheme to support the wages and salaries of staff when there was insufficient work for them (see note 9 on page 37).

The trustees thank all the staff of the Minack for their adaptability and support through 2020.

Reserves policy

All the charity's income has been used in pursuance of its objectives as set out above. The reserves retained in cash and cash equivalents at the year-end are required to:

- a) Fund routine seasonal commitments which will continue to run at a high level. A net cash outflow of over £200,000 can be experienced in the winter. £150,000 has been designated to cover this winter cash outflow, the same as last year.
- b) Withstand the financial consequences of a significant reduction in visitors, for example due to a season of particularly poor weather, or due to enforced closure arising from an event outside the Minack's control. A 20% reduction in visitors with no associated reduction in expenditure could see a reduction of cash inflow of about £300,000. The amount designated to cover this eventuality has remained at £300,000.
- c) Cope with unexpected repairs particularly those relating to the construction work carried out by Rowena Cade the founder between 1931 and 1983. The amount designated to cover unexpected repairs is £300,000 beyond our planned maintenance programme.
- d) Provide a capital reserve equating to the written down value of the fixed assets, recognising that these assets are not readily convertible into cash. This reserve is currently £2,351,301.
- e) Cover three years of Minack Productions and the education programme at £200,000 per year: £600,000.

Investment policy

The trustees are entitled to place funds in any kind of investments that they see fit.

The current policy of the trustees is to hold surplus funds on short term deposit, applying the income generated to charitable purposes for which the funds are intended.

The trustees recognise that a higher level of return could be obtained by placing funds in riskier equity or other investments. This is outside the parameters of the current investment policy.

Investments generated £3,888 (2019: £11,325) interest receivable for the year.

Plans for future years

At the time of writing this report early in 2021, the Minack is once again closed by the government as part of another national lockdown. There is significant uncertainty regarding the route out of this lockdown.

Theatre

Once the Minack is allowed to open and stage shows then a season of productions will run until November with a short additional season in December.

This will include Minack productions and visiting productions of theatre and musicals, potentially all staged in a socially distanced way for performers, backstage staff and audiences. Minack productions will include the world premiere of *The Valley*, a new play by David Lane commissioned by PK Porthcurno to commemorate the unique history of Porthcurno as a centre of global communications and deferred from 2020.

In addition, there will be a separate programme of one night music events running in May 2021 and through the season on Friday evenings.

There will be storytelling events in the school holidays, and a programme of appearances by Mark Harandon in his role telling the history of the Minack through the eyes of Rowena Cade's gardener, Billy Rawlings.

Improving the accessibility to the full experience of the theatre to all visitors remains a priority.

The feasibility and commercial viability of live streaming events from the Minack is also being investigated.

Taking Part

The education programme has suffered due to the social distancing restrictions in 2020 and early 2021. As soon as groups of children can work together in one space then the programme will continue to develop. It will include performance opportunities planned for Cornish young people through the Minack Youth Theatre programme.

- 1) Three young people age 12 to 15 from across Cornwall are taking principal roles in the Minack production of *The Wolves of Willoughby Chase*, scheduled to perform in August 2021.
- 2) The Minack Musical Theatre Academy will perform a showcase alongside students from the British Theatre Academy.
- 3) Over 200 west Cornish school children will take to the stage as singers, actors and musicians to perform the heart wrenching ecological musical *Ocean World* along with a five metre puppet whale and its calf.

In addition, there are many education projects planned including further developing the Minack's out-reach project in the Treneere Estate, Penzance. This area is one of the most deprived neighbourhoods in Cornwall.

Subject to social distancing restrictions at the time, the Education Team will produce at least three "plays in a day" in the latter part of the year. There will be further implementation of the Arts

Award programme to accredit young people's efforts, and the continuation of programmes to support playwrights of all ages in partnership with Kernow Education Arts Partnership (KEAP).

All the education activity will be directly funded by the charity and remain free of charge to participants.

Additional Plans

Following changes made in 2020, all visitors will be encouraged to book their visit in advance in order to control numbers, giving a less congested experience in the theatre and on the surrounding road network.

In addition to routine repairs and maintenance, there will be a programme of minor capital projects including improvements to the steps and paths at the entrance through the gardens and renewal of the fencing around the Old Sports Field.

Statement of Trustees' responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year. The financial statements are required by law to give a true and fair view of the state of affairs of the charity and group, and of the financial activities of the charity for that year.

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 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

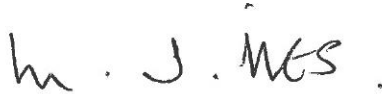
The trustees are required to act in accordance with the Constitution of the charity, within the framework of charity law. They are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and the group and to enable them to ensure that the financial statements comply with the Charities Act 2011.

They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Statement of disclosure to auditor

So far as the trustees are aware, there is no relevant audit information of which the charity's auditors are unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the charity's auditors are aware of that information.

By order of the trustees:-



M. J. Iles

For and on behalf of the trustees

The Minack Theatre,
Porthcurno,

Penzance,
Cornwall TR19 6JU.

28 February 2021

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE MINACK THEATRE TRUST CIO

Opinion

We have audited the financial statements of The Minack Theatre Trust CIO (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 December 2020 which comprise the consolidated and charity statements of financial activities, the consolidated and charity balance sheets, the consolidated and charity statements of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 December 2020, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 and parent 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 group's or parent 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 other information comprises the information included in 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 trustees report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 18, 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 the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent 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 group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 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.

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

- Review of the disclosures in the financial statements and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiries of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing minutes of trustee meetings and correspondence with regulators;
- Performing audit work in connection with the risk of management override of controls, including testing journal entries for reasonableness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for potential bias.

We also communicate relevant identified laws and regulations and potential fraud risk to all engagement team members and remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

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

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

RRL LLP

RRL LLP (Statutory Auditor)

Peat House
Newham Road
TRURO
Cornwall
TR1 2DP

3 March 2021

RRL LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

incorporating the income & expenditure account for the year ended 31 December 2020

		Unrestricted	Restricted	2020 Total	2019 Total
Income and endowments from:	Note	£	£	£	£
Voluntary income					
Donations, legacies and Friends' subscriptions		58,271	-	58,271	48,833
Grants receivable	9	261,722	-	261,722	-
Charitable activities					
Income from theatre	1&6				
Minack productions	2	125,635	-	125,635	244,509
Visiting companies	2	143,383	-	143,383	320,951
Education income	6	400	-	400	1,894
Booking charges		27,643	-	27,643	55,101
Visitor Centre admissions		366,799	-	366,799	742,379
Theatre and Visitor Centre catering		191,058	-	191,058	562,842
		854,918	-	854,918	1,927,676
Other trading activities					
Commercial trading operations	3	42,332	-	42,332	120,761
Investment income		3,888	-	3,888	11,325
Other					
Profit on the sale of fixed assets		-	-	-	1,072
Total		1,221,131	-	1,221,131	2,109,667
Expenditure on:					
Raising funds					
Commercial trading operations		24,163	-	24,163	60,490
Charitable activities					
Minack productions	2,5&6	85,241	-	85,241	233,364
Education projects	2,5&6	37,778	-	37,778	81,123
Operating the Theatre and Visitor Centre	1,5,6&7	1,370,436	-	1,370,436	1,598,546
		1,493,455	-	1,493,455	1,913,033
Total		1,517,618	-	1,517,618	1,973,523
Net (expenditure)/income	4	(296,487)	-	(296,487)	136,144
Transfers between funds		-	-	-	-
Net movement in funds		(296,487)	-	(296,487)	136,144
Total funds brought forward		4,418,287	-	4,418,287	4,282,143
Total funds carried forward	21	4,121,800	-	4,121,800	4,418,287

The group has no recognised gains or losses in the year other than the net income as shown above. All income and expenditure relates to unrestricted funds.

CHARITY STATEMENT OF FINANCIAL ACTIVITIES

incorporating the income & expenditure account for the year ended 31 December 2020

		2020	2019
	Unrestricted	Restricted	Total
Income and endowments from:	Note	£	£
Voluntary income			
Donations, legacies and Friends' subscriptions		58,271	-
Grants receivable	9	261,722	-
Charitable activities			
Income from theatre	1		
Minack productions	2	125,635	-
Visiting companies	2	143,383	-
Education income		400	-
Booking charges		27,643	-
Visitor Centre admissions		366,799	-
Theatre and Visitor Centre catering		191,058	-
		854,918	-
Other trading activities			
Commercial trading operations		16,117	-
Investment income		3,888	-
Other			
Profit on the sale of fixed assets		-	-
Total		1,194,916	-
Expenditure on:			
Raising funds			
Commercial trading operations		-	-
Charitable activities			
Minack productions	2,5&6	85,241	-
Education projects	1,2,5&6	37,778	-
Operating the Theatre & Visitor Centre	1,5,6&7	1,368,086	-
		1,491,105	-
Total		1,491,105	-
Net (expenditure)/income	4	(296,189)	-
Transfers between funds		-	-
Net movement in funds		(296,189)	-
Total funds brought forward		4,418,287	-
Total funds carried forward	21	4,122,098	-

There were no acquisitions or discontinued activities in the year to 31 December 2020 or the year to 31 December 2019. The charity has no recognised gains or losses in the year other than the net income as shown above. All income and expenditure relates to unrestricted funds.

CONSOLIDATED AND CHARITY BALANCE SHEETS

at 31 December 2020

		The Group		The Charity	
		2020	2019	2020	2019
	Note	£	£	£	£
Fixed assets					
Tangible assets	10	2,351,301	2,392,102	2,351,301	2,392,102
Investments	11	-	-	1	1
		<u>2,351,301</u>	<u>2,392,102</u>	<u>2,351,302</u>	<u>2,392,103</u>
Current assets					
Stocks	1&12	30,834	34,569	10,863	12,831
Debtors	13	99,911	34,367	119,911	53,334
Short term deposits		1,768,119	2,113,376	1,768,119	2,113,376
Cash in hand and at bank		16,583	39,619	13,969	35,873
		<u>1,915,447</u>	<u>2,221,931</u>	<u>1,912,862</u>	<u>2,215,414</u>
Creditors					
Amounts falling due within one year	14	(144,948)	(195,746)	(142,066)	(189,230)
		<u>1,770,499</u>	<u>2,026,185</u>	<u>1,770,796</u>	<u>2,026,184</u>
Net current assets					
		<u>1,770,499</u>	<u>2,026,185</u>	<u>1,770,796</u>	<u>2,026,184</u>
Total assets less current liabilities	16	<u>4,121,800</u>	<u>4,418,287</u>	<u>4,122,098</u>	<u>4,418,287</u>
Funds					
Unrestricted					
Designated	1&21	1,350,000	1,350,000	1,350,000	1,350,000
Capital reserve	1&21	2,351,301	2,392,102	2,351,301	2,392,102
General	1&21	420,499	676,185	420,797	676,185
		<u>4,121,800</u>	<u>4,418,287</u>	<u>4,122,098</u>	<u>4,418,287</u>
Total funds	21	<u>4,121,800</u>	<u>4,418,287</u>	<u>4,122,098</u>	<u>4,418,287</u>

These financial statements were approved and authorised for issue by the Trustees on 28 February 2021.

M. J. Iles

M. J. Iles

For and on behalf of the Trustees

STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS

at 31 December 2020

	The Group		The Charity	
	2020	2019	2020	2019
	£	£	£	£
Cash flow from operating activities	(302,457)	276,997	(301,325)	265,582
Cash flow from investing activities				
Investment income	3,888	11,325	3,888	30,376
Purchase of tangible fixed assets	(69,724)	(127,682)	(69,724)	(127,682)
Proceeds from disposal of tangible fixed assets	-	1,072	-	1,072
	(65,836)	(115,285)	(65,836)	(96,234)
Net change in cash and cash equivalents	(368,293)	161,712	(367,161)	169,348
Cash and cash equivalents at the start of the year	2,152,995	1,991,283	2,149,249	1,979,901
Cash and cash equivalents at the end of the year	1,784,702	2,152,995	1,782,088	2,149,249

Reconciliation of net income to cash flow from operating activities

	The Group		The Charity	
	2020	2019	2020	2019
	£	£	£	£
Net (expenditure)/income for the year	(296,487)	136,144	(296,189)	136,144
Adjusted for:				
Fixed asset depreciation	109,725	93,330	109,725	93,330
Loss/(profit) on the sale of fixed assets	800	(1,072)	800	(1,072)
Investment income	(3,888)	(11,325)	(3,888)	(30,376)
Movement in stock	3,735	(14,466)	1,968	(7,423)
Movement in debtors	(65,544)	6,867	(66,577)	11,426
Movement in creditors	(50,798)	67,519	(47,164)	63,553
Cash flow from operating activities	(302,457)	276,997	(301,325)	265,582

NOTES

(forming part of the financial statements)

1. Summary of significant accounting policies

1.1 General information and basis of preparation

The Minack Theatre Trust CIO is a charitable incorporated organisation, registered in England. The address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the charity's operations and principal activities are outlined on pages 7 and 8.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest pound.

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

1.2 Consolidation

The consolidated financial statements incorporate those of The Minack Theatre Limited, the charity's subsidiary undertaking.

1.3 Funds

Unrestricted funds are available for use 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 funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

1.4 Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity

has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). The charity does not utilise the services of volunteers in its operational activities.

The charity received two types of government grants as business support during the government lockdowns caused by the Covid-19 pandemic: funds from the Coronavirus Job Retention Scheme and grants for closed hospitality businesses which were linked to rateable value.

Investment income is earned through holding assets for investment purposes. It includes interest. Interest income is recognised using the effective interest method.

Other income includes gains on disposals of tangible fixed assets.

1.5 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes the costs of the commercial trading operations;
- Expenditure on charitable activities includes cost of Minack Productions, operating the Theatre and Visitor Centre and governance costs; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is separately identified in charitable expenditure.

1.6 Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

1.7 Intangible assets

Intangible assets are amortised on a straight-line basis over their useful lives.

1.8 Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold land	nil
Freehold buildings	Straight line depreciation over 50 years
Plant and machinery	Straight line depreciation over 3, 4 or 7 years
Fixtures and fittings	Straight line depreciation over 3, 4 or 7 years

1.9 Heritage assets

Where information on the cost or valuation of heritage assets is not available or the cost of providing such information significantly outweighs any benefit to the users of the financial statements then heritage assets are not recognised on the balance sheet.

1.10 Investments

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

1.11 Stocks

Stocks are stated at the lower of cost and estimated selling price. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

1.12 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.

1.13 Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the Statement of Financial Activities.

1.14 Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

1.15 Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

1.16 Employee benefits

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

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

1.17 Tax

The Minack is a registered charity and is exempt from corporation tax.

1.18 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

1.19 Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised where the revision only affects that year, or in the year of the revision and future years where the revision affects both current and future years.

2. Income from theatre

2.1 Income

	2020	2019
	£	£
Rental income due to Minack Theatre Trust CIO	143,383	320,951
Minack production income (see note 2.2)	125,635	244,509
	<u>269,018</u>	<u>565,460</u>

2.2 Minack Productions

	2020	2019
	£	£
Minack production income	78,986	183,473
Storytelling income	46,649	61,036
	<u>125,635</u>	<u>244,509</u>
Minack production expenditure	(60,117)	(212,270)
Storytelling expenditure	(25,124)	(21,094)
	<u>(85,241)</u>	<u>(233,364)</u>
Net Minack production income	<u>40,394</u>	<u>11,145</u>

3. Other trading activities

This represents income from the sale of goods in the Minack's gift shop conducted through its subsidiary The Minack Theatre Limited.

	2020	2019
	£	£
Turnover	42,332	120,761
Cost of sales	(23,633)	(59,754)
Gross profit	18,699	61,007
Administrative costs and interest payable	(530)	(736)
Governance	(2,350)	(2,500)
Net income from trading	15,819	57,771

4. Net (expenditure)/income in the year for the group

<i>Stated after charging/(crediting):</i>	2020	2019
	£	£
Auditors' remuneration - audit	6,950	6,950
Depreciation	109,725	93,330
Profit on the sale of fixed assets	-	(1,072)

5. Analysis of charitable expenditure

Cost of operating the Theatre, Education Programme & Visitor Centre

The Group	Theatre	Education	Visitors	2020 Total	2019 Total
	£	£	£	£	£
Purchases	25,479	-	39,262	64,741	183,866
Wages	246,077	12,033	379,201	637,311	636,886
Salaries	47,571	17,829	73,306	138,706	120,534
Printing and stationery	1,727	21	2,640	4,388	13,050
Promoting the Theatre's activities	12,372	151	18,914	31,437	34,342
Repairs and maintenance	56,628	691	86,571	143,890	222,990
Light, heat, rates and water	5,520	67	8,438	14,025	22,157
Insurance	5,793	72	8,856	14,721	16,066
Motor and travel	376	5	575	956	3,936
Telephone and postage	3,220	39	4,923	8,182	15,156
Sanitation	9,870	120	15,089	25,079	34,767
Miscellaneous	5,542	68	8,471	14,081	18,341
Bank charges	1,122	-	1,728	2,850	4,509
Credit & debit card charges	8,518	-	13,126	21,644	30,661
VAT (Unrecovered Input Tax)	9,404	-	14,492	23,896	34,972
Depreciation	43,182	527	66,016	109,725	93,330
Loss on disposal of fixed assets	314	4	482	800	-
	<u>482,715</u>	<u>31,627</u>	<u>742,090</u>	<u>1,256,432</u>	<u>1,485,563</u>
Management & administration					
Salaries	37,896	3,000	58,396	99,292	103,156
Professional fees	2,842	35	4,346	7,223	2,538
Trustee expenses	213	3	323	539	339
Governance (note 7)	2,735	33	4,182	6,950	6,950
	<u>43,686</u>	<u>3,071</u>	<u>67,247</u>	<u>114,004</u>	<u>112,983</u>
	<u><u>526,401</u></u>	<u><u>34,698</u></u>	<u><u>809,337</u></u>	<u><u>1,370,436</u></u>	<u><u>1,598,546</u></u>

Costs are directly allocated where possible and where not, they are allocated based on a proportion of visitor numbers across the three areas of activity.

5. Analysis of charitable expenditure (continued)

Cost of operating the Theatre, Education Programme & Visitor Centre

The Charity	Theatre	Education	Visitors	2020 Total	2019 Total
	£	£	£	£	£
Purchases	25,479	-	39,262	64,741	183,866
Wages	246,077	12,033	379,201	637,311	636,886
Salaries	47,571	17,829	73,306	138,706	120,534
Printing and stationery	1,727	21	2,640	4,388	13,050
Promoting the Theatre's activities	12,372	151	18,914	31,437	34,342
Repairs and maintenance	56,628	691	86,571	143,890	222,990
Light, heat, rates and water	5,520	67	8,438	14,025	22,157
Insurance	5,793	72	8,856	14,721	16,066
Motor and travel	376	5	575	956	3,936
Telephone and postage	3,220	39	4,923	8,182	15,156
Sanitation	9,870	120	15,089	25,079	34,767
Miscellaneous	5,542	68	8,471	14,081	18,341
Bank charges	1,122	-	1,728	2,850	4,509
Credit & debit card charges	8,518	-	13,126	21,644	30,661
VAT (Unrecovered Input Tax)	9,404	-	14,492	23,896	34,972
Depreciation	43,182	527	66,016	109,725	93,330
Loss on disposal of fixed assets	314	4	482	800	-
	<u>482,715</u>	<u>31,627</u>	<u>742,090</u>	<u>1,256,432</u>	<u>1,485,563</u>
Management & administration					
Salaries	37,896	3,000	58,396	99,292	103,156
Professional fees	2,842	35	4,346	7,223	2,538
Trustee expenses	213	3	323	539	339
Governance (note 7)	1,810	22	2,768	4,600	4,450
	<u>42,761</u>	<u>3,060</u>	<u>65,833</u>	<u>111,654</u>	<u>110,483</u>
	<u><u>525,476</u></u>	<u><u>34,687</u></u>	<u><u>807,923</u></u>	<u><u>1,368,086</u></u>	<u><u>1,596,046</u></u>

Costs are directly allocated where possible and where not, they are allocated based on a proportion of visitor numbers across the three areas of activity.

6. Net income by charitable activity

The Group				2020	2019
		Theatre	Education	Visitors	Total
	Note	£	£	£	£
Direct income	2	269,018	400	366,799	636,217
Booking charges		27,643	-	-	27,643
Theatre and Visitor Centre catering		75,191	-	115,867	191,058
		<u>371,852</u>	<u>400</u>	<u>482,666</u>	<u>854,918</u>
					1,927,676
Direct Expenditure	2	(85,241)	(37,778)	-	(123,019)
Charitable Expenditure	5	(526,401)	(34,698)	(809,337)	(1,370,436)
		<u>(611,642)</u>	<u>(72,476)</u>	<u>(809,337)</u>	<u>(1,493,455)</u>
					(1,913,033)
Net (expenditure)/income by activity		<u>(239,790)</u>	<u>(72,076)</u>	<u>(326,671)</u>	<u>(638,537)</u>
					14,643

The Charity				2020	2019
		Theatre	Education	Visitors	Total
	Note	£	£	£	£
Direct income	2	269,018	400	366,799	636,217
Booking charges		27,643	-	-	27,643
Theatre and Visitor Centre catering		75,191	-	115,867	191,058
		<u>371,852</u>	<u>400</u>	<u>482,666</u>	<u>854,918</u>
					1,927,676
Direct Expenditure	2	(85,241)	(37,778)	-	(123,019)
Charitable Expenditure	5	(525,476)	(34,687)	(807,923)	(1,368,086)
		<u>(610,717)</u>	<u>(72,465)</u>	<u>(807,923)</u>	<u>(1,491,105)</u>
					(1,910,533)
Net (expenditure)/income by activity		<u>(238,865)</u>	<u>(72,065)</u>	<u>(325,257)</u>	<u>(636,187)</u>
					17,143

7. Governance costs

	The Group		The Charity	
	2020	2019	2020	2019
	£	£	£	£
Auditor's remuneration	6,950	6,950	4,600	4,450
	<u>6,950</u>	<u>6,950</u>	<u>4,600</u>	<u>4,450</u>

8. Staff costs and numbers

The average number of employees in the 2020 season was 65 (2019: 62) and 39 (2019: 44) out of season. There was one employee whose total remuneration fell between £70,000 and £80,000 during the reporting year.

	2020	2019
	£	£
Wages and salaries	800,475	783,803
Social security costs	49,243	51,725
Pension costs	25,591	25,048
	<hr/>	<hr/>
	875,309	860,576
	<hr/>	<hr/>

The charity contributes to a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the fund and amounted to £25,591 (2019: £25,048). There were no outstanding contributions at the year-end (2019: nil).

The figures for the year include £45,517 of redundancy payments. 14 permanent employees were made redundant in the autumn of 2020 as there was going to be no year-round work for them.

The total employee benefits of key management personnel for the group was £195,619 (2019: £200,362).

9. Government Grants

The charity received two types of government grant in 2020 due to the Covid-19 pandemic:

	2020	2019
	£	£
Coronavirus job retention scheme	234,722	-
Covid19 business grant funding	27,000	-
	<hr/>	<hr/>
	261,722	-
	<hr/>	<hr/>

There are no unfulfilled conditions or other contingencies attached to the grants that have been recognised in income.

The charity has received no other form of government assistance.

10. Tangible fixed assets

<i>(the Group and the Charity)</i>	Land & Buildings	Fixtures & Fittings	Total
Cost	£	£	£
At 1st January 2020	2,813,338	554,499	3,367,837
Additions	33,861	35,863	69,724
Disposals	-	(15,389)	(15,389)
At 31st December 2020	2,847,199	574,973	3,422,172
Depreciation			
At 1st January 2020	560,146	415,589	975,735
Disposals	-	(14,589)	(14,589)
Charge for the year	54,291	55,434	109,725
At 31st December 2020	614,437	456,434	1,070,871
Net book value			
At 31st December 2020	2,232,762	118,539	2,351,301
At 31st December 2019	2,253,192	138,910	2,392,102

All the tangible fixed assets are used for direct charitable purposes. Only those with a value of £500 or more are capitalised. Included in land and buildings is land with a net book value of £157,254 which has not been depreciated.

The charity maintains the open-air Minack Theatre which was acquired in 1976 when the landowner and founder gifted the theatre at no cost to the original charitable Trust.

There have been no acquisitions or disposals of heritage assets during the last five years. The charity does not plan to dispose of the theatre as it is central to the objects of the charity.

The charity aims to maintain the condition of the theatre in a steady state of repair. Any repair work is charged to the Statement of Financial Activities in the year it is incurred. Any significant improvement work is included as a fixed asset addition.

Access to the theatre is obtained by purchasing a ticket for a performance or for a visit.

11. Investments

	The Group		The Charity	
	2020	2019	2020	2019
	£	£	£	£
100% investment in The Minack Theatre Limited a company incorporated in England and Wales				
At 31 st December 2019 and 31 st December 2020	-	-	1	1

A summary of the trading results of The Minack Theatre Limited is shown below:-

	2020	2019
	£	£
Turnover	42,332	120,761
Cost of sales and administrative expenses	(42,630)	(101,710)
Interest payable	-	-
Amount gifted to the charity	-	(19,051)
	<u> </u>	<u> </u>
Retained in the subsidiary	(298)	-
	<u> </u>	<u> </u>

Current assets and liabilities of the subsidiary were:

Current assets	22,585	25,567
Creditors: amounts due within one year	(22,882)	(25,566)
	<u> </u>	<u> </u>
Total net assets	(297)	1
	<u> </u>	<u> </u>
Aggregate share capital and reserves	(297)	1
	<u> </u>	<u> </u>

The above company's registered office is The Minack Theatre, Porthcurno, Penzance TR19 6JU.

12. Stocks

	The Group		The Charity	
	2020	2019	2020	2019
	£	£	£	£
Goods for resale	30,834	34,569	10,863	12,831
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	30,834	34,569	10,863	12,831
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

13. Debtors

	The Group		The Charity	
	2020	2019	2020	2019
	£	£	£	£
Accrued income and prepayments	99,911	34,367	99,911	34,283
Amount due from subsidiary	-	-	20,000	19,051
	<u>99,911</u>	<u>34,367</u>	<u>119,911</u>	<u>53,334</u>

Prepayments includes £75,303 for costs incurred on Minack productions planned for 2020 which have been deferred to future years due to the Covid19 pandemic.

14. Creditors

Amounts falling due within one year

	The Group		The Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	20,173	18,198	20,081	14,282
Taxation and social security	1,760	14,658	1,520	14,658
Other creditors	12,282	25,994	12,282	25,994
Accruals and deferred income	110,733	136,896	108,183	134,296
	<u>144,948</u>	<u>195,746</u>	<u>142,066</u>	<u>189,230</u>

15. Deferred income

	The Group		The Charity	
	2020	2019	2020	2019
	£	£	£	£
Brought forward	129,189	83,109	129,189	83,109
Amount released to income	(80,230)	(41,832)	(80,230)	(41,832)
Amount deferred in year	54,459	87,912	54,459	87,912
	<u>103,418</u>	<u>129,189</u>	<u>103,418</u>	<u>129,189</u>

Deferred income comprises advanced ticket sales, unexpired gift vouchers and Friends subscriptions for the following financial year.

16. Analysis of group net assets between fundsAs at 31st December 2020

	Unrestricted fund	Restricted fund	2020 Total
	£	£	£
Tangible fixed assets	2,351,301	-	2,351,301
Net current assets	1,770,499	-	1,770,499
	<hr/>	<hr/>	<hr/>
At 31st December 2020	4,121,800	-	4,121,800
	<hr/>	<hr/>	<hr/>

17. Financial commitments

At 31st December 2020, total commitments under non-cancellable operating leases were as follows:

	The Group		The Charity	
	2020	2019	2020	2019
	£	£	£	£
Operating leases commitments				
Payable within one year	1,415	3,566	1,415	3,566
Payable within one to two years	349	1,415	349	1,415
Payable within two to five years	-	349	-	349
	<hr/>	<hr/>	<hr/>	<hr/>
	1,764	5,330	1,764	5,330
	<hr/>	<hr/>	<hr/>	<hr/>

18. Capital Commitments

There are no capital commitments contracted for, but not provided in the financial statements (2019: £1,750).

19. Taxation

The Minack is a registered charity and the results of its normal activities are not liable to Corporation Tax.

20. Related party transactions

The trustees received no remuneration. One (2019: one) incurred travel expenses that were reimbursed of £267 (2019: £339) plus the fee for filing the confirmation statement with Companies House of £13. One incurred expenses for meals for all Trustees of £259 (2019: none).

There were no other related party transactions.

21. Movement in funds

The Group	Balance at 1 Jan 2020	Incoming Resources	Resources Expended	Transfers	Balance at 31 Dec 2020
	£	£	£	£	£
Unrestricted					
Designated					
Winter cash outflow	150,000	-	-	-	150,000
Losses from reduced visitors	300,000	-	(300,000)	300,000	300,000
Unexpected repairs	300,000	-	-	-	300,000
Productions & education	600,000	-	(37,778)	37,778	600,000
Capital reserve	2,392,102	-	-	(40,801)	2,351,301
General	676,185	1,221,131	(1,179,840)	(296,977)	420,499
	<u>4,418,287</u>	<u>1,221,131</u>	<u>(1,517,618)</u>	<u>-</u>	<u>4,121,800</u>

The Charity	Balance at 1st Jan 2020	Incoming Resources	Resources Expended	Transfers	Balance at 31 Dec 2020
	£	£	£	£	£
Unrestricted					
Designated					
Winter cash outflow	150,000	-	-	-	150,000
Losses from poor weather	300,000	-	(300,000)	300,000	300,000
Unexpected repairs	300,000	-	-	-	300,000
Productions & education	600,000	-	(37,778)	37,778	600,000
Capital reserve	2,392,102	-	-	(40,801)	2,351,301
General	676,185	1,194,916	(1,153,327)	(296,977)	420,797
	<u>4,418,287</u>	<u>1,194,916</u>	<u>(1,491,105)</u>	<u>-</u>	<u>4,122,098</u>

The capital reserve equates to the written down value of tangible fixed assets.

2020 SEASON

Theatre Shows

Dates	Show Title	Author / Composer	Company
March 13	Medea	Adapt from Euripedes	Plymouth Marjon University
July 22-26	Great Expectations	Adapt from Dickens	David Mynne
July 29-30	The Soldier's Tale	Stravinsky	Minack
July 31-Aug 1	The Strongman	Bash Street Theatre	Bash Street Theatre
Aug 5-15	Stones in His Pockets	Marie Jones	Minack
Aug 18-30	Willy Russell's Educating Rita	Willy Russell	David Pugh
Sept 2-6	Mischief Music Night	n/a	Mischief Theatre
Sept 9-12	Oh Mary!	Bec Applebee	Bec Applebee
Sept 15-19	The Last Five Years	Jason Robert Brown	David Jenkins, Chris Passey & Ben Macskimming
Sept 22-26	The Wind in the Willows	Adapt by Oliver Grey	Illyria
Sept 28-30	Opera under the Stars	n/a	Minack
Oct 2-3	Kernow King	n/a	Kernow King
Oct 8-10	Dark Stories	n/a	Krill
Oct 14-23	Loveplay	Moira Buffini	Ha-Hum-Ah Theatre
Oct 25-29	Barmy Britain	Horrible Histories	Birmingham Stage Company
Oct 30-Nov 1	The Six Wives of Henry VIII	n/a	Living Spit
Dec 12-13	A Musical Minack Christmas	n/a	Minack
Dec 19-22	A Christmas Carol	Adapt from Dickens	David Mynne

Music Gigs

Dates	Band
July 20	The People's String Foundation
July 27	Chris Difford – Mr Difford Changes Trains
Aug 3 & Sept 7	The Fisherman's Friends
Aug 10	Didjan (Richard Trethewey & Bec Applebee)
Aug 17	Will Keating – Cornwall My Home
Aug 24	Alistair Brammer – A Night at the Musicals
Aug 31	Ruth Wall – The Three Harps
Sept 13 & 14	Seth Lakeman
Sept 21	Simon Latarche Trio

