

**REGISTERED COMPANY NUMBER: 12776979 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1191690**

**Report of the Trustees and**  
**Financial Statements for the Year Ended 31 August 2023**  
**for**  
**Theatr Clwyd Music Trust Ltd**

Haines Watts, Statutory Auditor  
Military House  
24 Castle Street  
Chester  
Cheshire  
CH1 2DS

**Theatr Clwyd Music Trust Ltd**

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for the Year Ended 31 August 2023**

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## **Theatr Clwyd Music Trust Ltd**

### **Report of the Trustees for the Year Ended 31 August 2023**

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

Theatr Clwyd Music Trust is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association. The Charity is registered as a charitable company limited by guarantee, incorporated on 29 July 2020. The charity took over the assets and liabilities of Flintshire Music Service on 1 April 2021.

The Charity was created under a memorandum of association which established the objects and powers of the charity and is governed under its articles of association.

#### **Chair's report**

This report covers the first 12 month trading period of the newly formed Theatr Clwyd Music Trust, following our first period which covered 18 months to allow our alignment with the academic year.

The year under review has continued to see us build the foundations of music delivery, with the number of learners having one-to-one, or 'group of three' lessons, now close to pre-pandemic levels. We have been encouraged by how many young people have continued their musical journey with us following the previous academic year, and we have begun to build other elements of the pathways both at entry level, and in areas of progression as our young people develop their skills and talents.

The First Experiences has continued to excite all members of Theatr Clwyd Music, as we offer free musical class experiences to every primary school in Flintshire. With thousands of young people in the county now being able to explore musicality as a matter of course each week, we are well aware that demand for the more focused and specific music lessons are likely to increase in coming years, and we can already see evidence with our waiting lists becoming longer than at any previous time. As trustees we are aware that balancing our musicians resource and employment levels, alongside demand, will be a challenge over coming years.

Further on in the musical pathway for young people, we are now seeing the steady growth of our musical ensembles, with numbers for existing groups increasing, and the addition of two ensembles that have not been running since before Covid. Our team of musicians have exciting performance experiences built in for our young musicians, a blend focusing on their talents, mixed with working alongside professional musicians from partners such as Royal Welsh College of Music and Drama and BBC NOW.

The next step in the planning, which will be delivered during our 2023/24 year, is the 'multi county' ensembles, focused on young people who are playing at Grade 3 and above, aiming to encourage the young people who are keen to explore a larger scale of performance and an insight into the quality of professional orchestras and ensembles. We look forward to working with Wrexham and Denbighshire Music Co-operative as we plan towards this.

The most significant change has seen Aled Marshman, who has been Head of Music in Flintshire for close to 15 years, leave to take up Head of Junior Programmes at Royal Northern College of Music. We would like to thank Aled for his service to the young people of Flintshire and North Wales over the years, he leaves a considerable legacy with which to build upon in the future. The trustees would also like to thank Andrew Roberts, the Director of Finance, Operations and People at Theatr Clwyd, for stepping in and holding the music delivery as Interim Executive Director whilst we undertook the recruitment process.

With a remodelled role, the recruitment process for the Director of Theatr Clwyd Music was a rich and satisfying one for myself and fellow trustees. It was pleasing to receive so many high quality candidates, with a keen interest not only in the music delivery, but also the integration with Theatr Clwyd's wider offer. The appointment of Cath Sewell, who joins us from the post of Deputy Director of Lancashire Music Hub, but who has also worked in multi arts venues including Brewery Arts, and high quality music venues such as Wigmore Hall, offers an exciting and ever more promising future. Cath joins full time in January 2024.

## **Theatr Clwyd Music Trust Ltd**

### **Report of the Trustees for the Year Ended 31 August 2023**

Within the wider context of Theatr Clwyd's work, music is starting to play an ever increasing role. Our new Wrexham venue, William Aston Hall, an 850 seat (1200 standing) auditoria which is best suited to music events as well as standup comedy, offers plenty of opportunities. We now have a resident orchestra with Wrexham Symphony Orchestra based at the venue for rehearsals and performances, and have enjoyed local bands such as UK top 20 chart entries - The Royston Club appearing at the venue. This, alongside the continued major capital redevelopment of our arts complex in Flintshire, will offer a wide variety of facilities and opportunities for the growth of our music activities, and as we broaden scope to offer wider community delivery of music, as well as our core business of educational pathways for young people.

An example that we as trustees have been extremely supportive of is the 'Summer Hubs', a referral partnership with Flintshire Social Services, a long standing area of delivery with Theatr Clwyd's Creative Engagement team. The summer of 2023 saw our Music Associates play a key role for the first time in this activity. We plan to grow this communities/health and wellbeing focused area of our musical delivery over the coming years.

It is worth noting that although we have strong and important funding relationships with Flintshire County Council, Welsh Government via the National Music Plan, and with Arts Council of Wales, times remain uncertain for arts, culture and education. Schools budgets are under pressure, and we expect to have to find new models of delivery to support schools in continuing to offer music and creative arts, especially as part of the new curriculum in Wales, without increasing prices significantly for families. We also expect that during coming financial years we will need to deliver 'investment' budgets to ensure growth and development, potentially before seeing the new financial models settle and deliver breakeven and surplus budgets in the future. This will offer some challenges, but we are confident that under the new leadership of Cath Sewell, and with the support of existing partners and stakeholders, we will continue to develop and deliver a strong music offer for future generations.

To external reading parties - please also refer through to Theatr Clwyd Trust Ltd group audited accounts for details on wider delivery.

Finally, a thank you to my fellow trustees who show great leadership and support of Theatr Clwyd Music delivery alongside their own busy professional lives.

#### **Liam Evans-Ford**

Chair of Theatr Clwyd Music Trust  
CEO of Theatr Clwyd

### **OBJECTIVES AND ACTIVITIES**

#### **Objectives and aims**

The Charity is established to advance education in music and other arts, in particular, but not exclusively, by providing workshops and sessions to schools and the wider community.

The trustees have given due consideration to the Charity Commission guidance on the operation of the Public Benefit requirements. Our main activities and who we try to help are described below. All our charitable activities provide education in music and other arts to schools and the wider community to enhance lives, and provide support to those who may be financially disadvantaged. All activities are undertaken to further our charitable purposes for the public benefit.

The strategies employed to achieve the charity's aims and objectives are to:

- To offer a broad range of music lessons on both a group and individual level
- To strive to make music as accessible and affordable as possible
- To focus on developing pathways for young people and the wider community

## **Theatr Clwyd Music Trust Ltd**

### **Report of the Trustees for the Year Ended 31 August 2023**

#### **STRATEGIC REPORT**

##### **Achievement and performance**

###### **Charitable activities**

Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.

###### **Review of activities**

The financial year to 31st August 2023 marks the first 12 months of trading following an initial trading period of 18 months.

###### **Lessons within Schools**

Our lessons within schools continued to grow during the year with over 1,200 learners receiving lessons each week.

The number of schools within Flintshire accessing our music service also increased to over 70.

Lessons in Guitar, Drums and Voice remain the most popular instruments that people wanted to learn. However, the number of learners within some of our endangered instruments also grew, notably in Oboe and Double Bass.

With funding support from Flintshire County Council, we continued to offer free lessons for pupils who received free school meals. GCSE and Level Music pupils were also supported via Theatr Clwyd Music Trust

###### **Musical Pathways**

Musical Pathways which offers one-to-one tuition for adults and young people outside of the school environment had a brilliant year and increased in numbers and the variety of instruments being taught.

Due to the ongoing redevelopment of our home within the Theatr Clwyd building space to be able to deliver these sessions is limited until we reopen fully in 2025. Following reopening we see this as a significant area of growth for the Trust.

###### **Ensembles**

Our Young People Ensembles were significantly impacted by the pandemic, during this year there has been a steady increase in the numbers of participants. We also relaunched two of the ensembles that hadn't run since 2020.

###### **First Experiences**

Probably the biggest success during the year was our First Experiences Programme.

With support from Welsh Government via the National Music Plan for Wales during the summer of 2022 hundreds of new instruments were made available to us for this scheme. These ranged from P-Cornets through the specialist equipment which was shared with learners who have additional learning needs.

Using these instruments over 2,000 children in years three and four received weekly whole class music lessons.

##### **Financial review**

###### **Principal funding sources**

Theatr Clwyd Music Trust acknowledges the support it receives from Flintshire County Council via the cultural services agreement it holds with Theatr Clwyd Trust.

Total incoming resources for the year ended 31 August 2023 was £789,567.

Income from grants for the year ended 31 August 2023 totalled £432,738.

###### **Reserves policy**

As at 31 August 2023 Theatr Clwyd Music Trust Limited has unrestricted funds not committed or invested in tangible fixed assets of £104,694.

The target level of free reserves is 3 months worth of unrestricted expenditure, which would accommodate for any unforeseen changes in income streams. Currently the level of free reserves represents 1.5 months of unrestricted expenditure so the target has been achieved in the current financial year.

The reserves policy is reviewed annually when preparing the budget for the forthcoming year.

## **Theatr Clwyd Music Trust Ltd**

### **Report of the Trustees for the Year Ended 31 August 2023**

#### **STRATEGIC REPORT**

##### **Principal risks and uncertainties**

The Trustees acknowledge the continuing cost of living crisis and the impact that has on family's income. They also recognise that funding for schools has received significant funding cuts which could also impact their contribution towards music tuition.

##### **Financial effects of any significant risks**

The Trustees aren't aware of any significant events within the year that would have a detrimental impact on the organisation.

##### **Financial and risk management objectives and policies**

The Trust has an established risk register which uses a rating system to assess the level of risk and the likelihood of this risk occurring with identified mitigating actions. The register is reviewed quarterly by the Trustees.

##### **Impact of any material pension liability on the accounts**

Employees who transferred under TUPE on 1st April 2021 remain members of the Clwyd Pension Fund (LGPS). At the point of transfer the scheme was closed to new members. Under the terms of our Cultural Service Agreement and the Business Transfer Deed any deficit arising from the pension up to 31 March 2021 remains the responsibility of Flintshire County Council. From 1st April 2021 Flintshire County Council and Theatr Clwyd Music Trust Ltd agreed a risk share approach in respect of future service and deficit payments

##### **Charity's investment policy**

Aside from retaining a prudent amount in reserves each year most of the charity's funds are to be spent in the short term so there are few funds for long term investment.

##### **Future plans**

##### **National Plan for Music Education Wales**

As we enter the third full year of the National Music Plan for Wales, our focus begins to move towards performance opportunities.

Working in partnership with BBC NOW GCSE Music pupils will have opportunities to attend concerts across North Wales.

Also we are working in collaboration with Wrexham and Denbighshire Music Co-operative to relaunch County Ensembles which will create further performance opportunities for players.

##### **Recruitment for Director of Theatr Clwyd Music Trust**

In July 2023 our current Director of Music took up post as the Head of Junior Programmes at Royal Northern College of Music.

Recruitment for a new role of Director of Theatr Clwyd Music Trust began in the Summer of 2023

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

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

##### **Organisational structure**

The board of trustees of up to 7 members meets 4 times a year to administer the Charity.

A Director of Music is appointed to manage the day to day operations of the charity.

##### **Related parties**

The full disclosure of all transactions with all recognised related parties in Note 12 of the Financial statements for the period ended 31 August 2023.

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

##### **Registered Company number**

12776979 (England and Wales)

## **Theatr Clwyd Music Trust Ltd**

### **Report of the Trustees for the Year Ended 31 August 2023**

**Registered Charity number**

1191690

**Registered office**

Theatr Clwyd  
Raikes Lane  
Mold  
Flintshire  
CH7 1YA

**Trustees**

L T Evans-Ford  
C H Homard  
T Mvula  
K H Price

**Company Secretary**

A Roberts

**Auditors**

Haines Watts, Statutory Auditor  
Military House  
24 Castle Street  
Chester  
Cheshire  
CH1 2DS

**FUNDS HELD AS CUSTODIAN FOR OTHERS**

As at 31 August 2023 the trustees confirmed that there were no funds held as custodian for others (2022: nil).

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Theatr Clwyd Music Trust Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

In so far as the trustees are aware:

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

**Theatr Clwyd Music Trust Ltd**

**Report of the Trustees  
for the Year Ended 31 August 2023**

**AUDITORS**

The auditors, Haines Watts, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ..... and signed on the board's behalf by:

.....  
L T Evans-Ford - Trustee

## **Report of the Independent Auditors to the Members of Theatr Clwyd Music Trust Ltd**

### **Opinion**

We have audited the financial statements of Theatr Clwyd Music Trust Ltd (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

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

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

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## **Report of the Independent Auditors to the Members of Theatr Clwyd Music Trust Ltd**

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

### **Responsibilities of trustees**

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

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

- Enquiry of management, those charged with governance around actual and potential litigation and claims
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.
- Challenging assumptions and judgements made by management in its significant accounting estimate in particular:
- Depreciation - we carried out a review and recalculation of depreciation to assess its appropriateness for inclusion within the financial statements
- Accruals and Prepayments - we reviewed a sample of accruals and prepayments in the year to determine that these were applied correctly
- Bad Debt Provision - we reviewed the bad debt provision and bad debts provided for and ensured that the bad debt policy was applied consistently.
- Identifying and testing journals entries, in particular any journal entries posted with unusual account combinations.

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

**Report of the Independent Auditors to the Members of  
Theatr Clwyd Music Trust Ltd**

**Use of our report**

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

Michael John Forshaw BA FCA (Senior Statutory Auditor)  
for and on behalf of Haines Watts, Statutory Auditor  
Military House  
24 Castle Street  
Chester  
Cheshire  
CH1 2DS

Date: .....

Theatr Clwyd Music Trust Ltd

**Statement of Financial Activities  
for the Year Ended 31 August 2023**

|                                                                         |       |                           |                         | Year Ended<br>31.8.23 | Period<br>1.4.21<br>to<br>31.8.22 |
|-------------------------------------------------------------------------|-------|---------------------------|-------------------------|-----------------------|-----------------------------------|
|                                                                         | Notes | Unrestricted<br>fund<br>£ | Restricted<br>fund<br>£ | Total<br>funds<br>£   | Total<br>funds<br>£               |
| <b>INCOME AND<br/>ENDOWMENTS FROM</b>                                   |       |                           |                         |                       |                                   |
| Donations and legacies                                                  | 2     | 789,215                   | -                       | 789,215               | 1,153,587                         |
| Investment income                                                       | 3     | 352                       | -                       | 352                   | 16                                |
| <b>Total</b>                                                            |       | <u>789,567</u>            | <u>-</u>                | <u>789,567</u>        | <u>1,153,603</u>                  |
| <b>EXPENDITURE ON</b>                                                   |       |                           |                         |                       |                                   |
| Raising funds                                                           | 4     | 787,663                   | -                       | 787,663               | 930,590                           |
| Other                                                                   |       | 60,449                    | -                       | 60,449                | 58,474                            |
| <b>Total</b>                                                            |       | <u>848,112</u>            | <u>-</u>                | <u>848,112</u>        | <u>989,064</u>                    |
| <b>NET<br/>INCOME/(EXPENDITURE)<br/>Other recognised gains/(losses)</b> |       | (58,545)                  | -                       | (58,545)              | 164,539                           |
| Actuarial gains/(losses) on<br>defined benefit schemes                  |       | 85,000                    | -                       | 85,000                | (57,000)                          |
| <b>Net movement in funds</b>                                            |       | <u>26,455</u>             | <u>-</u>                | <u>26,455</u>         | <u>107,539</u>                    |
| <b>RECONCILIATION OF<br/>FUNDS</b>                                      |       |                           |                         |                       |                                   |
| Total funds brought forward                                             |       | 107,539                   | -                       | 107,539               | -                                 |
| <b>TOTAL FUNDS CARRIED<br/>FORWARD</b>                                  |       | <u>133,994</u>            | <u>-</u>                | <u>133,994</u>        | <u>107,539</u>                    |

The notes form part of these financial statements

**Theatr Clwyd Music Trust Ltd**

**Balance Sheet  
31 August 2023**

|                                                  | Notes | Unrestricted<br>fund<br>£ | Restricted<br>fund<br>£ | Endowment<br>fund<br>£ | 31.8.23<br>Total<br>funds<br>£ | 31.8.22<br>Total<br>funds<br>£ |
|--------------------------------------------------|-------|---------------------------|-------------------------|------------------------|--------------------------------|--------------------------------|
| <b>CURRENT ASSETS</b>                            |       |                           |                         |                        |                                |                                |
| Debtors                                          | 9     | 119,454                   | -                       | -                      | 119,454                        | 140,143                        |
| Cash at bank                                     |       | 132,440                   | -                       | -                      | 132,440                        | 198,418                        |
|                                                  |       | <u>251,894</u>            | <u>-</u>                | <u>-</u>               | <u>251,894</u>                 | <u>338,561</u>                 |
| <b>CREDITORS</b>                                 |       |                           |                         |                        |                                |                                |
| Amounts falling due within one year              | 10    | (145,900)                 | -                       | -                      | (145,900)                      | (174,022)                      |
|                                                  |       | <u>105,994</u>            | <u>-</u>                | <u>-</u>               | <u>105,994</u>                 | <u>164,539</u>                 |
| <b>NET CURRENT ASSETS</b>                        |       |                           |                         |                        |                                |                                |
|                                                  |       | <u>105,994</u>            | <u>-</u>                | <u>-</u>               | <u>105,994</u>                 | <u>164,539</u>                 |
| <b>TOTAL ASSETS LESS<br/>CURRENT LIABILITIES</b> |       |                           |                         |                        |                                |                                |
|                                                  |       | 105,994                   | -                       | -                      | 105,994                        | 164,539                        |
| <b>PENSION<br/>ASSET/(LIABILITY)</b>             |       |                           |                         |                        |                                |                                |
|                                                  | 12    | 28,000                    | -                       | -                      | 28,000                         | (57,000)                       |
|                                                  |       | <u>133,994</u>            | <u>-</u>                | <u>-</u>               | <u>133,994</u>                 | <u>107,539</u>                 |
| <b>NET ASSETS/(LIABILITIES)</b>                  |       |                           |                         |                        |                                |                                |
|                                                  |       | <u>133,994</u>            | <u>-</u>                | <u>-</u>               | <u>133,994</u>                 | <u>107,539</u>                 |
| <b>FUNDS</b>                                     |       |                           |                         |                        |                                |                                |
| Unrestricted funds                               | 11    |                           |                         |                        | 133,994                        | 107,539                        |
| <b>TOTAL FUNDS</b>                               |       |                           |                         |                        |                                |                                |
|                                                  |       |                           |                         |                        | <u>133,994</u>                 | <u>107,539</u>                 |

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

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

.....  
L T Evans-Ford - Trustee

**Theatr Clwyd Music Trust Ltd**

**Cash Flow Statement  
for the Year Ended 31 August 2023**

|                                                                           |       | Year Ended<br>31.8.23<br>£ | Period<br>1.4.21<br>to<br>31.8.22<br>£ |
|---------------------------------------------------------------------------|-------|----------------------------|----------------------------------------|
|                                                                           | Notes |                            |                                        |
| <b>Cash flows from operating activities</b>                               |       |                            |                                        |
| Cash generated from operations                                            | 1     | (66,330)                   | 198,402                                |
| Net cash (used in)/provided by operating activities                       |       | (66,330)                   | 198,402                                |
| <b>Cash flows from investing activities</b>                               |       |                            |                                        |
| Interest received                                                         |       | 352                        | 16                                     |
| Net cash provided by investing activities                                 |       | 352                        | 16                                     |
| <b>Change in cash and cash equivalents in the reporting period</b>        |       | (65,978)                   | 198,418                                |
| <b>Cash and cash equivalents at the beginning of the reporting period</b> |       | 198,418                    | -                                      |
| <b>Cash and cash equivalents at the end of the reporting period</b>       |       | 132,440                    | 198,418                                |

The notes form part of these financial statements

**Theatr Clwyd Music Trust Ltd**

**Notes to the Cash Flow Statement  
for the Year Ended 31 August 2023**

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

|                                                                                                         | Year Ended<br>31.8.23<br>£ | Period<br>1.4.21<br>to<br>31.8.22<br>£ |
|---------------------------------------------------------------------------------------------------------|----------------------------|----------------------------------------|
| <b>Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)</b> | (58,545)                   | 164,539                                |
| <b>Adjustments for:</b>                                                                                 |                            |                                        |
| Interest received                                                                                       | (352)                      | (16)                                   |
| Decrease/(increase) in debtors                                                                          | 20,689                     | (140,143)                              |
| (Decrease)/increase in creditors                                                                        | (28,122)                   | 174,022                                |
| <b>Net cash (used in)/provided by operations</b>                                                        | <u>(66,330)</u>            | <u>198,402</u>                         |

**2. ANALYSIS OF CHANGES IN NET FUNDS**

|                 | At 1.9.22<br>£ | Cash flow<br>£  | At 31.8.23<br>£ |
|-----------------|----------------|-----------------|-----------------|
| <b>Net cash</b> |                |                 |                 |
| Cash at bank    | 198,418        | (65,978)        | 132,440         |
|                 | <u>198,418</u> | <u>(65,978)</u> | <u>132,440</u>  |
| <b>Total</b>    | <u>198,418</u> | <u>(65,978)</u> | <u>132,440</u>  |

The notes form part of these financial statements

# Theatr Clwyd Music Trust Ltd

## Notes to the Financial Statements for the Year Ended 31 August 2023

### 1. ACCOUNTING POLICIES

#### Basis of preparing the financial statements

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

#### Income

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

#### Expenditure

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

#### Taxation

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

#### Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

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

### 2. DONATIONS AND LEGACIES

|                      | Year Ended<br>31.8.23<br>£ | Period<br>1.4.21<br>to<br>31.8.22<br>£ |
|----------------------|----------------------------|----------------------------------------|
| Gifts                | -                          | 4                                      |
| Grants               | 432,738                    | 726,638                                |
| Income               | 356,477                    | 416,691                                |
| Miscellaneous income | -                          | 10,254                                 |
|                      | <u>789,215</u>             | <u>1,153,587</u>                       |

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

|                    | Year Ended<br>31.8.23<br>£ | Period<br>1.4.21<br>to<br>31.8.22<br>£ |
|--------------------|----------------------------|----------------------------------------|
| Other grant income | <u>432,738</u>             | <u>726,638</u>                         |

**Theatr Clwyd Music Trust Ltd**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023**

**3. INVESTMENT INCOME**

|                               | Year Ended<br>31.8.23<br>£ | Period<br>1.4.21<br>to<br>31.8.22<br>£ |
|-------------------------------|----------------------------|----------------------------------------|
| Interest receivable - trading | 352                        | 16                                     |
|                               | <u>352</u>                 | <u>16</u>                              |

**4. RAISING FUNDS**

**Raising donations and legacies**

|               | Year Ended<br>31.8.23<br>£ | Period<br>1.4.21<br>to<br>31.8.22<br>£ |
|---------------|----------------------------|----------------------------------------|
| Support costs | 1,412                      | 7,008                                  |
|               | <u>1,412</u>               | <u>7,008</u>                           |

**Other trading activities**

|                   | Year Ended<br>31.8.23<br>£ | Period<br>1.4.21<br>to<br>31.8.22<br>£ |
|-------------------|----------------------------|----------------------------------------|
| Staff costs       | 779,957                    | 913,777                                |
| Other staff costs | 6,294                      | 9,805                                  |
|                   | <u>786,251</u>             | <u>923,582</u>                         |
| Aggregate amounts | <u>787,663</u>             | <u>930,590</u>                         |

**5. SUPPORT COSTS**

|                                   | Management<br>£ | Finance<br>£ | Information<br>technology<br>£ | Governance<br>costs<br>£ | Totals<br>£   |
|-----------------------------------|-----------------|--------------|--------------------------------|--------------------------|---------------|
| Raising donations and<br>legacies | 1,412           | -            | -                              | -                        | 1,412         |
| Other resources expended          | 44,090          | 6,047        | 9,875                          | 437                      | 60,449        |
|                                   | <u>45,502</u>   | <u>6,047</u> | <u>9,875</u>                   | <u>437</u>               | <u>61,861</u> |

**Theatr Clwyd Music Trust Ltd**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023**

**6. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 August 2023 nor for the period ended 31 August 2022.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 August 2023 nor for the period ended 31 August 2022.

**7. STAFF COSTS**

|                       | Year Ended<br>31.8.23<br>£ | Period<br>1.4.21<br>to<br>31.8.22<br>£ |
|-----------------------|----------------------------|----------------------------------------|
| Wages and salaries    | 632,064                    | 723,614                                |
| Social security costs | 47,060                     | 51,921                                 |
| Other pension costs   | 100,833                    | 138,242                                |
|                       | <u>779,957</u>             | <u>913,777</u>                         |

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

|           | Year Ended<br>31.8.23<br>32 | Period<br>1.4.21<br>to<br>31.8.22<br>31 |
|-----------|-----------------------------|-----------------------------------------|
| Employees | <u>32</u>                   | <u>31</u>                               |

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

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

|                                        | Unrestricted<br>fund<br>£ | Restricted<br>fund<br>£ | Endowment<br>fund<br>£ | Total<br>funds<br>£ |
|----------------------------------------|---------------------------|-------------------------|------------------------|---------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>      |                           |                         |                        |                     |
| Donations and legacies                 | 1,153,587                 | -                       | -                      | 1,153,587           |
| Investment income                      | 16                        | -                       | -                      | 16                  |
| <b>Total</b>                           | <u>1,153,603</u>          | <u>-</u>                | <u>-</u>               | <u>1,153,603</u>    |
| <b>EXPENDITURE ON</b>                  |                           |                         |                        |                     |
| Raising funds                          | 930,590                   | -                       | -                      | 930,590             |
| Other                                  | 58,474                    | -                       | -                      | 58,474              |
| <b>Total</b>                           | <u>989,064</u>            | <u>-</u>                | <u>-</u>               | <u>989,064</u>      |
| <b>NET INCOME</b>                      | 164,539                   | -                       | -                      | 164,539             |
| <b>Other recognised gains/(losses)</b> |                           |                         |                        |                     |

**Theatr Clwyd Music Trust Ltd**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023**

**8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

|                                                     | Unrestricted<br>fund<br>£ | Restricted<br>fund<br>£ | Endowment<br>fund<br>£ | Total<br>funds<br>£ |
|-----------------------------------------------------|---------------------------|-------------------------|------------------------|---------------------|
| Actuarial gains/(losses) on defined benefit schemes | (57,000)                  | -                       | -                      | (57,000)            |
| <b>Net movement in funds</b>                        | 107,539                   | -                       | -                      | 107,539             |
| <b>TOTAL FUNDS CARRIED FORWARD</b>                  | 107,539                   | -                       | -                      | 107,539             |

**9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                |                |                |
|--------------------------------|----------------|----------------|
|                                | 31.8.23<br>£   | 31.8.22<br>£   |
| Trade debtors                  | 27,677         | 51,088         |
| Accrued income                 | 84,688         | 84,688         |
| Prepayments and accrued income | 7,089          | 4,367          |
|                                | <u>119,454</u> | <u>140,143</u> |

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                              |                |                |
|------------------------------|----------------|----------------|
|                              | 31.8.23<br>£   | 31.8.22<br>£   |
| Trade creditors              | 6,417          | 4,817          |
| Other creditors              | 21,026         | 18,238         |
| Accruals and deferred income | 118,457        | 150,967        |
|                              | <u>145,900</u> | <u>174,022</u> |

**11. MOVEMENT IN FUNDS**

|                           | At 1.9.22<br>£ | Net<br>movement<br>in funds<br>£ | At<br>31.8.23<br>£ |
|---------------------------|----------------|----------------------------------|--------------------|
| <b>Unrestricted funds</b> |                |                                  |                    |
| General fund              | 107,539        | 26,455                           | 133,994            |
| <b>TOTAL FUNDS</b>        | <u>107,539</u> | <u>26,455</u>                    | <u>133,994</u>     |

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

|                           | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement<br>in funds<br>£ |
|---------------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| <b>Unrestricted funds</b> |                            |                            |                          |                           |
| General fund              | 789,567                    | (848,112)                  | 85,000                   | 26,455                    |
| <b>TOTAL FUNDS</b>        | <u>789,567</u>             | <u>(848,112)</u>           | <u>85,000</u>            | <u>26,455</u>             |

**Theatr Clwyd Music Trust Ltd**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023**

**11. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

|                           | Net<br>movement<br>in funds<br>£ | At<br>31.8.22<br>£ |
|---------------------------|----------------------------------|--------------------|
| <b>Unrestricted funds</b> |                                  |                    |
| General fund              | 107,539                          | 107,539            |
| <b>TOTAL FUNDS</b>        | <u>107,539</u>                   | <u>107,539</u>     |

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

|                           | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement<br>in funds<br>£ |
|---------------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| <b>Unrestricted funds</b> |                            |                            |                          |                           |
| General fund              | 1,153,603                  | (989,064)                  | (57,000)                 | 107,539                   |
| <b>TOTAL FUNDS</b>        | <u>1,153,603</u>           | <u>(989,064)</u>           | <u>(57,000)</u>          | <u>107,539</u>            |

**12. EMPLOYEE BENEFIT OBLIGATIONS**

The charity participates in the Clwyd Pension Fund which is a multi-employer scheme and is part of the Local Government Pension Scheme in England and Wales. This is a defined benefit pension scheme for qualifying employees and the benefits are set in line with Local Government Pension Scheme Regulations. Benefits vary depending on the employee's joining date and length of participation in the Fund.

The pension cost and provision for the year ended 31st August 2023 are based on the advice of a professionally qualified actuary. The most recent actuarial valuation is dated 31st August 2023 which has been updated to reflect the conditions at the balance sheet date.

| <b>The major assumptions used by the actuary were:</b> | <b>2023</b><br>%     | <b>2022</b><br>%     |
|--------------------------------------------------------|----------------------|----------------------|
| CPI Inflation/care benefits revaluation                | <b>2.8</b>           | 2.8                  |
| Increase in salaries                                   | <b>4.05</b>          | 4.05                 |
| Increase in pensions in payment                        | <b>2.9</b>           | 2.9                  |
| Discount rate                                          | <b>4.3</b>           | 5.2                  |
| <b>Mortality assumptions:</b>                          | <b>2023</b><br>Years | <b>2022</b><br>Years |
| Retiring today                                         |                      |                      |
| Males                                                  | 22.5                 | 20.9                 |
| Females                                                | <b>23.4</b>          | 24.9                 |
| Retiring in 20 years                                   |                      |                      |
| Males                                                  | <b>22.3</b>          | 24                   |
| Females                                                | <b>26.9</b>          | 25.2                 |
| <b>Analysis of amount charged to operating profit:</b> | <b>2023</b><br>£000s | <b>2022</b><br>£000s |

**Theatr Clwyd Music Trust Ltd**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023**

**12. EMPLOYEE BENEFIT OBLIGATIONS - continued**

|                                           |           |            |
|-------------------------------------------|-----------|------------|
| Current service cost                      | 95        | 307        |
| Net interest cost                         | 0         | 3          |
| Administrative expenses                   | 4         |            |
| Total cost recognised in operating profit | <u>99</u> | <u>316</u> |

|                                                                      | 2023<br>£000s | 2022<br>£000s |
|----------------------------------------------------------------------|---------------|---------------|
| <b>Analysis of amount charged to other recognised (gains)/losses</b> |               |               |
| Remeasurements - net (gain)/loss                                     | (92)          | (276)         |
| Effect of asset ceiling                                              | 0             | 0             |
| Total remeasurements (gain)/loss in SOCI                             | (92)          | (276)         |

The amounts included in the balance sheet arising from the company's obligations in respect of defined benefit plans are as follows:

|                                      | 2023<br>£000s | 2022<br>£000s |
|--------------------------------------|---------------|---------------|
| Present value of benefit obligations | 438           | 412           |
| Fair value of plan assets            | (466)         | (355)         |
| Deficit/(surplus) in scheme          | (28)          | 57            |

|                                                                      | 2023<br>£000s |
|----------------------------------------------------------------------|---------------|
| <b>Movements in the present value of defined benefit obligations</b> |               |
| Liabilities at 1 September 2022                                      | 412           |
| Current service cost                                                 | 95            |
| Benefits paid                                                        | 0             |
| Contributions by scheme members                                      | 28            |
| Actuarial gains and losses                                           | (115)         |
| Interest cost                                                        | 18            |
| Liabilities at 31 August 2023                                        | <u>438</u>    |

|                                                   | 2023<br>£000s |
|---------------------------------------------------|---------------|
| <b>Movements in the fair value of plan assets</b> |               |
| Fair value of assets at 1 September 2022          | 355           |
| Interest income                                   | 18            |
| Remeasurements                                    | (22)          |
| Administration expenses                           | (4)           |
| Contributions by the employer                     | 92            |
| Contributions by scheme members                   | 28            |
| Benefits paid                                     | (1)           |
| Fair value of assets at 31 August 2023            | <u>466</u>    |

|                                                      | 2023<br>£000s | 2022<br>£000s |
|------------------------------------------------------|---------------|---------------|
| <b>The fair value of plan assets are as follows:</b> |               |               |
| Equities                                             | 63            | 70            |
| Government bonds                                     | 0             | 0             |

**Theatr Clwyd Music Trust Ltd**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023**

**12. EMPLOYEE BENEFIT OBLIGATIONS - continued**

|                                                    |            |       |
|----------------------------------------------------|------------|-------|
| Other bonds                                        | <b>185</b> | 110   |
| Property                                           | <b>26</b>  | 23    |
| Cash/liquidity                                     | <b>10</b>  | 13    |
| Other                                              | <b>182</b> | 139   |
|                                                    | <hr/>      | <hr/> |
| Fair value of plan assets at the end of the period | <b>466</b> | 355   |

**Defined contribution scheme**

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

**13. RELATED PARTY DISCLOSURES**

During the year there were amounts paid to Theatr Clwyd Trust Ltd of £2,604 (2022: £602) and donations made from Theatr Clwyd Trust Ltd to Theatr Clwyd Music Trust Ltd of £204,556 (2022: £419,370).

Amounts outstanding payable to Theatr Clwyd Trust at 31 August 2023 were £665 (2022: £68). Amounts owed from Theatr Clwyd Trust Ltd at the year end were £4,478 (2022: £1,389).

All transactions between related parties were under normal market conditions.

**Theatr Clwyd Music Trust Ltd**

**Detailed Statement of Financial Activities  
for the Year Ended 31 August 2023**

|                                 | Year Ended<br>31.8.23<br>£ | Period<br>1.4.21<br>to<br>31.8.22<br>£ |
|---------------------------------|----------------------------|----------------------------------------|
| <b>INCOME AND ENDOWMENTS</b>    |                            |                                        |
| <b>Donations and legacies</b>   |                            |                                        |
| Gifts                           | -                          | 4                                      |
| Grants                          | 432,738                    | 726,638                                |
| Income                          | 356,477                    | 416,691                                |
| Miscellaneous income            | -                          | 10,254                                 |
|                                 | <hr/> 789,215              | <hr/> 1,153,587                        |
| <b>Investment income</b>        |                            |                                        |
| Interest receivable - trading   | 352                        | 16                                     |
|                                 | <hr/> 789,567              | <hr/> 1,153,603                        |
| <b>Total incoming resources</b> |                            |                                        |
|                                 |                            |                                        |
| <b>EXPENDITURE</b>              |                            |                                        |
| <b>Other trading activities</b> |                            |                                        |
| Wages                           | 632,064                    | 723,614                                |
| Social security                 | 47,060                     | 51,921                                 |
| Pensions                        | 100,833                    | 138,242                                |
| Other staff costs               | 6,294                      | 9,805                                  |
|                                 | <hr/> 786,251              | <hr/> 923,582                          |
| <b>Support costs</b>            |                            |                                        |
| <b>Management</b>               |                            |                                        |
| Insurance                       | 2,968                      | 7,727                                  |
| Telephone                       | -                          | 80                                     |
| Postage and stationery          | -                          | 277                                    |
| Sundries                        | 494                        | 30                                     |
| Exam costs                      | 3,476                      | 3,550                                  |
| Computer costs                  | 7,540                      | 7,912                                  |
| Staff welfare                   | 412                        | 735                                    |
| Health and safety               | -                          | 3,872                                  |
| Sundry expenses                 | 225                        | 1,111                                  |
| Subscriptions                   | 105                        | 588                                    |
| Travel costs                    | 19,974                     | 19,209                                 |
| Entertainment                   | 710                        | 1,613                                  |
| Advertising                     | 308                        | 437                                    |
| Production and musician fees    | 9,290                      | 6,900                                  |
|                                 | <hr/> 45,502               | <hr/> 54,041                           |
| <b>Finance</b>                  |                            |                                        |
| Bank charges                    | 6,047                      | 3,570                                  |

This page does not form part of the statutory financial statements

**Theatr Clwyd Music Trust Ltd**

**Detailed Statement of Financial Activities  
for the Year Ended 31 August 2023**

|                                 | Year Ended<br>31.8.23<br>£ | Period<br>1.4.21<br>to<br>31.8.22<br>£ |
|---------------------------------|----------------------------|----------------------------------------|
| <b>Finance</b>                  |                            |                                        |
| <b>Information technology</b>   |                            |                                        |
| Repairs and renewals            | 9,875                      | 2,871                                  |
| <b>Governance costs</b>         |                            |                                        |
| Accountancy and legal fees      | 437                        | 5,000                                  |
| Total resources expended        | 848,112                    | 989,064                                |
| <b>Net (expenditure)/income</b> | (58,545)                   | 164,539                                |

This page does not form part of the statutory financial statements